

**A-Engrossed
House Bill 2186**

Ordered by the House May 4
Including House Amendments dated May 4

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Governor Theodore R. Kulongoski for Department of Environmental Quality)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Authorizes Environmental Quality Commission to adopt rules to help state *[to achieve]* **reduce** greenhouse gas emissions *[reduction goals]*. Specifies rules that commission may adopt. **Specifies criteria by which commission must adopt rules.**

Requires commission to report on rules to specified legislative committees and to Seventy-sixth, Seventy-seventh and Seventy-eighth Legislative Assemblies.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to greenhouse gas emissions; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Sections 2 to 4 of this 2009 Act are added to and made a part of ORS chapter**
5 **468A.**

6 **SECTION 2. As used in sections 2 to 4 of this 2009 Act:**

7 (1) **“Combined weight” has the meaning given that term in ORS 825.005.**

8 (2) **“Greenhouse gas” has the meaning given that term in ORS 468A.210.**

9 (3) **“Heavy-duty truck” has the meaning given that term in ORS 468A.795.**

10 (4) **“Light-duty truck” means:**

11 (a) **A motor vehicle or combination of vehicles operated as a unit that has a combined**
12 **weight that is less than or equal to 8,500 pounds and that is designed primarily for the pur-**
13 **pose of transporting property; or**

14 (b) **A motor vehicle or combination of vehicles operated as a unit that has a combined**
15 **weight that is less than or equal to 8,500 pounds, that is designed primarily for the purpose**
16 **of transporting property and that is available with special features that enable off-street or**
17 **off-highway operation and use.**

18 (5) **“Low carbon fuel standards” means standards for the reduction of greenhouse gas**
19 **emissions, on average, per unit of fuel energy.**

20 (6) **“Medium-duty truck” has the meaning given that term in ORS 468A.795.**

21 (7) **“Motorcycle” has the meaning given that term in ORS 801.365.**

22 (8) **“Motor vehicle” has the meaning given that term in ORS 825.005.**

23 (9) **“Passenger car” means a motor vehicle that is designed primarily for the transpor-**
24 **tation of 12 or fewer persons.**

25 (10)(a) **“Replacement tire” means a tire sold in this state that is designed to replace a**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 tire sold with a new passenger car or new light-duty truck.

2 (b) "Replacement tire" does not include any of the following:

3 (A) A tire or group of tires from the same stock-keeping unit, plant and year, if the
4 number of tires produced or imported for that unit is less than 15,000 annually.

5 (B) A deep-tread snow tire, a space-saver tire or a temporary-use spare tire.

6 (C) A tire with a nominal rim diameter of 12 inches or less.

7 (D) A motorcycle tire.

8 (E) A tire manufactured specifically for use in an off-road motorized recreational vehicle.

9 **SECTION 3.** (1) The Environmental Quality Commission may adopt by rule standards and
10 requirements described in this section to reduce greenhouse gas emissions.

11 (2)(a) The commission may adopt low carbon fuel standards for gasoline, diesel and fuels
12 used as a substitute for gasoline or diesel.

13 (b) The commission may adopt the following related to the standards, including but not
14 limited to:

15 (A) A schedule to phase in implementation of the standards in a manner that reduces the
16 average amount of greenhouse gas emissions per unit of fuel energy of the fuels by 10 per-
17 cent below 2010 levels by the year 2020;

18 (B) Standards for greenhouse gas emissions attributable to the fuels throughout their
19 lifecycles, including but not limited to emissions from the production, storage, transportation
20 and combustion of the fuels and from changes in land use associated with the fuels;

21 (C) Provisions allowing the use of all types of low carbon fuels to meet the low carbon
22 fuel standards, including but not limited to biofuels, biogas, compressed natural gas, gasoline,
23 diesel, hydrogen and electricity;

24 (D) Standards for the issuance of deferrals, established with adequate lead time, as nec-
25 essary to ensure adequate fuel supplies;

26 (E) Exemptions for liquefied petroleum gas and other alternative fuels that are used in
27 volumes below thresholds established by the commission;

28 (F) Standards, specifications, testing requirements and other measures as needed to en-
29 sure the quality of fuels produced in accordance with the low carbon fuel standards, includ-
30 ing but not limited to the requirements of ORS 646.910 to 646.923 and administrative rules
31 adopted by the State Department of Agriculture for motor fuel quality;

32 (G) Adjustments to the amounts of greenhouse gas emissions per unit of fuel energy as-
33 signed to fuels for combustion and drive train efficiency; and

34 (H) Coordination of Oregon's low carbon fuel standards with those of other states, in-
35 cluding but not limited to the schedule and goal for the reduction of the average amount of
36 greenhouse gas emissions per unit of fuel energy and the default values for these reductions
37 for applicable fuels.

38 (c) After December 31, 2020, the commission may not amend the low carbon fuel stan-
39 dards adopted under this subsection to be any more stringent than those adopted under this
40 subsection before that date.

41 (3)(a) The commission may adopt standards for the greenhouse gas content of, and re-
42 quirements to prevent venting during the use and disposal of, consumer and commercial
43 products that contain greenhouse gases, provided that:

44 (A) Products that meet the standards and requirements are available for purchase; and

45 (B) The commission coordinates Oregon's standards and requirements with those of

1 other states and does not adopt standards or requirements that require manufacturing new
2 types of consumer and commercial products solely for this state.

3 (b) The standards adopted under paragraph (a) of this subsection may apply to the man-
4 ufacture, import and use of consumer and commercial products that contain greenhouse
5 gases.

6 (c) The commission may not adopt standards under paragraph (a) of this subsection that
7 apply to:

8 (A) Fuel that is intended to be burned to produce energy or heat;

9 (B) Carbon dioxide;

10 (C) Incidental greenhouse gases contained in air in a consumer or commercial product
11 or within product packaging;

12 (D) Greenhouse gases generated from the decomposition of a product; and

13 (E) Greenhouse gas emissions from the production or transportation of consumer and
14 commercial products.

15 (d) After December 31, 2020, the commission may not adopt standards under this sub-
16 section for any consumer or commercial products not regulated under this section before
17 that date.

18 (4)(a) The commission may adopt requirements to maintain or retrofit medium-duty
19 trucks and heavy-duty trucks in order to reduce aerodynamic drag and otherwise reduce
20 greenhouse gas emissions from those trucks, provided that the commission evaluates:

21 (A) Comparable requirements of other states or the United States Environmental Pro-
22 tection Agency;

23 (B) The availability of financing programs to fund initial capital costs that are recouped
24 in fuel savings over time;

25 (C) Differences among truck types, such as short-haul trucks and long-haul trucks; and

26 (D) Implementation according to a phased-in schedule taking into account fleet size.

27 (b) The commission may require sellers of medium-duty trucks and heavy-duty trucks
28 to disclose to buyers the existence of applicable greenhouse gas emissions reduction re-
29 quirements.

30 (c) After December 31, 2020:

31 (A) The commission may not amend the requirements adopted under this subsection to
32 be any more stringent than the requirements adopted under this subsection before that date;
33 and

34 (B) The commission may not amend the requirements adopted under this subsection to
35 apply to any fleet sizes not regulated under this section before that date.

36 (5)(a) The commission may adopt requirements to prevent the tampering, alteration and
37 modification of the original design or performance of motor vehicle pollution control sys-
38 tems, provided that the commission coordinates any Oregon antitampering requirements and
39 exemptions with those of the State of California.

40 (b) After December 31, 2020, the commission may not adopt requirements for any types
41 of motor vehicle pollution control systems not regulated under this section before that date.

42 (6) The commission may adopt standards governing the energy efficiency of replacement
43 tires manufactured in, or imported into, this state for passenger cars and light-duty trucks
44 provided that:

45 (a) The commission coordinates the standards with those of other states and does not

1 adopt standards that require the manufacture of new types of replacement tires solely for
2 this state.

3 (b) The commission evaluates exemptions for tires used to equip authorized emergency
4 vehicles if replacement tires for those vehicles do not meet the standards.

5 (c) The standards:

6 (A) Are technically feasible and cost-effective;

7 (B) Do not adversely affect tire safety;

8 (C) Do not adversely affect the average tire life; and

9 (D) Do not adversely affect Oregon's efforts to manage scrap tires.

10 (d) After December 31, 2020, the commission may not adopt standards for any types of
11 replacement tires not regulated under this section before that date.

12 (7)(a) The commission may adopt requirements for motor vehicle service providers to
13 check and inflate tire pressure according to the tire manufacturer's or motor vehicle man-
14 ufacturer's recommended specifications, provided that the requirements:

15 (A) Do not apply when the primary purpose of the motor vehicle service is fueling vehi-
16 cles; and

17 (B) Do not require motor vehicle service providers to purchase equipment to check and
18 inflate tire pressure.

19 (b) After December 31, 2020, the commission may not adopt requirements for any type
20 of motor vehicle service providers not regulated under this section before that date.

21 (8)(a) The commission may adopt restrictions on engine use by parked commercial vehi-
22 cles, including but not limited to medium-duty trucks and heavy-duty trucks, and by com-
23 mercial ships while at port, and requirements that truck stops and ports provide alternatives
24 to engine use such as electric power, provided that:

25 (A) Engine use shall be allowed when necessary to power mechanical or electrical oper-
26 ations if alternatives are not reasonably available;

27 (B) Engine use shall be allowed when necessary for reasonable periods due to traffic de-
28 lays, frequent delivery stops, loading and unloading, inspections, safety procedures, emer-
29 gencies and other considerations as determined by the commission; and

30 (C) Any requirements applicable to commercial ships and ports must be developed in
31 consultation with representatives of Oregon ports and take into account operational consid-
32 erations, operational agreements, international protocols and limitations, the ability to fund
33 the purchase and use of electric power equipment and the potential effect of the require-
34 ments on competition with other ports.

35 (b) After December 31, 2020, the commission may not adopt:

36 (A) Restrictions on engine use by any types of parked commercial vehicles and commer-
37 cial ships at port not regulated under this section before that date; and

38 (B) Additional alternatives to engine use for truck stops and ports regulated under this
39 section before that date.

40 **SECTION 4.** In adopting rules under section 3 of this 2009 Act, the Environmental Quality
41 Commission shall evaluate:

42 (1) Safety, feasibility, net reduction of greenhouse gas emissions and cost-effectiveness;

43 (2) Potential adverse impacts to public health and the environment, including but not
44 limited to air quality, water quality and the generation and disposal of waste in this state;

45 (3) Flexible implementation approaches to minimize compliance costs; and

1 **(4) The benefits and costs of the rules in relation to the programs of other state agencies,**
2 **whether implemented or under development, to reduce greenhouse gas emissions from the**
3 **same economic sectors.**

4 **SECTION 5. Except as provided in section 6 of this 2009 Act, sections 1 to 4 of this 2009**
5 **Act become operative on July 1, 2011.**

6 **SECTION 6. The Environmental Quality Commission may adopt rules before the opera-**
7 **tive date specified in section 5 of this 2009 Act or take any action before the operative date**
8 **specified in section 5 of this 2009 Act that is necessary to carry out the provisions of sections**
9 **1 to 4 of this 2009 Act.**

10 **SECTION 7. (1) The Department of Environmental Quality shall report on the imple-**
11 **mentation of sections 3 and 4 of this 2009 Act to:**

12 **(a) The interim legislative committees on environmental and natural resources on or**
13 **before December 31, 2010; and**

14 **(b) The Seventy-sixth, Seventy-seventh and Seventy-eighth Legislative Assemblies in the**
15 **manner provided by ORS 192.245.**

16 **(2) The reports required under subsection (1) of this section must contain a description**
17 **of:**

18 **(a) Rules adopted under sections 3 and 4 of this 2009 Act;**

19 **(b) The manner in which the Environmental Quality Commission complied with the re-**
20 **quirements of sections 3 and 4 in adopting the rules; and**

21 **(c) Significant policy decisions made by the commission in adopting rules under sections**
22 **3 and 4 of this 2009 Act.**

23 **SECTION 8. This 2009 Act being necessary for the immediate preservation of the public**
24 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**
25 **on its passage.**

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