



**DEPARTMENT OF JUSTICE**  
OFFICE OF THE ATTORNEY GENERAL

DATE: February 8, 2024

TO: Chair Golden, Vice-Chair Girod, and Members of the  
Senate Committee on Natural Resources and Wildfire

FROM: Kimberly McCullough, Legislative Director  
Oregon Department of Justice

SUBJECT: SB 1561 – Environmental Restoration Fund and Council

This testimony is presented in support of SB 1561, which will establish the Oregon Environmental Restoration Fund and the Environmental Restoration Council.

In 2018, the State of Oregon, through its Attorney General, sued Monsanto, the only manufacturer of PCB's - what are often referred to as "toxic forever chemicals." In the closing days of 2022, the Oregon Department of Justice secured an historic \$698 Million Dollar settlement in that case. The result of years of litigation and incredible hard work from our DOJ Trial and Natural Resources team and outside counsel, this settlement related to the harm caused by that company and its products: polychlorinated biphenyls (PCB). These chemicals damaged Oregon's land, water, fish, and wildlife for over 90 years—and continue to do so.

PCBs are known as "forever chemicals" because they do not break down. PCBs are toxic to human health and to the health of all living things and ecosystems. Though PCBs were finally banned in the United States in 1977, they continue to pollute our lands and waterways, as well as fish and wildlife throughout the state. PCBs are also exceedingly difficult to remove because they bioaccumulate in fish and wildlife. Cleaning up our state from this century-long environmental degradation will be costly and time-consuming, but investing settlement funds in the Oregon Environmental Restoration Fund will ensure that Oregon will have resources to begin to tackle this problem.

The Oregon Environmental Restoration Fund will be established using the proceeds of this historic settlement. DOJ has been working hard to safeguard these funds and we are grateful to see that SB 1561 has laid out a pathway for the funds to be used ameliorate the innumerable harms caused by PCBs.

When we settled with Monsanto, DOJ wanted to make sure the funds coming into Oregon would be used for purposes consistent with the terms of the settlement agreement: to undo the harms of PCBs, and restore Oregon's ecological health. The intent was to ensure that the settlement funds are used for projects and purposes that impact Oregon's environment and its communities who have been harmed, while providing significant flexibility in determining which projects and purposes qualify.

Per our settlement agreement, Oregon Environmental Restoration funds can be used for a wide variety of projects and purposes that improve or restore the environment in Oregon. They can also be used to assist communities who have been impacted by harm to their environment. Eligible projects or purposes could include those relating to environmental assessment, restoration, improvement and protection of wildlife habitat or natural resources, and creation of a fund or other methods of providing grants and resources that will help impacted communities. This could also include research, writing and internships, perhaps even an academic institute pertaining to the subject matter. Oregon Environmental Restoration funds cannot be directed to the General Fund or used for projects or purposes not related to the environment.

As grave as the impacts of PCBs are, we also know that their harms impacted some communities more than others. That's why we want to call specific attention to the environmental justice components of SB 1561. Fully one-quarter of the earnings from the fund's moneys will be transferred to a Disproportionately Impacted Communities Fund. Another quarter (of the earnings) will be transferred to a Tribal Nation Natural Resource Program Fund. This approach will help make Oregon not just a cleaner and healthier place, but a fairer and more just place for all Oregonians.

We would like to thank the Governor's office and Senator Steiner for working collaboratively with us to craft the framework for how funds in the Oregon Environmental Restoration Fund will be spent. In particular, we appreciate that the structure of the fund will ensure that it can be used over many years and will have an impact on underserved communities.

Thank you for the opportunity to express our strong support for SB 1561.