

From the desk of Senator Michael Dembrow



June 24, 2023

To: Members of the Oregon State Senate

RE: HB 3229 A - Prioritizing Stabilization and Sustainability of Title V fee program

I request your **support for HB 3229 A**. I urge you to prioritize a fully functioning air permitting program for Oregon's Department of Environmental Quality (DEQ), by stabilizing the Title V program fees. Title V of the federal Clean Air Act (CAA) regulates emissions from the largest and most complex sources of air pollution. This program provides safeguards to communities adjacent to these facilities in Oregon, and gives businesses the predictability needed to expand and maintain ongoing operations. Maintaining full funding for Oregon's Title V permit program is essential for the agency to continue to issue new permits and protect public health.

The federal government requires States to collect fees from the regulated entities to sustain the program.

If the state does not prioritize a sustainable rate for fee-based revenues this session, nearly 1/3 of the program staff and productivity will be permanently eliminated, putting Oregon out of compliance with federal law. This exacerbates the agency's ability to restore confidence with industry permit holders and the public alike.

Inadequate funding for this program could result in the following outcomes:

1. Immediate and permanent elimination of Oregon DEQ permitting staff and program outcomes.
2. Failure to meet federal Clean Air Act obligations to protect public health by monitoring and enforcing air quality standards.
3. EPA could issue a notice of deficiency, implement a "stringent" performance plan, engage in "increased" and EPA-led enforcement at the companies that emit pollutants, and even take over permitting responsibilities for some of those companies.
4. A return to the backlog identified by the Secretary of State's 2018 audit which concluded: "43% of DEQ's largest and most complex air quality permits are overdue for renewal."
5. Oregon would reverse the significant progress that has been made in the wake of the SOS audit, including the 10 recommendations from that report the agency completed to improve its internal process.

Oregon's fees are relatively low compared to the other states within EPA region 10, so we urge the legislature to approve HB 3229 which will bring Oregon closer in line to neighboring states. Thank you for your support.

Sincerely,

Senator Dembrow

