



March 7, 2023

TO: Members of the Senate Committee on Energy and Environment

FR: Sharla Moffett, Oregon Business & Industry

RE: SB 488

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 SB 488. Our overriding concern with this bill is that it targets a specific facility for which the Legislature, rather than DEQ--our state's environmental regulator--would set permit limits when the monitoring, risk assessments and other technical analyses all indicate that this facility's emissions are compliant with its permit and, therefore, meet state and federal standards.

The U.S. Environmental Protection Agency holds incineration facilities to high standards that must be protective public health and the environment. This facility has been safely processing regulated medical waste for more than 20 years. Rigorous analysis shows that, in addition to operating within state and federal standards, most of its criteria pollutant emissions dramatically below federal standards. A 2020 risk assessment showed the facility's risk to be well below levels that require any action to be taken.

More environmental analysis is currently underway as the facility is also going through the Cleaner Air Oregon process. Cleaner Air Oregon is the most stringent air toxics regulatory program in the country and was authorized by the Legislature in 2018 as a human health risk-based program to protect individuals living closest to facilities—particularly vulnerable populations like children and the elderly.

Demonstrating Cleaner Air Oregon (CAO) compliance can be a lengthy process. The ink was barely dry when the original rule was adopted in November 2018 when it initiated rulemaking to modify the program, which was adopted in early 2020. A third CAO rulemaking was adopted in 2021. So, just as the agency was standing up a brand new and very complex program, DEQ changed the rules two more times, which delayed the CAO process significantly. These abrupt rule changes caused some businesses to redo air modeling and risk assessment analyses, resulting in additional delay and adding significant cost for businesses.

The establishment of standards and permit limits should be left to the Department of Environmental Quality, particularly since this is the agency charged with implementing and enforcing the federal Clean Air Act in Oregon. Legislative interference in the federal Clean Air Act

could have serious ramifications such as DEQ losing its delegated authority to implement the Clean Air Act in Oregon. Moreover, it is extremely worrisome that the Legislature would target an individual business or sector and put itself in the position of environmental regulator to a single business or sector.

We urge you to oppose SB 488.