

## Overview – 2022 Legislative Session

In the 2022 short (33 day) legislative session, the legislature tackled big policy issues, approved \$1.4 billion in new spending, successfully navigated a pandemic and difficult negotiations with new leadership, and notably ended with more collegial relationships and budding trust among members than has been seen over the last few sessions. The session was also marked by the departure of a number of long-serving legislators – at least 20 current lawmakers are retiring or running for other offices, with more than a dozen already having departed. Among those announcing their retirement is Senator Peter Courtney, the longest serving Senate President in the history of the Legislature, Speaker Tina Kotek who left before the end of her term to run for Governor, and Senator (and former PUC Chair) Lee Bayer. The March 8 deadline for filing to run for a seat may see more retirements.

As part of their spending packages, the Legislature responded to the continued impacts of climate change by approving a \$100 million Climate Resilience Budget. This package included investments in the Emergency Heat Relief Act; drought relief efforts; improved home energy efficiency through the expansion of Healthy Homes Repair Fund; additional funding for the Oregon Solar + Storage Program established in 2019 (HB 2618); key investments in emission reduction efforts in the transportation sector, including a new focus on medium- and heavy-duty trucks; establishment of the Resilient, Efficient Buildings Task Force to reduce emissions from homes and buildings; and, through a renewed vision for planning for seismic events and the impacts a major earthquake could have on critical infrastructure at oil and liquid fuel terminals in Portland.

Here's a rundown of key bills tracked by the PUC during the session.

### **HB 4059 - Large-scale project labor standards**

This bill makes various changes to contract labor standards created in HB 2021 (2021) for energy projects and makes explicit that these labor standard requirements must be included in utility procurement actions that are subject to the PUC's competitive bidding requirements. The bill retained the capacity of a covered non-solar renewable energy facility at 10 MW, and clarifies language around the application of standards on project capacity ratings and providing good faith exceptions. The bill does not require the PUC to adopt rules to implement the labor standard provisions.

### **HB 4068 – Emergency Preparedness**

HB 4068 moves the Oregon Homeland Security Council from the Office of the Governor to the Oregon Department of Emergency Management and allows the Director of ODEM to appoint members to the Council. The bill moves the Oregon Pre-Disaster Mitigation Fund to the ODEM and provides the agency with rulemaking authority for the fund. The bill requires the Oregon Homeland Security Council to develop a plan to ensure that Oregonians have access to supplies and equipment for use in an emergency, including personal protective equipment (PPE) and raw materials for the sustained manufacture of communicable disease testing equipment and emergency surge supplies. The bill also addresses issuance of commercial driver licenses.

The bill requires all elected officials, all administrative heads of state agencies, and all staff in state government management services, as defined in ORS 240.212, to complete introductory courses offered or approved by the Federal Emergency Management System on incident command and the National Incident Management System.

## Overview – 2022 Legislative Session

It requires ODEM to develop and administer a program for periodic emergency response exercises. Once per year, the department is required to coordinate a multidisciplinary, all-hazards emergency response exercise and must involve 10 percent of the public or private safety agencies in the state in the exercise. The department must ensure that each public or public safety agency in the state participates in the exercise once every 10 years.

In addition, each state agency is required to annually conduct an internal exercise that tests at least one element of the state agency's emergency preparedness. Each agency may determine the nature and focus of the exercise required under this subsection. Once a year every agency must submit a report to ODEM describing the nature of the exercise, metrics used to analyze the performance and the outcome of the exercise. ODEM is instructed to provide agencies with advice and recommendations on these requirements.

### HB 4077 – Environmental Justice Council

This bill makes several changes to the Environmental Justice Task Force. The Environmental Task Force is renamed the Environmental Justice Council (EJC) and established within the office of the Governor and supported by the Oregon Department of Environmental Quality (DEQ) for purposes of providing clerical and administrative staff support and will share in Council expenses. Membership is increased to 13 members. Eight of those members must have specific areas of expertise and knowledge and named in the bill are climate change, climate resilience or climate justice; environmental laws, regulation and standards; natural resource management; land use planning and development; sustainability; community organizing; civil rights and disability rights; environmental health; energy, agriculture operations and food systems, water planning and management; or forest management. The bill specifies that of the eight members appointed with specific areas of expertise and knowledge, remote communities, rural communities, and coastal communities must each have at least one member appointed.

HB 4077 creates and defines a "Community-supported natural resources collaborative." This group will work with natural resource agencies on natural resource issues affecting a community – the bill lists specific areas included in collaborative efforts and the type of interactions expected, with the promotion of public participation in natural resource decisions an expected area of collaboration. The bill allows a natural resource agency as defined under ORS 182.535, to request consultation and review from the EJC of their administrative rules. The definition of natural resource agency has been expanded to include the Oregon Parks and Recreation Department, the Oregon Department of Energy, and the Oregon Watershed Enhancement Board.

The primary focus of HB 4077 is the creation and management of an environmental justice mapping tool. The EJC, the office of Enterprise Information Services, the Institute for Natural Resources (INR), Portland State University Research Center, and natural resource agencies will develop the new mapping tool by September of 2025. The sections of the bill that create the mapping tool also create several new definitions and terms, such as "environmental burden," "environmental justice community," "remote communities," "overburdened community," and more.

The bill directs the EJC to develop a community engagement process to receive input from communities across the state and requires consultation with natural resource agencies in the development of the mapping tool. The EJC will report on the development process and community input received.

## Overview – 2022 Legislative Session

There is criteria for what the mapping tool must include and guidelines for how it can be used by a natural resource agency. The tool is to be used for information only.

HB 4077 includes appropriations for DEQ, Oregon Health Authority, NRI, Portland State University, and the Oregon Department of Administrative Services.

### HB 4092 – Connecting Oregon for the 21<sup>st</sup> Century

HB 4092 modifies the composition and duties of the Oregon Broadband Advisory Council (OBAC) to represent geographically diverse regions of the state. It establishes a grant application review committee. The bill:

- Directs the Oregon Broadband Office (OBO) to develop a Broadband Action Plan and a Digital Equity Plan that addresses requirements of the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58).
- Directs the PUC to investigate and make recommendations on the feasibility of expanding the Oregon Telephone Assistance Program to support broadband internet access services or other telecommunications services and report to the Legislature.
- Removes notice and reporting requirements for the PUC when issuing a certificate of authority to provision of intrastate telecommunications services.
- Removes the PUC’s annual competitive provider reporting requirement.
- Changes the reporting date for the OBAC to September 15 and specifies the information that is required for the report, including the geospatial data that OBO will collect to assist the state in confirming the allocation of funds from the IIJA.

### SB 1518 – Resilient, Efficient Buildings Task Force

The bill establishes the Task Force on Resilient, Efficient Buildings. The purpose of the task force is to identify and evaluate policies related to building codes and building decarbonization for new and existing buildings that would enable the state to meet greenhouse gas emission reduction goals in ORS 468A.205 while maximizing other benefits – listed are:

- Increasing energy efficiency
- Improving resilience against climate change
- Improving public health and air quality
- Reducing percentage of household income that goes toward energy costs
- Mitigating the displacement and other impacts from wildfires, heat waves and other climate change events

The task force consists of 27 members and will be co-chaired by the chairs of the Senate Committee on Energy and Environment and the House Committee on Environment and Natural Resources. The bill specifies the types of members that will be required to serve. As it relates to energy, members will represent utilities that provide electricity and natural gas service to the state, advocate for public utility ratepayers, and are involved in or familiar with energy efficiency incentive programs.

## Overview – 2022 Legislative Session

### **SB 1536 – Emergency Heat Relief Act**

SB 1536 creates new programs and funding streams to provide air conditioners and air filters on an emergency basis to individuals eligible for medical assistance through Oregon Health Authority, Department of Human Services or Medicare within the past 12 months. It established a grant program for the purchase and installation of heat pumps and related installation upgrades.

This bill limits the restrictions that landlords, homeowner associations, condominium associations and local governments may place on portable cooling devices in residences. It defines portable cooling devices and creates exceptions to the restrictions for devices that damage premises, violate building codes, create safety violations, or power created service constraints.

Oregon Housing and Community Services is required to provide information on their Housing and Community Services website that informs landlords about extreme heat events and tells them about services and programs available to assist in providing adequate cooling environments for tenants.

SB 1536 establishes new rebate and grant programs administered by the Oregon Department of Energy (ODOE) to be used for the purchase and installation of air-source or ground-source heat pumps to owners of dwellings used for residential tenancy, manufactured homes or recreational vehicles who rent space in a manufactured housing or recreational vehicle park. The grant program will provide electrical and mechanical upgrades to facilitate the installation of heat pumps.

Rebates and grants will come from the Residential Heat Pump Fund with 25 percent of the grants reserved for affordable housing providers and 25 percent for loans for owners of units occupied by households whose income is less than 80 percent of the area median income. The bill allocates \$15 million in General Fund to the Residential Heat Pump Fund.

SB 1536 appropriates \$2 million in General Funds to ODOE for community cooling centers. These funds will provide a grant to the Energy Trust of Oregon (ETO) to assist landlords in creating or operating one or more private community cooling spaces to be made available to tenants during extreme heat events. Under the bill's grant provisions, ETO is directed to maintain separate accounting of the expenditures of the grant funds and report the accounting to the PUC and an independent auditor. ETO is prohibited from using moneys received under ORS 757.054(4) or 757.612(3)(d) for grant purposes.

ODOE is tasked with providing a study on the cooling and electrical needs of publicly supported housing, manufactured housing parks and recreational vehicle parks. ODOE must provide the Legislature with reports on the heat pump grants and rebates, community cooling centers, and the cooling needs study by September 15, 2023.

The bill appropriates \$2 million General Fund to Oregon Department of Human Services to provide grants to local governments for emergency heating or cooling emergency shelters or facilities.

### **SB 1567– Seismic Vulnerability, Energy Security**

SB 1567 is an omnibus emergency preparedness bill that requires owners or operators of bulk oil and liquid fuel terminals located in Columbia, Multnomah, or Lane counties to conduct and submit seismic vulnerability assessments to the Oregon Department of Environmental Quality (DEQ) by June 1, 2024. The bill requires DEQ to review and approve the assessments and authorizes the Environmental Quality Council to adopt additional requirements and submit periodic updates to the requirements. SB 1567

## Overview – 2022 Legislative Session

was specifically designed to exclude work performed by the PUC as part of the Pipeline and Hazardous Materials Safety Administration (PHSMA).

SB 1567 also creates the Seismic Risk Mitigation Fund with funds appropriated to DEQ for the purpose of reviewing seismic risk mitigation implementation plans and seismic risk assessments, as well as providing grants, and other assistance, to owners or operators of bulk oils or liquid fuels terminals.

The bill requires ODOE to develop an energy security plan that meets the requirements described under 42 U.S.C. 6326 and must align the plan with the Oregon Fuels Plan. The bill details certain plan criteria and requires ODOE to consult with the PUC and other state agencies, local and tribal governments, electric and natural gas utilities, fuel suppliers and qualified technical experts. ODOE must report to the Legislature on the energy security plan implementation and revisions no later than September 15 of each even-numbered years, and is directed to submit the energy security plan to the Legislature no later than June 1, 2024.

### Legislation considered but not passed

#### HB 4058 A – Heat Relief

HB 4058 A became part of SB 1536.

The bill would have created new programs and funding streams to provide air conditioners and air filters on an emergency basis to individuals eligible for medical assistance through OHA or DHS. It established a grant program for the purchase and installation of heat pumps and related upgrades.

#### SB 1534 A – Carbon Sequestration

SB 1534 A would have established a state policy to increase net carbon sequestration and storage in natural and working lands and compelled the Global Warming Commission (GWC) and several state agencies to work collaboratively to develop and monitor policies and recommendations. It created a new natural and working lands committee to advise the GWC in the performance of duties related to natural and working lands and created several new reports.