HB 2894-3 (LC 3211) 3/20/13 (CMT/ps)

## PROPOSED AMENDMENTS TO HOUSE BILL 2894

- On page 1 of the printed bill, line 2, after "amending" delete the rest of
- 2 the line and insert "ORS 315.331, 315.336, 469B.167, 469B.285, 469B.320 and
- 3 469B.344; and prescribing an effective date.".
- 4 Delete lines 3 and 4.
- 5 On page 4, line 8, delete "infrastructure".
- In line 24, delete "infrastructure".
- On page 5, delete lines 10 through 45 and delete pages 6 through 9 and insert:
- 9 **"SECTION 4.** ORS 469B.167 is amended to read:
- "469B.167. (1)(a) A certificate issued under ORS 469B.161 is required for
- purposes of obtaining tax credits in accordance with ORS 315.354. Such cer-
- 12 tification shall be granted for a period not to exceed five years. The five-year
- 13 period shall begin with the tax year of the applicant during which the com-
- pleted application for final certification of the facility under ORS 469B.161
- is received by the State Department of Energy.
- 16 "(b) For a transferee holding a credit that has been transferred under
- ORS 469B.148 or 469B.154, the five-year period shall begin with the tax year
- in which the transferee pays for the credit.
- "(2) Notwithstanding subsection (1) of this section, for a facility using or
- 20 producing renewable energy resources, other than a research, develop-
- 21 ment or demonstration facility, with a certified cost that exceeds \$10
- 22 million and that receives final certification under ORS 469B.161 after Janu-

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- "(a) The five-year period prescribed in subsection (1)(a) of this section shall begin with the tax year immediately following the tax year during which the completed application for final certification of the facility under
- 5 ORS 469B.161 is received by the department.
- "(b) If claimed by a transferee, the first of five tax years in which the transferee may claim the credit is the tax year in which the transferee paid for the credit or the tax year prescribed in paragraph (a) of this subsection, whichever is later.
- "(c) An application shall be considered complete without the identification of a transferee for purposes of ORS 469B.148 or 469B.154.
  - "(3) If the original owner of the certificate uses any portion of the credit, the certificate becomes nontransferable.
- "SECTION 5. ORS 469B.344, as amended by section 10, chapter 45, Oregon Laws 2012, is amended to read:
  - "469B.344. (1)(a) The total amount of potential tax credits for all transportation projects in this state may not, at the time of preliminary certification under ORS 469B.329, exceed \$20 million for any biennium.
  - "(b) For each tax year, the Director of the State Department of Energy may allocate a percentage of the amount allowed in paragraph (a) of this subsection to alternative fuel vehicle [infrastructure] projects and a percentage to transit services.
  - "(2) Notwithstanding ORS 315.336, in the event that the director receives applications for preliminary certification with a total amount of potential tax credits in excess of the limits set by the director pursuant to subsection (1)(b) of this section, the director shall allocate the issuance of preliminary certifications among applicants as follows:
- "(a) If an excess of applications for credits for transit services is received, the director shall allocate the issuance of preliminary certifications among applicants for credits for transit services and proportionately reduce the

- amount of allowed credit, with no applicant receiving more than 20 percent of the amount established under subsection (1)(b) of this section for transit services.
- "(b) The director may allocate the issuance of preliminary certifications among applicants for credits for alternative fuel vehicle [infrastructure] projects and may award credits for less than the amount otherwise allowed applicants.
- "(c) If, after making any reductions required under paragraph (a) of this subsection, an unallocated amount remains, the director shall allocate this additional amount among applicants affected by the percentage restriction in paragraph (a) of this subsection.
- "SECTION 6. ORS 469B.320, as amended by section 7, chapter 45, Oregon Laws 2012, is amended to read:
  - "469B.320. As used in ORS 315.336 and 469B.320 to 469B.347:
  - "(1) 'Acquisition of an alternative fuel vehicle fleet' includes the replacement of two or more vehicles that are not used primarily for personal, family or household purposes, that are modified or acquired directly from the factory and that:
  - "(a) Use an alternative fuel, including electricity, biofuel, gasohol with at least 20 percent denatured alcohol content, hydrogen, Hythane, methane, methanol, natural gas, propane or any other fuel approved by the Director of the State Department of Energy as an alternative fuel; and
  - "(b) Produce lower exhaust emissions, or are more energy efficient, than equivalent vehicles fueled by gasoline or diesel.
- "[(1)] (2) 'Alternative fuel vehicle infrastructure project' includes a facility for mixing, storing, compressing or dispensing fuels for alternative fuel vehicles, and any other necessary and reasonable equipment.
  - "(3) 'Alternative fuel vehicle project' means:
    - "(a) The acquisition of an alternative fuel vehicle fleet; or

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- "(b) An alternative fuel vehicle infrastructure project.
- "[(2)] (4) 'Cost' includes capital expenditures and core expenses such as vehicle repair, fuel, personnel and administrative expenses.
- 4 "[(3)] (5) 'Transportation project' means:

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- "(a) Transit services provided to members of the public by a public or nonprofit entity that receives state or federal funding for those services, or is the direct recipient of funding from an entity that receives state or federal funding for the services; or
  - "(b) An alternative fuel vehicle [infrastructure] project.
  - "SECTION 7. (1) The amendments to ORS 315.331, 315.336, 469B.167, 469B.285 and 469B.344 by sections 1 to 5 of this 2013 Act apply to tax years beginning on or after January 1, 2014.
  - "(2) The amendments to ORS 469B.320 by section 6 of this 2013 Act apply to tax years beginning on or after January 1, 2015.
  - "SECTION 8. This 2013 Act takes effect on the 91st day after the date on which the 2013 regular session of the Seventy-seventh Legislative Assembly adjourns sine die.".

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