



2020 Legislative Session Report

**OREGON
DEPARTMENT OF
ENERGY**



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ODOE LEGISLATIVE REPORT – 2020

2020 Legislative Session

Oregon's 2020 legislative session came to a close on March 5, 2020. There were 276 bills, memorials, and resolutions introduced during the session. Of those, the legislature passed three into law after the session ended with several days of inaction due to lack of quorum.

A number of the measures considered by the legislature in 2020 would have directly or indirectly affected the Oregon Department of Energy. If you have questions about energy-related legislation, please contact Government Relations Coordinator Christy Splitt at christy.splitt@oregon.gov.

Agency Leadership

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Copies of the 2020 enrolled bills (the copy the Governor signs) may be found on the legislative website: <https://olis.leg.state.or.us/liz/2020R1/Measures/list/>.

Measures signed into law are known as “session laws” and are available on the legislative website under [Oregon Laws](#). Permanent Laws passed during the 2020 Legislative Session will not be codified until the 2021 edition of Oregon Revised Statutes is released. The 2021 ORS will be distributed and made available online late summer 2021.

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LEGISLATION CONSIDERED (not passed)

House Measures

Radioactive Waste Disposal

[HB 4014-B](#)

Did Not Pass

HB 4014-B would have made two changes to land use laws *not* affecting ODOE, namely exempting dog training facilities from state structural specialty codes and affirming the legal status of a unit of land following certain types of judgements that relocate property lines.

HB 4014 was amended in response to the discovery by ODOE that from 2016 to 2019, a total of 1,284 tons of “radioactive waste” as defined by the Energy Facility Siting Council in Oregon Administrative Rule 345 Division 50, was disposed in the Chemical Waste Management of the Northwest disposal facility in Arlington. The bill as amended would have required a report to the legislature regarding the illegal radioactive waste disposal at Arlington. The report would have been required to describe the following: events and key causal factors associated with the illegal disposal; actions ODOE has taken or plans to take to prevent reoccurrence; ODOE’s plans regarding an enhanced enforcement program; funding necessary to support an enhanced enforcement program; and suggested legislative changes to support an enhanced enforcement program.

The bill would have removed specific reference to OAR-345-050 in the definition of “radioactive waste” contained in ORS 469.300, which would have enabled ODOE to revise the definition in OAR-345-050. The bill also would have revised the statute prohibiting establishment of a radioactive waste disposal facility (ORS 469.525) to also prohibit radioactive waste disposal or arrangement for disposal in Oregon. Finally, the bill would have expanded and clarified ODOE and EFSC enforcement and investigative authority for radioactive waste disposal. Expanded authorities would have included the authority to obtain all necessary records from persons and gain access to property for inspections and sample collection. The bill also would have provided ODOE the authority, with written permission of the Governor, to subpoena records, and interview persons under oath. It also would have provided authority for the Director or EFSC to require corrective actions and to coordinate with the Oregon Department of Environmental Quality regarding those actions.

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Status at Sine Die: A-Engrossed version – without radioactive waste disposal components – passed full House; B-Engrossed version passed Senate Environment and Natural Resources Committee, at Senate Desk

Phase-Out of Hydrofluorocarbons

[HB 4024-B](#)
Did Not Pass

HB 4024-B – Regulation of Products Containing Hydrofluorocarbons

HB 4024-B would have prohibited certain products that use or contain hydrofluorocarbons (HFCs) from commerce in Oregon if those products were manufactured after dates specified in the bill. HFCs have come into widespread commercial use as replacements for ozone-depleting substances that were phased out under international agreement; however, many HFCs have high global warming potential.

Washington and California have recently adopted HFC bans like the one laid out in HB 4024 B. The bills in those states apply federal rules adopted by the U.S. EPA in 2015 that were vacated in 2017 by a federal appeals court ruling. The court found that, while the U.S. Environmental Protection Agency had the authority to designate HFCs as replacements for ozone-depleting substances, the EPA did not have the authority to subsequently require the replacement of HFCs due to their high global warming potential.

The bill references federal regulations listing unacceptable and restricted hydrofluorocarbon and hydrochlorofluorocarbon substances for specific end uses. Existing products and equipment could have remained in service, but would have been affected upon retrofit/replacement. Restrictions under this bill would have been in effect after the following dates:

- January 1, 2021, for: propellants; certain polyurethane foam products; supermarket systems; remote and stand-alone condensing units; refrigerated food processing and dispensing equipment; compact residential consumer refrigeration products; and polystyrene extruded boardstock
- January 1, 2022, for: residential consumer refrigeration products other than compact and built-in residential consumer refrigeration products; and vending machines
- January 1, 2023, for: cold storage warehouses; and built-in residential consumer refrigeration products
- January 1, 2024, for: centrifugal chillers and positive displacement chillers

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- January 1, 2021 or effective date in CFR (whichever is later) for other applications and end uses.

HB 4024-B would have given the Oregon Environmental Quality Commission rulemaking authority to, among other things: modify the deadlines listed above in certain circumstances; prohibit use for health or environmental reasons if a lower risk substitute is available; adopt a list of approved substitutes, use conditions or use limits, as well as add or remove items from the list; and designate acceptable uses of HFCs for medical uses that are exempt from the requirements. The EQC would have been required to adopt rules requiring manufacturers to disclose substitutes or disclose compliance status of their products or equipment, while taking into consideration existing labeling and disclosure requirements to reduce duplication, and adopting rules that are the same or consistent with those of other states that have adopted restrictions on HFCs where appropriate and feasible.

HB 4024-B would have required the Department of Consumer and Business Services to adopt rules to amend the state building code as needed to align the code requirements for use of certain equipment or products with prohibitions and requirements for HFCs or other substitutes that the EQC adopts.

Finally, the bill would have allowed state contracting agencies to give preference to goods with no HFCs or low-GWP HFCs.

Status at Sine Die: Passed by full Joint Ways & Means committee, at House Desk

External Costs of Greenhouse Gas Emissions at PUC

[HB 4027](#)

Did Not Pass

HB 4027 would have required the Oregon Public Utility Commission to develop and implement policies and rules that encourage: the enhancement of the environment; greenhouse gas emissions reductions; fulfillment of the state's energy and climate policies; and the health of the state's economy. More pointedly, this bill would have specifically charged the PUC with the duty to consider the external cost of greenhouse gas emissions in all matters within the PUC's jurisdiction.

The bill included a specific mandate that the PUC require investor-owned utility (IOU) electric companies (PacifiCorp, Portland General Electric and Idaho Power) to account for external costs of GHGs in their Integrated Resource Plans (IRPs), long-term plans that inform how IOUs invest capital to maintain grid service, safety, and reliability. The bill would have designated ODOE as the agency responsible for establishing the external cost of GHG emissions. ODOE would have

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been required to undertake a rulemaking process to accomplish this, considering the social cost of carbon as determined by U.S. Environmental Protection Agency.

Finally, the bill would have authorized the PUC to adopt rules requiring electricity service suppliers (ESSs) to reduce their GHG emissions consistent with the state's GHG emissions reduction goals, as well as requiring ESSs to submit information necessary for the PUC to enforce such rules. Rules adopted under this new authority could have included requirements for ESSs to take actions consistent with the actions required by IOUs under ORS 757.518, the Oregon statute which requires the costs related to coal generation to be eliminated from electricity rates for Oregon consumers by January 1, 2030. ESSs in Oregon include: Constellation Newenergy, Shell Energy North America, Calpine Energy Solutions, Avangrid Renewables, 3 Phases Renewables, and EDF Energy Services.

Status at Sine Die: House Energy & Environment committee, did not receive a public hearing

Transportation Electrification and Alternative Fuel Adoption

[HB 4036-A](#), [HB 4066-A](#), [HB 4135](#) and [HB 4151-A](#)
Did Not Pass

During the 2020 Legislative Session, several bills came forward with various approaches to funding transportation electrification and alternative fuel adoption in Oregon.

HB 4036-A, the transportation omnibus bill, was amended to include language very similar to language in HB 4066-A. These two bills would have clarified the PUC's authority to allow electric utilities under their jurisdiction to recover costs of transportation electrification infrastructure from their customers. HB 4036-A also included natural gas utilities, who would have been able to recover costs of natural gas transportation fueling infrastructure.

HB 4066-A also included provisions around the use of Clean Fuels Program funds for both investor-owned utilities and consumer-owned utilities. Similar provisions were also found in HB 4135. Both bills would have required utilities that act as credit aggregators under the program to spend the revenues for transportation electrification but included slightly different limits on how program revenues could be used.

HB 4151-A took a different approach. While the amended bill included language similar to HB 4036-A and HB 4066-A clarifying the PUC's authority to allow electric utilities under their jurisdiction to recover costs of transportation electrification from their customers in certain cases, HB 4151-A also would have increased the privilege tax on new vehicles purchased in the Portland metropolitan service district. Those revenues would have been directed to electric vehicle rebates.

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Status at Sine Die:

HB 4066-A - Passed House Floor and Senate Natural Resources Committee, at Senate Desk

HB 4036-A – Passed Joint Committee, at House Desk

HB 4135 – House Energy & Environment committee, received hearing

HB 4151 – Passed House Committee without recommendation, in Ways and Means

Emergency Management Restructuring Task Force

[**HB 4041-A**](#)

Did Not Pass

HB 4041-A would have changed the appointment authority for the director of the Office of Emergency Management from the Adjutant General to the Governor, adding the requirement for Senate confirmation of the appointment. The bill would have established two advisory councils to provide advice and recommendations to current emergency management officers: (1) the Emergency Preparedness Advisory Council consisting of representatives from state agencies, counties, cities, and regional and local organizations, and tasked with advising the State Resilience Officer; and (2) the Local Government Emergency Management Advisory Council consisting of representatives from counties, cities, and various local emergency response and law enforcement functions and tasked with advising the Office of Emergency Management.

The bill also would have established the “Emergency Management Restructuring Task Force” to perform a study of emergency management resources and capabilities available in the state, in both public and private sectors, and to prepare recommendations for a comprehensive restructuring of emergency management systems. Members of the task force were to include Legislators and representatives of local government, Indian tribes and emergency management organizations. The bill would have directed the task force to study and prepare recommendations regarding mandatory leaves of absence from employment for emergency volunteers. The bill would have required the task force to provide a report and recommendations to the Legislative Assembly no later than January 31, 2022.

Note: The introduced version of this bill would have changed the Office of Emergency Management from an entity within the Oregon Military Department to a free-standing department, and would have transferred emergency management authority currently resting with various state agencies to the new Department, including ODOE’s current rulemaking authority for response to nuclear emergencies. This language, including the reference to ODOE’s authority, was removed before the bill passed out of Committee.

Status at Sine Die: Passed House Veterans and Emergency Preparedness Committee, in Joint Ways and Means

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Municipal Solid Waste and the Renewable Portfolio Standard

[HB 4049](#)

Did Not Pass

The bill would allow municipal solid waste (MSW) facilities that (1) generate electricity from the direct combustion of MSW, (2) are located in Oregon, and (3) have a commercial operation date before January 1, 1995, to generate renewable energy certificates (RECs) eligible for the Oregon renewable portfolio standard (RPS) if they have registered the generating facility with the Western Renewable Energy Generation Identification System (WREGIS) *at any time*.

ORS 469A.020(1) requires that electricity eligible for the Oregon RPS must be generated at facilities with a commercial operation date (COD) on or after January 1, 1995. Since the RPS program was originally adopted in 2007, the Legislative Assembly has made exceptions to the COD requirement for hydroelectric facilities, biomass facilities, and facilities that generate electricity from the combustion of MSW. Originally, biomass and MSW facilities also had to be registered in WREGIS *before* January 1, 2011 to qualify for the COD exception, but SB 328 (2017) removed that restriction for biomass facilities only (ORS 469A.031); the deadline for registering in WREGIS on or before January 1, 2011 still stands for pre-1995 MSW combustion facilities. HB 4049 would have amended ORS 469A.031 so that the current exemption for pre-1995 biomass facilities would also apply to pre-1995 MSW combustion facilities described in ORS 469A.020(6).

The bill would have also amended ORS 469A.020 to remove the cap of 11 average megawatts on the amount of annual eligible electricity from a pre-95 MSW facility. However, the bill included a requirement that only electricity generated from direct combustion of *biogenic material* be eligible for the RPS, and that the total amount of electricity used in calculating the qualifying electricity be equal to 11 average megawatts, which, when converted to megawatt hours, equals 96,360. To determine the amount of electricity eligible for the RPS each year, the bill provides the following equation where:

- Q represents the quantity of electricity from the facility eligible for RPS compliance each year
- T represents the total electricity generated at the facility in a calendar year, not to exceed 96,360 megawatt hours (MWh)
- P represents the percentage of municipal solid waste directly combusted annually that is biogenic material

$$Q = T \times P$$

Status at Sine Die: Received a public hearing by House Energy & Environment committee, did not receive a work session

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Wildfire Risk Reduction

[HB 4054-A](#)

Did Not Pass

HB 4054-A would have required the Department of Land Conservation and Development, in consultation with counties and cities, to organize a Land Use and Wildfire Policy Advisory Committee of at least 35 members. The 23 voting members were to be appointed jointly by DLCD and the State Forester and to represent local governments, utilities, forest landowners, Indian tribes, public health, economic development, and industries such as agriculture, ranching and real estate, with additional voting members as determined by DLCD in consultation with cities and counties. Additionally, the Committee was to include 12 non-voting members appointed by various state agencies, the President of the Senate, and the Speaker of the House of Representatives. HB 4054-A would have required DLCD to provide staff support to the Committee, while directing all state government agencies to assist the Committee.

The bill would have required several bodies to participate in developing recommendations and reports:

- ODF and Oregon State University, in consultation with DLCD, were to analyze wildfire risk to people, public and private property, businesses, infrastructure, and natural resources for each region of the state and develop recommendations for reducing those risks. These recommendations for regional wildfire risk reduction were to be reported to the Land Use and Wildfire Policy Advisory Committee no later than October 1, 2020.
- DLCD, in collaboration with ODF and the Land Use and Wildfire Policy Advisory Committee, was to develop recommendations for implementing the final recommendations from the Governor's Council on Wildfire Response, and report to the Legislative Assembly no later than February 1, 2021 on possible means for implementing the final recommendations produced by the Governor's Council on Wildfire Response. The report was to include several components, including: maps identifying wildfire risk; recommendations for using the statewide planning program and local governments; planning goals related to natural hazards; existing programs that minimize wildfire risk; recommendations for revising the state land use program and building codes; identification of funding, staffing, administrative, and mapping resources needed.
- The bill would have authorized the Governor's Council on Wildfire Response to continue operations through January 2, 2022. The Council would have been required to develop detailed recommendations for a financially sustainable model to fund a comprehensive wildfire strategy consistent with the Council's November 2019 report and recommendations. In developing its recommendations, the Council was to cooperate with relevant state agencies and to invite comments, advice, or assistance from relevant federal agencies, such as U.S. Forest Service or the Bureau of Land Management. The bill would have required the Council to provide its recommendations to the Legislative Assembly and the Governor no later than October 21, 2020.

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- The Oregon Department of Energy was to commission a study to determine whether renewable energy generation is a feasible means for disposing of materials from wildfire fuel load reduction projects, rather than disposing of the materials through controlled fires or other means. The ODOE director was to appoint an advisory committee by July 31, 2020, and the advisory committee was to provide advice to the contractor performing the study, and to review the results. The study contract would have been capped at \$500,000, and the study was to be completed by January 15, 2021.

HB 4054-A would have appropriated the following General Fund moneys for the biennium ending June 20, 2021:

- \$350,000 to DLCD
- \$100,000 to ODF
- \$50,000 to OSU
- \$61,900 to ODOE

The bill would have placed the following limits on spending by ODOE: not more than \$56,900 to cover additional personnel costs in carrying out “department duties, functions, and powers” related to the study and not more than \$5,000 to cover department costs associated with the advisory committee. The bill did not specify if the \$5,000 was for providing compensation and expenses to Advisory Committee members, covering ODOE’s staff time in providing staff support to the committee, or both. The bill did not appropriate money for the study itself.

Status at Sine Die: Passed by House Natural Resources committee, in Joint Ways and Means

Energy Affordability

[HB 4067-A](#)
Did Not Pass

The Oregon Public Utility Commission is directed by state statute to provide a comprehensive classification of service for each public utility, taking into account factors such as quantity, time and purpose of use, existence of price competition, conditions of service, “and any other reasonable consideration.” Each utility is required to conform its rate schedules with its classifications of service; this requirement affects gas, electric, water, and telecommunications companies. HB 4067-A would have expanded the list of factors to include “differential energy burdens on low-income customers and other economic, social equity of environmental justice factors that affect affordability for certain classes of customers.”

The bill would have defined “environmental justice” to mean “equal protection from environmental health hazards and meaningful public participating in decisions that affect the

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environment in which people live, work, learn, practice spirituality, and play.” Environmental justice communities were also defined by the bill to include “communities of color, communities experiencing lower incomes, tribal communities, rural communities, frontier communities, coastal communities and other communities traditionally underrepresented in public processes and adversely harmed by environmental and health hazards, including but not limited to seniors, youth and persons with disabilities.”

The bill would have expanded the ability for utilities to enter into agreements to provide financial assistance to organizations representing customer interests in regulatory proceedings at the PUC. New categories eligible for assistance would have included organizations representing low-income customers and environmental justice customers.

House Bill 4067-A would have required the PUC to establish a public process to investigate ways to address and mitigate differential energy burdens on classes of utility customers and other inequities of affordability and environmental justice, with specific requirements to investigate: the potential for demand response, weatherization and other programs to lower energy bills; the potential for mitigating energy burdens through bill credit programs or rate classes for low-income or multi-family households; and best practices in other jurisdictions to mitigate differential energy burdens. The bill would have required the PUC to give the public an opportunity to comment as part of the process, and to report on its investigation as part of its required 2021 report to the Environmental Justice Task Force and the Governor.

Status at Sine Die: Passed House Floor and Senate Natural Resources Committee, at Senate Desk

Electric Vehicle Charging and Building Codes

HB 4068-A
Did Not Pass

HB 4068-A would have required the director of the Oregon Department of Consumer and Business Services to adopt amendments to the state building code to require newly constructed buildings to provide electrical service capacity for charging electric vehicles. The bill would have required electrical charging capacity at no less than 20 percent of the vehicle parking spaces in the garage or parking area for the building (rounded up to nearest whole number).

The bill would have applied these EV-ready requirements to only the following building types, with townhouses expressly not included:

- commercial buildings under private ownership
- multifamily buildings with five or more residential dwelling units

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- mixed use buildings consisting of privately-owned commercial space and five or more residential dwelling units

The bill would have authorized a municipality to require a newly constructed building of one of the listed building types to provide electrical service capacity to accommodate more than 20 percent of spaces, as specified by the municipality, through ordinance, rule, or land use process. This ability for local municipality amendments would have been notwithstanding ORS 455.040, which provides for a statewide, uniform building code. “Municipality” is defined in statute to include “a city, county or other unit of local government otherwise authorized by law to administer a building code.”

HB 4068-A would have required the director of DCBS to ensure that initial amendments to the state building code as required under the bill take effect on July 1, 2021, and that the amendments to code would have applied to new construction for which a person first applies for a building permit on or after July 1, 2021.

Status at Sine Die: Passed House Floor and Senate Environment and Natural Resources Committee, at the Senate Desk

Fossil Fuel Production and Transport

[HB 4105](#)

Did Not Pass

HB 4105 would have prohibited a state agency from authorizing the construction of new infrastructure on state-owned real property for: the exploration, development or production of oil or gas; the transportation of oil or gas across state-owned property; or activities in furtherance of either the production of oil or gas or the transportation of oil or gas across state-owned property. The bill would not have prohibited the continued use or repair of existing infrastructure on state-owned property for these purposes, nor would it have superseded any valid existing agreement or legal instrument.

The bill would have required a facility that unloads oil or gas from a railcar to provide advance notice to the Oregon Department of Transportation at least 14 days before the arrival of a shipment, including the volume, type and vapor pressure of the oil or gas for each shipment. ODOT would have been required to deliver a copy of the notice to the State Fire Marshal. The bill would have authorized ODOT to impose a penalty of up to \$2,500 per day per railcar for violation of notice requirements.

The bill would have required ODOT to notify the appropriate Legislative committee and Legislative Counsel after the first calendar year in which the annual volume of oil and gas transported by rail in Oregon exceeds 105 percent of the volume transported in 2018.

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Beginning on January 1 of the calendar year three years after the start of the first year for which the volume exceeded 105 percent of 2018, the bill would have prohibited facilities from loading or unloading oil or gas into or from a railcar unless the vapor pressure of the oil or gas was less than nine pounds per square inch.

Lastly, the bill would have added a requirement for the State Fire Marshal to include the information it received in the advance notices of fuel shipments by railcar in its coordinated response plan for oil or hazardous material spills or releases during rail transport.

Status at Sine Die: In House Energy and Environment committee, received public hearing but did not receive a work session

Senate Measures

Public Records Advocate and Public Records Advisory Council Changes

[SB 1506](#)

Did Not Pass

SB 1506 would have made the office of the Public Records Advocate an independent office in the executive department. It would have removed language allowing the Governor to appoint or remove the Public Records Advocate. Instead, the authority to appoint or remove would move to the Public Records Advisory Council. It changed the terms of the Advocate's service from unclassified to exempt and made them the custodian of all Advisory Council records.

The bill would have also made changes to the roles and responsibilities of the Public Records Advisory Council, including a new method of selecting a chair, what happens when the Public Records Advocate position is vacant, and how the Council can introduce bills and work with legislators.

Status at Sine Die: Passed Senate Floor and House Rules Committee, at the House Desk

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Oregon Greenhouse Gas Initiative

[**SB 1530-B**](#)

Did Not Pass

SB 1530-B would have reduced anthropogenic greenhouse gas emissions levels in Oregon through a comprehensive suite of existing and future measures that would have included a legally binding, market-based carbon pricing mechanism. The purpose was also to promote the adaptation and resilience of natural and working lands, fish and wildlife resources, communities, the economy, and Oregon's infrastructure; and to assist Oregonians impacted by climate change or climate change mitigation.

SB 1530-B would have modified Oregon's statewide GHG emissions reduction goals set forth in ORS 468A.205 to achieve a 45 percent reduction in anthropogenic GHG emissions from 1990 levels by 2035, and an 80 percent reduction below 1990 levels by 2050. The bill would have created the Oregon Greenhouse Gas Reduction Board ("the board" or "OGGRB") within the Department of Environmental Quality and directed the board to adopt by rule a market-based GHG emissions reduction mechanism, called the Oregon Greenhouse Gas Initiative ("the initiative" or "OGGI"). The board would have adopted rules necessary for the Office of Greenhouse Gas Regulation ("the office" or "OGGR") to implement the initiative, specifically:

- a. Place a limit on regulated anthropogenic GHG emissions by setting annual allowances budgets for 2022 to 2050;
- b. Provide a system for covered entities to buy and sell allowances and offset credits used to demonstrate compliance with the covered entities' compliance obligations; and
- c. Provide annual allowance budgets that decline by a constant amount necessary to accomplish the GHG reduction goals.

The bill would have created the board to provide oversight for the office in implementing, administering, and enforcing the program and activities of the office; to identify the highest and best opportunities for investments of state proceeds from the sale of allowances under the initiative; identify and provide recommendations to the Governor and the Legislative Assembly on ways to coordinate state and local efforts to reduce GHG emissions in Oregon; and work with state and local governments to develop and implement outreach strategy to educate and inform Oregonians of ways to reduce GHG emissions.

The bill would have directed the Governor to appoint an Administrator (subject to Senate confirmation) of the office. The Administrator would have supervised the office and been responsible for the performance of the duties, functions, and powers of the office.

SB 1530-B would have abolished the Oregon Global Warming Commission on December 31, 2020, and repealed the statute requiring ODOE to staff the commission.

SB 1530-B would have repealed the Energy Facility Siting Council (EFSC) carbon dioxide emissions standards, ORS 469.503(2). The bill would have required EFSC to complete

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rulemaking to amend or repeal its rules that apply a carbon dioxide standard to fossil-fueled power plants and non-generating facilities, and no longer enforce the standard on existing facilities.

The bill laid out a detailed framework for how the OGGI would have operated and been enforced. The OGGI would have set an overall limit (cap) on total levels of regulated anthropogenic GHG emissions to achieve the state's GHG reduction goals. The cap would have declined each year by a constant tonnage amount and used a market-based mechanism based on a system of allowances to allocate allowances. The office would have been directed to provide free allowances to certain entities named in the bill, using specified methodologies. SB 1530B would have also directed how the board should set up an offsets program to allow a small percentage of an entity's compliance obligation to be met by offset credits in lieu of allowances.

SB 1530-B would have created certain funds as part of the administration of state proceeds coming from the auction of allowances. The bill set forth requirements for using the proceeds, specified requirements for certain grant programs and procurement preferences, and percentages of the funds to be used for specific purposes, such as a 'just transition.' The bill required both: (1) retrospective reporting on the distribution and spending of state proceeds and (2) prospective reporting on how the funds should be spent to most effectively meet the statewide GHG reduction goals.

SB 1530-B would also have affected the authorities of the Public Utility Commission (PUC). Specifically, the bill would have authorized the PUC to allow a rate or rate schedule to include differential rates or to reflect amounts for programs that enable public utilities to assist low-income residential customers, set forth certain requirements for PUC oversight of utility spending related to the initiative, and clarified their authority to allow electric utilities under their jurisdiction to recover costs of transportation electrification from their consumers or customers.

If enacted, SB 1530-B provided for expedited review of certain questions on this bill to the Oregon Supreme Court upon petition by an interested or affected party:

- Whether the receipt of state proceeds through the sale of allowances by auction were to be subject to the provisions of Article IV, sections 18 and 25 (2), of the Oregon Constitution.
- Whether auctions imposed a tax that were to be subject to the provisions of Article IX, section 3a, of the Oregon Constitution.

The bill would have appropriated or allowed for spending of fees by several state agencies in order to carry out various duties and programs called for in the bill.

Status at Sine Die: Passed Senate Environment and Natural Resources and Joint Ways and Means committees, at the Senate Desk

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Low-Income Housing Repair and Rehabilitation Grants

[SB 1532-A](#)

Did Not Pass

SB 1532-A would have directed the Oregon Department of Housing and Community Services to distribute grants to eligible entities operating homeownership assistance programs, for those entities to in turn provide financial assistance to homeowners for the purpose of repair and rehabilitation of their residences. “Eligible entities” were defined to mean local governments, local housing authorities, Indian tribes, regional or statewide nonprofit housing assistance organizations and community action agencies. An eligible homeowner was to have a household income at or below the area median income, and to be an owner-occupant of the residence to be repaired or rehabilitated. The bill defined “repair and rehabilitation” to include actions that maximized energy efficiency or extended the usable life of the residence, or which improved the health and safety of the occupants.

The bill would have appropriated \$2 million for the biennium ending June 30, 2021 to OHCS for awarding and administering grants to eligible entities, and an additional \$2 million for distribution to community action agencies with the advice of the Community Action Partnership of Oregon. The bill would have granted OHCS the authority to require that all or a portion of the funds distributed to community action agencies must supplement weatherization programs or expenditures. OHCS would have been required to report to the Legislative Assembly by November 15, 2021 on the grant program.

Status at Sine Die: Passed by Senate Housing and Development Committee, in Joint Ways and Means

Wildfire Response

[SB 1536-B](#)

Did Not Pass

SB 1536-B would have enacted several new requirements for electric utilities and state agencies relating to wildfire mitigation, including provisions relating to: utility wildfire protection plans; insurance coverage provisions; wildfire risk mapping; formation of a land-use and wildfire policy advisory committee to work with state agencies to formulate recommendations and reports; and forest treatments to reduce wildfire risk.

Utility Wildfire Protection Plans. The bill would have required investor-owned utilities (IOUs) and consumer-owned utilities (COUs) to develop and update wildfire mitigation plans. There

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were different provisions for the plans depending on whether a utility was an IOU or COU, while

The bill defined several components that must be included in the wildfire plans of IOUs (first submission required by December 31, 2020):

- Identify areas of IOU territory subject to heightened risk of wildfire
- Identify cost effective means for mitigating wildfire risk that balance costs with risk reduction
- Identify preventative actions that can minimize the risk of utility-caused wildfires
- Identify a protocol for public safety power shutoffs
- Describe procedures to inspect company infrastructure in areas of higher risk
- Describe procedures for vegetation management in areas of higher risk
- Identify costs for the plan
- Identify community outreach and public awareness efforts

The IOU plans would have been reviewed and either approved or disapproved by the PUC in consultation with the Oregon Department of Forestry. The bill also would have outlined a process for IOUs to recover through rates all reasonable and prudent costs incurred in the development and implementation of its wildfire plan, while specifying that the bill's requirements do not prohibit the recovery of costs deferred under ORS 757.259. The IOU plans would have to be updated every three years.

The bill imposed fewer specific requirements on the development of COU wildfire mitigation plans (first submission required by December 31, 2021):

- COUs must have and comply with a risk-based wildfire mitigation plan approved by the COU's governing board
- COUs must conduct a wildfire risk assessment of utility facilities
- The COU governing boards would determine a schedule for how often the plans had to be updated

The bill would have required submission of each COU's wildfire plan to the PUC "to facilitate commission functions regarding statewide wildfire mitigation planning and wildfire preparedness." The bill would have required the PUC to periodically convene workshops with both IOUs and COUs to share information on best practices around wildfire mitigation planning in the electric utility sector.

The bill would have specified that the following provisions in the bill do not affect the terms or conditions of any electric company easements upon private land: requirement for utility wildfire risk reduction plans; authorization for insurance companies to adopt wildfire-related coverage provisions and underwriting standards; and requirement for ODF to undertake fuel reduction treatment projects.

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Insurance Coverage Provisions. SB 1536-B would have authorized insurers to adopt coverage provisions—utilizing data and maps developed by the Department of Land Conservation and Development and the State Fire Marshall—that encourage property protection approaches that: (a) harden structures against wildfire; (b) establish and maintain defensible spaces; (c) create access for emergency vehicles to respond to wildfire; and (d) create wildfire evacuation routes.

Statewide Wildfire Risk Map. The bill would have directed the Oregon Department of Forestry to oversee the development and maintenance of a statewide wildfire risk map, with sufficient detail to allow wildfire risk assessment at the property-ownership level. The bill would have required ODF to collaborate with the State Fire Marshal, state and local governments, other public bodies, insurance companies and other information sources, and to make the map publicly accessible in electronic form. The bill would have required ODF to report on the development of the statewide wildfire risk map to a natural resources committee of the Legislature by February 1, 2021.

Land Use and Wildfire Policy Advisory Committee. The bill would have directed the Department of Land Conservation and Development to organize a Land Use and Wildfire Advisory Committee. DLCD and the State Forester, in consultation with cities, counties and designated organizations such as industry associations, would have appointed voting members representing cities and counties of different sizes, special districts, fire chiefs, Indian tribes, a variety of private business interests, and organizations specializing in areas such as public health, land use planning and economic development. The committee also would have included several nonvoting members appointed by state agency directors and Legislative leaders.

The bill would have required the following recommendations and reports:

- ODF and Oregon State University, in consultation with DLCD, would have been directed to consult with fire protection agencies, fire officials and local governments to analyze wildfire risks by region of the state and develop recommendations to reduce wildfire risks to people, public and private property, businesses, infrastructure and natural resources. ODF, OSU, and DLCD would have been required to report their joint recommendations to the Land Use and Wildfire Policy Advisory Committee by October 1, 2020.
- ODF and DLCD would have been required to develop recommendations for possible means to implement the final recommendations of the Governor’s Council on Wildfire Response, and to report to the Legislature in collaboration with the Land Use and Wildfire Policy Advisory Committee no later than February 1, 2021 on possible means for implementing the final recommendations produced by the Governor’s Council on Wildfire Response.

Treatments to Reduce Wildfire Danger. The bill would have directed ODF to establish up to 15 projects designed to reduce wildfire danger on public or private forestlands and rangelands

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through restoration of landscape resiliency and reduction of fuel levels. The bill would have required ODF to consult with other agencies at all levels of government as well as public and private landowners in carrying out the projects. The bill directed ODF to collaborate with OSU Extension Service and other entities to identify strategic landscapes for treatment, using the recommendations of the Governor's Council on Wildfire Response. The projects were to be completed no later than June 30, 2021, with ODF to make a progress report to an interim natural resources committee of the Legislature by December 1, 2020

NOTE: The introduced version of the bill would have required submission of each COU's wildfire plan to both the PUC and to ODOE; the requirement to submit wildfire plans to ODOE was removed in the A-engrossed version. Provisions in the B-engrossed version establishing a Land Use and Wildfire Policy Advisory Committee and requiring the committee to produce recommendations and reports, in conjunction with state agencies, also appear in HB 4054-A. Please see summary of HB 4054-A for more detail on reporting requirements.]

Status at Sine Die: Passed Senate Wildfire Reduction and Recovery Committee and Joint Ways and Means Subcommittee on Capital Construction, at Senate Desk

Renewable Energy Technician Licensing

[SB 1563-A](#)
Did Not Pass

SB 1563 would have raised the maximum project size for certain work by a person holding a Limited Renewable Energy Technology Technician license from 25kW to 50kW, and changed the demarcation line between work that may be performed by an LRT and work that must be performed by a licensed electrician.

Status at Sine Die: Passed Senate Floor and house Business and Labor Committee, at the House Desk

Oregon Greenhouse Gas Initiative Fuel Refunds

[SB 1578](#)
Did Not Pass

SB 1578 would have established two programs to mitigate increased purchase prices of transportation fuels for three groups of Oregon fuel consumers if the state had adopted the Oregon Greenhouse Gas Initiative program under SB 1530 (2020). Increased prices would result

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from regulated entities passing through to consumers the costs of purchasing allowances required for compliance under the Oregon Greenhouse Gas Initiative program.

One program would have provided a credit to persons having low or median incomes who reside in an area regulated by the OGGI. The amount of the credit for each regulated area would have been based on a formula using estimates by the Oregon Department of Transportation for the following factors: the median vehicle miles traveled in the regulated area; the median annual cost of a gallon of fuel in the regulated area; and the per-gallon carbon price for the regulated area. Most people would have claimed the credit when filing their state income taxes, with the bill directing the Oregon Department of Revenue to provide a means for tax filers to claim the credit on their personal income tax return. The bill also would have directed DOR to provide an alternate means for people who do not file an individual tax return to claim their credit. SB 1578 would have established a Climate Action Reimbursement Fund to allow DOR to process and pay out credits under the program, with the Fund receiving 30 percent of the funds annually deposited into the Transportation Decarbonization Investments Account. The proceeds in the TDIA would have come from the sale of allowances under the OGGI established by SB 1530.

The second program would have provided a refund for the additional fuel costs incurred for certain farming and forestry activities under SB 1530. The refund would have been based on the number of gallons of fuel delivered into a fuel tank at a delivery point within the regulated area that were purchased and used by the person during the calendar year, multiplied by the per-gallon carbon price for that calendar year.

A farmer would have been eligible to receive a refund for fuel used in a motor vehicle for farming operations on any road, thoroughfare or property in private ownership. Fuel users engaged in forestry operations specified in the bill also would have been eligible to receive a refund. Eligible forestry operations would have included (1) operation of a motor vehicle other than on a state highway, county road, or city street for the removal of forest products or the construction or maintenance of roads pursuant to an agreement with a forest management agency, and (2) operation of a motor vehicle on a county road for the removal of forest products if the use of that road was pursuant to an agreement with a government agency requiring payment or road construction or maintenance in return for authorization to use the road.

The bill would have required ODOT to estimate the statewide carbon price each year in consultation with the Office of Greenhouse Gas Regulation. ODOT would have been required to develop an application form including a statement by the applicant of the number of eligible gallons of fuel used. Refunds for uses eligible to receive funds from the Transportation Decarbonization Investments Account would have been paid out of that account, with the remaining refunds being paid out of the Climate Investments Fund Account under SB 1530.

Status at Sine Die: Passed Senate Finance and Revenue Committee, in Joint Ways and Means

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BILL EFFECTIVE & OPERATIONAL DATES

Normal Effective Dates

ORS 171.022 provides that unless otherwise stated all bills take effect on January 1 of the year after the bill is signed into law. So, unless a bill specifically names a different effective date or has an emergency clause, the bill will take effect on January 1 of the next year.

Emergency Clause

The Oregon Constitution prohibits a bill from taking effect “until ninety days from the end of the session” unless an emergency is declared. An emergency clause will appear in the bill if it is to take effect before the 91st day after adjournment sine die. Bills with emergency clauses are not subject to a referendum of the voters, all other bills are subject to possible referral under the Oregon Constitution. Because of this provision, the Constitution gives the Governor the power to veto an emergency clause without affecting the rest of the bill. The Constitution also prohibits the use of an emergency clause in bills that regulate taxation or exemption. An emergency clause must apply to an entire bill.

Operative Date

If a bill requires administrative preparation before the bill is fully operative, an operative date is used to delay operation of all or part of the bill. If an operative date is used, the entire bill takes effect on its effective date. However, a specified part of the Act does not become operational until a later specified date. It is important to distinguish between items that are authorized on and after the effective date and items that are not authorized until the operative date.

Example of an emergency clause for a bill that will take effect on its passage:

SECTION 30. This 2009 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect on its passage.

Note: A bill with an emergency clause takes effect when the Governor signs it, not when passed by both houses of the Legislative Assembly.

Example of an emergency clause for a bill that takes effect on a specific date after passage but before the 91st day after the end of session:

SECTION 30. This 2009 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect July 1, 2009.

Note: If the July 1 date is used and the Governor signs the bill before July 1, the bill takes effect on July 1. If the Governor signs the bill after July 1, the bill takes effect on the date the Governor signs it.

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FOR MORE INFORMATION

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