

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

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**MEASURE NUMBER:** SB 104                                      **STATUS:** Original  
**SUBJECT:** Clean Air Act Title V permit fees.  
**GOVERNMENT UNIT AFFECTED:** Department of Environmental Quality  
**PREPARED BY:** Dawn Farr  
**REVIEWED BY:** Paul Siebert  
**DATE:** February 13, 2009

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**2009-2011**

**EXPENDITURES:**

See comments below.

**REVENUES:**

Title V Permit Fees – Other Funds                                      \$            189,917

**EFFECTIVE DATE:** On Passage.

**GOVERNOR’S BUDGET:** This bill is 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.

**ANALYSIS:** The bill removes the requirement that the Environmental Quality Commission set a two year fee schedule for Title V permits, and aligns the period for determining the increase with the federal Consumer Price Index definition.

Title V of the federal Clean Air Act requires that the Department of Environmental Quality (DEQ) to assess a permit fee to major industrial air pollution sources at a level that covers the entire cost to administer the permitting program. The bill corrects a technical issue resulting from the implementation of SB 107 (2007) which would have prohibited DEQ from making agreed upon inflationary adjustments to the 2009 fee schedule because of a timing disconnect between the CPI data and DEQ’s two year rule making cycle. Removing the two year requirement allows DEQ hold an emergency rulemaking to adjust fees and capture this unintended reduction in Other Fund revenue.

Other Fund expenditures associated with the emergency rulemaking are expected to be minimal and can be absorbed with existing resources. Other Fund revenues resulting from the inflationary adjustment are expected to be \$189,917 for the 2009-11 biennium. Future fee schedules are not impacted by passage of this bill.