

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 5012 A

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

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

Prepared by: Michelle Deister
Date: 06/24/2013

Measure Description:

Approves certain new or increased fees adopted by State Department of Energy.

Government Unit(s) Affected:

Department of Energy

Analysis:

HB 5012 A ratifies fees established by the Department of Energy in the 2011-13 interim and approved by the Department of Administrative Services. The fees are established to cover the Department's costs associated with evaluation and matching requests for passing through Business Energy Tax Credit certificates to eligible recipients. The fee amount for Department assistance in locating an eligible recipient is 0.25% of the credit amount, with a minimum of \$100 up to a maximum of \$25,000. The fee for issuing tax credit certificates without assistance in locating an eligible recipient is \$100 per tax credit certificate issued. And the fee for transferring a certificate from one recipient to another is \$200.

In previous biennia, when the Department only administered the Business Energy Tax Credit (BETC) programs, the Department performed these services without a fee. Since the adoption of legislation to phase out the Business Energy Tax Credit program and replace it with capped Energy Incentive Programs pursuant to HB 3672 (2011) and HB 4079 (2012), the tax credit programs administered by the agency are substantially more complex and involve increasingly varied technologies. The fee enables the Department to recover costs associated specifically with the BETC program, so that other sources of funding or other fee payers are not subsidizing this activity.

The agency anticipates taking in and expending \$200,000 Other Funds in the 2013-15 biennium; the BETC program sunsets in 2014, and any revenue or expenditures resulting from the transfer of unexpired credits in the 2015-17 biennium is expected to be minimal. Expenditure limitation included in the Department of Energy's 2013-15 budget is anticipated to be sufficient to accommodate this measure.

The bill has an emergency clause and is effective on passage.