

Analysis

Item 99: Legislative Fiscal Office for Military Department

Emergency Preparedness Equipment for Fuel Distribution Facilities

Analyst: Julie Neburka

Request: Allocate \$188,000 from the Emergency Fund to the Military Department to fund emergency preparedness equipment for fuel distribution facilities.

Analysis: The Office of Emergency Management (OEM) assesses and plans for threats and hazards the state faces. It coordinates the activities of all public and private emergency services organizations in Oregon, and leads statewide planning efforts for emergency preparedness, emergency response, and hazards. The office manages over \$182 million in federal grants used by state and local governments to increase security, to prepare for and respond to natural disasters, and to mitigate floods. From time to time it distributes state-funded grants to provide emergency preparedness and response equipment to local governments.

OEM has begun funding equipment used at fuel distribution facilities that allows fuel to be dispensed in the event of a power disruption. This equipment allows existing Oregon Military Department emergency generators and those of other emergency first responders to power fuel pumps and access motor vehicle fuels in an emergency. In 2016, the Emergency Board allocated \$100,000 from the Emergency Fund to the Oregon Military Department to issue grants for this equipment. The office reports having spent \$100,000 to date to fund equipment at 25 fuel distribution facilities statewide, but is aware of nearly four dozen additional facilities seeking to be equipped.

Legislative Fiscal Office Recommendation: Allocate \$188,000 from the Emergency Fund to the Military Department to fund emergency preparedness equipment for fuel distribution facilities.

**State of Oregon
Legislative Fiscal Office**

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Ken Rocco
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September 14, 2018

The Honorable Senator Peter Courtney, Co-Chair
The Honorable Representative Tina Kotek, Co-Chair
Oregon Emergency Board
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairs:

Nature of Request

On behalf of legislative leadership, the Legislative Fiscal Office (LFO) requests that \$188,000 be allocated from the Emergency Fund to the Oregon Military Department (OMD) to provide funding for grants to fuel distribution facilities to allow fuel to be dispensed in the event of a power disruption.

Agency Actions

The Oregon Military Department, Office of Emergency Management (OEM) established the grant program required by SB 1523 (2016) to distribute funds from the Fuel Storage Facility Compatibility Fund created by the bill. The purpose of the Fund is to finance the installation of generator connectors to allow the withdrawal of fuel from certain cardlock fuel storage facilities in an emergency when electrical power has been disrupted. Funding for the Fuel Storage Facility Compatibility Fund is statutorily capped at \$100,000, with the maximum single grant award limited to \$4,000. OEM received \$100,000 for the grant program from the Emergency Board in September 2016. There are now additional fuel distribution facilities eligible for the \$4,000 award. The Fuel Storage Facility Compatibility Fund sunsets by June 30, 2022; any funds remaining on that date are to be transferred back to the General Fund for other governmental purposes.

Action Requested

Allocate \$188,000 from the Emergency Fund to the Oregon Military Department, Office of Emergency Management, to provide grants to fuel distribution facilities.

Ken Rocco
Legislative Fiscal Officer