

**HB 2748 B STAFF MEASURE SUMMARY****Carrier:** Sen. Prozanski**Senate Committee On Environment and Natural Resources****Action Date:** 05/03/17**Action:** Do pass with amendments to the A-Eng bill. (Printed B-Eng.)**Vote:** 4-0-1-0**Yeas:** 4 - Baertschiger Jr, Dembrow, Olsen, Prozanski**Exc:** 1 - Roblan**Fiscal:** No fiscal impact**Revenue:** Has minimal revenue impact**Prepared By:** Beth Patrino, LPRO Analyst**WHAT THE MEASURE DOES:**

Modifies sources of moneys deposited in Residential Solid Fuel Heating Air Quality Improvement Fund (Fund) to include moneys received from any public or private source. Expands allowable use of money in Fund to include rebates for the replacement or removal of uncertified solid fuel burning devices. Clarifies restriction on types of allowable high-efficiency heating systems to include systems as determined by Department of Environmental Quality (DEQ). Adds as allowed use of money in Residential Solid Fuel Heating Air Quality Improvement Fund program designed to reduce emission of air contaminants from solid fuel burning devices by providing grants, loans, rebates or other subsidies to make dry wood or cleaner fuels available to communities or individuals. Requires DEQ to prioritize allocation of grants, loans, rebates or other subsidies under solid fuel burning device replacement or removal program to be used in nonattainment areas due to particulate matter or areas at substantial risk of being designated a nonattainment area due to particulate matter. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Economic consequences of nonattainment designation resulting from violation of air quality standards
- 2015-2016 interim work group to identify actions to address wood smoke
- Programs in Oakridge, Oregon to provide dry wood or cleaner, alternative fuel

**EFFECT OF AMENDMENT:**

Adds as an allowed use of money in the Residential Solid Fuel Heating Air Quality Improvement Fund a program designed to reduce emission of air contaminants from solid fuel burning devices by providing grants, loans, rebates or other subsidies to make dry wood or cleaner fuels available to communities or individuals.

**BACKGROUND:**

Smoke created from wood burning can be a significant source of air pollution and can have health consequences for individuals with asthma, respiratory or heart conditions, or other illnesses. Under current law, anyone buying or selling a home with a wood stove or fireplace insert in Oregon 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 Legislative Assembly established the Residential Solid Fuel Heating Air Quality Improvement Fund (Fund). The Department of Environmental Quality was directed to use the Fund to reduce the emission of air contaminants by providing grants, loans or other subsidies for the replacement or removal of non-certified solid fuel burning devices.

A nonattainment area is a federal designation given to an area not meeting one or more National Ambient Air Quality Standards. Under the Environmental Protection Agency rules, industries seeking to expand or open an operation in a nonattainment area may face more stringent requirements because of the nonattainment designation. Both Klamath Falls and Oakridge are currently designated as nonattainment areas, in part due to the large number of wood stoves.

## **HB 2748 B STAFF MEASURE SUMMARY**

House Bill 2748B would modify the Residential Solid Fuel Heating Air Quality Improvement Fund (Fund) to include moneys received from any public or private source and expand the use of the Fund to include the issuance of rebates for the replacement or removal of uncertified solid fuel burning devices and programs designed to reduce emission of air contaminants from solid fuel burning devices by providing grants, loans, rebates or other subsidies to make dry wood or cleaner fuels available to communities or individuals. The Act would also require the prioritization of grants, loans or other subsidies to be used in nonattainment areas due to particulate matter or areas at substantial risk of being designated nonattainment due to particulate matter.