

**SB 1567 A BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

**Prepared By:** Renee Klein and Sione Filimoehala, Department of Administrative Services

**Reviewed By:** John Terpening, Legislative Fiscal Office

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**Department of Environmental Quality**

**2021-23**

**Department of Energy**

**2021-23**

PRELIMINARY

## **Budget Summary\***

	2021-23	2022	Committee Change from	
	Legislatively Approved Budget <sup>(1)</sup>	Committee Recommendation	2021-23 Leg. Approved	
			\$ Change	% Change
<b>Department of Environmental Quality</b>				
General Fund	\$ -	\$ 712,318	\$ 712,318	100%
Total	\$ -	\$ 712,318	\$ 712,318	100%
<b>Oregon Department of Energy</b>				
Federal Funds Limited	\$ -	\$ 327,996	\$ 327,996	100%
Total	\$ -	\$ 327,996	\$ 327,996	100%

## **Position Summary**

### **Department of Environmental Quality**

Authorized Positions	0	4	4
Full-time Equivalent (FTE) positions	0.00	2.00	2.00

<sup>(1)</sup> Includes adjustments through January 2022

\* Excludes Capital Construction expenditures

## **Summary of Revenue Changes**

Senate Bill 1567 appropriates \$712,318 General Fund to the Department of Environmental Quality (DEQ) and increases federal funding by \$327,996 to the Oregon Department of Energy (ODOE) to support work related to seismic vulnerability assessments and energy security plans required of owners and operators of bulk oils and liquid fuels terminals in the measure. The funding for ODOE is from the federal Infrastructure Investment and Jobs Act of 2021 (IIJA). Additionally, the measure allows for DEQ to establish a fee to defray any of the costs of operating the seismic risk mitigation program and establishes a dedicated fund for fee revenue. The Seismic Risk Mitigation Fund is continuously appropriated to DEQ for the purposes of review of seismic risk mitigation implementation plans and seismic risk assessments.

## **Summary of Natural Resources Subcommittee Action**

SB 1567 requires owners and operators of bulk oils and liquid fuels terminals to conduct a vulnerability assessment and implement a seismic risk implementation plan approved by DEQ. These plans must be submitted for approval at least every three years. The measure also requires ODOE to develop an energy security plan.

**Department of Environmental Quality**

The Subcommittee recommended an appropriation of \$712,318 General Fund, and the establishment of three permanent full-time positions (1.50 FTE) and one limited-duration position (0.50 FTE), as well as associated Services and Supplies costs to meet the requirements of the measure. To provide technical support for rulemaking, oversight of contracted professional engineers, implementation of the seismic risk mitigation program, and ongoing compliance work, DEQ will utilize one Electrical Engineer 3 position (0.50 FTE) and one Natural Resource Specialist 4 position (0.50 FTE). An Administrative Specialist 2 position (0.50 FTE) will also be needed to provide support for initial rulemaking, program implementation, and associated compliance work. During program startup, the Subcommittee recommended establishment of a limited duration Operations and Policy Analyst 4 position (0.50 FTE) to lead the rulemaking efforts and to provide interagency coordination. While this position is limited duration, it may be needed to carry forward into the 2023-25 biennium due to the measure's timing. If that is the case, the Department would need to request the continuation of the position as part of its 2023-25 agency budget request.

**Oregon Department of Energy**

The Subcommittee recommended an increase of \$327,996 Federal Fund expenditure limitation in the 2021-23 biennium for expenses related to development of the energy security plans. The federal Infrastructure Investment and Jobs Act of 2021 (IIJA) will provide direction, funding, and technical support to state energy offices across the nation to develop energy security plans. The Department currently has an existing Program Analyst 4 position within the Nuclear Safety and Emergency Response Division to conduct this work, so while no additional position authority or FTE is included, it is anticipated a portion of the existing position would be funded with these IIJA funds.

PRELIMINARY

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

Department of Environmental Quality/Oregon Department of Energy  
 Renee Klein – 971-283-1841

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<b>SUBCOMMITTEE ADJUSTMENTS</b>									
<b>Department of Environmental Quality</b>									
<b>SCR 003 - Land Quality</b>									
Personal Services	\$ 367,721	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 367,721	4	2.00
Services and Supplies	\$ 344,597	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 344,597		
<b>Oregon Department of Energy</b>									
<b>SCR 300 - Nuclear Safety &amp; Emergency Response</b>									
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ 151,908	\$ -	\$ 151,908	0	0.00
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ 161,088	\$ -	\$ 161,088		
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ 15,000		
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ 712,318</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 327,996</b>	<b>\$ -</b>	<b>\$ 1,040,314</b>	<b>4</b>	<b>2.00</b>

% Change from 2021-23 Leg Approved Budget                      0.0%                      0.0%                      100.0%                      0.0%                      0.0%                      0.0%                      100.0%                      0.0%                      0.0%

\*Excludes Capital Construction Expenditures

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