



**Testimony to the
House Committee on Energy & The Environment
on House Bill 4002**

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Founded in 1968, the Oregon Environmental Council (OEC) is a nonprofit, nonpartisan, membership-based organization. We advance innovative, collaborative solutions to Oregon's environmental challenges for today and future generations.

Oregon Environmental Council (OEC) urges support for HB 4002 to establish a fee to cover the costs of a Department of Environmental Quality program to regulate toxic air contaminants from industrial sources.

As an organization that works at the nexus of human health and the environment, OEC strongly supported Governor Kate Brown's directive to our state agencies: design a regulatory program for toxic air emissions based on human health protections. The rules developed by DEQ and OHA are not radical; in fact, we would like to see provisions that break new ground. Yet these rules fall squarely within the responsibility designated to states by the US EPA to regulate area sources of air toxics. Establishing a fee to implement such a program is an investment that, based on precedent and forecasts, will deliver health, environmental and economic benefits to Oregon.

The fee structure is not a new concept; it is an amendment to a program with proven environmental, health and economic benefits.

Our nation's 1990 Clean Air Act is unequivocally a good economic investment, according to a peer-reviewed assessment¹ in 2011. Air quality programs, established by federal authorities and delegating responsibility to states, have delivered benefits that, at its most conservative estimates, exceed their cost by a factor of 3:1.²

Despite industry predictions that regulating air emissions would cause skyrocketing consumer costs, and even the "potential destruction of the US economy," the programs deliver benefits to health, the environment and the economy. Here in Oregon, air quality programs have resulted in vastly cleaner air than a half-century ago in most respects.

Oregon's newly developed program to regulate air toxics from industrial sources is in accordance with the US EPA's Clean Air Act priorities. EPA determined that air toxics

¹ <https://www.epa.gov/clean-air-act-overview/benefits-and-costs-clean-air-act-1990-2020-second-prospective-study>

² <https://www.epa.gov/clean-air-act-overview/clean-air-act-and-economy>

are high among the challenges we face today; and that area sources of toxic emissions can be most effectively regulated in partnership with state government³. The proposed fees to implement this program are built into Oregon's existing permitting program.

Even though clean air programs clearly pay off, Oregon has failed to give the programs the funding they need to succeed.

The Air Quality program at Oregon's Department of Environmental Quality has experienced a long-term decline in resources. When such a program relies on state general funds and federal funds for its operation, it is vulnerable to funding cuts that can undermine effectiveness—and create uncertainty for industry. By paying fees towards a robust, efficient and predictable regulatory program, industry can avoid the risk of facility-by-facility interventions based on neighborhood concerns or incidental discoveries of health hazards.

After being subject to budget declines and hiring freezes, Oregon's Air Quality program has been operating short of the staff and resources necessary to succeed. The recent state audit concluded that DEQ permit writers carry a far heavier workload than like state agencies.

Air quality permitting programs pay off; but only if the investment is made in the first place. HB 4002 is an opportunity to re-invest in a new extension of a proven strategy.

Cleaner Air Oregon holds industry to a reasonable set of responsibilities.

It is a common-sense strategy to create a funding source for our air quality programs that is in direct correlation to the task at hand. Our state's need for a regulatory program is only necessary as long as industry releases toxic air emissions. And as we have only recently discovered from both models and monitoring, there are indeed toxic emissions from industry that are creating a burden on Oregon communities. We can no longer ignore toxic emissions that have the potential to cause irreversible, life-long harm to health. It only makes sense to inventory and control these emissions effectively.

According to EPA⁴, a national report on pollution abatement costs and expenditures found that environmental costs are a small percentage of overall industry revenues. According to 2005 data from U.S. manufacturers, total spending on pollution abatement of all kinds totals less than one percent of the total value of goods they shipped, and air pollution control is responsible for less than half of these costs.

We have reason to expect that this precedent will be true of the next generation of controls for the toxic air pollutants. Oregon's communities, and our economy, stand to benefit from fewer premature deaths and illnesses related to environmental hazards. With less medical expenses and greater productivity at work and school, Oregon's economy and way of life can be improved by adequate controls on toxic exposures. **The Oregon Environmental Council, on behalf of our members throughout Oregon, urges support for HB 4002.**

³ <https://www.epa.gov/haps/reducing-emissions-hazardous-air-pollutants>

⁴ <https://www.epa.gov/clean-air-act-overview/clean-air-act-and-economy>