

**PRELIMINARY STAFF MEASURE SUMMARY****CARRIER:**

Senate Committee on Environment and Natural Resources

**REVENUE: May have revenue impact, statement not yet issued****FISCAL: May have fiscal impact, statement not yet issued****SUBSEQUENT REFERRAL TO:****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Beth Reiley, Administrator**Meeting Dates:** 4/1, 4/15

**WHAT THE MEASURE DOES:** Requires public improvement contracts using federal funds from congestion mitigation and air quality grants to contain and reserve one percent of total contract price for performing repowers or retrofits of certain diesel engines used in course of performing contract advertised or entered into on or after January 1, 2016; extends requirement to state or local contracting agency project with value of at least \$2 million when state funds constitute 30% of value on or after January 1, 2018. Sunsets requirement on January 1, 2028. Beginning January 1, 2017, requires certain nonroad diesel engines to be registered with Department of Environmental Quality (DEQ) and pay fee to be used to issue grants and loans to owners and operators of nonroad Oregon diesel engines. Authorizes Environmental Quality Commission (Commission) to adopt rules and registration fees. Directs Commission to adopt diesel emission standards by rule operative January 1, 2022. Requires Commission to phase in implementation of certain standards. Repeals state preemption of local regulation of idling by primary engines in commercial vehicles. Appropriates \$\_\_ to DEQ for incentive program.

**ISSUES DISCUSSED:**

**EFFECT OF COMMITTEE AMENDMENT:** (Proposed -2 Amendment) Replaces measure. Establishes 19 member Task Force to Investigate Clean Diesel Program (Task Force). Requires Task Force explore and recommend strategy for implementing clean diesel program. Requires Task Force to take certain actions. Requires Task Force to submit preliminary report to Legislative Assembly by September 15, 2016. Requires Legislative Administrator to provide staff support. Sunsets Task Force December 31, 2016. Declares emergency, effective on passage.

**BACKGROUND:** Diesel engines are used throughout Oregon and the United States because of their reputation for reliability, durability, power and fuel efficiency. In Oregon, on-road heavy duty diesel trucks and diesel construction equipment is the largest source of diesel exhaust. Diesel exhaust poses a health risk, particularly in urban areas that are close to highways and major roads.