

**REVENUE: No revenue impact**

**FISCAL: Minimal fiscal impact, no statement issued**

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the Committee on Ways and Means
<b>Vote:</b>	5 - 0 - 0
<b>Yeas:</b>	Bates, Hansell, Hass, Olsen, Dingfelder
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Beth Reiley, Administrator
<b>Meeting Dates:</b>	4/10, 4/17

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**WHAT THE MEASURE DOES:** Requires at least 30 days prior to entering into prospective purchaser agreement with any person to perform any removal or remedial action, Director of Department of Environmental Quality (DEQ) provide written notice to any person who has entered into agreement with DEQ under ORS 465.327 (agreement to release party from potential liability to facilitate cleanup and reuse of property) related to facility and who is in substantial compliance with agreement. Requires person receiving notice to have opportunity to participate in negotiations related to agreement concerning facility and provide written comment related to agreement. Requires DEQ Director to provide written notice of proposed agreement to any person who has entered into agreement related to facility at conclusion of negotiation and at least 30 days prior to before submittal to circuit court. Authorizes person submitting comments to Director to intervene as party in proceeding related to entry of consent judgment. Requires circuit court to review proposed agreement if person intervenes in proceedings and prohibits circuit court from entering proposed agreement as consent judgment unless circuit court determines proposed agreement is fair, reasonable and consistent with provisions of removal or remediation action statutes and that any contribution protections are supported by substantial evidence as being in public's interest. Declares emergency, effective upon passage.

**ISSUES DISCUSSED:**

- State's policy of encouraging prospective purchaser agreements
- Act is prospective and does not affect existing prospective purchaser agreement holders' rights

**EFFECT OF COMMITTEE AMENDMENT:** Replaces measure.

**BACKGROUND:** A Prospective Purchaser Agreement (PPA) is a legally binding agreement between Department of Environmental Quality (DEQ) and a prospective purchaser or lessee of real property. A PPA limits the purchaser's or lessee's liability to DEQ for environmental cleanup of the property. In return for this liability release, the PPA must provide the state with a substantial public benefit. The PPA does not provide protection from liability a purchaser or lessee may have under federal law or from liability for any new contamination that may occur after the purchaser or lessee acquires the property. A PPA must be negotiated with DEQ before the purchaser or lessee acquires an interest in the property.

Senate Bill 476 A requires that 30 days prior to entering into a prospective purchaser agreement with any person the Director of DEQ must provide written notice to any person who has already entered into a PPA agreement with DEQ related to the facility. The Act requires that the person receiving the notice have the opportunity to participate in any negotiations related to the agreement concerning the facility as well as the authority to intervene as a party in a proceeding related to entry of the consent judgment.

4/22/2013 3:51:00 PM

*This summary has not been adopted or officially endorsed by action of the committee.*