

Feb. 18, 2026

**TO:** Members of the Senate Committee on Energy and Environment

**FR:** Sharla Moffett, Senior Policy Director

**RE:** Support for HB 4102

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Good morning, Chair Sollman, Vice Chair Brock Smith and Members of the Committee:

I'm Sharla Moffett, senior policy director for Oregon Business & Industry.

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, over 75% 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 is here in support of HB 4102, and we appreciate the work of the sponsors in bringing it forward.

Permitting is at the core of DEQ's work and it is the primary way that Oregon's air, land and water are protected. Permitting is highly unpredictable as to the issues that arise and the length of time it could take until a permit is issued. Without belaboring the point, it's clear that the permitting process needs improvement.

Although HB 4102 does not fix chronic permitting delays, it does provide a very important tool that can help permit applicants when rapid permit issuance is a high priority.

Receipts authority authorizing a third party to prepare a permit on DEQ's behalf for an applicant has existed for roughly 30 years. This process been underutilized because there was little detail about when and how to use it. HB 4102 would make receipts authority more accessible to permit applicants.

All permitting requirements still apply to the process, no steps are skipped, and permit issuance decisions are made entirely by DEQ. Receipts authority doesn't deprive DEQ of any revenue, because the applicant is subject to all relevant permitting fees plus the applicant must reimburse DEQ for the cost of hiring a third party to write the permit.

The bill simply provides some additional structure to existing authority that enables easier utilization of a process that is particularly helpful in the event that permit issuance is time sensitive. A business's ability to get a new facility permitted, make investments in existing operations, increase production or pursue a market opportunity is greatly hindered when a permit is delayed.

It's important to note that we see third-party permitting as the exception rather than the rule even with this additional receipts authority structure. For one thing, third party permitting is very expensive, since a business is essentially paying twice for a permit. The key point is that HB 4102 provides an alternative to DEQ's normal permitting process when expediting a permit is particularly important

OBI urges your support of HB 4102, however, we must note that we have many concerns with the -1 amendment. The amendment effectively kills the bill or results in regulated entities continuing to underutilize receipts authority.

Labor standards such as prevailing wage or project labor agreements are inappropriately imposed in the -1 amendment, since this mechanism does not involve the expenditure of public funds.

Bill opponents asserted that HB 4102 should take a permittee's compliance history into account in order to use third party permitting. The fact is that every permit holder's compliance history is considered prior to the issuance of all DEQ permits. In 2021, then-Speaker Kotek wanted to address concerns about "chronic violators," that led to the passage of HB 3372.

Bill opponents raised concerns about maintaining the objectivity of contractors and avoiding conflicts of interest. There are other programs subject to third party contractors in which DEQ has successfully navigated conflicts of interest. In 2021, rules were adopted for those subject to DEQ's Greenhouse Gas Reporting Program requiring the regulated entity to have emissions reports third party verified. There is a DEQ-approved list of third party verifiers, these contractors are from outside Oregon, and both the verifier and the regulated entity are required to report conflicts.

Bill opponents referred to the bill as a "fast track" permit. The permit process is not altered. What is different is the permit writer is a third party contractor rather than DEQ. This expedites the permit because the permit applicant is paying the contractor to focus on completing

their permit, rather than a process in which the permit is one of many permits that are in process.

Thank you.

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