

SB 359 STAFF MEASURE SUMMARY

Senate Committee On Environment and Natural Resources

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Sub-Referral To: Joint Committee On Tax Credits

Meeting Dates: 2/13

WHAT THE MEASURE DOES:

Establishes a \$1,000 personal or corporate income tax credit for a taxpayer who creates jobs during a removal or remedial action under ORS Chapter 465 (hazardous waste and hazardous materials). To be eligible for credit, the taxpayer must either create 25 or more jobs during such action or increase the number of jobs by 30 percent over a three-year period during such action. Requires the Department of Environmental Quality to certify taxpayer's eligibility to claim credit. Applies to tax years beginning on or after January 1, 2017. Takes effect on the 91st day after the date on which the 2017 regular session adjourns sine die.

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:

BACKGROUND:

The Oregon Department of Environmental Quality (DEQ) screens sites where hazardous substances may have been released to determine priorities for further action. If a release appears likely, a Preliminary Assessment may be conducted to investigate the presence of contamination. A site investigation may also be conducted to delineate the extent of contamination. For high-priority situations or where quick action is needed, a Removal may be used to stabilize the site. Sites known to be contaminated, but not posing an imminent threat, proceed through a three-step investigation process to determine how (or whether) they are to be cleaned up. For sites where the cleanup is relatively straightforward and simple, an initial removal action may be all that is required. However, if the cleanup will be more difficult and complex, DEQ may issue a formal cleanup decision (called a Record of Decision) after a public comment period. The resulting cleanup is referred to as a Remedial Action. DEQ issues a No Further Action designation when it determines that the site poses no significant threat to human health or the environment. This may occur at any point during the investigation and cleanup process.

Senate Bill 359 would establish a \$1,000 tax credit for taxpayers who create or increase jobs during a removal or remedial action to cleanup hazardous wastes.