2009 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 102 **STATUS:** A Engrossed **SUBJECT:** Provisions for solid burning certification and removal upon sale of home

GOVERNMENT UNIT AFFECTED: Department of Environmental Quality

PREPARED BY: Dawn Farr **REVIEWED BY:** Paul Siebert

DATE: April 6, 2009

<u>2009-2011</u> <u>2011-2013</u>

EXPENDITURES:

See Comments.

EFFECTIVE DATE: January 1, 2010.

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: The bill expands air quality provisions related to solid fuel burning devices; modifies related definitions; directs the Department of Environmental Quality (DEQ) to consider emission performance standards adopted by the Environmental Protection agency before adoption emission and certification labeling standards for fuel burning devices; modifies Residential Heating Air Quality Improvement Fund and uses of the fund; allows DEQ to make agreements with local government; amends ORS 105.464—seller's property disclosure statement; and requires removal of non-certified woodstoves upon the sale of residential property.

DEQ indicates that this bill can be implemented with existing resources. DEQ works with communities all over the state to meet federal air quality standards. Once an area violates federal standards, it is officially designated as a "non-attainment" area, and DEQ is required to develop a plan to bring the area back into attainment. DEQ has spent considerable time working with several communities to adopted local ordinances requiring the removal of old, high polluting woodstoves upon home sale. DEQ indicates that the bill will enable the department to more efficiently set standards and to accelerate the replacement of older, high polluting stoves.

Implementation of the bill will require that DEQ adopt rules and that DEQ work with local communities and realtors to educate them about the new requirements. DEQ estimates that this work will require the half-time dedication during the 2009-2011 biennium of an existing Natural Resource Specialist 3 position (0.375 FTE) that currently works on non-attainment prevention and attainment plan development. Total one-time 2009-2011 biennium expenditures to implement rulemaking and education are estimated to be \$98,028 Federal Funds from Federal Section 105 base grants.

At this time, DEQ does not anticipate that the Residential Solid Fuel Heating Air Quality Improvement Fund will provide funding for any activities specified in the bill as this fund currently has not been established at the State Treasury because no funds are currently available.