

SUBCOMMITTEE RECOMMENDATION

HB 2209

Relating to safe transportation of oil

HB 2209 requires railroads that own or operate a high hazard train route to have an oil spill prevention and emergency response plan approved by the Department of Environmental Quality. Railroads that are required to submit these plans must pay a fee, capped in statute at five hundredths of one percent of gross operating revenues derived from within Oregon. The measure also requires the owner of oil to pay the Department of Revenue a fee, capped in statute at \$20 for each rail car loaded with oil for transport through Oregon.

The revenue from these fees will be used to fund additional positions at DEQ and the State Fire Marshal to work on oil spill prevention and emergency response activities. There is also a fiscal impact to the Department of Revenue for collection of the tax but this can be absorbed within existing resources.

DEQ estimates the fiscal impact of this bill to be \$461,394 Other Funds and 2 positions (1.25 FTE) phased-in to correspond with collection of revenue. Funding to support this work is included in the agency's 2019-21 budget bill.

The State Fire Marshal anticipates the need for a position to implement the training exercises required by the measure, but given uncertainty on the timing of revenue received, the State Fire Marshal can return to the Legislature to request Other Funds limitation and position authority.

The Natural Resources Subcommittee recommends HB 2209 be reported out do pass.