

Governor's Office of Management and Budget

Alexis Sturm

Director



Regulatory Sunset Act Study of

The Petroleum Equipment Contractors Licensing Act

May 8, 2026

**To the Honorable JB Pritzker
Governor of Illinois**

Governor Pritzker:

As required by Section 5 of the Regulatory Sunset Act (5 ILCS 80/1 et seq.), GOMB facilitated a study with the Illinois Office of the State Fire Marshall (OSFM), the agency responsible for oversight of the Petroleum Equipment Contractors Licensing Act (225 ILCS 729) (the Act), which is scheduled to be repealed on January 1, 2027. This study provides justification for the recommendation to continue this Act.

GOMB's examination of this Act was conducted considering the factors set out in Sections 6 and 7 of the Regulatory Sunset Act. The following report outlines the work of GOMB's study and details the criteria and data utilized to arrive at the above recommendation.

Respectfully,

Alexis Sturm
Director
Governor's Office of Management and Budget

GOMB Regulatory Sunset Act Report: Petroleum Equipment Contractors Licensing Act

The State of Illinois, acting through the Office of the State Fire Marshall (OSFM or the Department), licenses the profession of Petroleum Equipment Contractors (a.k.a. Underground Storage Tank Contractors) pursuant to the Act.

Federal Underground Storage Tank (UST) regulations (adopted by U.S. EPA) require that industry codes and standards be followed to ensure that the UST systems are properly designed, constructed, installed, maintained and closed. The licensing and registration requirements of this Act exist because working on UST systems requires detailed technical knowledge.

After a number of serious fires and explosions involving death and bodily harm to UST workers and nearby citizens, the Petroleum Equipment Contractors Licensing Act (PECLA) (225 ILCS 729) was passed in 2002 (Public Act 92-0618, effective 07-11-02). This statute replaced the Office of the State Fire Marshal's (OSFM's) authority under the Gasoline Storage Act (430 ILCS 15) to license and regulate contractors working on underground storage tank systems. In addition to clarifying various licensure issues, PECLA also provided enforcement authority and hearing rights not previously contained in the Gasoline Storage Act. PECLA was previously renewed and revised effective August 16, 2011 (Public Act 97-0428) and January 1, 2022 (Public Act 102-20).

1. License Count and Fee Structure (5 ILCS 80/6(1) and (3))

As of July 31, 2025, OSFM states that there are 119 Licensed Contractor Companies with 431 certified employees in Illinois. See the following table for the number of Contractor Companies licensed by OSFM in the fiscal years indicated:

License, Credential, Certification Type	FY21	FY22	FY23	FY24	FY25
Licensed Contractor Companies	124	122	118	125	119

Licensed Contractor Companies have the following licensure fee structure:

License, Credential, or Certification Type	Fee Amount	Online Payment Option
Biennial Licensing Fee	\$1,000 per UST module	<input checked="" type="checkbox"/>
UST activity permit Fee	\$200 each	<input checked="" type="checkbox"/>
License Restoration Fee	\$50 plus \$1,000 per module	<input checked="" type="checkbox"/>
Change of name if no FEIN change Fee	\$0	<input checked="" type="checkbox"/>
Change of name with new FEIN or ownership Fee	\$1,000 per UST module	<input checked="" type="checkbox"/>

2. Obtaining Certification in Illinois (5 ILCS 80/6(11))

Each licensed contractor company must meet the educational and business requirements of 41 Ill. Adm. Code 172.40 and fulfill continuing education requirements to renew the license. Each licensed contractor company must have at least one certified employee who has passed an International Code Council (ICC) certification exam related to the type of UST work the contractor desires to perform.

Licensure is based on the area of competency of certified employees who supervise work. An Occupational Safety and Health Administration (OSHA) issued 40-hour safety training certificate, with annual 8-hour refresher courses, is also required for every employee.

This licensure is subject to Administrative Rules, 41 Ill. Admin. Code 172: Petroleum Equipment Contractor Licensing. ICC is a third-party organization which offers courses and exams on different content areas. Test preparation for the ICC certification exams are available online. ICC exams can be taken at any Pearson Vue testing location nationwide. <https://www.iccsafe.org/>

3. Equity Concerns (5 ILCS 80/6(10), (12) and (13))

OSFM states that equity issues may have an impact on those seeking to become Licensed Contractor Companies in the State of Illinois. These issues include financial challenges such as the cost to obtain licensure and the failure to complete licensure due to access to training, education, and geographic location of training and testing sites.

Persons who speak English as a second language may have difficulty with the licensure process. OSFM asserts that it has done its best to minimize any barriers to licensure by requiring universally accepted qualification requirements and imposing fair standards of professionalism.

4. Agency recommendations to change the statute (5 ILCS 80/6(4) and (9))

OSFM does not have amendatory recommendations for this Act. The Department is continuously monitoring the impact the current statutory language has on practitioners, while closely observing what changes can be made to better benefit the public.

5. Agency efforts to comply with enabling laws (5 ILCS 80/6(3), (4) and (5))

At the time of this study, GOMB is not aware of any compliance issues by OSFM related to the provisions of the Act.

6. Recent bills introduced by the General Assembly (5 ILCS 80/6(9))

According to OSFM, there have been no statutory changes recently introduced by the General Assembly.

7. Stakeholder Feedback and Protocols for the Act (5 ILCS 80/6(5), (6), (7), (8), (10) and 5 ILCS 80/7)

OSFM adopts administrative rules through the process established by the Joint Committee on Administrative Rules (JCAR). This process allows for input from licensees impacted by the Office's proposed changes, as well as participation by members of the public.

Although contractors are not required to comment on agency rulemaking and decisions, OSFM proactively seeks input on its technical requirements and feedback on provision of service from contractors. OSFM strives to inform contractors of upcoming changes as early as possible, to ensure contractors understand the implications to the work and work processes, and to allow flexibility where safely possible, for the benefit of industry and the affected public.

8. Public Outreach (5 ILCS 80/6(5), (6), (7) and (8) and 5 ILCS 80/7)

OSFM posts information on its website and utilizes an established system for contractors and OSFM to share information on proposed rulemakings with licensees and the public. Though not utilized in the last five years, during prior extensive and complex rulemaking, OSFM held statewide public outreach meetings and invited affected stakeholders, including contractors regulated under PECLA and facility owners/operators of underground storage tanks to ask questions, make suggestions, and provide feedback. Throughout the rulemaking process OSFM accepts comments.

The OSFM appreciates the involvement of stakeholders and carefully considers questions and comments received during rulemaking. OSFM will make changes based on feedback where changes can improve or clarify the rules. After the rulemaking has been adopted, OSFM may hold informational sessions prior to the rulemaking's effective date to provide further information to contractors whose work would be affected by changes.

9. Industry Standards (5 ILCS 80/6(11) and (12))

OSFM states that the Illinois personal qualifications required for this profession are in line with industry standards.

Illinois is a member of USEPA Region 5 (Illinois, Indiana, Michigan, Ohio and Wisconsin). If a contractor is ICC certified in another state, they can submit the original ID passing exam report from Pearson VUE as proof of certification.

In 1984, Congress directed the U.S. EPA to develop regulations for UST systems. U.S. EPA issued federal regulations, effective December 1988. U.S. EPA published the current federal UST regulation in 2015. These revisions strengthen the 1988 federal regulations by increasing emphasis on properly operating and maintaining UST equipment. Federal UST regulations often require industry codes and standards be followed to ensure that the UST system is properly designed, constructed, installed, and maintained. U.S. EPA contractor certification requirements are noted in the Code of Federal Regulations Part 280 Technical Standards and Corrective Action Requirements for Owners and Operators of Underground Storage Tanks (UST).

States are the primary implementers of the UST program created by U.S. EPA and may have requirements more stringent than the federal regulations. Many other states have other regulatory oversight of these contractors through regional or statewide authorities and require that those working on USTs be licensed or certified. Some states have state-specific exams in addition to nationally recognized certification exams of the International Code Council (ICC).

The Indiana Department of Environmental Management (IDEM) regulates the underground storage tank program. Like Illinois, Indiana requires contractor certification to perform installation/retrofitting, cathodic protection, testing and decommissioning of tank activity.

The Minnesota Pollution Control Agency (MPCA) requires anyone that installs, repairs, or removes regulated underground storage tanks to be certified by MPCA. In Minnesota, it is unlawful for an owner or operator to hire a contractor not certified by MPCA.

An underground storage tank permit is required by the Ohio Department of Commerce before work may be performed to install, modify, remove or repair a UST system. Any time a permit is required, a

licensed UST contractor must perform the work. A licensed UST Inspector must observe specific stages of work. Ohio requirements are the same as Illinois, except that UST Inspectors in Illinois are employed by the OSFM.

10. Public Complaint Resolution (5 ILCS 80/6(3), (7), (8) and (10) and 5 ILCS 80/7)

OSFM has received no complaints from the public regarding Licensed Contractor Companies or from Licensed Contractor Companies over the past five fiscal years. The Division of Petroleum and Chemical Safety is responsible for resolving complaints regarding OSFM's regulation of the Petroleum Equipment Contractors Licensing Act. The table below outlines the number of complaints received by the Department in the last five years.

Complaints	FY21	FY22	FY23	FY24	FY25
Licensed Contractor Companies	0	0	0	0	0

11. Disciplinary Action (5 ILCS 80/6(14))

A licensed Petroleum Equipment contractor may receive Contractor Notice of Violations Citations (CNOVs) for three administrative or quality control violations that occurred in the 12 months prior to the date of CNOV issuance without incurring a fine. CNOVs are issued by the OSFM, and the Penalty Process is noted in Section 172.110 (41 Ill. Admin Code 172.110).

Upon receipt of a CNOV for a fourth or subsequent administrative or quality control violation within the 12 months prior to the date of CNOV issuance, OSFM shall issue an administrative citation impressing a fine starting at \$250 and increasing by \$250 for each subsequent violation.

Upon receipt of a CNOV for a safety violation, OSFM may issue an administrative citation imposing a fine starting at \$1,000 with no damage or injury. For second and subsequent safety violations, the penalties double and a review for possible license suspension is conducted.

12. Conclusion

The Act governs the licensure of Petroleum Equipment Contractors in the State of Illinois. The absence of licensing criteria for Petroleum Equipment Contractors would pose a significant and direct harm to the health, safety, and welfare of the public and specifically the State's land and water resources.

The Act is designed to ensure that the quality of petroleum or hazardous substance UST work in Illinois meets the highest standards of safety and technical competency. Licensure of contractors in this field supports both consumer protection and environmental protection. The Act helps ensure the safety of the contractor and its employees, the owners/operators of underground storage tanks (UST), the public that utilizes the systems, and the land and water resources surrounding and/or adjacent to the UST.

Based on the factors in 5 ILCS 80/6 and the additional criteria in 5 ILCS 80/7, GOMB finds that the Act should be recommended for continuation. The record should expressly state that the public protection benefits of regulation outweigh the regulatory costs and that no less restrictive alternative would adequately address the significant and discernible harms identified in this report.

The Act should be continued to promote and enhance the safety and welfare of the public, without

burdening licensees or commerce.