

HB 3229 -1 STAFF MEASURE SUMMARY

House Committee On Climate, Energy, and Environment

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Meeting Dates: 2/27

WHAT THE MEASURE DOES:

Modifies federal operating permit program fees. Removes certain elements of federal operating permit program fee schedule. Becomes operative January 1, 2025. Authorizes Environmental Quality Commission to annually adjust federal operating permit program fees, air contaminant reporting fees, and asbestos abatement program fees by no more than three percent. Declares emergency, effective on passage.

- *FISCAL: May have fiscal impact, but no statement issued yet*
- *REVENUE: May have revenue impact, but no statement issued yet*

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Establishes an emission fee of **\$110** per ton of each regulated pollutant emitted during the prior calendar year, effective upon passage, and an emission fee of **\$113**, effective 1/1/2024. Establishes a base fee of **\$15,739** for a source subject to the federal operating permit program, effective upon passage and a base fee of **\$16,211**, effective 1/1/2024.

BACKGROUND:

The federal Clean Air Act (CAA) addresses ambient air quality standards, toxic air pollutants, new source performance standards, and new source review—the latter requiring the best available technology in air pollution control equipment for facilities that are major sources of contaminants. In Oregon, motor vehicles, woodstoves, fireplaces, and open burning are primary sources of manmade air pollution. Industrial facilities are also sources of air pollution in the state.

The U.S. Environmental Protection Agency (EPA) has delegated implementation of most CAA requirements to the Oregon Department of Environmental Quality (DEQ), except in Lane County where the Lane Regional Air Protection Agency has primary jurisdiction. State air quality laws are codified in ORS Chapter 468A. The EPA retains oversight of the program and regularly audits DEQ's program to ensure that it meets federal requirements.

According to the DEQ, the Title V Operating Permit Program of the CAA "requires each state to develop a comprehensive operating permit program for major industrial sources of air pollution....The Title V Operating Permit Program does not require any tighter emissions standards; it does, however, place a greater responsibility on the business for monitoring, reporting and certifying compliance with the conditions of the permit."

House Bill 3229 would modify federal operating permit program fees and would authorize the EQC to annually adjust federal operating permit program fees, air contaminant reporting fees, and asbestos abatement program fees by no more than three percent.