

**74th OREGON LEGISLATIVE ASSEMBLY - 2007 Regular Session**  
**STAFF MEASURE SUMMARY**  
**House Committee on Energy and the Environment**

**MEASURE:** HB 3543 A  
**CARRIER:** Rep. Cannon

**REVENUE: No revenue impact**

**FISCAL: Fiscal statement issued**

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**Action:** Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the Committee on Ways and Means  
**Vote:** 4 - 3 - 0  
**Yeas:** Beyer, Cannon, Macpherson, Dingfelder  
**Nays:** Burley, Jenson, Smith G.  
**Exc.:** -  
**Prepared By:** Cat McGinnis, Administrator  
**Meeting Dates:** 4/25, 4/27, 4/30

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**WHAT THE MEASURE DOES:** Sets goals to do the following: by 2010, arrest the growth and begin reduction of greenhouse gas emissions in Oregon; by 2020, achieve greenhouse gas levels 10 percent below 1990 levels; and by 2050 achieve levels 75 percent below 1990 levels. Directs Oregon Public Utility Commission (PUC) to consider environmental impacts of greenhouse gas emissions from retail electricity generation. Creates Oregon Global Warming Commission (OGWC) to coordinate state and local efforts to reduce greenhouse gas emissions and prepare for the effects of global warming. Establishes membership terms and designates ex officio members. Directs Oregon Department of Energy (ODE) to staff commission. Directs commission to solicit public comment regarding statutory or policy recommendations and to examine greenhouse gas cap-and-trade systems, including a statewide carbon cap-and-trade system. Directs commission to track global warming science and develop communication plan. Directs commission, with ODE and Department of Environmental Quality (DEQ), to determine carbon dioxide equivalency for greenhouse gasses. Directs commission to report progress toward goals biennially to Legislature. Creates Oregon Climate Change Research Institute within the Department of Higher Education to be administered by Oregon State University. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Fund for program and ODE ability to absorb workload
- Use of legislation versus executive order to meet emission reduction goals
- Commission membership
- Validity of basic premise of climate change

**EFFECT OF COMMITTEE AMENDMENT:**

- Removes appropriations to ODE and the Department of Higher Education
- Clarifies that no additional regulatory authority is created for any executive agency
- Expands membership of proposed commission to include 11 voting and 14 ex officio members
- Directs commission to examine possible funding mechanisms for obtaining low-cost greenhouse gas emission reductions, including in the natural gas industry
- Makes discretionary the requirement for commission to recommend formation of citizen advisory groups

**BACKGROUND:** The Governor's Advisory Group on Global Warming, appointed in early 2004, adopted final recommendations to reduce Oregon's greenhouse gas emissions in December 2004. The Advisory Group's report, *Oregon Strategy for Greenhouse Gas Reductions* complements the agenda of the West Coast Governor's Initiative on Global Warming undertaken by the governors of California, Oregon and Washington to address greenhouse gas emissions at a state and regional level. In May 2006, the Governor's Climate Change Integration Group was appointed to assess how Oregon should prepare for adaptation to the impacts of climate change. Oregon's Carbon Allocation Task Force was appointed in 2005 to examine the feasibility of a load-based carbon allowance standard to reduce carbon dioxide (CO<sub>2</sub>) and other greenhouse gas (GHG) emitted due to consumption of electricity, petroleum and natural gas.

5/14/2007 4:46:00 PM

***This summary has not been adopted or officially endorsed by action of the committee.***