



State of Oregon
Department of
Environmental
Quality

UST Compliance Program

UST Compliance Advisory Committee

July 13, 2016
Portland, OR



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Department of
Environmental
Quality

UST Compliance Program Advisory Committee

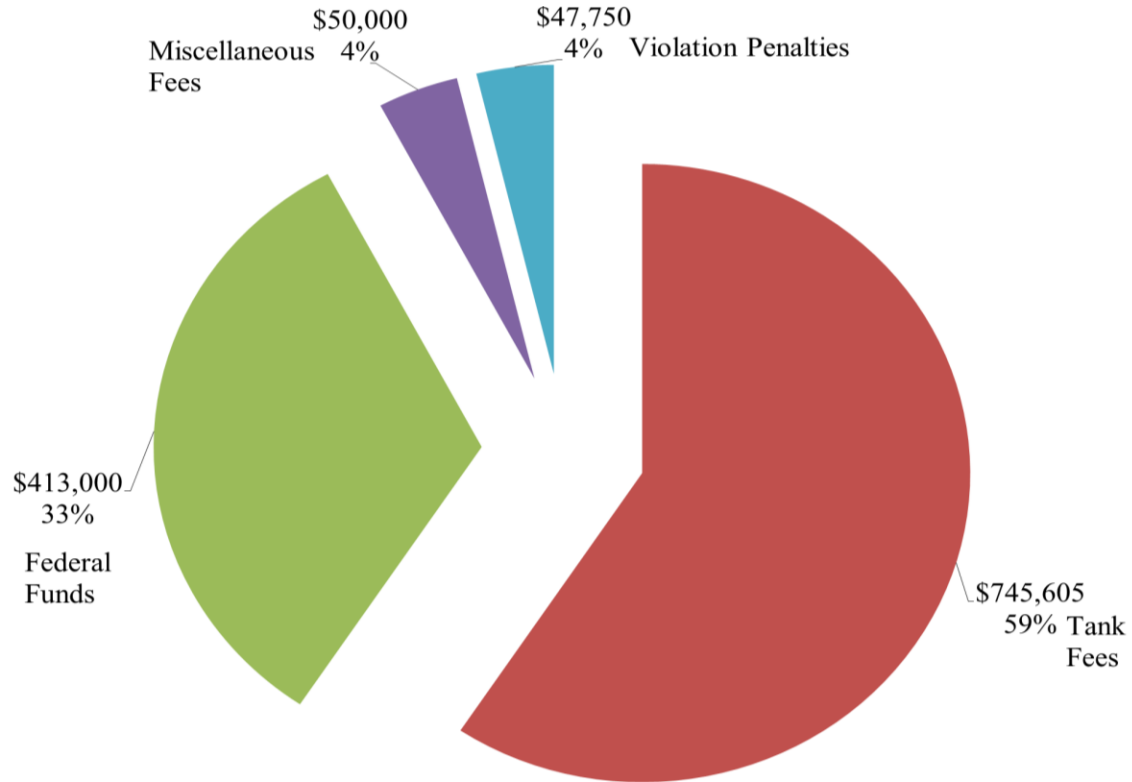


Review of Tank Funding Needs



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Legislatively Approved Budget



Program receives no general fund money.



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Program Today

- 3.5 inspectors = 350 inspections/yr
 - 3.25 staff and managers doing other program work
 - 3 less staff overall in the program
- + 1-2 EPA inspectors = 90 inspections until 9/30/16*



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Funding Shortfall Implications

- Federal grant dollars and fees are declining
- Expenses are up
- We have reduced services to the business community
- EPA is doing more inspections
- Increased environmental risk due to undetected releases



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Throughput Tank Fee Option

Annual Tank fee amount based on facility throughput

Tank Fee	Current	Example	# of Tanks
Annual Fuel Throughput (gallons)			
≤100,000	\$135	\$175	1,000
100,000 – 500,000	\$135	\$225	1,050
500,000 – 1,000,000	\$135	\$360	2,917
≥1,000,000	\$135	\$550	556
Total	\$745,605	\$1,767,170	5,523

Any Questions?

Current Tank Fee Options



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Throughput a Gas Tax?

- 1986 Oregon Attorney General Opinion
- Opinion stated fees were dedicated to roads if:
 - Assessed merely because of the storage of products; or
 - Fuel stored or passing into or out of the facilities
- Current Oregon Dept. of Justice advice cautioned against this option



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Tank Fee Option 1

Annual Facility Compliance Fee Amount Based on Total Capacity

Total Capacity per Facility (in gallons)	Current Per Tank Fee	Proposed Facility Compliance Fee	# of Facilities
≤10,000	\$135	\$191	204
10,001 – 25,000	\$135	\$572	448
25,001 – 35,000	\$135	\$1,527	377
≥35,001	\$135	\$1,718	657
Total	\$745,605	\$1,999,591	1,686



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Tank Fee Option 2

Annual Facility Compliance Fee Amount Based on Total Capacity

Total Capacity per Facility (in gallons)	Current Per Tank Fee	Proposed Facility Compliance Fee	# of Facilities
≤10,000	\$135	\$217	204
10,001 – 30,000	\$135	\$650	595
30,001 – 50,000	\$135	\$1,732	737
≥50,001	\$135	\$1,949	150
Total	\$745,605	\$1,999,763	1,686



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Tank Fee Option 3

Annual Facility Compliance Fee Amount Based on Total Capacity

Total Capacity per Facility (in gallons)	Current Per Tank Fee	Proposed Facility Compliance Fee	# of Facilities
≤10,000	\$135	\$195	204
10,001 – 25,000	\$135	\$585	448
25,001 – 40,000	\$135	\$1,560	596
≥40,001	\$135	\$1,755	438
Total	\$745,605	\$1,999,763	1,686



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Fee Based on Capacity

- 466.785 Annual ~~storage tank~~ compliance fee; late payment fee. (1) Every underground storage tank permittee shall pay a fee per calendar year ~~in the amount of \$135 per tank~~ based on the total capacity in gallons of all regulated underground storage tanks at an underground storage tank facility ~~per calendar year~~ in accordance with the following schedule:
- (a) XX,XXX gallons or less, \$XXX per facility.
 - (b) XX,XXX – XX,XXX gallons, \$XXX per facility.
 - (c) XX,XXX – XX-XXX gallons, \$X,XXX per facility.
 - (d) XXX,XXX gallons or more, \$X,XXX per facility.

Any Questions?

Next Steps

Thank you!