



February 6, 2024

**TO:** House Committee on Emergency Management, General Government and Veterans

**FR:** Sharla Moffett, Oregon Business & Industry

**RE:** Opposition to House Bill 4044

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Oregon Business & Industry (OBI) is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. In addition to being the statewide chamber of commerce, OBI is the state affiliate for the National Association of Manufacturers and the National Retail Federation. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

OBI opposes HB 4044 because we believe a study and subsequent recommendations would be duplicative of EPA's Risk Management Program, which we do not believe is a good use of DEQ's limited resources.

Under section 112(r) of the Clean Air Act, the EPA's Risk Management Program regulates facilities that hold specified quantities of more than 260 highly hazardous or flammable substances. Affected facilities must submit a risk management plan that, among other things, identifies the potential effects of a chemical accident. This includes rigorous air dispersion modeling, identifying the steps the facility is taking to prevent an accident, and spelling out emergency response procedures should an accident occur.

These plans provide valuable information to local fire, police and emergency response personnel, helping them prepare for and respond to chemical emergencies in their communities. They are also available to the public, which fosters communication and awareness.

Currently, EPA is in the process of adopting amendments to its rules that will strengthen RMP regulations to require facilities to do more to prevent accidents as well as upgrade planning and preparedness efforts.

The proposed rules would also:

- Promote environmental justice through increased transparency to fenceline communities;
- Require safer technology and alternatives analysis;
- Enhance facility planning to reduce potential exposure for historically overburdened communities;
- Empower facility employees to participate in planning efforts and decision making in facility accident prevention requirements; and
- Emphasize requirements for evaluating risks or natural hazards and climate change.

OBI urges the committee not to act on the HB 4044 at this time for several reasons:

- EPA already regulates facilities that could expose the public to hazardous chemicals and is in the process of strengthening the regulations.
- DEQ is in the process of adopting the seismic tank stability rules, the implementation of which is likely to inform future needs.
- DEQ must prioritize its limited resources, and more information should be gleaned from the federal program to determine whether action in Oregon is a priority.
- The statutory language is unclear with respect to what types of data and information will be used or if individual businesses will be identified in a report.
- There is no public process and no transparency requirements for collecting, reviewing, or analyzing data and information and any conclusions derived from that information.

However, in the event that the bill does move forward, the bill should:

1. Require that DEQ carry out the study and prohibit the agency from simply outsourcing this work to a third-party. The implications for regulated entities could be extremely significant and the study should be conducted in a fully open, public, and transparent process.
2. Prohibit a regulatory agency from using this information to establish new regulations or prepare any legislative concept. Any legislative concept should be a discussion between a legislator with stakeholders.

Thank you for the opportunity to offer comments on HB 4044.