

2015 Legislative Summary 78th Oregon Legislative Assembly



OREGON
DEPARTMENT OF
ENERGY

TABLE OF CONTENTS

HOUSE BILLS 1

1. HB 2171 – Residential Energy Tax Credit (Omnibus Tax Credit Bill)
2. HB 2187 - Ocean Renewable Energy
3. HB 2193 – Energy Storage
4. HB 2255 – 11:1 Staffing Ratio Change
5. HB 2270 – State Resilience Officer
6. HB 2448 – Energy Incentive Program Conservation Tax Credits
7. HB 2460 – Easements for Transmission Facilities
8. HB 2476 - Administrative Rules
9. HB 2599 – Utility Service Termination
10. HB 2941 – Utility Green Power Program
11. HB 2987 – Retaining Green Energy Technology Funds
12. HB 3068 – DEQ Study and Recommendations to Reduce Woodstove Smoke
13. HB 3329 – Change in Definition for Geothermal Green Energy Technology
14. HB 3400 – Measure 91 Implementation
15. HB 3492 – Taxation of Solar Projects
16. HB 3542 – Statement of Purpose for Tax Credit Measures
17. HB 3557 – Public Records Standard for Release of Personal Information
18. HJM 19 – Frontier Observatory for Research in Geothermal Energy (FORGE)

SENATE BILLS..... 10

1. SB 20 – Appliance Standards Corrections for Errors and Omissions (SB 692 (2013))
2. SB 32 – Natural Gas Expansion
3. SB 80 – SELP Authority
4. SB 259 – Energy Facility Siting Process Cost Recovery
5. SB 319 - Ocean Renewable Energy
6. SB 324 – Low Carbon Fuel Standard
7. SB 456 – Natural Gas Voluntary Emissions Reduction Program
8. SB 752 – Air Quality Regulation of Biomass

BUDGET BILLS 13

1. HB 5005 – Bonding Limits
2. HB 5006 – Capital Construction Limitations
3. SB 5510 – Department of Energy Budget

TABLE OF CONTENTS

BILLS THAT DID NOT PASS..... 14

1. HB 2447 - Residential Energy Tax Credit Program
2. HB 2449 - Biomass Producer and Collector Tax Credit Program
3. HB 2559 – Solar and Homeowner Associations
4. HB 2632 – Department of Administrative Services Solar Incentives Program
5. HB 2942 – Tax Credit for Anaerobic Digesters
6. HB 3065 – Energy Efficiency Rating System
7. HB 3246 – Energy-Related Property Improvements

2015 LEGISLATIVE SUMMARY

HOUSE BILLS

HB 2171 – Residential Energy Tax Credit (Omnibus Tax Credit Bill)

HB 2171 instructs the Legislative Revenue Office to consult with Oregon Department of Revenue and other relevant state agencies to prepare an analysis of options for restructuring Oregon's state and local revenue system. The options will include alternatives for restructuring the property tax system, methods of taxing consumption, and methods for taxing business in the state. The Legislative Revenue Office is required to submit a report to the Legislative Assembly on the progress of the analysis no later than December 1, 2015.

HB 2171 modifies and extends various tax credit programs. The bill changes the Department of Energy's Residential Energy Tax Credit in sections 26-37. The bill maintains the RETC sunset date of January 1, 2018.

Section 26 of the bill increases the tax credit incentive for solar radiation domestic water heating and solar radiation swimming pool heating applicants for projects certified on or after September 1, 2015. The bill authorizes a solar radiation for domestic water heating tax credit of \$2 per first year energy savings, up to 50 percent of the cost, or \$6000, whichever is less. Solar radiation for swimming pool heating applicants are authorized to receive a tax credit of \$0.20 per first-year energy savings, up to 50 percent of the cost or \$2,500, whichever is less. The bill provides the Department of Energy with rulemaking authority to provide a lesser amount of incentive as market conditions warrant. The bill limits claiming the 2015 tax credits for solar radiation for domestic water heating and solar radiation for swimming pool heating to \$1,500 a year. Section 27 of the bill removes the \$1,500 annual limit for claiming solar radiation for domestic water heating and solar radiation swimming pool heating devices, allowing the entire credit to be claimed in one year beginning in 2016.

Section 26 of the bill clarifies devices may be installed at a dwelling, in addition to being installed inside a dwelling to allow the installation of alternative fuel devices outside the dwelling. The bill allows the department to consider state and federal appliance standards when determining tax credit eligibility for RETC devices.

Sections 27-34 of the bill apply to RETC alternative energy devices certified on or after January 1, 2016. The bill places a 50 percent incentive cap on the eligible costs for all category one alternative energy devices. This creates consistency with category two alternative energy devices (solar photovoltaic, wind and fuel cells) that already have a 50 percent cost of device cap. The bill provides the Department of Energy with rulemaking authority to provide the first year energy savings rates on all category one alternative energy devices and wind devices based on market conditions.

2015 LEGISLATIVE SUMMARY

The category one alternative energy devices include:

High efficiency gas furnaces	Duct sealing
Gas water heaters	Solar electric water heating systems
Electric heat pump water heaters	Alternative fuel charging stations
Ducted and ductless heat pumps	Premium efficiency wood and pellet stoves
Geothermal heating systems	High efficiency natural gas fireplaces

The bill increased the tax credit for alternative fuel devices from 25 percent to 50 percent of the device cost while maintaining the same maximum limit of \$750 for devices certified on or after January 1, 2016.

Section 29 clarifies the Department of Energy rulemaking authority to establish policies and procedures for administration and enforcement of the program, and aligns the RETC rulemaking authority with the Energy Incentives Program's rulemaking authority.

HB 2171 repeals and removes references to ORS 317.115 and 469B.109. ORS 317.115 provided a business tax credit for contractors installing fueling stations that ended January 1, 2012. ORS 469B.109 allowed owners of alternative fuel vehicles to transfer the credit, vehicles were removed from the RETC program January 1, 2012.

The bill removes language to enable cleanup of the RETC statute, including: removing references to alternative fuel vehicle hybrids previously removed from the RETC program in 2010; removing references related to alternative fuel vehicles, these vehicles were removed from the RETC program in 2012; removing language that limited alternative fuel device tax credits to a contractor installing or constructing the device; and removing language related to investor-owned utilities, these provisions allowing investor-owned utilities to claim a tax credit when the utility paid a contractor to install a fueling station were added in 1997 but this provision of the program was removed in 2001.

The bill modifies definitions that include: the definition of "cost" was changed to clarify that "cost" is the cost of acquisition, construction, and installation of the device; changing the definition of "energy efficient appliance" to reflect that eligible appliances are those that exceed state and federal appliance standards. Currently, the definition lists out specific standards by device; changing the definition of "first year energy yield" to clarify that devices may produce or save energy; and removing the definition of "fueling station," the definition was for fueling and charging located inside a vehicle, these tax credits are no longer applicable as vehicles were removed from the RETC program January 1, 2012.

The bill updates Solar Rating and Certification Corporation standards; removes an outdated energy savings assumption for domestic water heating; and updates the standards for geothermal devices.

2015 LEGISLATIVE SUMMARY

Effective Date: 10/05/15

Chapter: 701

HB 2187 - Ocean Renewable Energy

HB 2187 creates a policy statement which finds that consistent with transmission planning requirements of the Federal Energy Regulatory Commission, it is the policy of the State of Oregon that any local or regional transmission planning process should consider transmission of electricity from ocean renewable energy generated in Oregon's territorial sea. Under FERC Order 1000, regional transmission authorities are required to take into consideration state laws in their transmission planning. HB 2187 meets the requirements of FERC Order 1000 by requiring regional planning to take ocean energy and related transmission into consideration in planning.

Effective Date: 01/01/16

Chapter: 311

HB 2193 – Energy Storage

HB 2193 requires an electric company procure one or more utility-scale energy storage projects by January 1, 2020, that have the capacity to store at least five megawatt hours of energy. The total capacity of a qualifying energy storage system may not exceed one percent of the electric company's peak load for the 2014 year. The capacity limitation requirement may be waived by the PUC, in consultation with the Department of Energy, if it is determined the energy storage system is of statewide significance, and one or more electric utilities shares in the procurement, and the costs and benefits of the procured system.

The bill requires the PUC to adopt guidelines by January 1, 2017, for electric companies to use in submitting a proposal for an energy storage system. HB 2193 precludes the PUC from disclosing any information considered to contain critical energy infrastructure information, trade secrets, confidential research, or information that could threaten the company's electric system or business advantage. The PUC is required to submit two reports to the Legislative Assembly on the implementation of portions of the bill in September of 2015 and 2016.

Effective Date: 06/10/15

Chapter: 312

2015 LEGISLATIVE SUMMARY

HB 2255 – 11:1 Staffing Ratio Change

HB 2255 places a two-year pause on the requirement for state agencies to make progress toward a staffing ratio of state agency employees who are not supervisory to those that are at 11:1. The pause sunsets June 30, 2017. The bill authorizes state agencies to remain at the ratio set in their 2015-17 Legislatively Approved Budget, and maintains the current exception process if ratio changes are needed during the pause. The bill has reporting requirements for the Department of Administration and directs them to convene a workgroup to study appropriate ratios across various sectors of state government, and report findings and recommendations prior to the start of the 2017 Legislative Session.

Effective Date: 07/01/15

Chapter: 622

HB 2270 – State Resilience Officer

HB 2270 creates the office of State Resilience Officer within the office of the Governor, appointed by the Governor and confirmed by the Senate. The bill directs the legislative and judicial branch of government to each select individuals to monitor the effectiveness of seismic safety and resilience planning in their branches. The State Resilience Officer will direct, implement and coordinate seismic safety and resilience goal setting and planning for the state.

Effective Date: 07/27/15

Chapter: 762

HB 2448 – Energy Incentive Program Conservation Tax Credits

HB 2448 authorizes the Oregon Department of Energy to require the owner of an energy conservation project with certified total project costs of \$1 million or more to enter into a performance agreement as part of the tax credit certification process and apply for recertification of eligibility for the tax credit allowed under ORS 315.331. The performance agreement and recertification requirement would tie the use of the tax credit to the performance of the conservation project through an annual recertification of the conservation tax credit for three years after the final certification. The bill requires the applicant for the tax credit to apply for recertification at least 60 days prior to the anniversary date of the issuance of the final certificate, and creates a new fee to cover the costs associated with tax credit recertification. If a conservation tax credit is subject to recertification, only the portion of the tax credit that has been recertified may be transferred.

HB 2448 gives the director of the Oregon Department of Energy the authority to deny the recertification or reduce the amount of the tax credit recertification if the director determines

2015 LEGISLATIVE SUMMARY

the project is not in compliance with all applicable statutes and administrative rules and with the performance agreement. The bill creates revocation authority for any portion of the tax credit that does not receive approval for a recertification application that is required under the bill.

Effective Date: 10/05/15

Chapter: 545

HB 2460 – Easements for Transmission Facilities

HB 2460 authorizes the Department of State Lands to impose a one-time fee for administrative costs related to processing utility crossing easements on state land. The fee is set at \$750 for all state land except land in the territorial sea, for which the fee is \$5000. The fee schedule applies to applications for easements to construct water, gas, electric, or communication service lines, fixtures, or other facilities.

Effective Date: 06/02/15

Chapter: 204

HB 2476 - Administrative Rules

HB 2476 allows the Oregon Department of Administrative Services to adopt by rule uniform policies and procedures that apply to multiple state agencies, boards or commissions.

Effective Date: 04/16/15

Chapter: 30

HB 2599 – Utility Service Termination

HB 2599 requires electric and natural gas utilities that serve residential customers to prepare a report on the utility's process to mitigate the termination of service to protected customers. The report is required to focus on periods of time for which the National Weather Service forecasts that temperatures at locations both within the state and the service territory of the utility will either exceed 100 degrees Fahrenheit or be less than 32 degrees Fahrenheit for a period of 12 or more hours. Utilities regulated by the Public Utility Commission must submit their report to the commission no later than November 1, 2015. Electric cooperatives, municipal utilities and people's utility districts shall submit their reports to their governing body.

Effective Date: 06/11/15

Chapter: 370

2015 LEGISLATIVE SUMMARY

HB 2941 – Utility Green Power Program

HB 2941 requires an electric company to provide residential electric consumers with a rate option for electricity associated with a specific renewable energy resource that includes photovoltaic energy, if the Public Utility Commission finds through public comment and hearing, or through market research conducted by the electric company, that demand is sufficient to justify the rate.

Under the bill, the PUC is directed to identify and evaluate programs that incentivize the development and use of solar photovoltaic energy systems. The bill requires the PUC to consult with the Oregon Department of Energy in conducting the study which must include recommendations for effective, efficient and equitable approaches to incentivizing the development and use of photovoltaic energy systems; and, recommendations on whether the program should be discontinued, modified or extended or remain unchanged. The recommendations made by the PUC shall consider the resource value of solar energy, strategies to minimize confusion and transaction costs for participants in the programs, costs borne by non-participants in the programs, the PUC's previous "Investigation into the Effectiveness of Solar Programs in Oregon" report published July 1, 2014, and the costs and benefits of each program to incentivizes the development and use of solar photovoltaic energy systems. The report, including any recommendations for legislation, is due to the interim committees of the Legislative Assembly related to energy no later than September 15, 2016.

The bill also requires the PUC to conduct proceedings to examine a range of community solar programs and the attributes of different community solar program designs that allow customers to share in the costs and benefits of solar facilities. In conducting this proceeding, the PUC is instructed to consider resource value benefits, individual ratepayer access to specific solar resources, costs to community solar program subscribers and non-subscribers, the role of utilities and other considerations related to development of community solar program designs. The PUC is required to recommend a community solar program design, or set of preferred attributes of different community solar program designs to the interim committees of the Legislative Assembly related to energy and business on or before November 1, 2015.

Effective Date: 06/25/15

Chapter: 556

HB 2987 – Retaining Green Energy Technology Funds

HB 2987 removes a requirement for contracting agencies to set aside or reserve one and one-half percent green energy technology funding in a separate account when green energy technologies are found to be inappropriate for a public building contract. The bill clarifies the

2015 LEGISLATIVE SUMMARY

provision applies to a contracting agency that intends to enter into a public improvement contract for the construction, reconstruction or major renovation of a public building when state money is used either directly or indirectly in the project. The one and one-half percent of the project's total cost is still required to be spent on a future public building project if the total contract cost included state funding, and the contacting agency is required to report this amount to the Department of Energy.

Effective Date: 06/16/15

Chapter: 424

HB 3068 – DEQ Study and Recommendations to Reduce Woodstove Smoke

HB 3068 requires the Department of Environmental Quality to conduct a study and develop recommendations for legislation to reduce woodstove smoke. The bill lays out specific criteria for evaluation that includes strategies and options for communities where attainment of the national air quality standards is a concern. Options are prescribed in the bill that would address transitioning to cleaner-burning home heating alternatives, reducing costs of using woodstove alternatives during poor air quality days, the use of biomass in home heating, production and use of high-quality wood pellet fuel, and the role of subsidies to encourage wood pellet use in households. The bill directs DEQ to collaborate with the Department of Energy to form a work group to conduct the study.

The bill instructs DEQ to submit an initial report on the preliminary findings and recommendations to the Legislature during the 2016 regular session. The department is required to submit a final report with recommendations for legislation or budget requests to the interim committee related to environment and natural resources no later than September 15, 2016.

Effective Date: 06/18/15

Chapter: 476

HB 3329 – Change in Definition for Geothermal Green Energy Technology

HB 3329 changes the minimum temperature of a groundwater heat source for use in geothermal installation from 140 degrees Fahrenheit to 128 degrees Fahrenheit. The change only applies to public schools that must comply with the requirement that all public bodies spend one and one-half percent of the total contract price of the construction, reconstruction, or major renovation of a public building for incorporating green energy technology.

Effective Date: 10/05/15

Chapter: 262

2015 LEGISLATIVE SUMMARY

HB 3400 – Measure 91 Implementation

HB 3400 creates the legal structure to implement Measure 91. Measure 91 was approved by Oregon voters in 2014 to allow the recreational sale and use of marijuana. The bill establishes the Task Force on Cannabis Environmental Best Practices and specifies the roster and rules. The task force is comprised of thirteen members from which the Governor appoints representatives to serve from the Department of Energy, the Energy Trust of Oregon and the Public Utility Commission. The Task Force is directed to study the use of electrical and water usage associated with growing marijuana and report their findings to the Legislative Assembly no later than September 15, 2016.

Effective Date: 06/30/15

Chapter: 614

HB 3492 – Taxation of Solar Projects

HB 3492 creates the opportunity for the owner or person in possession or control of a solar project to enter into an agreement that exempts the solar project from property taxes. The exemption replaces the property taxes with a fee-in-lieu of taxes that would be computed at the rate of \$7,000 per megawatt of nameplate capacity of the solar project for each property tax year. The agreements are voluntary for county or city taxing entities and may not have a term longer than 20 years.

Effective Date: 10/05/15

Chapter: 571

HB 3542 – Statement of Purpose for Tax Credit Measures

HB 3542 requires the chief sponsor or proponent of a tax credit measure to submit a statement of purpose to a revenue legislative committee. This requirement applies to each proposed legislative measure either creating or expanding a tax credit by amount or duration. The statement of purpose must address items forming the basis for a report required under ORS 315.051.

The Legislative Revenue Office (LRO) is required under the bill to prepare a list of all tax credits that have a revenue impact that exceeds the revenue impact projected in the most recent revenue impact statement. LRO must submit this list with the report required under ORS 315.051. Additionally, LRO must identify tax credits with revenue impact exceeding the projected revenue impact by at least 10 percent, and that may be claimed in tax years beginning on or after January 1 of the next even year.

2015 LEGISLATIVE SUMMARY

The bill requires a legislative committee connected to revenue to conduct a public hearing to consider all tax credits that are identified by the Legislative Revenue Officer.

Effective Date: 01/01/16

Chapter: 641

HB 3557 – Public Records Standard for Release of Personal Information

HB 3557 creates a new standard for a party seeking disclosure of personal information from a public employee or volunteer. A party seeking disclosure of personal information must show by clear and convincing evidence that the public interest requires disclosure of the information. The bill requires a public body receiving a request and materials substantiating the request, to forward the request and all materials to the individuals whose personal information is being sought or to any representatives of each class of people whose personal information is the subject of the request. HB 3557 requires the public body to wait at least seven days to disclose information, following the requirement to forward the request and all related materials to all parties involved in the disclosure.

In addition, the bill requires a public body, or official of the public body, to consider all information submitted before making a determination to release the public information. The bill creates circumstances in which the public body or public official releasing public information may be immune from civil or criminal liability associated with the disclosure. The bill allows the public body to recover the costs associated with complying with the new standard.

Effective Date: 08/10/15

Chapter: 805

HJM 19 – Frontier Observatory for Research in Geothermal Energy (FORGE)

HJM 19 – memorializes the Oregon State Legislatures support for the siting of the U.S. Department of Energy Frontier Observatory for Research in Geothermal Energy (FORGE) at the Newberry Crater Geothermal Project in Central Oregon near Bend.

Filed with Secretary of State: 06/02/15

SENATE BILLS

SB 20 – Appliance Standards Corrections for Errors and Omissions (SB 692 (2013))

SB 20 corrects inadvertent errors and omission in SB 692 (2013), which established new energy efficiency standards for televisions, battery charger systems and high light output double-ended quartz halogen lamps. It adds language to clarify that those standards apply only to products manufactured on or after the effective date of the relevant standard. The bill revises language in the standards adopted in 2013 for battery backups and uninterruptible power supplies for small battery charger systems to match the California standards for the same products, as was originally intended by the passage of SB 692. The revisions correct typographical errors in the description for the products subject to the standard and in the mathematical formula for calculating energy usage. In addition, the bill repeals redundant language that applied to adopted standards for replacement small battery charger systems, and a conflicting effective date.

Effective Date: 01/01/16

Chapter: 276

SB 32 – Natural Gas Expansion

SB 32 directs the Public Utility Commission to form a work group to study methods for existing public utilities to expand their natural gas territories to areas that currently do not have access to natural gas. The work group shall be made up of one member each of the House of Representative and the Senate that do not have access to natural gas. In addition, members of the work group will include representatives from public utilities, energy suppliers, local governments, elected officials, stakeholders with interests in the outcome of the study, and individuals with knowledge about the subject matter. The PUC is required to compile a report and present it to the Legislative Assembly related to energy no later than September 15, 2016.

Effective Date: 07/21/15

Chapter: 754

SB 80 – SELP Authority

SB 80 addresses higher education governance, and is intended to remedy references in statute that refer to entities that were dissolved as a result of the passage of SB 270 (2013). The bill also amends statute to add public universities as eligible borrowers for the Small Scale Energy Loan Program (SELP).

2015 LEGISLATIVE SUMMARY

Effective Date: 07/27/15

Chapter: 767

SB 259 – Energy Facility Siting Process Cost Recovery

SB 259 allows the Energy Facility Siting Council to compensate a state agency or local government affected by an application for expenses directly related to participation in activities that include consultation related to the Notice of Intent when the consultation is requested by an applicant and subject to cost estimates established by the Department of Energy. It also allows for compensation following the issuance of a site certificate when assisting the department in evaluating conditions of approval.

The bill allows the council to compensate a tribe identified by the Commission on Indian Services for expenses directly related to the tribe's review of a notice of intent or site certificate application.

SB 259 removes the ability for state agencies and local governments participating in a contested case proceeding to be reimbursed for legal expenses.

Effective Date: 01/01/16

Chapter: 488

SB 319 - Ocean Renewable Energy

SB 319 repeals the Oregon Water Resource Department jurisdiction over ocean renewable energy facilities and establishes a siting process for ocean renewable energy development in the Territorial Sea.

The bill expands the thresholds within the removal or fill permit program administered by the Department of State Lands, and places specific criteria in statute that are required to be made a part of the rules adopted by the Department of State Lands. The department is required to appoint an advisory committee to assist in drafting rules. The bill requires that all ocean renewable energy projects in the Territorial Sea apply for a removal or fill permit and prohibits construction or operation of an ocean renewable energy facility without a proprietary authorization issued by the Department of State Lands. In addition, the bill prohibits the Department of State Lands from issuing a removal or fill permit for an ocean renewable energy facility that does not comply with the development criteria established within the Territorial Sea Plan.

The Department of State Lands is required to convene a committee to assist the department in evaluating rules that will govern ocean renewable energy facilities that are research or

2015 LEGISLATIVE SUMMARY

demonstration projects that produce ocean renewable energy. The committee must be composed of representatives of ocean renewable energy industries, marine industries and parties interested in ocean resources.

Effective Date: 06/11/15

Chapter: 386

SB 324 – Low Carbon Fuel Standard

SB 324 eliminates the December 31, 2015, sunset of the Clean Fuels program and authorizes the Environmental Quality Commission to adopt rules for the low carbon fuel standards for gasoline, diesel and fuels used as substitutes for these fuels. The bill adds liquefied petroleum gas as an eligible low carbon fuel and ensures that the program has until 2025 to meet the program standards.

The bill specifies that the EQC adopt provisions for managing and containing the costs of compliance and creates exemptions from meeting the standard for any person who imports less than 500,000 gallons of gasoline and diesel fuel in a calendar year. The EQC is directed to prohibit fuels that contain biodiesel from being considered an alternative fuel under these standards unless the fuel meets certain criteria.

SB 324 creates provisions clarifying the type of vehicles exempted from the standard to include those that have been used as a farm vehicle, farm tractors, implements of husbandry, motor trucks to transport logs, watercraft, and vehicles that are not used to transport people but are operated on highways primarily used for construction work.

Effective Date: 3/12/15

Chapter: 4

SB 456 – Natural Gas Voluntary Emissions Reduction Program

SB 456 amends a voluntary emissions reductions program for natural gas utilities that was created in 2013 with SB 844. SB 844 incentivized natural gas utilities to invest in emissions reducing projects. SB 456 creates minor changes that clarify the intent of the law is to allow the utilities to not only recover their costs, but to receive additional incentives to undertake emissions reducing projects.

Effective Date: 04/06/15

Chapter: 24

2015 LEGISLATIVE SUMMARY

SB 752 – Air Quality Regulation of Biomass

SB 752 adds a new biomass exemption to the laws governing the regulation of air quality in Oregon. The new exemption is for carbon dioxide emissions from combustion or decomposition of biomass. The bill removes the Environmental Quality Commission's authority to regulate CO2 emissions from biomass any more stringently than the federal government. The exemption applies to Oregon's air quality laws that apply to air purity, liability for violations, and the Environmental Quality Commission's air pollution regulatory authority to require sources of pollution to hold permits. The bill creates a definition for biomass as it relates to the new air quality exemption.

Effective Date: 06/18/15

Chapter: 500

BUDGET BILLS

HB 5005 – Bonding Limits

HB 5005 limits the maximum amount of bonds and third party financing agreements that state agencies may issue and the amount of revenue state agencies may raise from bond issuance. The bill allocates the federal tax-exempt private activity bond cap.

HB 5005 allowed the Higher Education Coordinating Commission \$145.8 million in article XI-G bonds for projects at the Public Universities and Community Colleges, and \$200 million in article XI-G bonds for the Knight Cancer Institute at the Oregon Health Sciences University. The bill allocates \$201.8 million in lotter Bonds for the biennium with estimated costs of \$35.9 million. The bill also allocated \$369.6 million in Article XI-Q bonds for projects detailed in the budget report produced by the Legislature and the Legislative Fiscal Office.

This bill limits the Department of Energy's bonding authorities to \$50 million for Small Scale Energy Loans.

Effective Date: 07/15/15

Chapter: 685

HB 5006 – Capital Construction Limitations

HB 5006 established the authority for the planning, design and construction of capital construction projects with costs over \$1 million. Projects approved in the bill will expire June 30, 2021. The bill extends the dates for previously approved projects for the Military

2015 LEGISLATIVE SUMMARY

Department, the Department of Corrections, Department of Forestry, Department of Transportation, Department of Aviation and Community Colleges. A description of the capital construction projects and the recommended amounts associated with each project is in the budget report produced by the Legislature and the Legislative Fiscal Office.

Effective Date: 08/12/15

Chapter: 808

SB 5510 – Department of Energy Budget

HB 5510 is the budget bill for the Department of Energy. The bill authorizes limitations of \$2,980,496 Lottery Funds for debt service, \$34,515,467 Other Funds, \$3,129,106 Federal Funds, \$140.8 million in non-limited Other Funds for small-scale energy loans, and \$104,000 in non-limited Federal Funds. The budget includes 105 positions or 104.50 full-time equivalent jobs.

Effective Date: 07/06/15

Chapter: 656

BILLS THAT DID NOT PASS

HB 2447 - Residential Energy Tax Credit Program

HB 2447 was introduced by the Department of Energy to make improvements to the Residential Energy Tax Credit program. The main components of the bill were incorporated into HB 2171, the omnibus tax credit bill.

HB 2449 - Biomass Producer and Collector Tax Credit Program

HB 2449 was introduced by the Department of Energy to extend and make improvements to the Biomass Producer or Collector tax credit program and pilot a production-based tax credit program.

HB 2559 – Solar and Homeowner Associations

HB 2559 prohibited Homeowner Associations from disallowing solar installations and the use of solar panels for obtaining solar access.

2015 LEGISLATIVE SUMMARY

HB 2632 – Department of Administrative Services Solar Incentives Program

HB 2632 authorized the Department of Administrative Services to establish an incentive program for the generation of solar electricity. It established the Solar Incentivization Fund and directed DAS to use the fund to purchase Renewable Energy Certificates (REC) from owners of qualified solar photovoltaic energy systems.

HB 2942 – Tax Credit for Anaerobic Digesters

This bill created a new tax credit for anaerobic digester production of energy from food processing residues. The tax credit was based on the tipping fees paid by the digester operator for landfill disposal of feed stock contaminants.

HB 3065 – Energy Efficiency Rating System

HB 3065 required the Department of Energy to approve or create an energy efficiency rating standard for new construction or a total building retrofit. The standard would have been the basis for approving energy efficiency tax credits for new construction or a total building retrofit completed by a corporation operating under ORS 317 or ORS 318.

HB 3246 – Energy-Related Property Improvements

This bill created a property tax exemption for energy related improvements to real property located in the Portland metropolitan area, if the improvements added value based on increased energy-efficiency or reduced greenhouse gas emission.