2017 SUMMARY OF LEGISLATION

ENVIRONMENT
## Environment Measures

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Picture: Haystack Rock, Clatsop County - Gary Halvorson, Oregon State Archives
## Environment

### Task Forces and Reporting Requirements

The following bills created task forces and reporting requirements. Additional information is provided in the bill summaries.

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<td>SB 1039</td>
<td>The Oregon Coordinating Council on Ocean Acidification and Hypoxia must report on the Council’s activities and recommendations to the Legislative Assembly and the Ocean Policy Advisory Council.</td>
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## Environment

### Senate Bill 115

**Aviation Fuel**

**Chief Sponsors:** Sen. Riley

**Committees:** Senate Environment and Natural Resources

**Background and Current Law:** According to the Federal Aviation Administration, owners and operators of more than 167,000 piston-engine aircraft operating in the United States rely on aviation gasoline, commonly known as “avgas,” to power their aircraft. Avgas is the only remaining transportation fuel containing lead.

**Bill Summary:** Senate Bill 115 would have prohibited the use of aviation fuel containing lead after January 1, 2022.

### Senate Bill 197

**Dairy Air Emissions**

**At the request of:** Senate Interim Committee on Environment and Natural Resources

**Committees:** Senate Environment and Natural Resources

**Background and Current Law:** Senate Bill 235 (2007) established a Task Force on Dairy Air Quality and charged it with studying the emissions from dairy operations, evaluating available alternatives for reducing emissions, and presenting findings and recommendations to the Oregon departments of Agriculture and Environmental Quality. The task force delivered its report in July 2008, recommending that the Oregon Environmental Quality Commission work with other agencies to adopt rules to implement a program, based upon a set of guiding principles and starting as a voluntary program.

**Bill Summary:** Senate Bill 197 would have directed the Oregon Environmental Quality Commission to adopt, by rule, a program for regulating air contaminant emissions from dairy-confined animal feeding operations based, to the extent feasible, on the recommendations of the Task Force on Dairy Air Quality.
**Environment**

**Senate Bill 198**  
Not Enacted

**Independent Science Review Board**

At the request of: Senate Interim Committee on Environment and Natural Resources

**Committees:** Senate Environment and Natural Resources

**Background and Current Law:** Senate Bill 202 (2015) established the Task Force on Independent Scientific Review for Natural Resources to evaluate and assess the need for independent science reviews in Oregon and to make recommendations to the governor and appropriate legislative committees. The final task force report was submitted to the legislature in September 2016.

**Bill Summary:** Senate Bill 198 would have created the Oregon Independent Science Review Board to convene scientific panels to address questions from state agencies, local governments, and private persons for independent scientific review of complex, multidisciplinary, natural resource issues that required the involvement of multiple agencies.

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**Senate Bill 281**  
Not Enacted

**Oregon Ocean Science Trust Funding**

**Chief Sponsors:** Sen. Roblan

**Committees:** Senate Environment and Natural Resources, Joint Ways and Means

**Background and Current Law:** The 2013 Oregon Legislative Assembly established the Ocean Science Trust. Subject to available funding, the trust is directed to establish and execute a competitive grant program to conduct research and monitoring related to Oregon’s ocean and coastal resources. The trust is comprised of five voting members appointed by the State Land Board, and two nonvoting members from the legislature.

**Bill Summary:** Senate Bill 281 would have appropriated, from the General Fund, $1 million to the Oregon Ocean Science Trust Fund.
### Senate Bill 285
**Marine Deepwater Test Facility Funding**

**Chief Sponsors:** Sens. Roblan, Kruse; Rep. Gomberg

**Committees:** Senate Environment and Natural Resources, Joint Ways and Means

**Background and Current Law:** The Northwest National Marine Renewable Energy Center was established in 2008 by the U.S. Department of Energy to facilitate the development of marine renewable energy technologies. University partners include Oregon State University, the University of Washington, and the University of Alaska Fairbanks.

**Bill Summary:** Senate Bill 285 would have appropriated, from the General Fund, $4.6 million to provide matching funds for the Northwest National Marine Renewable Energy Center at Oregon State University to receive federal funds for a deepwater test facility for utility scale wave energy converters.

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### Senate Bill 383
**Septic System Loan Funding**

**Chief Sponsors:** Sen. Roblan; Rep. McLane

**Committees:** Senate Environment and Natural Resources, Joint Ways and Means

**Background and Current Law:** A septic system is the most common method of sewage treatment for homes and businesses that are not connected to an area-wide sewage treatment system. Over 30 percent of Oregonians rely on septic systems to treat wastewater from their homes and businesses. Septic systems which fail or malfunction can pollute Oregon’s land and waterways with raw sewage and create public health hazards. In 2016, Senate Bill 1563 required the Oregon Department of Environmental Quality (DEQ) to establish a program to award grants for developing and administering a low-interest loan program for the repair, replacement, upgrade, or evaluation of residential or small business on-site septic systems.

**Bill Summary:** Senate Bill 383 would have appropriated, from the General Fund, $1.5 million to continue the DEQ program of supporting low-interest loan programs for improving residential and business septic systems.
**Environment**

**Senate Bill 557**

*Not Enacted*

**Cap-and-Invest Program**

**Chief Sponsors:** Sen. Beyer

**Committees:** Senate Environment and Natural Resources, Senate Business and Transportation

**Background and Current Law:** A cap-and-trade program is a market-based system designed to reduce greenhouse gas emissions. Total allowed emissions are capped and decrease each year. Polluters are required to buy an allowance for each ton of greenhouse gas they emit. Allowances are purchased at auctions held by the government or a contracted third party, and may be distributed for free, often to emissions-intensive, trade-exposed industries. A floor price is set for allowances and rises annually. At the end of each compliance period, polluters must remit a number of allowances equal to their emissions or face a penalty. Companies may sell surplus allowances to other companies. A cap-and-invest program uses the proceeds generated from the program for designated purposes, which may include bill assistance for low-income utility customers, transportation infrastructure projects, and grant programs for clean energy and economic development.

**Bill Summary:** Senate Bill 557 would have established a cap-and-invest system covering sources that emitted more than 25,000 metric tons of greenhouse gases. Such sources included fossil fuel suppliers, natural gas suppliers, electric utilities, landfills, universities, high tech industries, and certain other heavy industries. These sources were required to obtain allowances and remit allowances equal to their level of emissions for each compliance period. Proceeds would have been invested in various grant program funds, infrastructure projects, and bill assistance for low-income utility customers.
**Environment**

**Senate Bill 812**

**Effective Date:** June 6, 2017

**Septic System Loan Program Modifications**

**Chief Sponsors:** Sen. Roblan; Reps. Gomberg, McKeown

**Committees:** Senate Environment and Natural Resources, House Energy and Environment

**Background and Current Law:** A septic system is the most common method of sewage treatment for homes and businesses that are not connected to an area-wide sewage treatment system. Over 30 percent of Oregonians rely on septic systems to treat wastewater from their homes and businesses. Septic systems which fail or malfunction can pollute Oregon’s land and waterways with raw sewage and create public health hazards. In 2016, Senate Bill 1563 required the Oregon Department of Environmental Quality (DEQ) to establish a program to award grants for developing and administering a low-interest loan program for the repair, replacement, upgrade, or evaluation of residential or small business on-site septic systems.

**Bill Summary:** Senate Bill 812 allows DEQ’s septic system loan funds to be used for a regional evaluation of a community septic system, requires that loans be used to connect to an available sewer system, and specifies that a borrower is not required to borrow the full cost of the septic system repair or replacement.

**Oregon Laws 2017:** Chapter 255

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**Senate Bill 836**

**Not Enacted**

**Toxic-Free Kids Act Modifications**

**At the request of:** Senate Committee on Business and Transportation

**Committees:** Senate Environment and Natural Resources

**Background and Current Law:** In 2015, the legislature established the Toxic-Free Kids Act (Senate Bill 478), requiring the Oregon Health Authority (OHA) to establish and maintain on its website a list of designated high-priority chemicals of concern for children’s health used in children’s products and to periodically review and revise the list.

**Bill Summary:** Senate Bill 836 would have made several changes to the Toxic-Free Kids Act, including adding a requirement for legislative ratification of chemicals in children’s products that OHA determined should be removed and substituted.
**SENATE BILL 866**

**Not Enacted**

**Storm Water Discharges**

**Chief Sponsors:** Sen. Hansell

**Committees:** Senate Environment and Natural Resources

**Background and Current Law:** Storm water runoff, from land and impervious areas such as paved streets, parking lots, and building rooftops during rainfall and snow events, often contains pollutants that can adversely affect water quality. Permits are required for storm water discharges to surface waters from construction and industrial activities as well as municipalities if storm water from rain or snow melt leaves a site through a “point source” and reaches surface waters either directly or through storm drainage.

**Bill Summary:** Senate Bill 866 would have required “discharge agencies,” such as a state agency, special district, or local government, that discharged storm water into canals or other infrastructure of a special district or local government to take reasonable steps to ensure that the discharge complied with state and federal water quality standards. Starting July 1, 2019, the bill also required discharging agencies to obtain permission for storm water discharges or prepare a plan for infrastructure improvements that avoided water quality and liability consequences and that could be fully implemented within five years.
Residential Demolitions - Asbestos and Lead Removal


Committees: Senate Environment and Natural Resources, Joint Ways and Means

Background and Current Law: Asbestos is the generic name given to a group of fibrous minerals used to make a wide range of construction materials. Exposure to asbestos has been shown to increase the risk of an individual developing lung disease. In 2015, Senate Bill 705 directed the Environmental Quality Commission to adopt rules requiring inspectors to perform asbestos surveys prior to beginning demolition. If asbestos is found, it must be properly removed and disposed of by a licensed asbestos abatement contractor prior to the demolition.

Although leaded paint and gasoline are no longer used in the United States, an individual may still be exposed to lead dust generated during building renovation activities such as sanding, cutting, and demolition. Houses built prior to 1978 were commonly painted with leaded paint inside and out. The U.S. Environmental Protection Agency (EPA) issued the Renovation, Repair, and Painting rule on April 22, 2008 to protect children and adults against hazardous lead dust and chips disturbed during common renovation activities. In 2010, the EPA gave the Oregon Construction Contractors Board and the Oregon Health Authority the authority to administer the rule in Oregon.

Bill Summary: Senate Bill 871 authorizes a city to establish a program for the demolition of residences or residential buildings. The measure requires the Oregon Health Authority to establish a lead containment certification program to certify contractors to perform demolitions of residences or residential buildings built before 1978 in cities with a demolition program.

Oregon Laws 2017: Chapter 739

Aerial Pesticide Applications to Forestlands

Chief Sponsors: Sen. Dembrow

Committees: Senate Environment and Natural Resources

Background and Current Law: Under current Oregon law, a person may apply pesticides from an aircraft if they hold a pesticide applicator's license and a license to operate the aircraft from which the pesticide is being applied. The application of chemicals on forestland is also identified by administrative rule as a forest practice that requires written notice to the State Forester.

Bill Summary: Senate Bill 892 would have directed the Oregon Department of Forestry to maintain an electronic reporting and notification system, including provisions for filing, viewing, and sending notices and reports to the State Forester of aerial application of pesticides to privately owned forestland. The measure required an operator, timber owner, or landowner using the system to file notice of a proposed application with the State Forester no later than 15 business days prior to the proposed date of application.
**Environment**

**Senate Bill 928**

**Pesticide Label Requirements for Neonicotinoids**

**Chief Sponsors:** Sen. Prozanski; Reps. Marsh, Holvey

**Committees:** Senate Environment and Natural Resources

**Background and Current Law:** Neonicotinoids are a type of insecticide that can be applied to either a plant or soil.

**Bill Summary:** Senate Bill 928 would have required pesticide products and seed containers that contain neonicotinoids to be clearly labeled. The measure deemed a food, unless the container was clearly labeled, as misbranded if it was a raw commodity that was a product of soil treated, either before or after harvest, with neonicotinoids.

**Senate Bill 929**

**Restricted Use of the Insecticide Neonicotinoids**

**Chief Sponsors:** Sen. Prozanski; Reps. Marsh, Holvey

**Committees:** Senate Environment and Natural Resources

**Background and Current Law:** Neonicotinoids are a type of insecticide that can be applied to either a plant or soil. The Oregon Department of Agriculture (ODA) is authorized to establish, maintain, and amend lists of restricted-use pesticides, and can restrict their application and use by rule.

**Bill Summary:** Senate Bill 929 would have directed ODA to include neonicotinoids as restricted-use pesticides.
Climate Test Development

Chief Sponsors: Sen. Dembrow; Rep. Helm

Committees: Senate Environment and Natural Resources (SB 1007), House Energy and Environment (HB 3343)

Background and Current Law: The legislature has enacted several policies and programs to reduce greenhouse gas emissions, including a renewable portfolio standard and a low carbon fuel program.

Bill Summary: Senate Bill 1007 and House Bill 3343 would have directed the Oregon Department of Energy, in consultation with the Environmental Quality Commission and other interested agencies, to develop a climate test to be used by state permitting agencies for evaluating applications for proposed fossil fuel infrastructure projects.

Clean Diesel Engine Fund

Chief Sponsors: Sens. Dembrow, Taylor, Frederick, Gelser; Reps. Greenlick, Malstrom, Nosse

Committees: Senate Environment and Natural Resources, Senate Rules, Joint Ways and Means

Background and Current Law: Diesel engines are used throughout Oregon and the United States because of their reliability, durability, power, and fuel efficiency. In Oregon, on-road heavy-duty diesel trucks and diesel construction equipment are the largest source of diesel exhaust. Diesel exhaust is considered a health risk, particularly in urban areas that are close to highways and major roads.

Bill Summary: Senate Bill 1008 adds grants and loans for diesel engine replacements to the list of permissible uses of the Clean Diesel Engine Fund and makes other adjustments to provisions governing the issuance of grants and loans. The measure authorizes the State of Oregon to receive funds under the Volkswagen Environmental Mitigation Trust Agreement and specifies the allocation of these funds for grants to reduce emissions from diesel engines.

Oregon Laws 2017: Chapter 742
Ocean Acidification and Hypoxic Waters

Chief Sponsors: Sens. Roblan, Kruse

Committees: Senate Environment and Natural Resources, Joint Ways and Means

Background and Current Law: Oceans absorb a portion of the carbon dioxide (CO2) released into the atmosphere each year. Ocean acidification is the term given to the chemical changes in the ocean that result from CO2 absorption. “Hypoxia” refers to oxygen-deficient waters. According to the West Coast Ocean Acidification and Hypoxia Science Panel, ocean acidification and hypoxia frequently occur together and share a common set of causes, including increased atmospheric CO2 levels and local nutrient and organic carbon inputs. The panel reached consensus on six major findings, including that ocean acidification and hypoxia will have severe environmental, ecological, and economic consequences for the West Coast and require a concerted regional management focus.

Bill Summary: Senate Bill 1039 declares the state’s policy to ensure a coordinated, effective response to ocean acidification and hypoxia.

Oregon Laws 2017: Chapter 744
Environment

House Bill 2131-B

Oil Spill Prevention and Emergency Response Plan

Chief Sponsors: Rep. Smith Warner

Committees: House Energy and Environment, House Rules, Joint Ways and Means

Background and Current Law: On June 6, 2014, an Emergency Order issued by the U.S. Department of Transportation went into effect requiring railroad carriers operating trains transporting one million gallons or more of Bakken crude oil on a single train to provide information to the State Emergency Response Commission on estimated volumes and frequencies of implicated train traffic. In 2015, the Oregon Legislative Assembly enacted House Bill 3225, which required the State Fire Marshal to adopt a plan for a coordinated response to an oil or hazardous material spill or release that could occur during rail transport. In June 2016, a train shipping crude oil derailed near the city of Mosier in the Columbia River Gorge. Eleven cars from the 96-car train left the rails near Rock Creek, which feeds the Columbia River. Interstate 84 was closed in both directions and a community school and others were evacuated. Several cars caught fire and some oil was released.

Bill Summary: House Bill 2131-B would have required the owner or operator of a high-hazard train route to submit an oil spill prevention and emergency response plan to the Department of Environmental Quality for review and approval. The Environmental Quality Commission was directed to adopt rules standardizing the preparation of high-hazard train route contingency plans and a “financial responsibility statement” was defined and required from railroads to demonstrate their ability to pay the cost to clean up a “worst-case spill.”

House Bill 2135-A

Cap-and-Invest System

At the request of: House Interim Committee on Energy and Environment

Committees: House Energy and Environment, House Rules

Background and Current Law: A cap-and-trade program is a market-based system designed to reduce greenhouse gas emissions. Total allowed emissions are capped at a given level that decreases each year. Emitters are required to buy an allowance for each ton of greenhouse gas they emit, as quantified through mandatory reporting of emissions. Allowances are purchased at auctions, but may also be distributed for free, often to emissions intensive, trade exposed industries. At the end of each compliance period, companies must remit a number of allowances equal to their emissions or face a penalty. A cap-and-invest program uses the proceeds generated from a cap-and-trade program for designated purposes. Ten states currently have cap-and-trade systems.

Bill Summary: House Bill 2135-A would have created a cap-and-invest system covering sources that emitted more than 25,000 metric tons of greenhouse gases. Such sources would have included certain fossil fuel suppliers, natural gas suppliers, electric utilities, landfills, universities, high-tech industries, and certain other heavy industries. These sources would have been required to obtain allowances and remit a number of allowances equal to their level of emissions for each compliance period. Proceeds were to be invested in various grant programs, infrastructure projects, and bill payment assistance for low-income utility customers.
**Environment**

**House Bill 2269-A**  
Not Enacted

**Air Quality Fees/Volkswagen Settlement**
**At the request of:** Governor Brown for Department of Environmental Quality

**Committees:** House Energy and Environment, Joint Ways and Means

**Background and Current Law:** The federal Clean Air Act requires each state’s Title V operating permit program to be fully funded by permit fees. Oregon’s Title V fees include annual fees and fees for specific activities such as permit modifications. Each facility subject to the Title V operating permit program is required to pay Title V fees, which are governed by administrative rules and adjusted annually to keep pace with inflation.

On June 28, 2016, a federal court initially approved a partial settlement of claims that Volkswagen manufactured diesel cars with systems intended to defeat emissions tests. These systems allowed vehicles to emit nitrogen oxide (NOx) pollution at levels that significantly exceeded the amounts allowed under the Clean Air Act. The proposed settlement includes an environmental mitigation fund to offset the impact of the noncompliant vehicles’ excess emissions. The mitigation fund will consist of $2.7 billion to be distributed among states based on the proportion of diesel Volkswagen vehicles registered in each jurisdiction. Oregon is expected to receive about $68 million dollars.

**Bill Summary:** House Bill 2269-A would have established a specific activity fee to fund the investigation of complaints related to sources that were subject to the federal operating permit program. It also established a one-time supplemental fee at a base amount of $1,256 plus $9.49 per ton of each regulated pollutant during the 2016 calendar year. The bill also authorized the state to receive funds pursuant to the Volkswagen Environmental Mitigation Trust Agreement and set preferences for spending those funds.

**House Bill 2404-A**  
Not Enacted

**Well-Water Testing for Rental Properties**

**Chief Sponsors:** Rep. Lively; Sen. Roblan

**Committees:** House Energy and Environment, Joint Ways and Means

**Background and Current Law:** Domestic well testing is the process of having an accredited laboratory test a water sample from a private well for possible contaminants, the most common being arsenic, nitrate, and total coliform bacteria. The testing of domestic well water is required by state law only during a real estate transaction. Property owners must communicate specific information about wells and the quality of water, within 90 days of receiving test results, to both the potential buyer and the Oregon Health Authority (OHA).

**Bill Summary:** House Bill 2404-A would have required landlords, who rent properties with drinking water from wells, to collect and test samples of drinking water for arsenic, total coliform bacteria, and nitrates on a specified schedule and report results to tenants and OHA. The measure would have authorized OHA to award grants and make loans for the installation of treatment systems, repair or replacement of wells, provision of ground water contaminant education, and conducting free or low-cost water tests.
**Environment**

### House Bill 2481

**Low Carbon Fuel Standard Receipt Statement**

**Chief Sponsors:** Rep. Bentz

**Committees:** House Energy and Environment

**Background and Current Law:** According to the Department of Environmental Quality (DEQ), approximately one third of Oregon’s greenhouse gases are produced by the transportation sector. The 2009 legislature passed House Bill 2186 authorizing the Oregon Environmental Quality Commission to adopt rules to reduce the average carbon content of Oregon’s transportation fuels by 10 percent over a 10-year period. The 2015 legislature passed Senate Bill 324 allowing DEQ to fully implement the Low Carbon Fuel Standard in 2016.

**Bill Summary:** House Bill 2481 would have required gas station owners or operators to print, on any receipt for a gasoline purchase provided to customers, the cost to the customer of the Low Carbon Fuel Standard per gallon of gasoline.

### House Bill 2669

**Community Right to Know Program Modifications**

**Chief Sponsors:** Reps. Nosse, Keny-Guyer; Sen. Taylor

**Committees:** House Energy and Environment

**Background and Current Law:** In 1985, the legislature passed the Oregon Community Right to Know and Protection Act to provide first responders and the public with information about hazardous substances in their response areas and neighborhoods. The act directs the Office of State Fire Marshal (OSFM) to survey business and government facilities for information about the presence of hazardous substances and to collect information about incidents. The Act further directs the OSFM to provide planning and training assistance to local jurisdictions on hazardous substance emergency response and preparedness. One year later, in 1986, the federal Emergency Planning and Community Right to Know Act (EPCRA) was passed, also requiring certain businesses to report information about the storage of hazardous substances to their state regulatory agency. In 1996, the City of Eugene established its own community right-to-know program by amendment to its city charter. It is overseen by a seven-member volunteer citizen board appointed by the Eugene City Council.

**Bill Summary:** House Bill 2669 would have increased the fee allowed for a community right-to-know regulatory program from $2,000 to $10,000 and required an assessment method for covered facilities that included the output of the facility and the number of full-time equivalent employees. In addition, the measure added “public concern” as an acceptable reason to establish a program and required all employers with a total annual output of more than 1,000 pounds of hazardous substances to report.
### Environment

#### House Bill 2711-A

**Hydraulic Fracturing Moratorium**

**Chief Sponsors:** Reps. Helm, Lively

**Committees:** House Energy and Environment, Senate Environment and Natural Resources

**Background and Current Law:** Hydraulic fracturing is a drilling technique that forces a mixture of liquids and other material under high pressure through rock to create or expand fractures in the rock. The fractured rock can release crude oil, natural gas, or geothermal energy that would not otherwise be accessible using conventional drilling techniques. Although the technology has existed since the 1960s, in recent years, the use of hydraulic fracturing in combination with advances in horizontal drilling has led to a major increase in U.S. oil and natural gas production.

**Bill Summary:** House Bill 2711-A would have imposed a statewide moratorium on hydraulic fracturing until 2027.

#### House Bill 2725-A

**Residential Solid Fuel Heating Air Quality Improvement Appropriation**

**Chief Sponsors:** Reps. Helm, Keny-Guyer, Greenlick, Johnson; Sen. Prozanski

**Committees:** House Energy and Environment, Joint Ways and Means

**Background and Current Law:** Smoke created from wood burning can be a significant source of air pollution and can have health consequences for those with asthma, respiratory or heart conditions, and other illnesses. Under current law, individuals buying or selling a home with a wood stove or fireplace insert in Oregon must ensure it was certified to meet emissions performance standards at the time of manufacture. If it was not certified, state law requires it to be removed, destroyed, and disposed of when a home is sold. In 2009, the legislature established the Residential Solid Fuel Heating Air Quality Improvement Fund to reduce the emission of air contaminants by providing grants, loans, or other subsidies for the replacement or removal of noncertified solid fuel burning devices.

**Bill Summary:** House Bill 2725-A would have appropriated $1 million from the General Fund to the Residential Solid Fuel Heating Air Quality Improvement Fund to support community efforts to improve economic development and public health by reducing air quality emissions from solid fuel burning devices that burn wood.
Rebates for Uncertified Solid Fuel Burning Devices

Chief Sponsors: Reps. Johnson, Keny-Guyer

Committees: House Energy and Environment, Senate Environment and Natural Resources

Background and Current Law: Smoke created from wood burning can be a significant source of air pollution and can have health consequences for individuals with asthma, respiratory or heart conditions, and other illnesses. Under current law, anyone buying or selling a home with a wood stove or fireplace insert in Oregon must ensure it was certified to meet emissions performance standards at the time of manufacture. If it was not certified, state law requires it to be removed, destroyed, and disposed of when a home is sold. In 2009, the Legislative Assembly established the Residential Solid Fuel Heating Air Quality Improvement Fund to reduce the emission of air contaminants by providing grants, loans or other subsidies for the replacement or removal of noncertified solid fuel burning devices.

A nonattainment area is a federal designation given to an area not meeting one or more National Ambient Air Quality Standards. Under U.S. Environmental Protection Agency rules, industries seeking to expand or open an operation in a nonattainment area may face more stringent requirements because of the nonattainment designation. Both Klamath Falls and Oakridge are currently designated as nonattainment areas, in part due to the large number of wood stoves present in these areas.

Bill Summary: House Bill 2748 modifies the Residential Solid Fuel Heating Air Quality Improvement Fund to include moneys received from any public or private source. The bill expands use of the fund through the issuance of rebates for programs designed to reduce the emission of air contaminants from solid fuel burning devices and providing grants, loans, rebates, or other subsidies to make dry wood or cleaner fuels available to communities or individuals. The measure requires the prioritization of grants, loans, or other subsidies to be used in nonattainment areas.

Oregon Laws 2017: Chapter 122
Environment

**House Bill 2954**

**Crescent Sanitary District Sewer System**

**Chief Sponsors:** Rep. McLane

**Committees:** House Energy and Environment, Joint Ways and Means

**Background and Current Law:** Crescent, Oregon is located along the Highway 97 corridor between the Walker and Cascade Mountain ranges. The city does not have a citywide wastewater facility; instead, businesses and residents rely on individual septic systems. Many of these systems are aged and failing, and the resulting pollution of the local groundwater and the Deschutes River, with high levels of nitrates, has led the Oregon Department of Environmental Quality to place the Crescent area on a moratorium prohibiting the installation of any new septic systems. The Crescent Sanitary District is a volunteer board of directors comprised of community district members dedicated to finding a solution to the city’s wastewater issues.

**Bill Summary:** House Bill 2954 would have appropriated $5 million from the General Fund to the Oregon Department of Administrative Services for upgrading the Crescent Sanitary District sewer system.

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**House Bill 3105-A**

**Household Hazardous Waste Product Stewardship Program**

**Chief Sponsors:** Reps. McLain, Keny-Guyer; Sens. Dembrow, Prozanski

**Committees:** House Energy and Environment, Joint Ways and Means

**Background and Current Law:** Product stewardship programs require manufacturers to share in the financial and physical responsibility of collecting and recycling products at the end of their useful lives. There are two statewide product stewardship programs currently operating in Oregon addressing paint and electronic equipment.

In 2007, House Bill 2626 established a statewide program financed by manufacturers for recycling computers, monitors, and televisions. The program allows anyone bringing seven or fewer items at one time to recycle their electronics at no charge at participating collection sites. In 2015, computer peripherals (keyboards and mice) and printers were added to the program.

In 2009, House Bill 3037 created a paint stewardship pilot program to reduce the generation of post-consumer paint and required the creation of a stewardship organization made up of paint manufacturers to implement the program by developing a plan and funding its implementation. Under the legislation, consumers may take unwanted paint to locations throughout the state for disposal. The program was made permanent in 2013.

**Bill Summary:** House Bill 3105-A would have established a product stewardship program for household hazardous waste. The measure prohibited manufacturers or retailers from selling or offering for sale a “covered product” unless the covered product was labeled with a brand and the brand was included in a plan for a stewardship program. House Bill 3105-A would have required a stewardship organization to register annually with the Department of Environmental Quality.
Environment

House Bill 3269  Not Enacted

Oregon Climate Change Commission

Chief Sponsors: Reps. Power, Helm; Sen. Taylor

Committees: House Energy and Environment, House Rules

Background and Current Law: The Global Warming Commission, created in 2007 by House Bill 3543, consists of 11 voting members representing a variety of interests including energy, forestry, environment, and transportation. Seven state agencies serve as ex-officio members of the commission, three additional ex-officio members are appointed from a state agency or academic institution, and four additional ex-officio members are appointed from the Legislative Assembly. The Commission’s general charge is to recommend ways to coordinate state and local efforts to reduce Oregon’s greenhouse gas emissions consistent with Oregon’s goals and to recommend efforts to help the state, local governments, businesses, and residents prepare for the effects of global warming.

Bill Summary: House Bill 3269 would have changed the name of the Oregon Global Warming Commission to the Oregon Climate Change Commission and required the commission to appoint an executive director. The measure also appropriated an unspecified amount from the General Fund to the commission for purposes related to the executive director.

House Bill 3344  Not Enacted

Bulk Coal or Oil Terminal Projects

Chief Sponsors: Rep. Helm

Committees: House Committee on Energy and Environment

Background and Current Law: On June 6, 2014, an Emergency Order issued by the U.S. Department of Transportation went into effect requiring railroad carriers operating trains transporting one million gallons or more of Bakken crude oil on a single train to provide information to the State Emergency Response Commission estimating volumes and frequencies of the train traffic implicated. In 2015, the legislature enacted House Bill 3225, which required the Office of the State Fire Marshal to adopt a plan for the coordinated response to an oil or hazardous material spill or releases that occur during rail transport.

Bill Summary: House Bill 3344 would have prohibited the Legislative Assembly from appropriating funds for any new bulk coal or oil terminal project for the biennium beginning July 1, 2017. The measure established a formula for calculating the cleanup cost of a “worst case spill” and requirements for an annual statement to be submitted to the Department of Environmental Quality from applicable rail carriers. The measure would have also required that the Department of State Lands use criteria to issue or renew removal-fill permits or leases for projects that facilitate the transportation of crude oil.
Adequate Coverage of Bottle Redemption Centers

Chief Sponsors: Rep. Johnson

Committees: House Energy and Environment

Background and Current Law: In 1971, Oregon enacted the “Bottle Bill,” which is the nation’s longest-standing deposit law. In 2007, the legislature expanded coverage of the five-cent beverage container deposit to include water and flavored water. In 2011, the legislature passed House Bill 3145, expanding the types of beverage containers subject to the deposit to include juices, teas and more; the measure also set a trigger for the deposit to increase to 10 cents if the recycling rate fell below 80 percent for two consecutive years, and set up a redemption center pilot project. In 2012, the legislature passed Senate Bill 1508 to provide incentives for a more efficient system for distributors to collect empty containers from stores. In 2013, Senate Bill 117 modified the redemption center program by removing its status as a pilot program and authorizing the Oregon Liquor Control Commission (OLCC) to approve additional centers. The redemption centers—known as “BottleDrops”—are operated and funded by the Oregon Beverage Recycling Cooperative in partnership with grocery retailers.

In 2016, the OLCC determined the redemption rate had fallen below 80 percent for two consecutive years, 2014 and 2015, triggering the increase of the refund value to 10 cents effective April 1, 2017. Additionally, on January 1, 2018, containers accepted for refund will expand to include any nondairy, nonliquor, nonwine beverage, or nonplant-based milk container for human consumption of at least 4 fluid ounces and less than 1½ fluid liters.

Bill Summary: House Bill 3349 would have required the OLCC to ensure that an adequate number of dealers and redemption centers existed in the state to provide convenient service to all persons in the state for the return of empty beverage containers prior to expanding the eligibility of containers for redemption.
Environment

House Bill 3386-A  Not Enacted

Low Carbon Fuel Standard Compliance Credits

Chief Sponsors: Rep. Bentz

Committees: House Energy and Environment, House Rules

Background and Current Law: The Department of Environmental Quality (DEQ) reports that approximately one third of Oregon’s greenhouse gases are produced by the transportation sector. The 2009 Oregon Legislative Assembly passed House Bill 2186 authorizing the Oregon Environmental Quality Commission to adopt rules to reduce the average carbon intensity of Oregon’s transportation fuels by 10 percent over a 10-year period. The 2015 Oregon Legislative Assembly passed Senate Bill 324 allowing the DEQ to fully implement the low carbon fuel standard in 2016.

Bill Summary: House Bill 3386-A would have required the Environmental Quality Commission to adopt a program to facilitate compliance with the low carbon fuel standard that included provisions for regulated parties to purchase credits to demonstrate compliance with the standard. Legislation modifying the low carbon fuel standard was included in House Bill 2017.