



HOUSE OF REPRESENTATIVES

Chair Dembrow and members of the committee,

Thank you for giving HB 2968 a public hearing. Unfortunately, due to a scheduling conflict, I am unable to testify in person. HB 2968 is a relatively simple bill. The purpose is to draw attention to the significant number of brownfield properties in the state of Oregon and start a conversation about what is working in other states. As you probably know, these properties often sit idle, unused, and contaminated. Further, since property tax is calculated after subtracting future liability, we are losing a significant amount of unrealized tax revenue. From what I have been told there are more than 13,000 brownfield properties in Oregon - a significant waste of potential revenue and land, which could be developed for priorities such as affordable housing. We have an incredible problem with regards to affordable housing in the State of Oregon.

A large amount of uncertainty, liability and risk is associated with developing these properties. Oregon has made good progress: in 2015 we created state land banks for the development of brownfield properties as well as tax incentives to encourage cleanup activities. However, we have not seen the effects/impact of these programs yet. To build off of this work, I introduced HB 2968. The intent of this legislation is to start a conversation around brownfields in Oregon and to lean heavily on the expertise and talent in the private sector - from groups such as the Oregon Brownfield Coalition. It is not our intent that DEQ would shoulder the entire burden or have to commit significant resources to this program. States around the country are testing new, innovative ways to cleanup brownfields; we should look at what has worked around the country in places like Pennsylvania - one of the most successful states in terms of refurbishing brownfield properties. They had a number of sites from their steel producing days that had to be redeveloped. Today, when you go to Pittsburg, you will notice a lot of those old steel sites have been mitigated and are now healthcare facilities. One of the central pieces of their legislation was Act 2 which essentially aligns regulatory requirements across all divisions of government, local, state and federal. Essentially, if a developer wants to mitigate these properties, they can align the hoops to jump through all at once instead of having different requirements across all levels of government. Oregon should look thoughtfully at states like Pennsylvania; there is no need to reinvent the wheel.

Finally, I want to thank DEQ and especially Abby Boudouris - who has worked closely with us on this legislation to find a solution and limit the fiscal impact to the state.

Sincerely,

A handwritten signature in black ink, appearing to read "Knute Buehler".

Knute Buehler
State Representative
House District 54