HB 2748 -1 STAFF MEASURE SUMMARY

House Committee On Energy and Environment

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/8

WHAT THE MEASURE DOES:

Modifies sources of moneys deposited in Residential Solid Fuel Heating Air Quality Improvement Fund. Requires Department of Environmental Quality to prioritize allocation of grants, loans or other subsidies under solid fuel burning device replacement or removal program to be used in nonattainment areas for particulate matter or areas at substantial risk of being designated nonattainment areas for particulate matter.

REVENUE: May have revenue impact, but no statement yet issued FISCAL: May have fiscal impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Replaces measure. Requires Department of Environmental Quality (DEQ) to award grants to local entities to operate woodstove replacement programs. Requires DEQ to enter into agreements with local entity prior to dispersing grant funds. Stipulates agreement must require that at least 70 percent of grant funds be used to provide for the removal of uncertified solid fuel burning devices and replacement with new high-efficiency, low air contaminant-emitting heating system; and up to 30 percent to fund other activities like public education and outreach, home weatherization, lower emitting fuels or moisture meters. Requires any solid fuel burning devices removed pursuant to program be destroyed. Requires grant recipient to provide matching contribution amount based on population. Establishes grant application requirements that include description of program; geographic area; description of how emission of air contaminants will be measured; information on partnerships; and description of how matching contribution requirements will be met. Requires DEQ give preference to: nonattainment areas and attainment areas that are at substantial risk of being designated nonattaining. Appropriates \$_____ to DEQ to be deposited in the Residential Solid Fuel Heating Air Quality Improvement Fund (Fund). Expands allowable uses of Fund to include the award of grants. Requires grant award recipient to report to DEQ at least once every six months and a final report upon end of grant term. Requires DEQ to submit report to interim committees of Legislature related to Environment and Natural Resources no later than September 15, 2018. Declares emergency, effective on passage.

REVENUE: May have revenue impact, but no statement yet issued FISCAL: May have fiscal impact, but no statement yet issued

BACKGROUND:

Smoke created from wood burning can be a significant source of air pollution and can have health consequences for those with asthma, respiratory or heart conditions, or other illnesses. Under current law, if you're buying or selling a home with a wood stove or fireplace insert in Oregon, you must ensure it was certified to meet emissions performance standards at the time of manufacture. If it was not certified, state law requires it to be removed, destroyed and disposed of when a home is sold. In 2009, the Legislature established the Residential Solid Fuel Heating Air Quality Improvement Fund (Fund). The Department of Environmental Quality was directed to use the

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Fund to reduce the emission of air contaminants by providing grants, loans or other subsidies for the replacement o removal of non-certified solid fuel burning devices.