

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
75th Oregon Legislative Assembly  
2009 Regular Session  
Legislative Revenue Office

<b>Bill Number:</b>	<b>SB 80-A</b>
<b>Revenue Area:</b>	DEQ Fees
<b>Economist:</b>	Mazen Malik
<b>Date:</b>	5/4/09

**Measure Description:**

Authorizes agencies to create plans and implement rulemaking to meet the greenhouse gas emissions reductions goals. Establishes the Interagency Climate Coordinating Council (Council) made up of several state agencies. Requires the Council to coordinate state agencies actions to achieve greenhouse gas (GHG) reductions goals. Directs the PUC to develop a plan to achieve GHG reductions to meet the statutory goals. Permits PUC to make a finding by Dec. 2009. Provides authority for the PUC to consider GHG emissions in its resource planning processes, ratemaking and other proceedings. Directs the PUC to pursue all cost-effective energy efficiency within existing authorities. Directs ODOT, DEQ, and the Dept. of Land Conservation and Development to develop a plan to meet the statutory goals. Directs the Environmental Quality Commission to develop a voluntary plan to reduce GHG emissions to meet the statutory goals, not binding until January 1, 2014. Requires local governing boards to implement a carbon reduction fee. Directs the Council to work with the state Forestry Department and the state Dept. of Agriculture to convene an advisory committee to develop a system of offsets where those offsets are real, permanent, quantifiable, additional and verifiable.

**Revenue Impact:**

The measure is expected to move to a subcommittee of the Ways and Means. Thus, it will be further examined for its impacts on revenue and affects on the taxation of the different emission producing energy sectors. More analysis will be required as the amendments clarify further the direction of the bill.

**Impact Explanation:**

Oregon is a participating member in the Western Climate Initiative (WCI), which provides a regional framework for reducing greenhouse gas emissions through a cap and trade program. The WCI framework allows participating members to develop strategies unique to their jurisdictions. The 2007 Legislative Assembly declared that it was the policy of the state to reduce greenhouse gas emissions in Oregon. They established the following goals:  
By 2010, arrest the growth of Oregon's greenhouse gas emissions and begin to reduce greenhouse gas emissions.  
By 2020, achieve greenhouse gas levels that are 10 percent below 1990 levels.  
By 2050, achieve greenhouse gas levels that are at least 75 percent below 1990 levels.

**Creates, Extends, or Expands Tax Expenditure:**      Yes  No