

A-Engrossed
House Bill 2522

Ordered by the House April 28
Including House Amendments dated April 28

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Revenue)

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.

Extends sunsets for tax credits for use of biofuel and fuel blends, for use of biodiesel in home heating and for construction or installation of alternative energy devices.

Provides that tax credit for alternative energy device may be allowed only if device meets or exceeds all applicable government requirements for energy efficiency. Disallows credit for furnaces with electrically commutated motors with efficiency rating of 94 percent or less, air conditioning systems and boilers. Requires State Department of Energy to consider evolving market conditions when prescribing eligibility criteria for credit and determining credit amounts. Prescribes amounts of allowable credit for certain devices.

Declares legislative intent to attain certain environmental, economic and job creation benefits and to assist taxpayers, through allowance of credits, to save energy and produce clean energy. Requires department to report annually to Legislative Assembly on utilization of credit. Sets limit on total amount of credits allowed and requires department to allocate available credit amounts.

Applies to alternative energy devices certified by department on or after January 1, 2012, and to tax years beginning on or after January 1, 2012.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to residential energy; creating new provisions; amending ORS 316.116, 469.165, 469.170 and
3 469.172 and sections 5a and 8a, chapter 832, Oregon Laws 2005, and section 29, chapter 739,
4 Oregon Laws 2007; and prescribing an effective date.

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

6 **SECTION 1.** Section 29, chapter 739, Oregon Laws 2007, as amended by section 17, chapter 913,
7 Oregon Laws 2009, is amended to read:

8 **Sec. 29.** ORS 315.465 and 315.469 apply to tax years beginning on or after January 1, 2007, and
9 before January 1, [2012] **2018**.

10 **SECTION 2.** Section 5a, chapter 832, Oregon Laws 2005, as amended by section 35, chapter 843,
11 Oregon Laws 2007, and section 12, chapter 913, Oregon Laws 2009, is amended to read:

12 **Sec. 5a. (1)** A taxpayer may not be allowed a credit under ORS 316.116 if the first tax year for
13 which the credit would otherwise be allowed with respect to an alternative energy device [*or alter-*
14 *native fuel vehicle or related equipment is*] **begins** on or after January 1, [2012] **2018**.

15 **(2)** **A taxpayer may not be allowed a credit under ORS 316.116 if the first tax year for**
16 **which the credit would otherwise be allowed with respect to an alternative fuel vehicle or**
17 **related equipment begins on or after January 1, 2012.**

18 **SECTION 3.** Section 8a, chapter 832, Oregon Laws 2005, as amended by section 13, chapter 913,
19 Oregon Laws 2009, is amended to read:

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 **Sec. 8a.** (1) The State Department of Energy may not issue a contractor's certification
2 certificate[,] **or an** alternative energy device system certificate [*or alternative fuel vehicle or related*
3 *equipment certificate*] under ORS 469.170 after January 1, [2012] **2018.**

4 **(2) The State Department of Energy may not issue an alternative fuel vehicle or related**
5 **equipment certificate under ORS 469.170 after January 1, 2012.**

6 **SECTION 4.** Sections 5 to 7 of this 2011 Act are added to and made a part of ORS 469.160
7 to 469.180.

8 **SECTION 5.** It is the intention of the Legislative Assembly, through the allowance of tax
9 credits to personal income taxpayers for the use of alternative energy devices, to:

10 **(1) Assist taxpayers to save energy and produce clean energy; and**

11 **(2) Attain environmental, economic and job creation benefits for this state beyond those**
12 **possible through incentives that are directed to utilities and that are appropriately measured**
13 **by cost-effectiveness.**

14 **SECTION 6.** Not later than February 1 of each year, the State Department of Energy
15 shall report to the Legislative Assembly on utilization of the credit allowed under ORS
16 316.116. The report required under this section shall include:

17 **(1) Data about the following, as applicable to tax credits allowable under ORS 316.116 and**
18 **469.160 to 469.180:**

19 **(a) Applications for certification received.**

20 **(b) Total amounts of tax credits certified and claimed by tax year.**

21 **(c) Any new types of alternative energy devices for which the department has begun al-**
22 **lowing tax credits during the immediately preceding tax year.**

23 **(d) Any types of alternative energy devices for which the department has ceased allowing**
24 **tax credits during the immediately preceding tax year.**

25 **(e) Developments in market conditions for various types of alternative energy devices.**

26 **(f) Amounts of credits allowed for particular types of alternative energy devices.**

27 **(2) Recommendations for legislation, including proposals for:**

28 **(a) Modifications of the limits established in section 7 of this 2011 Act.**

29 **(b) Procedures for allocating credit amounts within the limits established in section 7 of**
30 **this 2011 Act.**

31 **(c) Removal of or addition to the types of alternative energy devices for which credits**
32 **are allowed.**

33 **SECTION 7.** (1) The total amount of tax credits allowed to taxpayers under ORS 316.116
34 may not, in any tax year that begins after January 1, 2012, exceed \$_____ million.

35 **(2) In the event that the State Department of Energy receives during a tax year appli-**
36 **cations for certification under ORS 469.170 that, in the estimation of the Director of the**
37 **State Department of Energy, will exceed the limit established in subsection (1) of this sec-**
38 **tion, the department may issue a certificate for a credit amount that is less than the maxi-**
39 **imum amount provided in ORS 316.116 (2) or (3), or may deny certification under ORS 469.170.**

40 **(3) The Director of the State Department of Energy shall by rule establish criteria and**
41 **procedures for allocating credits to taxpayers during tax years in which the conditions de-**
42 **scribed in subsection (2) of this section exist.**

43 **SECTION 8.** ORS 316.116 is amended to read:

44 316.116. (1)(a) A resident individual shall be allowed a credit against the taxes otherwise due
45 under this chapter for costs paid or incurred for construction or installation of each of one or more

1 alternative energy devices in a dwelling.

2 (b) A resident individual shall be allowed a credit against the taxes otherwise due under this
3 chapter for costs paid or incurred to modify or purchase an alternative fuel vehicle or related
4 equipment.

5 **(c) A credit against the taxes otherwise due under this chapter is not allowed for an al-**
6 **ternative energy device that does not meet or exceed all applicable federal, state and local**
7 **requirements for energy efficiency, including the state building code and any specialty codes.**

8 (2)(a) In the case of a category one alternative energy device that is not an alternative fuel
9 device, the credit shall be based upon the first year energy yield of the alternative energy device
10 that qualifies under ORS 469.160 to 469.180. The amount of the credit shall be the same whether for
11 collective or noncollective investment.

12 (b) The credit allowed under this section for each category one alternative energy device **that**
13 **is not an alternative energy device described in paragraph (c) of this subsection** for each
14 dwelling may not exceed the lesser of[:]

15 *[(A) \$1,500 or the first year energy yield in kilowatt hours per year multiplied by 60 cents per*
16 *dwelling utilizing the alternative energy device used for space heating, cooling, electrical energy or*
17 *domestic water heating for tax years beginning on or after January 1, 1990, and before January 1,*
18 *1996.]*

19 *[(B) \$1,200 or the first year energy yield in kilowatt hours per year multiplied by 48 cents per*
20 *dwelling utilizing the alternative energy device used for space heating, cooling, electrical energy or*
21 *domestic water heating for tax years beginning on or after January 1, 1996, and before January 1,*
22 *1998.]*

23 *[(C) \$1,500 or the first year energy yield in kilowatt hours per year multiplied by 60 cents per*
24 *dwelling utilizing the alternative energy device used for space heating, cooling, electrical energy or*
25 *domestic water heating for tax years beginning on or after January 1, 1998.*

26 **(c) For each category one alternative energy device that is a whole house air-to-air heat**
27 **pump or a hydronic air handler, the credit allowed under this section may not exceed the**
28 **lesser of \$750 or the first year energy yield in kilowatt hours per year multiplied by 30 cents**
29 **per dwelling utilizing the alternative energy device.**

30 *[(c)] (d) For each category one alternative energy device used for swimming pool, spa or hot tub*
31 *heating, the credit allowed under this section shall be based upon 50 percent of the cost of the de-*
32 *vice or the first year's energy yield in kilowatt hours per year multiplied by 15 cents, whichever is*
33 *lower, up to[:]*

34 *[(A) \$1,500 for tax years beginning on or after January 1, 1990, and before January 1, 1996.]*

35 *[(B) \$1,200 for tax years beginning on or after January 1, 1996, and before January 1, 1998.]*

36 *[(C) \$1,500 for tax years beginning on or after January 1, 1998.*

37 *[(d)] (e) For each alternative fuel device, the credit allowed under this section is 25 percent of*
38 *the cost of the alternative fuel device but the total credit shall not exceed \$750 if the device is*
39 *placed in service on or after January 1, 1998.*

40 *[(e)(A)] (f)(A) For each category two alternative energy device that is a solar electric system*
41 *or fuel cell system, the credit allowed under this section shall equal \$3 per watt of installed output,*
42 *but the installed output that is used to determine the amount of credit under this paragraph may*
43 *not exceed 2,000 watts.*

44 (B) For each category two alternative energy device that is a wind electric system, the credit
45 allowed under this section may not exceed the lesser of \$6,000 or the first year energy yield in

1 kilowatt hours per year multiplied by \$2.

2 (C) Notwithstanding subparagraph (A) or (B) of this paragraph, the total amount of the credits
3 allowed in any one tax year may not exceed the tax liability of the taxpayer or \$1,500 for each al-
4 ternative energy device, whichever is less. Unused credit amounts may be carried forward as pro-
5 vided in subsection (7) of this section, but may not be carried forward to a tax year that is more
6 than five tax years following the first tax year for which any credit was allowed with respect to the
7 category two alternative energy device that is the basis for the credit.

8 (D) Notwithstanding subparagraph (A) or (B) of this paragraph, the total amount of the credit
9 for each device allowed under this paragraph may not exceed 50 percent of the total installed cost
10 of the category two alternative energy device.

11 (3)(a) In the case of a credit for a category one alternative energy device that is an energy ef-
12 ficient appliance, the credit allowed for each appliance to a resident individual under this section
13 *[shall equal:] may not exceed*

14 *[(A) 48 cents per first year kilowatt hour saved, or the equivalent for other fuel saved, not to exceed*
15 *\$1,200 for each tax year beginning on or after January 1, 1998, and before January 1, 1999; and]*

16 *[(B) 40] _____ cents per kilowatt hour saved, or the equivalent for other fuel saved, not to*
17 *exceed [\$1,000] _____ for each tax year beginning on or after January 1, 1999.*

18 (b) Notwithstanding paragraph (a) of this subsection, the credit allowed for an energy efficient
19 appliance may not exceed [25] _____ percent of the cost of the appliance.

20 (4) To qualify for a credit under this section, all of the following are required:

21 (a) The alternative energy device must be purchased, constructed, installed and operated in ac-
22 cordance with ORS 469.160 to 469.180 and a certificate issued thereunder.

23 (b) Except for credits claimed for alternative fuel devices, the taxpayer who is allowed the credit
24 must be the owner or contract purchaser of the dwelling or dwellings served by the alternative en-
25 ergy device or the tenant of the owner or of the contract purchaser and must:

26 (A) Use the dwelling or dwellings served by the alternative energy device as a principal or
27 secondary residence; or

28 (B) Rent or lease, under a residential rental agreement, the dwelling or dwellings to a tenant
29 who uses the dwelling or dwellings as a principal or secondary residence, unless the basis for the
30 credit is the installation of an energy efficient appliance. If the basis for the credit is the installation
31 of an energy efficient appliance, the credit shall be allowed only to the taxpayer who actually oc-
32 cupies the dwelling as a principal or secondary residence.

33 (c) In the case of an alternative fuel device, if the device is a fueling station necessary to op-
34 erate an alternative fuel vehicle, unless the verification form and certificate are transferred as au-
35 thorized under ORS 469.170 (8), the taxpayer who is allowed the credit must be the contractor who
36 constructs the dwelling that incorporates the fueling station into the dwelling or installs the fueling
37 station in the dwelling. If the category one alternative energy device is an alternative fuel vehicle,
38 the credit must be claimed by the owner as defined under ORS 801.375 or contract purchaser. If the
39 category one alternative energy device is related equipment for an alternative fuel vehicle, the
40 credit may be claimed by the owner or contract purchaser.

41 (d) The credit must be claimed for the tax year in which the alternative energy device was
42 purchased if the device is operational by April 1 of the next following tax year.

43 (e) If the alternative fuel vehicle is a gasoline-electric hybrid vehicle not designed for electric
44 plug-in charging, it must be purchased before January 1, 2010.

45 (5) The credit provided by this section does not affect the computation of basis under this

1 chapter.

2 (6) The total credits allowed under this section in any one year may not exceed the tax liability
3 of the taxpayer.

4 (7) Any tax credit otherwise allowable under this section that is not used by the taxpayer in a
5 particular year may be carried forward and offset against the taxpayer's tax liability for the next
6 succeeding tax year. Any credit remaining unused in the next succeeding tax year may be carried
7 forward and used in the second succeeding tax year, and likewise any credit not used in that second
8 succeeding tax year may be carried forward and used in the third succeeding tax year, and any
9 credit not used in that third succeeding tax year may be carried forward and used in the fourth
10 succeeding tax year, and any credit not used in that fourth succeeding tax year may be carried
11 forward and used in the fifth succeeding tax year, but may not be carried forward for any tax year
12 thereafter.

13 (8) A nonresident shall be allowed the credit under this section in the proportion provided in
14 ORS 316.117.

15 (9) If a change in the taxable year of a taxpayer occurs as described in ORS 314.085, or if the
16 Department of Revenue terminates the taxpayer's taxable year under ORS 314.440, the credit al-
17 lowed by this section shall be prorated or computed in a manner consistent with ORS 314.085.

18 (10) If a change in the status of a taxpayer from resident to nonresident or from nonresident to
19 resident occurs, the credit allowed by this section shall be determined in a manner consistent with
20 ORS 316.117.

21 (11) A husband and wife who file separate returns for a taxable year may each claim a share
22 of the tax credit that would have been allowed on a joint return in proportion to the contribution
23 of each. However, a husband or wife living in a separate principal residence may claim the tax
24 credit in the same amount as permitted a single person.

25 (12) As used in this section, unless the context requires otherwise:

26 (a) "Collective investment" means an investment by two or more taxpayers for the acquisition,
27 construction and installation of an alternative energy device for one or more dwellings.

28 (b) "Noncollective investment" means an investment by an individual taxpayer for the acqui-
29 sition, construction and installation of an alternative energy device for one or more dwellings.

30 (c) "Taxpayer" includes a transferee of a verification form under ORS 469.170 (8).

31 (13) Notwithstanding any provision of subsection (1) [or (2)], **(2) or (3)** of this section, the sum
32 of the credit allowed under subsection (1) of this section plus any similar credit allowed for federal
33 income tax purposes may not exceed the cost to the taxpayer for the acquisition, construction and
34 installation of the alternative energy device.

35 **SECTION 9.** ORS 469.165 is amended to read:

36 469.165. (1) For the purposes of carrying out ORS 469.160 to 469.180, the State Department of
37 Energy may adopt rules prescribing minimum performance criteria for alternative energy devices for
38 dwellings. **The department may, in prescribing criteria, rely on applicable federal, state and**
39 **local requirements for energy efficiency, including the state building code and any specialty**
40 **codes.**

41 **(2) The department shall take into consideration evolving market conditions in prescrib-**
42 **ing minimum performance criteria for alternative energy devices and in determining credit**
43 **amounts, consistent with ORS 316.116 and section 7 of this 2011 Act.**

44 [(2)] (3) The department, in adopting rules under this section for solar heating and cooling sys-
45 tems, shall take into consideration applicable standards of federal performance criteria prescribed

1 pursuant to the provisions of section 5506, title 42, United States Code (Solar Heating and Cooling
2 **Demonstration Act** of 1974).

3 [(3)] (4) The Director of the State Department of Energy shall adopt rules governing the deter-
4 mination of eligibility, verification and certification of an alternative fuel device for purposes of the
5 tax credits granted under ORS 316.116 and 317.115, including but not limited to rules that further
6 define an alternative fuel vehicle, related equipment or fueling station necessary to operate an al-
7 ternative fuel vehicle, that govern the computation of costs eligible for credit and that require eq-
8 uitable allocation of the tax credit benefits between the lessor and the lessee of an alternative fuel
9 vehicle as a condition of tax credit eligibility.

10 **SECTION 10.** ORS 469.170 is amended to read:

11 469.170. (1) **Subject to the limitations in section 7 of this 2011 Act**, any person may claim a
12 tax credit under ORS 316.116 (or ORS 317.115, if the person is a corporation) if the person:

13 (a) Meets the requirements of ORS 316.116 (or ORS 317.115, if applicable);

14 (b) Meets the requirements of ORS 469.160 to 469.180; and

15 (c) Pays, subject to subsection (9) of this section, all or a portion of the costs of an alternative
16 energy device.

17 (2) A credit under ORS 317.115 may be claimed only if the alternative energy device is a fueling
18 station necessary to operate an alternative fuel vehicle.

19 (3)(a) In order to be eligible for a tax credit under ORS 316.116 or 317.115, a person claiming a
20 tax credit for construction or installation of an alternative energy device (including a fueling sta-
21 tion) shall have the device certified by the State Department of Energy or constructed or installed
22 by a contractor certified by the department under subsection (5) of this section. This paragraph does
23 not apply to an alternative fuel vehicle or to related equipment.

24 (b) Certification of an alternative fuel vehicle or related equipment shall be accomplished under
25 rules that shall be adopted by the Director of the State Department of Energy.

26 (4) Verification of the purchase, construction or installation of an alternative energy device
27 shall be made in writing on a form provided by the Department of Revenue and, if applicable, shall
28 contain:

29 (a) The location of the alternative energy device;

30 (b) A description of the type of device;

31 (c) If the device was constructed or installed by a contractor, evidence that the contractor has
32 any license, bond, insurance and permit required to sell and construct or install the alternative en-
33 ergy device;

34 (d) If the device was constructed or installed by a contractor, a statement signed by the con-
35 tractor that the applicant has received:

36 (A) A statement of the reasonably expected energy savings of the device;

37 (B) A copy of consumer information published by the State Department of Energy;

38 (C) An operating manual for the alternative energy device; and

39 (D) A copy of the contractor's certification certificate or alternative energy device system cer-
40 tificate for the alternative energy device, as appropriate;

41 (e) If the device was not constructed or installed by a contractor, evidence that:

42 (A) The State Department of Energy has issued an alternative energy device system certificate
43 for the alternative energy device; and

44 (B) The taxpayer has obtained all building permits required for construction or installation of
45 the device;

1 (f) A statement, signed by both the taxpayer claiming the credit and the contractor if the device
2 was constructed or installed by a contractor, that the construction or installation meets all the re-
3 quirements of ORS 469.160 to 469.180 or, if the device is a fueling station and the taxpayer is the
4 contractor, a statement signed by the contractor that the construction or installation meets all of
5 the requirements of ORS 469.160 to 469.180;

6 (g) The date the alternative energy device was purchased;

7 (h) The date the alternative energy device was placed in service; and

8 (i) Any other information that the Director of the State Department of Energy or the Depart-
9 ment of Revenue determines is necessary.

10 (5)(a) When the State Department of Energy finds that an alternative energy device can meet
11 the standards adopted under ORS 469.165, the Director of the State Department of Energy may issue
12 a contractor system certification to the person selling and constructing or installing the alternative
13 energy device.

14 (b) Any person who sells or installs more than 12 alternative energy devices in one year shall
15 apply for a contractor system certification. An application for a contractor system certification shall
16 be made in writing on a form provided by the State Department of Energy and shall contain:

17 (A) A statement that the contractor has any license, bonding, insurance and permit that is re-
18 quired for the sale and construction or installation of the alternative energy device;

19 (B) A specific description of the alternative energy device, including, but not limited to, the
20 material, equipment and mechanism used in the device, operating procedure, sizing and siting
21 method and construction or installation procedure;

22 (C) The addresses of three installations of the device that are available for inspection by the
23 State Department of Energy;

24 (D) The range of installed costs to purchasers of the device;

25 (E) Any important construction, installation or operating instructions; and

26 (F) Any other information that the State Department of Energy determines is necessary.

27 (c) A new application for contractor system approval shall be filed when there is a change in
28 the information supplied under paragraph (b) of this subsection.

29 (d) The State Department of Energy may issue contractor system certificates to each contractor
30 who on October 3, 1989, has a valid dealer system certification, which shall authorize the sale and
31 installation of the same domestic water heating alternative energy devices authorized by the dealer
32 certification.

33 (e) If the State Department of Energy finds that an alternative energy device can meet the
34 standards adopted under ORS 469.165, the Director of the State Department of Energy may issue
35 an alternative energy device system certificate to the taxpayer constructing or installing or having
36 an alternative energy device constructed or installed.

37 (f) An application for an alternative energy device system certificate shall be made in writing
38 on a form provided by the State Department of Energy and shall contain:

39 (A) A specific description of the alternative energy device, including, but not limited to, the
40 material, equipment and mechanism used in the device, operating procedure, sizing, siting method
41 and construction or installation procedure;

42 (B) The constructed or installed cost of the device; and

43 (C) A statement that the taxpayer has all permits required for construction or installation of the
44 device.

45 (6) To claim the tax credit, the verification form described in subsection (4) of this section shall

1 be submitted with the taxpayer's tax return for the year the alternative energy device is placed in
 2 service or the immediately succeeding tax year. A copy of the contractor's certification certificate,
 3 alternative energy device system certificate or alternative fuel vehicle or related equipment certifi-
 4 cate also shall be submitted.

5 (7) The verification form and contractor's certificate, alternative energy device system certifi-
 6 cate or alternative fuel vehicle or related equipment certificate described under this section shall
 7 be effective for purposes of tax relief allowed under ORS 316.116 or 317.115.

8 (8) The verification form and contractor's certificate described under this section may be
 9 transferred to the first purchaser of a dwelling or, in the case of construction or installation of a
 10 fueling station in an existing dwelling, the current owner, who intends to use or is using the
 11 dwelling as a principal or secondary residence.

12 (9) Any person that pays the present value of the tax credit for an alternative energy device
 13 provided under ORS 316.116 or 317.115 and 469.160 to 469.180 to the person who constructs or in-
 14 stalls the alternative energy device shall be entitled to claim the credit in the manner and subject
 15 to rules adopted by the Department of Revenue to carry out the purposes of this subsection. The
 16 State Department of Energy may establish by rule uniform discount rates to be used in calculating
 17 the present value of a tax credit under this subsection.

18 **SECTION 11.** ORS 469.172 is amended to read:

19 469.172. The following devices are not eligible for the tax credit under ORS 316.116:

20 (1) Standard efficiency furnaces;

21 **(2) Furnaces with electrically commutated motors that have efficiency ratings of 94 per-**
 22 **cent or less;**

23 **(3) Air conditioning systems;**

24 **(4) Boilers;**

25 [(2)] **(5) Standard back-up heating systems;**

26 [(3)] **(6) Woodstoves or wood furnaces, or any part of a heating system that burns wood, unless**
 27 **the woodstove, furnace or system constitutes a premium efficiency biomass combustion device de-**
 28 **scribed in ORS 469.160 (4)(i);**

29 [(4)] **(7) Heat pump water heaters that are part of a geothermal heat pump space heating system;**

30 [(5)] **(8) Structures that cover or enclose a swimming pool;**

31 [(6)] **(9) Swimming pools, hot tubs or spas used to store heat;**

32 [(7)] **(10) Above ground, uninsulated swimming pools, hot tubs or spas;**

33 [(8)] **(11) Photovoltaic systems installed on recreational vehicles;**

34 [(9)] **(12) Conversion of an existing alternative energy device to another type of alternative en-**
 35 **ergy device;**

36 [(10)] **(13) Repair or replacement of an existing alternative energy device;**

37 [(11)] **(14) A category two alternative energy device, if the equipment or other property that**
 38 **comprises the category two alternative energy device is the basis for an allowed credit for a cate-**
 39 **gory one alternative energy device under ORS 316.116;**

40 [(12)] **(15) A category one alternative energy device, if the equipment or other property that**
 41 **comprises the category one alternative energy device is also the basis for an allowed credit for a**
 42 **category two alternative energy device under ORS 316.116; or**

43 [(13)] **(16) Any other device identified by the State Department of Energy. The department may**
 44 **adopt rules defining standards for eligible and ineligible devices under this section.**

45 **SECTION 12. Sections 5 to 7 of this 2011 Act and the amendments to ORS 316.116, 469.165,**

1 **469.170 and 469.172 by sections 8 to 11 of this 2011 Act apply to alternative energy devices**
2 **certified by the State Department of Energy on or after January 1, 2012, and to tax years**
3 **beginning on or after January 1, 2012.**

4 **SECTION 13. This 2011 Act takes effect on the 91st day after the date on which the 2011**
5 **regular session of the Seventy-sixth Legislative Assembly adjourns sine die.**

6
