

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways & Means by Prior Reference
Vote:	7 - 0 - 1
Yeas:	Bailey, Bentz, Galizio, Gilliam, Holvey, Thatcher, Read
Nays:	0
Exc.:	Witt
Prepared By:	Barbara Allen, Administrator
Meeting Dates:	2/26, 3/17, 4/23

WHAT THE MEASURE DOES: Authorizes local governments to establish local improvement districts to finance energy efficiency and renewable energy improvements for existing homes and some existing commercial buildings. Grants local government the ability to assess a property owner who obtains a loan under this program to cover a portion of the cost of the program. Authorizes the Oregon Department of Energy (ODE), working with Housing and Community Services Department (HCSD), to establish rules to define types of eligible projects and other considerations. Authorizes ODE to provide loan funds to a local government or directly to a property owner in a qualified local improvement district.

ISSUES DISCUSSED:

- Difficulty of financing large-scale energy efficiency upgrades to existing residential and commercial buildings
- Clarification of some definitions through possible amendments including cap on structure size
- Range of projects that qualify for an energy efficiency loan
- Burden of collection of loan repayment on foreclosed or lienied properties by counties
- Administrative costs associated with the program

EFFECT OF COMMITTEE AMENDMENT: Replaces “Local Improvement District” with “Local Government” defined as “cities and counties.” Removes size differentiation between residential and commercial buildings. Limits ODE and HCSD authority to establish criteria for the energy efficiency projects to those seeking state loans.

BACKGROUND: It is less expensive to integrate energy efficiency into the design of a new building than to improve an existing older building. Costs for improving the energy efficiency of existing buildings are usually financed by short-term loans, affecting the ability of many owners to finance energy improvements. HB 2181A authorizes local governments to establish local improvement districts to finance energy efficiency and renewable energy improvements for existing homes and some commercial buildings.