

77TH OREGON LEGISLATIVE ASSEMBLY
2013 REGULAR SESSION
STAFF MEASURE SUMMARY
SENATE FINANCE AND REVENUE COMMITTEE

MEASURE: HB 2435A-4,-6
CARRIER:

REVENUE: Yes
FISCAL: Minimal

Action:

Vote:

Yeas:

Nays:

Exc.:

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Meeting Dates: 05/22/2013

WHAT THE BILL DOES: Exempts diesel fuel blended with at least 20 percent biodiesel derived from used cooking oil from fuel excise tax. Exemption does not apply to fuel used in motor vehicles with gross vehicle weight of 26,001 pounds or more. Applies to fuel sold after January 1, 2014 and before January 1, 2020.

ISSUES DISCUSSED:

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EFFECT OF COMMITTEE AMENDMENTS: “-A4” amendment allows universities producing geothermal energy in the context of teaching and research to net meter their energy up to five megawatts, with a cap of ½% of the utility (with other alternative energy) electric production (Historic single hour peak load).

“-A6” amendment changes the weight class ceiling allowed to get the tax exemption from 26,000 lb. to 10,000 lb.

BACKGROUND:

Vehicle fuels are currently subject to a fuels excise tax of 30 cents per gallon. Biodiesel can be produced using cooking oil sourced from restaurants and other facilities. This measure would exempt such biodiesels from the fuel tax when used in vehicles below 26,000 lbs. Vehicles with weights greater than 26,000 don't pay diesel tax but pay the weight mile tax. A similar (HB 2196) bill was discussed in the 2011 session.

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