

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

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<b>Action:</b>	Do Pass and Be Referred to the Committee on Tax Credit by prior reference
<b>Vote:</b>	6 - 0 - 0
<b>Yeas:</b>	Atkinson, Burdick, Edwards, Girod, Starr, Beyer
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Richard Berger, Administrator
<b>Meeting Dates:</b>	3/22, 3/24, 4/18

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**WHAT THE MEASURE DOES:** Precludes the Department of Energy from promulgating any rules relating to biomass tax credits if the overall thermal conversion efficiency rating exceeds 20 percent for a facility that converts biomass to heat or electric energy that was placed in service before Jan 1, 2008. Applies to tax years beginning on or after Jan 1, 2010.

**ISSUES DISCUSSED:**

- Current rules exclude one biomass facility because they are not doing co-generation
- Need to incentivize biomass power where timber industry has declined
- Biomass power improves forest health, provides rural jobs, and is good energy policy

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** House Bill 2078, enacted by the 2009 Legislative Assembly, Authorizes the Oregon Department of Energy to adopt rules relating to tax credits for production of biomass. The Department adopted rules in 2010.