**HB 658-FN - AS INTRODUCED**

2025 SESSION

25-0350
08/06

HOUSE BILL ***658-FN***

AN ACT raising the cap on certain reimbursements from the oil discharge and disposal cleanup fund.

SPONSORS: Rep. Edgar, Rock. 29; Rep. N. Murphy, Hills. 12; Sen. Watters, Dist 4; Sen. Pearl, Dist 17

COMMITTEE: Environment and Agriculture

---

ANALYSIS

This bill raises the cap on reimbursement from the oil discharge an disposal cleanup fund for owners of on-premise-use facilities who have demonstrated financial need.

This bill is a request of the department of environmental services.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

**HB 658-FN - AS INTRODUCED**

25-0350
08/06

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Five*

AN ACT raising the cap on certain reimbursements from the oil discharge and disposal cleanup fund.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1 Oil Discharge and Disposal Cleanup Fund; Board Duties; Report Date. Amend RSA 146-D:5, II to read as follows:

II. The board shall submit an annual report of the status of the oil discharge and disposal cleanup fund no later than [~~October 1~~], ***March 1*** to the governor and council, speaker of the house, president of the senate, house environment and agriculture committee and senate environment committee.

2 Oil Discharge and Disposal Cleanup Fund; Eligible Expenses and Availability of Funds. Amend RSA 146-D:6, III to read as follows:

III. Owners of on-premises-use facilities who have demonstrated financial need may apply for reimbursement of costs to meet local and department operating standards in amounts not to exceed a total of [~~$3,300~~] ***$4,000***, and may apply for reimbursement of underground storage tank abandonment or removal costs in amounts not to exceed a total of [~~$2,500~~] ***$4,500***.

3 Oil Pollution Control Fund; License Required; Effective July 1, 2025. Amend RSA 146-A:11-b, II to read as follows:

II. Any person who imports or causes to be imported oil into the state, except those using oil pipelines, railroads, and highways to transport oil products between states other than New Hampshire or for international transport of oil products, shall be licensed by the department of safety under this chapter. The annual fee for the license shall be [~~$0.01625~~] ***$0.01546*** per gallon of on-road and off-road gasoline and diesel fuel, [~~$0.01375~~] ***$0.02715*** per gallon of fuel oil, diesel products, and used oil for on-premise heating, [~~$0.04125~~] ***$0.01478*** per gallon of motor oil and [~~$.00125~~] ***$0.00215*** per gallon of all other oil imported into this state. The fee shall be paid monthly by such person to the department of safety. The department of safety shall deposit the first $125,000 of fees paid in each fiscal year into the general fund. The remainder shall be deposited into the oil pollution control fund established under RSA 146-A:11-a, and the oil discharge and disposal cleanup established under RSA 146-D:3, I, based on an allocation determined for each fiscal year by the department of environmental services and the oil fund disbursement board. Imposition of the fee shall be based on the record of the person and certified as accurate to the department of safety.

4 Oil Pollution Control Fund; License Required; Effective July 1, 2035. Amend RSA 146-A:11-b, II to read as follows:

II. Any person who imports or causes to be imported oil into the state, except those using oil pipelines, railroads, and highways to transport oil products between states other than New Hampshire or for international transport of oil products, shall be licensed by the department of safety under this chapter. The annual fee for the license shall be[~~$.00125~~] ***$0.00215*** per gallon of oil imported into this state. The fee shall be paid monthly by such person to the department of safety. The department of safety shall deposit the first $125,000 of fees paid in each fiscal year into the general fund. The remainder shall be deposited into the oil pollution control fund administered by the department of environmental services. Imposition of the fee shall be based on the record of the person and certified as accurate to the department of safety.

5 Effective Date; July 1, 2035. Amend 2015, 142:17, I to read as follows:

I. Sections 3, [~~5,~~] 8 and 16 of this act shall take effect at 12:01 a.m. on [~~July 1, 2025~~] ***July 1, 2035***.

6 Effective Date.

I. Section 4 of this act shall take effect at 12:01 a.m. on July 1, 2035.

II. The remainder of this act shall take effect June 30, 2025.

LBA
25-0350
Revised 2/18/25

**HB 658-FN- FISCAL NOTE**
AS INTRODUCED

AN ACT raising the cap on certain reimbursements from the oil discharge and disposal cleanup fund.

**FISCAL IMPACT:**

| Estimated State Impact | | | | |
|---|---|---|---|---|
| | **FY 2025** | **FY 2026** | **FY 2027** | **FY 2028** |
| **Revenue** | $0 | $500,000 | $350,000 | $55,000 |
| *Revenue Fund(s)* | Oil Import Fees | | | |
| **Expenditures*** | $0 | $154,000 | $154,000 | $154,000 |
| *Funding Source(s)* | Oil Fund Reimbursements | | | |
| **Appropriations*** | $0 | $0 | $0 | $0 |
| *Funding Source(s)* | None | | | |

***Expenditure = Cost of bill** ***Appropriation = Authorized funding to cover cost of bill**

**METHODOLOGY:**

This bill raises the caps on reimbursement from the oil discharge and disposal cleanup fund for owners of on-premise use fuel oil tanks who demonstrate financial needs. This bill also reauthorizes the collection of oil import fees that are deposited into the oil discharge and disposal cleanup fund.

The Department of Environmental Services indicates this bill raises reimbursement caps for the installation of a new, compliant home heating oil tank (from $3,300 to $4,000) and the removal of an old underground home heating oil tank (from $2,500 to $4,500). Each year, the oil discharge and disposal cleanup fund reimburses the replacement of approximately 200 home heating oil tanks. The reimbursement for these replacements would increase by $700 per tank, resulting in an annual cost increase of $140,000. Additionally, the fund covers, on average, the removal of 7 underground home heating oil tanks annually. The bill increases the reimbursement cap for this removal by $2,000 per tank, leading to an annual cost increase of $14,000. In total, the bill is expected to increase expenditures by $154,000 per year ($140,000 for replacements + $14,000 for removals).

Additionally, this bill reauthorizes the collection of oil import fees. The reauthorization change is as follows:

| Oil Type | Current Fee | Proposed Fee |
|---|---|---|
| On-road and off-road gasoline and diesel fuel | 0.01625 | 0.01546 |
| Fuel oil, diesel products and used oil for on-premise heating | 0.01375 | 0.02715 |
| Motor oil | 0.04125 | 0.01478 |
| All other oil | 0.00125 | 0.00215 |

The Oil Pollution Control Fund and the Oil Discharge and Disposal Cleanup Fund currently generate approximately $17,000,000 annually from collected fees. Based on forecasted oil import volumes provided in an actuarial analysis to the Oil Fund Disbursement Board, revenue is projected to increase in the following fiscal years:

- FY26: $17,496,966 – $17,000,000 = $496,966 increase
- FY27: $17,339,155 – $17,000,000 = $339,155 increase
- FY28: $17,053,559 – $17,000,000 = $53,559 increase

These projections are based on expected oil import volumes and the proposed fee structure.

| **On-Road and Off-Road Gasoline and Diesel Fuel** | | | |
|---|---|---|---|
| Fiscal Year | FY26 | FY27 | FY28 |
| Gallons | 733,620,001 | 725,257,012 | 715,500,191 |
| Fee | $0.01546 | $0.01546 | $0.01546 |
| Revenue | $11,341,765 | $11,212,473 | $11,061,633 |

| **Fuel Oil, Diesel Products and Used Oil for On-Premise Heating** | | | |
|---|---|---|---|
| Fiscal Year | FY26 | FY27 | FY28 |
| Gallons | 134,561,925 | 134,561,925 | 130,824,094 |
| Fee | $0.02715 | $0.02715 | $0.02715 |
| Revenue | $3,653,356 | $3,653,356 | $3,551,874 |

| **Motor Oil** | | | |
|---|---|---|---|
| Fiscal Year | FY26 | FY27 | FY28 |
| Gallons | 3,749,624 | 3,706,880 | 3,657,012 |
| Fee | $0.01478 | $0.01478 | $0.01478 |
| Revenue | $55,419 | $54,788 | $54,051 |

| **All Other Oil** | | | |
|---|---|---|---|
| Fiscal Year | FY26 | FY27 | FY28 |
| Gallons | 1,137,872,479 | 1,124,901,165 | 1,109,767,965 |
| Fee | $0.00215 | $0.00215 | $0.00215 |
| Revenue | $2,446,426 | $2,418,538 | $2,386,001 |

| Total Revenue Impact | | | |
|---|---|---|---|
| **Fiscal Year** | **FY26** | **FY27** | **FY28** |
| **Total New Revenue** | **$17,496,966** | **$17,339,155** | **$17,053,559** |
| **Current Estimated Revenue** | **$17,000,000** | **$17,000,000** | **$17,000,000** |
| **Difference** | **$496,966** | **$339,155** | **$53,559** |

**AGENCIES CONTACTED:**

Department of Environmental Services