

**Legislative  
Fiscal Office**

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**Joint Committee on  
Ways and Means**

Sen. Betsy Johnson, Senate Co-Chair  
Sen. Elizabeth Steiner Hayward, Senate Co-Chair  
Rep. Dan Rayfield, House Co-Chair

Sen. Jackie Winters, Senate Co-Vice Chair  
Rep. David Gomberg, House Co-Vice Chair  
Rep. Greg Smith, House Co-Vice Chair

**To:** Natural Resources Subcommittee

**From:** John Terpening, Legislative Fiscal Office

**Date:** June 5, 2019

**Subject:** HB 5018 – Relating to the financial administration of the Department of Environmental Quality

House Bill 5018 is the fee ratification bill for the Department of Environmental Quality. The bill includes changes to fees that were administratively adopted or adjusted by rule during the interim and must be ratified by the Legislature at the next session.

The measure includes the establishment of a fee schedule for the air toxics program, known as Cleaner Air Oregon, as directed by SB 1541 (2018) and a 7% increase on the annual Underground Injection Control permits, which will fund the current program and have not been raised since 20017.

The Department's budget bill (HB 5017) assumes ratification of these fees and associated revenue.

**Recommended Changes**

LFO recommends adoption of the -1 amendment.

MOTION: I move adoption of the -1 amendment to HB 5018. (VOTE)

**Final Subcommittee Action**

LFO recommends that HB 5018, as amended by the -1 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 5018, as amended, to the Full Committee with a do pass recommendation. (VOTE)

**Carriers**

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 5018 - 1**

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

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

Prepared by: John Terpening  
Reviewed by: John Terpening  
Date: 6-2-2019

**Measure Description:**

Approves certain new or increased fees adopted by Department of Environmental Quality.

**Government Unit(s) Affected:**

Department of Environmental Quality (DEQ)

**Summary of Revenue Impact:**

Agency -- Fund Type	2019-21 Biennium	2021-23 Biennium
Department of Environmental Quality -- Other Funds	\$4,872,282	\$4,872,282

**Analysis:**

ORS 291.055(1)(e) requires all new state agency fees or fee increases adopted during the period beginning on the date of adjournment sine die of a regular session of the Legislative Assembly and ending on the date of adjournment of the next regular session of the Legislative Assembly are rescinded on adjournment since die of the next regular session of the Legislative Assembly unless authorized by enabling legislation setting forth the approved fees.

This bill provides the enabling legislation necessary to approve fees adopted through Administrative Rule by the Department of Environmental Quality during the 2018-19 interim including fees for the Cleaner Air Oregon program and Underground Injection Control fees.

SB 1541 (2018) created the air toxics program known as Cleaner Air Oregon and directed the Department to return with a fee schedule to fund the legislatively authorized program. The revenue from these fees are expected to be \$4,847,282 in 2019-21.

The Underground Injection Control fees were administratively increased by 7%, which is consistent with other Water Quality fees that were increased in 2017. This fee increase is expected to generate an additional \$25,000 Other Fund revenue in 2019-21 to fund the existing program.

The 2019-21 Co-Chair budget for the Department of Environmental Quality represented by HB 5017 assumes continuation of the revenue from the fees included in this bill.

Requested by JOINT COMMITTEE ON WAYS AND MEANS

**PROPOSED AMENDMENTS TO  
HOUSE BILL 5018**

- 1 On page 2 of the printed bill, after line 21, insert:
- 2 “(3) Underground Injection Control
- 3 Permit, authorized by rule:
- 4 (a) Low risk stormwater only,
- 5 low risk class of injection,
- 6 application surcharge..... \$ 107
- 7 (b) Non-stormwater injection,
- 8 medium risk class of injection,
- 9 application surcharge..... \$ 134
- 10 (c) All other UICs draining
- 11 stormwater from any surface,
- 12 low risk class of injection,
- 13 application surcharge..... \$ 107
- 14 (d) All other UICs draining
- 15 stormwater from any surface,
- 16 medium risk class of injection,
- 17 application surcharge..... \$ 134
- 18 (e) All other UICs draining
- 19 stormwater from any surface,
- 20 high risk class of injection,
- 21 application surcharge..... \$ 321

1 (f) All other UICs draining  
2 stormwater from any surface,  
3 high risk class of injection,  
4 annual surcharge..... \$ 107".  
5 \_\_\_\_\_