



Legislative Fiscal Office
83rd Oregon Legislative Assembly
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Bill Title: Relating to dispensing nonretail fuel; prescribing an effective date.

Government Unit(s) Affected: Cities, Department of the State Fire Marshal, Counties

Summary of Fiscal Impact

Costs related to the measure are indeterminate at this time - see explanatory analysis.

Measure Description

The measure modifies who is required to hold a nonretail facility license issued by the Department of the State Fire Marshal (DSFM) by removing the current exceptions to the rule, including the 900-gallon minimum, and where the fuel was purchased, and by whom. Additionally, the measure changes the fee schedule for nonretail customers and operations licenses from annual to every three years.

Fiscal Analysis

The fiscal impact to DSFM is indeterminate and dependent on how many additional licenses the Department is required to issue due to the removal of the exceptions to licensure.

The measure changes the fee schedule that DSFM will collect for nonretail customers and owner/operator licenses. Currently, DSFM charges and collects these fees on an annual basis at \$10 for nonretail customers and \$300 for licenses by September 1 of each year. Under the measure, this would require DSFM to charge and collect the fees once every three years.

The measure applies to license renewals after the effective date which, under the current schedule, the first instance the Department would be able to collect on the new three-year basis for existing licenses would be September 1, 2026. While the overall fee amount remains the same at \$10 and \$300 per year (\$30 and \$900 for three years), it will be collected at one interval and remain valid for a three-year period. As a result, DSFM will see an initial increase in fee revenue collected in the 2025-27 biennium and then a decrease in the 2027-29 due to fees not being collected for active customers and licensees until September 1, 2029.

Additionally, the measure also removes exceptions previously granted around gallonage and thereby could result in additional nonretail customers. The potential increase in fees associated with increased nonretail customers is indeterminate. DSFM reports that while the measure reduces the requirements to be a nonretail customer, the Department is unable to determine what that impact may be or how many individuals will now qualify to be a nonretail customer and pay the fee. While DSFM currently does this work and will need to update existing rules, policies, and procedures related to the changes within the measure, the Department expects to be able to complete the work of the measure under their current service level.

There is no fiscal impact to cities or counties.

Relevant Dates

The measure takes effect on the 91st day after sine die.