

House Bill 2806

Sponsored by COMMITTEE ON ENERGY AND ENVIRONMENT

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 **as introduced**.

Makes legislative findings regarding climate accountability. Requires agencies to provide certain information regarding reduction of greenhouse gas emissions. Requires Secretary of State to audit agencies regarding reduction of greenhouse gas emissions.

A BILL FOR AN ACT

1
2 Relating to climate expenditures by agencies.

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

LEGISLATIVE FINDINGS

SECTION 1. The Legislative Assembly finds that:

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8 **(1) In order to increase efficiency in the use of scarce resources, the State of Oregon**
9 **must receive the greatest possible return on the environmental investments that it makes**
10 **related to climate expenditures. Projects that do not return the expected environmental**
11 **benefits waste not only the funds given to the project, but also prevent funding from being**
12 **available for projects that would have a positive environmental impact.**

13 **(2) Reliable information and accountability are critical to ensuring that climate expen-**
14 **ditures are effective. By setting clear goals, the state can determine which climate expen-**
15 **ditures best promote environmental sustainability and hold agencies and contractors**
16 **accountable if those goals are not met.**

17 **(3) By promoting accountability for climate expenditures, the state can make the most**
18 **of its resources in the effort to reduce greenhouse gas emissions and promote energy effi-**
19 **ciency.**

DEFINITIONS

SECTION 2. As used in sections 1 to 4 of this 2013 Act:

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23 **(1) "Agency" has the meaning given that term in ORS 183.310.**

24 **(2) "Certified carbon offsets" means carbon credits as specified in rules adopted by the**
25 **Environmental Quality Commission.**

26 **(3) "Climate expenditure" means any expenditure by an agency that is designed to reduce**
27 **greenhouse gas emissions.**

28 **(4) "CO₂e" means carbon dioxide equivalent calculated as greenhouse gases normalized**
29 **to metric tons of carbon dioxide.**
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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.

CLIMATE EXPENDITURES

SECTION 3. (1) Prior to implementation of a climate expenditure, an agency shall provide the following information on the agency's website:

- (a) The number of tons of CO₂e reduced by the climate expenditure;
- (b) The total cost of the climate expenditure;
- (c) The cost per ton of CO₂e reduction; and
- (d) An analysis of the environmental costs and benefits of the climate expenditure.

(2) The information about climate expenditures must include the cost per ton of CO₂e reduction in the performance portion of any contracts entered into by the agency.

ACCOUNTABILITY FOR CLIMATE EXPENDITURES

SECTION 4. (1) The Secretary of State shall regularly audit agencies to ensure that contracts related to climate expenditures meet performance standards for cost per ton of CO₂e. If a contractor is not in compliance, the contractor shall:

(a) Provide certified carbon offsets equivalent to the difference between actual emissions reductions and contracted emissions reductions; or

(b) Refund a portion of the contract funds until the cost per ton of CO₂e reduction meets the performance standards included in the contract.

(2) Agencies managing climate expenditure contracts shall regularly provide reports to the Legislative Assembly outlining the performance of the individual contracts. The reports must include, but are not limited to, information related to:

- (a) The total tons of CO₂e reduced;
- (b) The total contract amount;
- (c) The cost per ton of CO₂e reduced; and
- (d) The environmental costs and benefits of the climate expenditure.

MISCELLANEOUS

SECTION 5. The unit captions used in this 2013 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2013 Act.