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STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION



MELANIE LOYZIM
COMMISSIONER

TESTIMONY OF

**MELANIE LOYZIM
COMMISSIONER**

MAINE DEPARTMENT OF ENVIRONMENTAL PROTECTION

SPEAKING IN SUPPORT OF L.D. 26

**An Act to Add an Inflation Adjustment to the Maximum Amount of
Funding Disbursed from the Maine Ground and Surface Waters Clean-
up and Response Fund for Certain Personal Services of the
Department of Environmental Protection**

SPONSORED BY SEN. CARNEY

**BEFORE THE JOINT STANDING COMMITTEE
ON
ENVIRONMENT AND NATURAL RESOURCES**

DATE OF HEARING:

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Senator Tepler, Representative Doudera, and members of the Committee, I am Melanie Loyzim, Commissioner of the Department of Environmental Protection, speaking in support of L.D. 26.

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L.D. 26 would amend Title 38, Section 551 to allow the administrative and personal services cap in the Ground and Surface Water Clean-up and Response Fund (Fund) to be increased annually by the Consumer Price Index (CPI).

The Ground and Surface Water Clean-up and Response Fund derives its funding from per barrel fees on oil transported into Maine by ship, rail, or highway. The purpose of the Fund is to cover the costs for cleaning up oil spills. This enables the Department to immediately deploy resources when a spill occurs, and depending on who caused the spill, the Department can recover its costs after clean-up is done. The fund also meets requirements of the U.S. Environmental Protection Agency for underground oil storage facilities, such as gas stations, to have insurance coverage for releases of petroleum products.

Title 38, Section 551 specifies how revenues in the Fund can be used, with expenditures reviewed regularly by members of the Cleanup and Response Fund Review Board appointed by the Legislature and the Governor (38 M.R.S. §568-B). This includes paying for clean-up contractors, removal and disposal of contaminated materials, equipment, installation of new drinking water wells, 3rd party damage claims, support for the Fire Marshal's oversight of aboveground oil storage facilities, and pre-emptive removal of home heating oil tanks that are a threat to drinking water supplies. This is the fund that enabled DEP staff to help Maine residents in December 2023 when rising river waters flooded their basements and yards and caused almost 100 home heating oil tanks to spill their contents in a matter of days. Maine's law requires an oil tank owner to pay a deductible – for homeowners with up to 1,320 gallons of oil storage capacity it's \$500 – and then all other costs associated with cleaning up a spill from their tank is covered by the Fund.

The Department is requesting this revision because personnel costs for the positions that provide these services have increased since the cap was set in 2015. An annual CPI adjustment of the administrative cap will allow limits on personnel costs to generally keep up with changes in the economy.

L.D. 26 An Act to Add an Inflation Adjustment to the Maximum Amount of Funding Disbursed from the Maine Ground and Surface Waters Clean-up and Response Fund for Certain Personal Services of the Department of Environmental Protection
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Thank you for the opportunity to provide testimony on L.D. 26. I am available to answer questions of the Committee, both now and at work session.