

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 40 - 1

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office**Only Impacts on Original or Engrossed
Versions are Considered Official**Prepared by: Krista Dauenhauer
Reviewed by: John Terpening
Date: 2/18/2019**Measure Description:**

Modifies license fees for heating oil tank regulatory program.

Government Unit(s) Affected:

Department of Environmental Quality (DEQ)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Revenue Impact:

	2019-21 Biennium	2021-23 Biennium
Other Funds	383,959	513,872
Total Funds	\$383,959	\$513,872

Analysis:

This legislation corresponds to *Policy Option Package (POP) 131- Maintain Heating Oil Tank (HOT) Program* within the Department of Environmental Quality (DEQ) budget (HB 5017). The bill would increase existing fees that support the HOT Program which provides oversight and auditing of licensed contractors who clean up oil tanks. Fee revenue supports the personal service and associated services and supplies costs for four existing positions (4.00 FTE) including a Natural Resources Specialist 1, Natural Resource Specialist 3, and two Operations Specialists 2. It is assumed that the DEQ budget already has enough limitation to support these positions, therefore no additional expenditure limitation is necessary.

Heating Oil Tank (HOT) Program Fee Description	Current Fee Amount	Proposed Fee Amount	Assumed Effective Date	2019-21 Additional Revenue	2021-23 Additional Revenue
service provider business license	\$ 750	\$ 1,000	1/1/22		\$ 18,000
service provider individual license	\$ 75	\$ 100	1/1/22		\$ 4,200
certification filing fee	\$ 75	\$ 100	1/1/20	\$ 23,379	\$ 29,938
certification corrective action filing fee-simple	\$ 200	\$ 250	1/1/20	\$ 29,470	\$ 37,737
certification corrective action filing fee-indeterminate	\$ 200	\$ 350	1/1/20	\$ 75,050	\$ 96,104
certification corrective action filing fee-complex	\$ 200	\$ 450	1/1/20	\$ 256,060	\$ 327,893
Total				\$ 383,959	\$ 513,872

*for purposes of this analysis, fee revenue for service provider licenses is assumed to not increase until January 1, 2022. DEQ may assess the increased fee amount prior to January 1, 2022 for license activities occurring on or after January 1, 2022.

The Legislative Fiscal Office notes that if the fee increase is not ratified into law, then the agency may need to hold one of the aforementioned positions vacant during the 2019-21 biennium due to lack of available funding.