

**PROPOSED AMENDMENTS TO
SENATE BILL 583**

1 On page 1 of the printed bill, line 2, delete “and” and after “money” insert
2 “; and prescribing an effective date”.

3 Delete lines 4 through 31 and delete page 2 and insert:

4 **“SECTION 1. As used in sections 1 to 7 of this 2013 Act:**

5 **“(1) ‘Alternative fuel vehicle’ means a motor vehicle, as defined in**
6 **ORS 801.360, that is manufactured or modified to use an alternative**
7 **fuel, including but not limited to electricity, biofuel, gasohol with at**
8 **least 20 percent denatured alcohol content, hydrogen, hythane,**
9 **methane, methanol, natural gas, propane or any other fuel approved**
10 **by the Director of the State Department of Energy, and that produces**
11 **lower exhaust emissions or is more energy efficient than equivalent**
12 **equipment fueled by gasoline or diesel.**

13 **“(2) ‘Public body’ has the meaning given that term in ORS 174.109.**

14 **“(3) ‘Tribe’ means a federally recognized Indian tribe in Oregon.**

15 **“SECTION 2. (1) The Alternative Fuel Vehicle Revolving Fund is**
16 **established in the State Treasury, separate and distinct from the**
17 **General Fund. Interest earned by the Alternative Fuel Vehicle Re-**
18 **volving Fund shall be credited to the fund. The moneys in the Alter-**
19 **native Fuel Vehicle Revolving Fund are continuously appropriated to**
20 **the State Department of Energy to be used for the purposes described**
21 **in section 3 of this 2013 Act.**

22 **“(2) The State Treasurer may accept contributions, donations, be-**

1 **quests, gifts or grants from any source, whether public or private.**
2 **Moneys received under this subsection shall be deposited into the Al-**
3 **ternative Fuel Vehicle Revolving Fund.**

4 **“(3) The Alternative Fuel Vehicle Revolving Fund shall consist of:**

5 **“(a) Moneys appropriated by the Legislative Assembly;**

6 **“(b) Any other revenues derived from contributions, donations, be-**
7 **quests, gifts or grants;**

8 **“(c) Other amounts deposited in the fund from any source;**

9 **“(d) All repayments of moneys borrowed from the fund; and**

10 **“(e) All interest payments made by borrowers from the fund.**

11 **“(4) The State Treasurer may invest and reinvest moneys in the**
12 **Alternative Fuel Vehicle Revolving Fund in the manner provided by**
13 **law. All earnings from such investment and reinvestment shall be**
14 **credited to the Alternative Fuel Vehicle Revolving Fund.**

15 **“SECTION 3. (1) The State Department of Energy shall use the**
16 **moneys in the Alternative Fuel Vehicle Revolving Fund for a loan**
17 **program to provide loans to public bodies and tribes to:**

18 **“(a) Assist in the purchase of new alternative fuel vehicles by pro-**
19 **viding funding for the additional cost of purchasing alternative fuel**
20 **vehicles as compared to vehicles that are not alternative fuel vehicles;**
21 **or**

22 **“(b) Convert existing vehicles that use gasoline or diesel to alter-**
23 **native fuel vehicles.**

24 **“(2) Funding priority under subsection (1) of this section must be**
25 **given to vehicle conversions.**

26 **“(3) The department may also use the moneys in the Alternative**
27 **Fuel Vehicle Revolving Fund to pay the expenses of the department**
28 **in administering the Alternative Fuel Vehicle Revolving Fund and the**
29 **loan program.**

30 **“SECTION 4. (1) In administering the Alternative Fuel Vehicle Re-**

1 **volving Fund, the State Department of Energy shall:**

2 **“(a) Allocate funds for loans in accordance with procedures adopted**
3 **by the department by rule.**

4 **“(b) Use accounting, auditing and fiscal procedures that conform**
5 **to generally accepted government accounting standards.**

6 **“(c) Seek to maximize the ability of the Alternative Fuel Vehicle**
7 **Revolving Fund to operate on a self-sustaining basis and to maintain**
8 **a perpetual source of financing to provide loans as described in section**
9 **3 of this 2013 Act.**

10 **“(2) In connection with the loan program, the department may:**

11 **“(a) Establish requirements for loans made from the Alternative**
12 **Fuel Vehicle Revolving Fund to ensure that adequate funds will be**
13 **available in the fund to pay the costs of administering the fund and**
14 **the loan program.**

15 **“(b) Exercise any remedies available to the department in con-**
16 **nection with defaults on loans of advanced funds made to public bodies**
17 **and tribes.**

18 **“SECTION 5. (1) Any public body or tribe desiring a loan from the**
19 **Alternative Fuel Vehicle Revolving Fund shall submit an application**
20 **to the State Department of Energy. The application shall be in such**
21 **form as may be specified by the department.**

22 **“(2) Any public body or tribe receiving a loan from the Alternative**
23 **Fuel Vehicle Revolving Fund shall establish and maintain a dedicated**
24 **source of revenue or other acceptable source of revenue for the re-**
25 **payment of the loan.**

26 **“SECTION 6. Notwithstanding any limitation contained in any**
27 **other provision of law or local charter, a public body or tribe may:**

28 **“(1) Borrow money from the Alternative Fuel Vehicle Revolving**
29 **Fund through the State Department of Energy; and**

30 **“(2) Enter into loan agreements and make related agreements with**

1 the department, in which the public body or tribe agrees to repay the
2 borrowed money in accordance with the terms of the loan agreement.

3 **“SECTION 7. (1) The State Department of Energy shall establish**
4 **by rule policies for establishing loan terms and interest rates for loans**
5 **made from the Alternative Fuel Vehicle Revolving Fund that ensure**
6 **that the objectives of sections 1 to 7 of this 2013 Act are met and that**
7 **adequate funds are maintained in the Alternative Fuel Vehicle Re-**
8 **volving Fund to meet future needs. In establishing the policy, the**
9 **department shall take into consideration at least the following factors:**

10 **“(a) The ability of a public body or tribe to repay a loan.**

11 **“(b) Current market rates of interest.**

12 **“(2) The department may establish an interest rate ranging from**
13 **zero to the market rate. The department may establish the loan term,**
14 **provided that the loan is fully amortized not later than six years after**
15 **the purchase of a new alternative fuel vehicle or the conversion of a**
16 **vehicle that uses gasoline or diesel to an alternative fuel vehicle.**

17 **“(3) The department shall adopt by rule any procedures or standards**
18 **necessary to carry out the provisions of sections 1 to 7 of this 2013 Act.**

19 **“SECTION 8. Section 9 of this 2013 Act is added to and made a part**
20 **of ORS chapter 315.**

21 **“SECTION 9. (1) A credit against the taxes that are otherwise due**
22 **under ORS chapter 316 or, if the taxpayer is a corporation, under ORS**
23 **chapter 317 or 318, is allowed to a taxpayer for certified alternative fuel**
24 **vehicle contributions made by the taxpayer during the tax year to the**
25 **Alternative Fuel Vehicle Revolving Fund established under section 2**
26 **of this 2013 Act.**

27 **“(2)(a) The Department of Revenue shall, in cooperation with the**
28 **State Department of Energy, conduct an auction of tax credits under**
29 **this section. The Department of Revenue may not auction more than**
30 **\$3 million of tax credits under this section. The department may con-**

1 duct the auction in the manner that the department determines is best
2 suited to maximize the return to the state on the sale of tax credit
3 certifications and shall announce a reserve bid prior to conducting the
4 auction. The reserve amount shall be at least 95 percent of the total
5 amount of the tax credit. Moneys necessary to reimburse the Depart-
6 ment of Revenue for the actual costs incurred by the department in
7 administering an auction, not to exceed 0.25 percent of auction pro-
8 ceeds, are continuously appropriated to the department. The Depart-
9 ment of Revenue shall deposit net receipts from the auction required
10 under this section in the Alternative Fuel Vehicle Revolving Fund es-
11 tablished under section 2 of this 2013 Act. Net receipts from the auc-
12 tion required under this section shall be used to provide loans as
13 described in section 3 of this 2013 Act.

14 “(b) The State Department of Energy shall adopt rules for the ad-
15 ministration and implementation of this section.

16 “(3) Contributions made under this section shall be deposited in the
17 Alternative Fuel Vehicle Revolving Fund.

18 “(4)(a) Upon receipt of a contribution, the State Department of
19 Energy shall issue to the taxpayer written certification of the amount
20 certified for tax credit under this section to the extent the amount
21 certified for tax credit, when added to all amounts previously certified
22 for tax credit under this section, does not exceed \$3 million for the tax
23 year beginning January 1, 2013.

24 “(b) The State Department of Energy and the Department of Reve-
25 nue are not liable, and a refund of a contributed amount need not be
26 made, if a taxpayer who has received tax credit certification is unable
27 to use all or a portion of the tax credit to offset the tax liability of the
28 taxpayer.

29 “(5) The tax credit allowed under this section for any one tax year
30 may not exceed the tax liability of the taxpayer.

