

# Senate Bill 730

Sponsored by Senator GIROD, Representative WITT; Senators BAERTSCHIGER JR, JOHNSON, Representative CLEM

## 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**.

Establishes Biomass Heat for Rural Schools Fund. Continuously appropriates moneys in fund to State Department of Energy. Specifies use of moneys.

Requires department to establish grant and loan program to support certain initiatives.

## A BILL FOR AN ACT

1  
2 Relating to energy.

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

4 **SECTION 1. (1) The Biomass Heat for Rural Schools Fund is established in the State**  
5 **Treasury, separate and distinct from the General Fund. Interest earned by the Biomass Heat**  
6 **for Rural Schools Fund shall be credited to the fund. Moneys in the fund are continuously**  
7 **appropriated to the State Department of Energy to support the grant and loan program es-**  
8 **tablished under section 2 of this 2015 Act.**

9 (2) The department may accept grants, donations, contributions or gifts from any source  
10 for deposit in the Biomass Heat for Rural Schools Fund.

11 (3) The Biomass Heat for Rural Schools Fund shall consist of:

12 (a) Moneys accepted by the department pursuant to subsection (2) of this section.

13 (b) All other moneys received for the fund from any other source.

14 **SECTION 2. (1) The State Department of Energy shall establish a grant and loan program**  
15 **to provide grants and loans that promote the replacement of low-efficiency fossil fuel based**  
16 **heating systems with biomass heating systems in rural public schools with any grades from**  
17 **kindergarten through grade 12.**

18 (2) The department shall design and award the grants and loans specified in subsection  
19 (1) of this section as follows:

20 (a) In the first phase, for conducting feasibility studies for replacing fossil fuel based  
21 heating systems with biomass heating systems in rural public schools.

22 (b) In the second phase, to plan and fund capital construction costs related to replacing  
23 fossil fuel based heating systems with biomass heating systems in rural public schools.

24 (3) The Director of the State Department of Energy shall adopt rules to carry out the  
25 provisions of this section that:

26 (a) Direct the department to analyze the cost to rural public schools of operating an ex-  
27 isting fossil fuel based heating system as compared to the cost of operating an installed  
28 biomass heating system;

29 (b) Establish criteria for designing and awarding grants and loans under this section;

30 (c) Prohibit receipt of grant funds to fund annual operating costs of heating systems that

**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.

1 **use biomass thermal energy;**

2 **(d) Direct interested schools to apply to the department for consideration for partic-**  
3 **ipation in the grant and loan program; and**

4 **(e) Direct the department to assess the estimated repayment period of loans awarded**  
5 **under this section.**

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