### FISCAL IMPACT OF PROPOSED LEGISLATION

80th Oregon Legislative Assembly – 2019 Regular Session Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

Measure: SB 876 - 3

Prepared by: Krista Dauenhauer

Reviewed by: John Borden, Matt Stayner, John Terpening

Date: 4/3/2019

# **Measure Description:**

Requires Department of Environmental Quality or State Department of Agriculture approval as prerequisite to construction, installation, operation or maintenance of large confined animal feeding operation or large concentrated animal feeding operation.

## **Government Unit(s) Affected:**

Oregon Department of Agriculture (ODA), Department of Justice (DOJ), Department of Environmental Quality (DEQ), Water Resources Department (WRD)

### **Analysis:**

This fiscal impact statement is for the purpose of transmitting the measure from the Senate Committee on Environment and Natural Resources to the Joint Committee on Ways and Means.

The legislation required that if a confined animal feeding operation (CAFO), which is regulated be the Department of Agriculture (ODA), is located in a ground water management area and waste from the operation is applied to land in the area, a permit from the Department of Environmental Quality (DEQ) or ODA must be issued. Prior to granting the permit, the Department of Agriculture must consult with the Water Resources Department (WRD) to ensure the use of water for supplying the needs of the feeding operation at the level legally authorized by the permit and that the authorized water use does not include temporary authorization or supply. The fee charged for the permit may not exceed the maximum annual permit fee allowed for a large CAFO. The DEQ and ODA are authorized to clean, repurpose or decommission a CAFO and recover reasonable expenses if one of the following occur: the operation is vacated or abandoned; the operator does not clean or decommission waste treatment works; no entity is responsible for financial or operational management; or if agencies believe that there is a potential or imminent threat to waters of the state.

The Department of Justice may bring an action to recover legal or administrative costs that DEQ or ODA incur due to gross negligence, willful misconduct or the failure of a permit holder to comply with agency orders, encountered during an investigation or proceeding concerning a large CAFO violation.

# Further Analysis Required

A more complete fiscal analysis on the measure will be prepared as the measure is considered in the Joint Committee on Ways and Means.

Page 1 of 1 SB 876 - 3