

April 16, 2025

Joint Committee On Ways and Means Subcommittee On Natural Resources Oregon State Capitol 900 Court St. NE Salem Oregon 97301

## Re: SB 5520 - SUPPORT

Dear Co-Chairs Frederick and Levy, and Members of the Committee

Climate Solutions is a regional nonprofit working to accelerate clean energy solutions to the climate crisis. On behalf of our thousands of members statewide, we urge you to support SB 5520, a bill that would provide biennial funding for the Oregon Department of Environmental Quality (DEQ).

As Oregonians face rising energy costs and worsening climate impacts—and as federal rollbacks threaten to undermine decades of environmental and public health progress—DEQ's work to restore, maintain and enhance the quality of Oregon's air, land and water has never been more critical. The agency is on the frontlines of implementing cornerstone Oregon policies including the Climate Protection Program, Clean Fuels Program, and Clean Truck Rules. Delivering adequate funding and staff support for the agency is vital to ensuring effective implementation of these and other DEQ-administered programs that are essential to improve public health, create jobs in our existing clean energy economy, and help Oregon achieve its climate pollution reduction goals.

Simply put, Oregon cannot meet our state's climate and equity goals without a fully staffed and well-supported DEQ. We therefore strongly urge support for DEQ's overall budget, and in particular the following Policy Option Packages:

- POP #111 Strengthens Oregon's Greenhouse Gas Reporting Program, which underpins 80% of the state's GHG inventory and supports key programs like CPP and Clean Fuels. Modernizing its outdated fee structure is essential for long-term program sustainability.
- POP #170 Addresses critical resource gaps and chronic underfunding across the agency, including emergency response, lab services, climate and water quality programming, and enforcement—gaps highlighted in the 2024 Secretary of State audit.

We also strongly urge your support for additional funding for DEQ to implement the state's new "Emissions Intensive Trade Exposed" (EITE) program, adopted under the Climate Protection Program (CPP). Developed in response to regulated industry feedback during the 2024 CPP rulemaking, the new EITE program seeks to reduce industrial emissions while keeping manufacturing strong in Oregon. However, its success depends on adequate staffing to support the forthcoming agency rulemaking process,



which will allow DEQ to better tailor requirements to these businesses, and ongoing monitoring and evaluation of the program's implementation. Because the new CPP rules were finalized in November 2024, this need wasn't captured in the Agency Requested Budget or Governor's Recommended Budget. We urge your support for an additional \$900,000 to fund three full-time, permanent positions to carry this critical work forward.

Lastly, we strongly urge you to prioritize continued funding for existing, popular DEQ-led programs to deliver clean air, improve public health, lower costs for Oregon families and businesses, and drive clean economic growth. Particularly given federal funding rollbacks, legislative reinvestment in the 2025-27 biennium in the following clean vehicle programs is key:

• Zero-Emission Medium and Heavy Duty Vehicle Incentive Fund - \$60M

Established by the 2023 Legislature to accelerate the adoption of zero emission medium- and heavy-duty trucks, this program has worked to lower health costs and reduce climate pollution from our largest source of emissions. Every year in Oregon, diesel engine exhaust is responsible for an estimated 176 premature deaths, 25,910 lost work days and annual costs from exposure of \$3.5 billion. Continued funding for this program will ensure businesses can rely on state support and decrease purchasing costs with a focus on areas with the highest diesel pollution.

• Medium and Heavy Duty Electrification Charging Fund - \$20M Established and originally funded at \$15 million by the 2023 Legislature, this program supports public and private projects to install charging and fueling infrastructure for zero-emission

medium- and heavy-duty vehicles. The competitive grant program funds both capital improvements and technical assistance to accelerate the state's transition to cleaner vehicles and reduce air pollution. Additional funding for this program will help build a robust, future-ready fueling network for diverse fleets across Oregon.

• Oregon Clean Vehicle Rebate Program (OCVRP) / Charge Ahead - \$12M Due to overwhelming demand and limited funding, the OCVRP program has consistently been suspended. Accelerating the adoption of electric vehicles means cleaner air, better public health, and improved economic mobility for Oregonians. Prioritizing funding for the Charge Ahead program will increase equitable access to EVs and deliver cost saving benefits for low- and moderate-income households across Oregon.

Thank you for your consideration, and we once again urge you to support SB 5520 and prioritize continued investment in these and other critical initiatives.

Nora Apter Oregon Director Climate Solutions