

HB 2949 A STAFF MEASURE SUMMARY**House Committee On Emergency Management, General
Government, and Veterans**

Action Date: 04/08/25**Action:** Do pass with amendments and be referred to Ways and Means by prior reference.
(Printed A-Eng.)**Vote:** 6-1-0-0**Yeas:** 6 - Boice, Evans, Grayber, Lewis, Tran, Watanabe**Nays:** 1 - Skarlatos**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Beverly Anderson, LPRO Analyst**Meeting Dates:** 3/6, 4/8

WHAT THE MEASURE DOES:

The measure requires owners and operators of bulk oil or liquid fuel terminals located in Columbia, Multnomah, or Lane County that are primarily engaged in the transport or bulk storage of oils or liquid fuel products, to acquire and maintain a certificate of financial responsibility in accordance with rules adopted by the Oregon Environmental Quality Commission.

Detailed Summary

- States findings of the Legislative Assembly; requires rules adopted by the Oregon Environmental Quality Commission to align with federal standards while addressing state-specific risks and needs.
- Requires owners and operators of covered entities to acquire and maintain a certificate of financial responsibility in accordance with rules adopted by the commission.
- Describes rules that must be adopted by the commission; lists rules.
- Requires the commission to establish policies and procedures for enforcing rules, including civil penalties.
- Limits the amount of financial assurance that must be obtained by a covered entity to \$300 million.
- Requires the department to evaluate and adjust the maximum amount of financial assurance required every three years.
- Requires the commission to update by rule the minimum amounts of financial assurance established; lists criteria for evaluation.
- Requires the commission to appoint an advisory committee on rules and requirements; lists required advisory committee members.
- Requires the department to submit a report to interim committees of the Legislative Assembly related to emergency management and the environment no later than September 15 of even-numbered years.
- Limits local governments from adopting or enforcing rules or regulations requiring covered entities to obtain a financial assurance mechanism that exceeds, or is in addition, to the rules and requirements of the act.
- Requires, in lieu of the first report, the department to submit a report to interim committees of the Legislative Assembly related to emergency management and the environment no later than September 15, 2026. Describes reporting requirements.
- Limits the department from evaluating or adjusting the maximum amount of financial assurance before January 1, 2030, notwithstanding initial rule making.
- Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Concerns about fuel and oil spills, and impacts on the environment, people, and the economy

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- Questions about why this should be a state law and the role of counties in the process
- Questions about the cost of the study

EFFECT OF AMENDMENT:

The amendment replaces the original measure.

BACKGROUND:

Oregon Revised Statute 468B.510 describes “bulk oils or liquid fuels terminal” as industrial facilities located in Columbia, Multnomah, or Lane County that are primarily engaged in the transport or bulk storage of oils or liquid fuel products and are characterized by having

- marine, pipeline, railroad or vehicular transport access;
- transloading facilities for transferring shipments of oils or liquid fuel products between transportation modes; and
- one or more bulk storage tanks with a combined capacity of two million gallons or more.

According to Multnomah County, 90 percent of all liquid fuel in Oregon is stored at these facilities, which are commonly called the Critical Energy Infrastructure Hub (CEI Hub). Built before the current understanding of the Cascadia Subduction Zone and potential earthquake risk, the CEI Hub is built on soil that has the potential to liquify in a major earthquake.

SMS Corrected on 4/28/25 to reflect Rep. Skarlatos' Nay vote in committee