

## Air Quality

Building on existing air quality regulations for municipal solid waste incinerators and emission standards for medical waste incinerators, [Senate Bill 488](#) limits the amount of hospital, medical, or infectious waste accepted by a municipal solid waste incinerator. The measure also requires municipal solid waste incinerator operators to develop a plan to continuously monitor certain emissions for 12 months.

The federal Clean Air Act's (CAA) Title V Operating Permit Program requires each state to develop a comprehensive operating permit program for major industrial sources of air pollution. [House Bill 3229](#) modifies federal air quality operating permit program fees and authorizes the Environmental Quality Commission to annually adjust certain federal operating permit program fees, air contaminant reporting fees, and asbestos abatement program fees. Another CAA-related bill the Legislative Assembly considered, [Senate Bill 525](#) (*not enacted*), would have directed the [Environmental Quality Commission](#) to adopt standards prohibiting engine exhaust and evaporative emissions from new small nonroad engines beginning in 2026, unless the CAA requires a later date.

## Climate

According to the Oregon Department of Energy's 2022 [Biennial Energy Report](#), the effects of climate change and drought are being felt by Oregonians. The Oregon Health Authority, likewise, has found that public health and natural environments are being negatively affected. Over a dozen bills sought to address the human, economic, and environmental costs

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See the **2023 Legislative Summary Report for [Energy and Environment](#)**, which highlights policy measures that received a public hearing during Oregon's 2023 Regular Legislative Session.

during the 2023 Regular Session. Toward the end of session, amendments were adopted to [House Bill 3409](#) and [House Bill 3630](#), combining many of the climate-related concepts considered by the Legislative Assembly in other measures. Brief summaries of the concepts included in the omnibus bills are described in the individual subject areas in this document. The references in each section include hyperlinks to the original legislation.

## Energy Efficiency

In the 2023 Regular Session, the Legislative Assembly continued past efforts to increase the energy efficiency of products and in homes. [House Bill 2531](#) prohibits the sale or distribution in Oregon of certain types of new compact fluorescent lamps and linear fluorescent lamps. Provisions that were originally part of [House Bill 3166 A](#) (*not enacted*) were enacted in [House Bill 3630](#), which requires the Oregon Department of Energy to establish a whole-home energy savings program and a high-efficiency electric home rebate program in consultation with the Oregon Housing and Community Services Department.

[House Bill 3409](#) included provisions that also relate to heat pumps: it establishes goals for the state related to heat pumps that include installing and using at least 500,000 new heat pumps by 2030, and establishes the Energy Efficient Technologies Information and Training Fund to be used to provide education, technical assistance, and workforce training (provisions of [Senate Bill 868 A](#), *not enacted*, were amended into [House Bill 3409](#)); and the bill extends the Residential Heat Pump Fund, and modifies reporting deadlines for the Heat Pump Deployment Program grants (provisions of [House Bill 3056 A](#), *not enacted*, were amended into [House Bill 3409](#)).

## Energy Facility Siting

Large energy facility builders in Oregon must apply for a site certificate from the Energy Facility Siting Council (EFSC) before they can begin construction. Facilities that fall under certain acreage limits have the option of going through a county siting process. [House Bill 3179](#) increased the allowable size a solar photovoltaic power generation facility could be and still use a county siting process rather than the EFSC process. [House Bill 3409](#) includes provisions

that were originally part of [House Bill 3181 A](#) (*not enacted*) require the Department of Land Conservation and Development to conduct rulemaking on solar energy facilities to allow local governments to permit solar facilities and prioritize solar facility siting that does not conflict with natural resource lands and areas of valuable habitat.

Other bills that were part of the energy facility-siting discussion but did not pass include [House Bill 2989](#) (*not enacted*) and [House Bill 3180](#) (*not enacted*). These bills would have required processes to address siting issues related to renewable energy and transmission.

## Energy Planning and Operations

The Oregon Department of Energy's (ODOE) [2022 Biennial Energy Report](#) recommends that "Oregon would benefit from a strong statewide energy strategy to align policy development, regulations, financial investments, and technical assistance." Provisions that were originally part of [House Bill 2534 A](#) (*not enacted*) were amended into [House Bill 3630](#), requiring ODOE to develop and produce a report on a comprehensive state energy strategy that identifies optimized pathways to achieving the state's energy policy objectives.

[House Bill 3630](#) also directs ODOE to:

- establish a program to award grants to counties to cover the cost of developing energy resilience plans that meet certain requirements (provisions of [House Bill 3378 A](#), *not enacted*, were amended into [House Bill 3630](#)).
- create a single resource to provide people with information and technical assistance on energy efficiency incentives and programs (\*provisions of [House Bill 3166 A](#), *not enacted*, were amended into [House Bill 3630](#)).



The Oregon Public Utility Commission (PUC) regulates investor-owned electric and natural gas utilities providing service to ensure they offer safe and reliable energy at reasonable rates. All regulated electric and natural gas utilities must seek PUC approval for all rate and service schedules, or tariffs. [House Bill 3143](#) authorizes a public utility, upon approval by the PUC, to issue bonds and securitize debt for costs and expenses incurred or to be incurred by a public utility associated with events subject to a federal or state declaration of emergency. [Senate Bill 443](#) (*not enacted*) would have required electric companies to reimburse qualified customers up to \$250 for the purchase price of a backup power source when a power shutoff is likely to occur and to last for eight or more hours.

Provisions of [Senate Bill 522 A](#) (*not enacted*) were enacted in [House Bill 3409](#), changes the name of the [Oregon Global Warming Commission](#) to the Oregon Climate Action Commission and modifies its membership and duties.

Agencies are authorized or directed to make certain changes in [House Bill 3409](#), including authorizing the [Environmental Quality Commission](#) to establish by rule a fee to be paid by community climate investment entities and establishing the Community Climate Investment Oversight Account (provisions from [House Bill 3196 A](#), *not enacted*, were amended into [House Bill 3409](#)) and requiring the Oregon Department of Human Services, in consultation with ODOE and OHA, to provide grants, support, and technical assistance for Resilience Hubs and Networks in Oregon (provisions from [House Bill 2990](#), *not enacted*, were amended into [House Bill 3409](#)).

## Environmental and Energy Justice

Various federal and state programs direct the prioritization of projects in environmental justice communities. An environmental justice community, as defined by [ORS 469A.400](#) (2021), "includes communities of color, communities experiencing lower incomes, tribal communities, rural communities, coastal communities, communities with limited infrastructure and other communities traditionally underrepresented in public processes and adversely harmed by environmental and health hazards, including seniors, youth and persons with disabilities." [House Bill 3630](#) establishes a program to provide information and technical assistance to Tribal governments, local governments, rural communities, and other environmental justice communities about potential funding resources as they develop energy projects or build energy-related capacity. This concept originated in [Senate Bill 852](#) (*not enacted*).

## Environmental and Public Health

Three 2023 Regular Session measures focused on tracking the use of chemicals in certain products and phasing them out of the dry-cleaning industry.

The Federal Food, Drug, and Cosmetic Act (FDCA) oversees and regulates the production, sale, and distribution of food, drugs, medical devices, and cosmetics. An update to cosmetics regulations, the [Modernization of Cosmetics Regulation Act](#) of 2022 (MoCRA), changes the current regulatory framework for cosmetics. Among other changes, cosmetic companies under MoCRA will be subject to facility registration and product listing requirements. [Senate Bill 546](#) requires the Oregon Health Authority (OHA) to adopt and maintain a list of designated high-priority chemicals of concern,



prohibits the sale of products containing certain chemicals, and requires manufacturers to provide notice for consumers on their website.

Children's products contain toxic chemicals, including heavy metals and flame retardants, that can cause health problems. Following up on [Senate Bill 478's](#) (2015) directive to the OHA to establish a list of high priority chemicals of concern for children's health used in children's products, [House Bill 3043](#) authorizes the OHA to include classes of chemicals on the list of high priority chemicals of concern for children's health when used in children's products.

The Department of Environmental Quality's (DEQ) dry cleaner environmental program's purpose is to create a \$1 million cleanup fund paid for solely by the dry-cleaning industry and to otherwise exempt dry-cleaning owners and dry-cleaning operators from cleanup liability from releases of hazardous substances from dry cleaning facilities ([ORS 465.500](#), 2021). [House Bill 3273](#) repeals DEQ's dry cleaner environmental program in 2024 and prohibits the use of perchloroethylene and n-propyl bromide as dry-cleaning solvents, starting in 2028.

## Materials Management

According to the Department of Energy's 2022 [Biennial Energy Report](#), lithium-ion battery storage production is expected to increase in the next five years to meet demand for electric vehicles, consumer electronics, and utility-scale and small-scale battery storage. [Senate Bill 64](#) (*not enacted*) would have required the Department of Environmental Quality (DEQ) to study the disposal of electric vehicle batteries and batteries used to store energy in wind or solar renewable energy facilities.

Polystyrene is a plastic used to make various products, including food packaging and packing materials, which are not readily recyclable. [Senate Bill 543](#) prohibits, beginning in 2025, food vendors from using polystyrene foam

containers and the distribution or sale of polystyrene foam containers, polystyrene foam packaging peanuts, or food ware containers containing certain intentionally added substances.

In 2021, the Legislative Assembly enacted [Senate Bill 582](#), the Plastic Pollution and Recycling Modernization Act, which made changes to Oregon's recycling system, including a requirement that covered producers become members of a producer responsibility organization to ensure that products collected are recycled by responsible end markets. [Senate Bill 123](#) requires a producer responsibility organization to develop and submit recommendations for using digital labeling to convey information about recyclability claims to DEQ. [Senate Bill 444](#) (*not enacted*) would have directed DEQ to establish a Recycling Innovators Grant Program to support the development of innovative and demonstrable solutions to complex recycling issues and appropriated \$20 million for the grant program.

Oregon Revised Statutes [459.005 \(29\)](#) (2021) defines "waste prevention" as reducing the amount of solid waste generated or resources used, without increasing toxicity, in the design, manufacture, purchase or use of products or packaging. [Senate Bill 545](#) directs the Oregon Health Authority to adopt rules allowing a restaurant to permit consumers to fill a consumer-owned container with food. [Senate Bill 544](#) (*not enacted*) would have directed the Environmental Quality Commission to establish a program for source reduction of single-use plastic food ware and single-use packaging and to achieve 25 percent source reductions compared to 2023 levels by 2030. [Senate Bill 542 A](#) (*not enacted*) would have required an original equipment manufacturer of certain home electronics to make any documentation, tool, part, or other device or implement that the original equipment manufacturer makes available to an authorized repair provider





available to owners of consumer electronic equipment or independent repair providers on fair and reasonable terms.

The E-Cycles program, enacted in 2007, ([ORS 459A.300 – 0.365](#), 2021), requires electronics manufacturers to provide free, convenient recycling for computers, monitors, and TVs by joining and participating in a manufacturer or state-run recycling program. [House Bill 3220](#) modifies Oregon’s E-Cycles program and the criteria for an electronics producer responsibility program.

## Natural and Working Lands

[House Bill 3409](#) includes provisions that relate to natural and working lands. It establishes a Community Green Infrastructure Grant Program and Fund, and directs the Oregon Department of Forestry to acquire and maintain a statewide urban tree canopy assessment tool (\*provision of [House Bill 3016 A, not enacted](#), were amended into [House Bill 3409](#)). The measure also establishes a state policy to implement strategies to advance natural climate solutions to mitigate the future impacts of climate change and charges certain state agencies with their implementation (\*provisions of [Senate Bill 530 A, not enacted](#), were amended into [House Bill 3409](#)).

## Reducing Emissions in Buildings

Institutional and public buildings can be decarbonized through retrofits and operational strategies. Building energy codes can require new construction and major renovations in existing buildings to meet minimum energy efficiency requirements, which reduces energy consumption while providing operation cost savings for occupants and owners. [House Bill 3409](#) includes several strategies for reducing

emissions in buildings. The Act requires the Department of Consumer and Business Services (DCBS) to prioritize and take actions necessary to facilitate reductions in greenhouse gas (GHG) emissions, including rulemaking processes, and considering and integrating the prevention or reduction of climate change impacts and GHG emissions reductions into planning, budgeting, investment, and policy-making decisions (\*provisions of [Senate Bill 869 A, not enacted](#), were amended into [HB 3409](#)). [House Bill 3409](#) also requires the Department of Administrative Services (DAS), in cooperation with the Oregon Department of Energy (ODOE), to develop a methodology and work plan for agencies to implement a comprehensive assessment of energy use and GHG emissions of state-owned buildings (\*provisions of [Senate Bill 871 A, not enacted](#), were amended into [HB 3409](#)). Finally, provisions of [Senate Bill 870 A \(not enacted\)](#), were amended into [House Bill 3409](#), which directs ODOE, in consultation with the DCBS, to adopt rules to specify an energy performance standard for certain existing commercial buildings.

## Renewable Energy

Renewable energy–related measures introduced during the 2023 Regular Session covered energy sources, including solar, hydrogen, biomass. Only two measures were enacted.

The measures relating to solar would have expanded property tax exemptions ([Senate Bill 54 A, not enacted](#)) and extended the sunset of the Oregon Solar + Storage Rebate Program ([House Bill 3418 A, not enacted](#)).

When produced from wind or other renewable resources, “renewable hydrogen” can store carbon-free energy that can later be used to generate electricity or power vehicles. [House Bill 2530](#) requires the Oregon Department of



Energy to undertake certain activities to support the state's transition to clean energy by accelerating the production, distribution, and end use of renewable hydrogen and green electrolytic hydrogen fuels. Two measures that were not enacted, [Senate Bill 124 A](#) (*not enacted*) (creating a Renewable Hydrogen-Fueled Generator Grant Program) and [House Bill 2170 A](#) (*not enacted*) (studying feasibility of a renewable hydrogen hub), would have funded projects and provided information for the Legislative Assembly about using hydrogen as a fuel.

Biomass is a renewable or recurring organic matter that can be used to produce biofuels. Provisions of [House Bill 3590](#) (*not enacted*), enacted as part of [House Bill 3409](#), directs the College of Forestry at Oregon State University, in collaboration with state agencies, to research and report on the development of fuel pathways for low-carbon fuels derived from woody biomass residues from forestry operations.

Two tax-related biomass bills were not enacted. [Senate Bill 145](#) (*not enacted*), would have extended a sunset on the property tax exemption relating to burning biomass to heat water. [House Bill 3003](#) (*not enacted*), would have created a new excise tax credit per kilowatt hour for certain entities that purchase energy made from certified western juniper biomass.

## Water Quality

Water-quality legislation focused on sewage disposal systems, protecting drinking water, program fees, contaminant testing, and control of microplastics.

The construction or installation of a subsurface or alternative sewage disposal system requires a permit from Oregon Department of Environmental Quality (DEQ). [Senate Bill 931](#) requires the Environmental Quality Commission (EQC) to adopt rules for determining whether a community or area-wide sewerage system will

satisfactorily accommodate a proposed sewage discharge and creates temporary provisions that allow DEQ to issue a permit to repair or replace a sewage disposal system, without regard to the availability of a community or area-wide sewerage system, provided that certain conditions are met.

Certain water quality programs the DEQ provides are fully or partially funded by revenue generated from permit or certification fees. [House Bill 3208](#) authorizes the EQC to annually adjust fees for certain DEQ programs up to a maximum amount of three percent per calendar year.

Provisions of [House Bill 2647 A](#) (*not enacted*), were amended into [House Bill 3409](#) declares harmful algal blooms a threat to safe drinking water. It directs the Oregon Health Authority (OHA) and DEQ to identify sources that are susceptible to harmful algal blooms and develop and maintain a monitoring and a public alert strategy

A domestic well, used for certain purposes, must be tested at the time of sale by an accredited laboratory for arsenic, nitrate, and E. coli bacteria (the Domestic Well Testing Act, [ORS 448.271](#), 2021). [House Bill 3207 A](#) (*not enacted*) would have required test results to be submitted to the DEQ and made available to OHA and the public.

According to the Environmental Protection Agency, microfibers are the most prevalent type of microplastic (plastic pieces less than 5 mm in diameter) found in the environment and are extremely difficult to clean up. [Senate Bill 405](#) (*not enacted*) would have prohibited the sale of new clothes washers unless the washers are equipped with a microfiber filtration system.

## Zero-Emission Transportation

There are several types of electric vehicles (EVs) on the market today, including vehicles that are



partially or fully powered by electricity or other fuels and other modes of transportation such as scooters, motorcycles, trains, and airplanes. Zero-emission vehicles (ZEVs) are EVs that do not emit any greenhouse gas emissions. [House Bill 3409](#) included provisions from [House Bill 2714 A](#) (*not enacted*), which directs the Department of Environmental Quality to establish a program to provide rebates to persons who purchase qualifying medium- or heavy-duty ZEVs.

Several measures that did not pass during the 2023 Regular Session would have prepared the state to expand the types of ZEVs it supports. [Senate Bill 125 A](#) (*not enacted*) would have directed the Oregon Department of Transportation to establish a grant program to award grants to public and private entities for projects demonstrating the potential for wide-scale adoption and use of fuel cell electric vehicles and hydrogen fueling in the state's transportation sector. Other bills that were not enacted also would have expanded funding and rebates for alternative vehicles and equipment, including [House Bill 2571 A](#) (electric bicycle rebate program; *not enacted*); [House Bill 2614](#) (establishing a Rideshare Electrification Fund; *not enacted*); and [House Bill 2700](#) (electric farm tractors rebate program; *not enacted*).

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