

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 488

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Krista McDowell
Reviewed by: Paul Siebert
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Measure Description:

Repeals sunset on provisions related to low carbon fuel standards.

Government Unit(s) Affected:

Department of Environmental Quality (DEQ)

Summary of Expenditure Impact:

Indeterminate (See Analysis)

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The bill repeals the sunset on provisions of the low carbon fuel standards and also removes some reporting requirements. If passed, there could be new costs that are dependent upon the subsequent approval of the Environmental Quality Commission. Because the requirements depend on subsequent action, the fiscal impact of this bill cannot be determined at this time.

The low carbon fuel standard is currently being implemented in two phases. Phase one, or the administrative portion of the clean fuels program, is being implemented now with existing resources in DEQ's budget. If this legislation is passed and the sunset is removed, it does not mean that phase two, the carbon reduction phase of the program, begins automatically. There is currently no identified source of revenue to support implementation of phase two. Using existing staff and federal grant funds, DEQ will first develop a new economic analysis, evaluate data from phase one and conduct a comprehensive stakeholder process. Once that information is available, the Environmental Quality Commission will decide what processes and resources will be needed to implement phase two of the low carbon fuel standards.