

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks

report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

HOUSE COMMITTEE ON ENVIRONMENT AND ENERGY

March 08, 1991  
Tapes 69 - 72

Hearing Room E 1:00 p.m.

MEMBERS PRESENT: Rep. Parkinson, Chair Rep. Whitty, Vice-Chair Rep. Burton Rep. Courtney Rep. Naito Rep. Norris Rep. Repine Rep. Van Leeuwen Rep. Watt

STAFF PRESENT: Kathryn VanNatta, Committee Administrator Andy Sloop, Committee Assistant

MEASURES CONSIDERED: HB 2175 (PUB)

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TAPE 69, SIDE A

05CHAIR PARKINSON calls the meeting to order at 1:04 p.m. Opens public hearing on HB 2175 and notes written testimony for the record. (EXHIBITS A, B, C AND D) Representatives Whitty, Burton and Naito not present and excused.

(Tape 69, Side A) 07PUBLIC HEARING - HB 2175 Witnesses: Jim Craven, American Electronics Association Martin Jack Desmond, Northwest Reforestation Contractors Association Joe Weller, Program Director, American Lung Association of Oregon Jana Hatfield, Oregon Lung Association Alan Henderson, HillSB oro Property Manger Dr. Robert Palzer, Sierra Club Glen Reed, Chair, Clean Air Committee of Central Oregon James Peterson, Republican Activist Dorothy Swart-Fleshman, La Grande Terry Wagstaff, Pediatric Nurse, Klamath Falls Christine Fay (on behalf of Dr. Rick Zwartverwer), Klamath Pediatric Clinic Ann Wheeler, Central Oregon Clean Air Committee Jim Austin, Motor Vehicle Manufacturers Association Molly O'Reilly, Sensible Transportation Options For People Lisa Brenner, Citizens For Quality Living - Sherwood Jack McIsaac, Pope and Talbot Douglas Morrison, Environmental Counsel, Northwest Pulp and Paper Association Bill Johnson, End Noxious Unhealth Fumes, Inc. (ENUF) Sandra Thiele, Oregonians Against Field Burning Ralph Groener, Association of Federal, State, County and Municipal Employees (AFSCME) Dave Nelson, Oregon Seed Council John Charles, Oregon Environmental Council Dell Isham, Automobile Club of Oregon Don Matlick, Oregon Department of Forestry Felicia Trader, Transportation Department, City of Portland Elsa Colman, Parking Manager, City of Portland Mary Tobias, Tualatin Valley Economic Development Corporation

12JIM CRAVEN, AMERICAN ELECTRONICS ASSOCIATION: Testifies in support of state implementation of the federal Clean Air Act, but against additional state restrictions. Raises questions about program costs,

proposed emission fees, technical resources and mobile sources. (EXHIBIT E)

(Rep. Whitty arrives 1:06)

(Rep. Burton arrives 1:10)

150 REP. WHITTY: On Section 3, subsection 2, what do you think of linking fees to the Consumer Price Index?

153 JIM CRAVEN: We believe that clause is called for in the federal act. There may be some questions about the precision of the language in the DEQ bill that may need to be worked out.

170 JEFF GOLDEN, ASHLAND CITIZEN: Testifies in "strong support" of the measure. Views HB 2175 as a "reasonable and thoughtful" approach to work for clean air.

230 REP. BURTON: Wood stoves account for about 11.6 percent of statewide emissions. Industry accounts for 5.7 percent. Are you saying that wood stove owners should be exempt from these fees?

240 GOLDEN: No. That would undercut support for the bill. We need to address all sources. However, I do have some reservations about imposing additional fees on low-income people.

250 MARTIN JACK DESMOND, NORTHWEST REFORESTATION CONTRACTORS ASSOCIATION: Testifies in support of the measure. (EXHIBIT G)

368 REP. WHITTY: Can you plant forest without burning?

375 DESMOND: Yes, but burning enhances planting.

400 JOE WELLER, PROGRAM DIRECTOR, AMERICAN LUNG ASSOCIATION OF OREGON: Testifies in support of the measure. (EXHIBIT H) Explains costs of allowing current levels of air pollution. Tells air pollution horror stories.

TAPE 70, SIDE A

(Rep. Naito arrives 1:35)

66REP. COURTNEY: You cited health problems associated with inhalation of pollution from wood stoves, slash burning and field burning. Is that the focus of your testimony?

70WELLER: Yes.

80JANNA HATFIELD, OREGON LUNG ASSOCIATION: Testifies in support of the measure. Describes personal health problems stemming from air pollution.

102 ALAN HENDERSON, HILLSBORO PROPERTY MANAGER: Testifies in opposition to the measure.

>The bill's primary purpose is to extract exorbitant fees.

>The bill doesn't include definitive methods for reducing pollution.

>The state shouldn't mix reducing pollution and raising revenue. Assessing fees doesn't reduce pollution. To reduce pollution, the sources must be addressed. A market-driven approach is a fund-raiser not a solution.

>Regulation is a known standard.

>Proposed fees could halt new development.

>Oregon businesses are opposed to: giving DEQ additional authority to impose new fees; legislation that would cause business to move or locate

in other states; a monthly parking stall fee; government that does not operate within budget and asks for more money; a market-driven approach.

>Oregon businesses are for: a clean environment; sensible pollution regulation.

230 DR. ROBERT PALZER, ADJUNCT PROFESSOR OF CHEMISTRY, SOUTHERN OREGON STATE UNIVERSITY, AND SIERRA CLUB: Testifies in support of the measure. (EXHIBIT I)

364 GLEN REED, CHAIR, CLEAN AIR COMMITTEE OF CENTRAL OREGON: Testifies in support of the measure. Addresses wood stove, slash burning and field burning. (EXHIBIT J)

TAPE 69, SIDE B

30JAMES PETERSON, REPUBLICAN ACTIVIST: Testifies in opposition to the measure and advocates "free-market environmentalism" (EXHIBIT K)

65DOROTHY SWART-FLESHMAN, LA GRANDE: Testifies in support of higher air-quality standards. (EXHIBIT L)

>The state must take action to protect air and human health.

>PM 10 from field burning and wood stoves is the biggest air-quality problem in Eastern Oregon.

>Need legislative action in addition to local action.

>Presents 39 anti-field burning letters from La Grande-area residents received after publication of a letter-to-the-editor she submitted to the La Grande local newspaper. (EXHIBIT M)

148 TERRY WAGSTAFF, PEDIATRIC NURSE, KLAMATH FALLS: Advocates increased efforts to curb PM 10 emission. (EXHIBIT N)

>Klamath Falls has had dubious distinction of having highest PM 10 levels of any area in the country.

>Wood stoves are primary heating source for majority of residents in the area.

>PM 10 levels have improved from 1987 to 1990 due to voluntary wood stove emission control measures, but improvements are marginal.

>The Klamath Falls area approaches DEQ's "significant harm" level day after day in the winter.

>Elderly and children are at greatest risk from PM 10 overexposure.

249 CHRISTINE FAY ON BEHALF OF DR. RICK ZWARTVERWER, KLAMATH PEDIATRIC CLINIC: Advocates increased efforts to curb PM 10 emissions. (EXHIBIT O)

360 ANN WHEELER, CENTRAL OREGON CLEAN AIR COMMITTEE: Testifies in support of the measure.

TAPE 70, SIDE B

26JIM AUSTIN, MOTOR VEHICLE MANUFACTURERS ASSOCIATION: Testifies in opposition to the measure. Intends to work with DEQ to develop responsible, equitable legislation that will improve air quality.

>Proposed auto emission fee effectively would regulate auto emissions, which is specifically preempted in the federal Clean Air Act.

>HB 2175 doesn't provide mechanism to identify and link auto emissions with non-attainment areas.

>Describes Oregon's vehicle fleet compared to national vehicle fleet and asserts that lowering the percent of 1980 model cars or older in Oregon to the average national age would lower carbon monoxide levels in the state by 23 percent. (EXHIBIT P)

106 REP. BURTON: You said that Title V, Section 209(a) would preclude the state from imposing emission fees on new engines or new vehicles. Would that also preclude imposing an emission fee on any car that has a production date of 1989 or later, as is proposed under HB 2175?

115 AUSTIN: Yes. We feel that would be preempted.

150 MOLLY O'REILLY, SENSIBLE TRANSPORTATION OPTIONS FOR PEOPLE: Urges alternative transportation measures and increased auto emission fees. (EXHIBIT Q)

183 LISA BRENNER, CITIZENS FOR QUALITY LIVING, SHERWOOD: Supports concept of comprehensive, market-based air emission fees. (EXHIBIT R)

>HB 2175 gets away from DEQ cloak of denial.

>HB 2175 proposed auto emission fees are inadequate.

262 JACK McISAAC, POPE AND TALBOT: Testifies in support of the measure concept (EXHIBIT S) and proposes amendments (EXHIBIT T).

>DEQ should have responsibility for day-to-day enforcement of program in final form.

>The bill, as written, will not achieve intended results.

>Estimates fees could be as high as \$36 million annually, while administration cost will be about \$3 million. The issue is where does this difference go? If it is at DEQ discretion, there will be a solid wall of opposition.

>Industry contributes 5 percent of pollution, while cars and trucks contribute 35 percent, yet industry would pay 2 1/2 times as much as cars and trucks under HB 2175.

>Contests language of permitted emissions versus actual emissions.

>Administrative costs not well defined.

>Proposed amendments would limit fees to actual emissions. This would provide incentive for industry to keep actual emissions down.

>Auto fees should be based on fuel consumption. This would provide incentive to use fuel more efficiently.

>The measure does not address impacts of transient motorists.

>Suggests emission or licensing fees be collected from wholesale fuel distributors to enable the state to collect from all fuel users, and, possibly, to offset the constitutional requirements that all gas taxes be used solely for highways.

>Proposes tightening administrative fees to percentage of revenue collected.

>Strongly feels affected industry should be involved in shaping legislation that will affect it.

TAPE 71, SIDE A

10DOUGLAS MORRISON, ENVIRONMENTAL COUNSEL, NORTHWEST PULP AND PAPER ASSOCIATION: Testifies in opposition to the measure, as written,

contending it does not provide an incentive for industry to reduce emissions. (EXHIBIT U)

125 BILL JOHNSON, END NOXIOUS UNHEALTHY FUMES (ENUF): Testifies in opposition to the measure, contending that it is dedicated to the enlargement of bureaucratic control, but advocates action to improve air quality. (EXHIBIT V)

180 SANDRA THIELE, OREGONIANS AGAINST FIELD BURNING: Supports emission reduction but expresses concerns about proposed fee structure. (EXHIBIT W)

295 RALPH GROENER, ASSOCIATION OF FEDERAL, STATE, COUNTY AND MUNICIPAL EMPLOYEES (AFSCME): Testifies in support of the measure.

>The measure is about Oregon's livability.

>Oregonians are fed up with property taxes, but not clean air.

>"This is the most important piece of environmental and . . . energy legislation in the last decade."

>DEQ has proposed doing creative things with alternative fuels that will help reduce dependency on oil.

>Oregon is not in the type of recession that the rest of the country is primarily because Oregon has the kind of livability that attracts residents.

394 DAVE NELSON, OREGON SEED COUNCIL: Testifies in opposition to the field burning section of the measure. (EXHIBIT X) Urges field burning to be addressed through separate legislation, namely HB 3343.

TAPE 72, SIDE A

96 JOHN CHARLES, OREGON ENVIRONMENTAL COUNCIL: Testifies in support of market-based approach to controlling pollution emissions. (EXHIBIT Y AND Z)

198 REP. NAITO: Obviously, we have to focus on cars. Shouldn't we be looking at types of cars and levels of emissions?

203 CHARLES: That's my belief. West Germany has used free-market incentives for pollution control.

225 REP. NAITO: It seems it would be in car manufacturers' interest to see a formula based on emissions and miles traveled because such legislation could make it more cost effective for consumers to buy new cars.

240 DELL ISHAM, AUTOMOBILE CLUB OF OREGON: Testifies in opposition to taxing vehicles for non-highway purposes. (EXHIBIT AA)

310 REP. NAITO: I assume your members would be opposed to regulations. Have you explored the regulatory alternatives to this market-based approach?

320 ISHAM: Most auto regulations come from the federal level because cars are inherently interstate. Regulatory controls have had a beneficial effect, and I haven't heard our members complain about regulations.

338 REP. REPINE: If we were to charge a \$100 fee on auto emissions, wouldn't it make more sense to pay people \$100 to make sure their vehicles ran more efficiently?

345 ISHAM: That's my definition of incentives. What HB 2175 calls incentives are actually disincentives.

368 DON MATLICK, OREGON DEPARTMENT OF FORESTRY: Testifies in support of emission control, but contends that fees proposed under HB 2175 are counter productive. (EXHIBIT BB)

TAPE 71, SIDE B

20REP. WHITTY: Does the Department of Forestry have to coordinate with other departments to balance the impacts of slash burning with field burning?

25MATLICK: Yes. We don't burn at all during the summer field burning season. Slash burning is split between spring and fall.

53REP. REPINE: On attachment four (EXHIBIT BB), do we have 225,000 acres of Class I forestland, or is there a flaw in that section?

63MATLICK: There appears to be a flaw in that section.

70FELICIA TRADER, TRANSPORTATION DEPARTMENT, CITY OF PORTLAND: Testifies in support of the measure. (EXHIBIT CC)

126 REP. REPINE: You commented that Portland citizens would support this legislation. The bill calls for demonstration toll roads. How do you think they would feel about that?

139 TRADER: That would depend on the demonstration design and its effects.

148 REP. BURTON: One of the incentive programs in the bill could provide for acquisition of transit facilities. Do you see this as a source of revenue for the proposed westside light rail?

160 TRADER: This would be a very minor piece of that.

177 REP. BURTON: You said you would support the possibility of enhancing this statewide proposal by providing authority for regional vehicle programs, subject to approval by Metro and the Joint Policy Advisory Committee on Transportation (JPACT). Does this legislation propose a regional vehicle program, or would that be established by rule?

190 ELSA COLMAN, PARKING MANAGER, CITY OF PORTLAND: Originally, there was a regional program in the bill. However, there was not consensus about that program. The bill has been crafted to allow a regional program to be added through an amendment. We are working with DEQ on that specific language.

194 MARY TOBIAS, TUALATIN VALLEY ECONOMIC DEVELOPMENT CORPORATION: Testifies in opposition to the measure (EXHIBIT DD).

>Identifies "soft" language in the bill.

>Air quality emission control is important, and Oregon must respond to the Clean Air Act, but lumping control of all major pollution sources into one bill probably is not the best approach.

>Urges separate bill for auto emissions.

290 CHAIR PARKINSON: Closes public hearing on HB 2175 and adjourns at 4:15.

Submitted by:      Reviewed by:

Andy Sloop              Kathryn VanNatta Committee Assistant      Committee

Administrator

EXHIBIT LOG

A -Testimony on HB 2175 - Vera Morrell, Medford - 2 pages  
B -Testimony on HB 2175 - Thomas Spencer, Klamath County Department  
of Health Services - 2 pages C -Testimony on HB 2175 - Wallace  
Skyrman, Central Point - 1 page D -Questions and Answers About Title  
V of the Clean Air Act Amendments of 1990 - Kenneth Brooks,  
Environmental Protection Agency - 4 pages E -DEQ Permit Sources  
Subject to Permitting Requirements of the 1990 Clean Air Act Amendments -  
DEQ - 5 pages F -Testimony on HB 2175 - Jim Craven, American  
Electronics Association - 3 pages G -Testimony on HB 2175 - Martin  
Jack Desmon, Northwest Reforestation Contractors Association - 5 pages  
H -Testimony on HB 2175 - Joseph Weller, American Lung Association of  
Oregon - 2 pages I -Testimony on HB 2175 - Robert Palzer, Sierra Club  
of Oregon - 5 pages J -Testimony on HB 2175 - Glenn Reed, Clean Air  
Committee of Bend - 1 page K -Testimony on HB 2175 - Jim Peterson,  
Eugene Activist - 1 page L -Testimony on HB 2175 - Dorothy  
Swart-Fleshman, La Grande - 2 pages M -Field Burning Letters to  
Dorothy Swart-Fleshman - Dorothy Swart-Fleshman, La Grande - 17 pages  
N -Testimony on HB 2175 - Terry Wagstaff, Klamath Falls - 4 pages  
O -Testimony on HB 2175 - Rick Zwartverwer, M.D., Klamath Pediatric  
Clinic - 2 pages P -Impact of Making 1989 Oregon Car Fleet As New As  
1989 National Car Fleet - Jim Austin, Motor Vehicles Manufacturers  
Association - 2 pages Q -Informational Brochure, Sensible  
Transportation Options For People - Molly O'Rielly, Sensible  
Transportation Options For People - 2 pages R -Testimony on HB 2175 -  
Lisa Brenner, Citizens For Quality Living, Sherwood - 1 page  
S -Testimony on HB 2175 - Jack McIsaac, Pope & Talbot, Inc. - 5 pages  
T -Proposed Amendments to HB 2175 - Jack McIaac, Pope & Talbot - 4  
pages U -Testimony on HB 2175 - Douglas Morrison, Northwest Pulp &  
Paper - 4 pages V -Testimony on HB 2175 - Bill Johnson, End Noxious  
Unhealthy Fumes (ENUF), Inc. - 3 pages W-Testimony on HB 2175 -  
Sandra Thiele, Oregonians Against Field Burning - 2 pages  
X -Testimony on HB 2175 - Dave Nelson, Oregon Seed Council - 4 pages  
Y -Testimony on HB 2175 - John Charles, Oregon Environmental Council  
- 4 pages Z -"Using the Profit Motive For Pollution Control,"  
testimony prepared for the Oregon Legislature by Ralph W. Johnson,  
Professor of Law - John Charles, Oregon Environmental Council - 13 pages  
AA -Testimony on HB 2175 - Dell Isham, Automobile Club of Oregon - 4  
pages BB-Testimony on HB 2175 - Don Matlick, Fuels and Smoke  
Management Program Manager, Department of Forestry - 4 pages  
CC -Testimony on HB 2175 - Felicia Trader, Director, Office of  
Transportation, City of Portland - 3 pages DD -Testimony on HB 2175 -  
Mary Tobias, Tualatin Valley Economic Development  
Corporation - 5 pages