



State of Oregon Department of Environmental Quality

# Draft Fiscal Impact Statement

2025 Underground Storage Tanks Contractor Rulemaking  
Advisory Committee Meeting 2

## Fee analysis

This rulemaking does not involve fees.

## Statement of fiscal and economic impact

### Fiscal and economic impact

The proposed rule changes would add new notification and reporting requirements for UST contractors. The fiscal and economic impacts would be in increased UST Service Provider staff time to perform those actions. These increased staff costs would be passed along, wholly or in part, to the UST owners and operators contracting for UST services.

### Statement of cost of compliance

All UST owners and operators are required to contract for UST services unless they or their employees have met the same requirements for licensing that apply to UST service providers and supervisors. The direct costs of compliance with the proposed changes will fall on UST service providers, and all or part of these costs are likely to be passed on to UST owners and operators in the form of higher prices for services.

Table 1 lists the notifications required in the proposed rules and how frequently they occur. These are the assumptions these numbers are based on:

- Each notification takes 30 minutes of UST service provider time with a cost of \$45/hour. This cost was provided by RAC member Matt Failor of Meng-Hannan.
- Every year, Oregon UST facilities will undergo:
  - 25 installations
  - 21 modifications
  - 90 repairs
  - 53 decommissionings

### Translation or other formats

Español | 한국어 | 繁體中文 | Русский | Tiếng Việt | العربية  
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State of Oregon  
Department of Environmental Quality

Table 1

<b>Table 1 Proposed Notification Requirements</b>	
<b>Type</b>	<b>Frequency</b>
Annual testing notification	Yearly
Annual testing results	Yearly
Installation: setting tank(s)	25/1660 per year
Installation: primary and secondary pipe testing	25/1660 per year
Installation: integrity testing pf sumps and spill buckets	25/1660 per year
Installation: backfilling the piping and tank top(s)	25/1660 per year
Installation: start up testing	25/1660 per year
Modification: primary and secondary pipe testing	21/1660 per year
Modification: integrity testing pf sumps and spill buckets	21/1660 per year
Modification: backfilling the piping and tank top(s)	21/1660 per year
Modification: start up testing	21/1660 per year
Repairs: starting the repair	90/1660 per year
Repairs: testing the repair	90/1660 per year
Decommissioning: site assessment sampling	53/1660 per year
Decommissioning: removing the tank(s)	53/1660 per year

Table 2 lists the additional tasks that will require the presence of a licensed UST supervisor in the proposed rules. These are the assumptions these numbers are based on:

- The pay differential between a licensed UST supervisor and an unlicensed technician is \$20%, or \$7.50. This number was provided by UST Supervisor Roger Edens of Full Cycle Environmental.
- Every year, Oregon UST facilities will undergo 90 repairs
- Annual testing that currently does not require a licensed UST supervisor takes 2 hours/year
- A typical repair will take 8 hours

<b>Table 2 Proposed Required Presence of Licensed Supervisor</b>		
<b>Type</b>	<b>Frequency</b>	<b>Additional Cost</b>
Annual testing	Yearly	\$15
Repairs	90/1660	\$60

## **State agencies**

State agencies, such as the Department of Transportation, own and operate UST facilities, and would be impacted by any increase in costs passed on by UST Service Providers. There are currently 20 such facilities with active tanks. In addition, ODOT decommissions approximately 2.6 discovered USTs per year.

As described in Tables 1 & 2, projected notification and reporting requirements, and the required presence of a licensed Supervisor for all repairs and testing will add

- \$60 per year per facility for annual testing
- \$112.50 per facility for each installation
- \$90 per facility for modifications
- \$105 per facility for repairs
- \$45 per facility for decommissionings

to the payroll costs of UST Service Providers. To the extent that these costs are passed along to UST owners and operators, they will affect UST facilities owned by state agencies, instead

## **Local governments**

Local governments own and operate UST facilities, and would be impacted by any increase in costs passed on by UST Service Providers. There are currently 107 such facilities with active tanks. (Are we able to estimate the cost increase to local governments? I feel like that is missing as a last sentence here)

As described in Tables 1 & 2, projected notification and reporting requirements, and the required presence of a licensed Supervisor for all repairs and testing will add

- \$60 per year per facility for annual testing
- \$112.50 per facility for each installation
- \$90 per facility for modifications
- \$105 per facility for repairs
- \$45 per facility for decommissionings

to the payroll costs of UST Service Providers. To the extent that these costs are passed along to UST owners and operators, they will affect UST facilities owned by local governments, instead

## **Public**

Members of the public would be impacted by these changes by any increase in fuel prices caused by the increase in costs that are likely to be passed down to consumers. DEQ is unable to quantify that impact with the data available.

## **Large businesses - businesses with more than 50 employees**

UST Service Providers: Fourteen licensed UST service providers are considered large businesses)

UST Facility Owners: Of the 1511 currently active, privately-owned UST facilities, 854 are owned by 89 large businesses.

As described in Tables 1 & 2, projected notification and reporting requirements, and the presence of a licensed Supervisor will add

- \$60 per year per facility for annual testing
- \$112.50 per facility for each installation
- \$90 per facility for modifications
- \$105 per facility for repairs
- \$45 per facility for decommissionings

to the payroll costs of UST Service Providers. To the extent that these costs are passed along to UST owners and operators, they will affect UST facilities instead.

## **Small businesses – businesses with 50 or fewer employees**

### **ORS 183.336 Cost of Compliance Effect on Small Businesses**

#### **a. Estimated number of small businesses and types of businesses and industries with small businesses subject to proposed rule.**

There are currently 58 licensed UST service providers that can be considered small businesses. Of the 1511 currently active, privately-owned UST facilities, 654 are small businesses. Thus, 712 small businesses will be affected by the proposed rule.

#### **b. Projected reporting, recordkeeping and other administrative activities, including costs of professional services, required for small businesses to comply with the proposed rule.**

As described in Tables 1 & 2, projected notification and reporting requirements will add

- \$45 per year per facility for annual testing
- \$112.50 per facility for each installation
- \$90 per facility for modifications
- \$45 per facility for repairs
- \$45 per facility for decommissionings

to the payroll costs of UST Service Providers. To the extent that these costs are passed along to UST owners and operators, they will affect UST facilities instead.

**c. Projected equipment, supplies, labor and increased administration required for small businesses to comply with the proposed rule.**

As described in Table 2, increased pay for UST supervisors will increase the cost of repairs and testing for UST service providers by:

- \$15 per facility for testing
- \$60 per facility for repairs

There are currently four licensed UST service providers who have testing-only licenses. One of them is a small business. The initial cost to obtain an Oregon CCB license is \$300, plus the costs of insurance, surety bond and education credits, which a service provider may or may not already have.

**d. Describe how DEQ involved small businesses in developing this proposed rule.**

DEQ included representatives from both independent gas station owners and UST service providers with fewer than 50 employees on the advisory committee for this rulemaking. In addition, the Oregon Fuels Association was represented by their lobbyist firm, Romain Freese, LLC.

**Documents relied on for fiscal and economic impact**

<b>Document title</b>	<b>Document location</b>
Oregon DEQ UST database	700 NE Multnomah St Portland, OR 97232
Oregon DEQ Licensing database	700 NE Multnomah St Portland, OR 97232

## **Advisory committee fiscal review**

DEQ appointed an advisory committee.

As ORS 183.333 requires, DEQ will ask for the committee's recommendations on:

- Whether the proposed rules would have a fiscal impact,
- The extent of the impact, and
- Whether the proposed rules would have a significant adverse impact on small businesses; if so, then how DEQ can comply with ORS 183.540 reduce that impact.

## **Housing cost**

As ORS 183.534 requires, DEQ evaluated whether the proposed rules would have an effect on the development cost of a 6,000-square-foot parcel and construction of a 1,200-square-foot detached, single-family dwelling on that parcel.

DEQ determined the proposed rules would have no effect on the development costs because any increase in cost of retail fuel due to this rulemaking would have a negligible effect.

## **Non-discrimination statement**

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