

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 2449**

1 On page 2 of the printed A-engrossed bill, delete lines 18 and 19.

2 In line 20, delete “(9)” and insert “(8)”.

3 In line 23, delete “(10)(a)” and insert “(9)(a)”.

4 On page 5, line 14, delete “2022” and insert “2024”.

5 In line 17, delete “2022” and insert “2024”.

6 On page 6, line 13, delete “\$3.50” and insert “\$5.00”.

7 In line 21, delete “2017” and insert “2019”.

8 After line 25, insert:

9 **“SECTION 6a. ORS 469B.403, as amended by section 6 of this 2015 Act,**  
10 **is amended to read:**

11 “469B.403. (1) To be eligible for the tax credit under ORS 315.141, the  
12 biomass must be produced or collected in Oregon as a feedstock for bioenergy  
13 or biofuel production in Oregon.

14 “(2) In order to apply for the tax credit under ORS 315.141, an agricul-  
15 tural producer or biomass collector must hold title to the eligible biomass  
16 at the time of delivery to a biofuel producer.

17 “(3) The credit rates for biomass are:

18 “(a) For oilseed crops, \$0.05 per pound.

19 “(b) For grain crops, including but not limited to wheat, barley and  
20 triticale, \$0.90 per bushel.

21 “(c) For virgin oil or alcohol delivered for production in Oregon from  
22 Oregon-based feedstock, \$0.10 per gallon.

1 “(d) For waste fats, oils other than used cooking oil, and grease, \$0.10 per  
2 gallon.

3 “(e) For used cooking oil, \$0.05 per gallon.

4 “(f) For wastewater biosolids, \$10.00 per wet ton.

5 “(g) **Except as provided in paragraph (h) of this subsection**, for woody  
6 biomass collected from nursery, orchard, agricultural, forest or rangeland  
7 property in Oregon, including but not limited to prunings, thinning, planta-  
8 tion rotations, log landing or slash resulting from harvest or forest health  
9 stewardship, \$10.00 per bone dry ton.

10 “(h) **For woody biomass as described in paragraph (g) of this sub-**  
11 **section, if the woody biomass is derived from forest health improve-**  
12 **ment projects and if the cost of delivery of the woody biomass to the**  
13 **person who uses the biomass to produce energy exceeds an amount**  
14 **established by rule by the State Department of Energy, \$20.00 per bone**  
15 **dry ton.**

16 “[*h*] (i) For grass, wheat, straw or other agricultural residues, \$10.00 per  
17 bone dry ton.

18 “[*i*] (j) For food processing residues, \$5.00 per wet ton.

19 “[*j*] (k) For animal manure, [*\$5.00*] **\$3.50** per wet ton.

20 “[*k*] (L) For food waste collected from residential, commercial or insti-  
21 tutional sources, \$5.00 per wet ton.

22 “[*L*] (m) For rendering offal or tallow, \$5.00 per wet ton.

23 “(4) The [*State Department of Energy*] **department** may adopt rules to  
24 adjust the credit rates provided under subsection (3)(a) to [*i*, (*k*) and (*L*)]  
25 **(j), (L) and (m)** of this section. The department may adjust the credit rates  
26 only once in any calendar year, and an adjustment may not exceed 25 percent  
27 of the existing credit rate. A change in credit rates may apply only to tax  
28 years beginning on or after January 1, 2019, and later and may go into effect  
29 only for tax years beginning in the calendar year following the rulemaking  
30 proceeding that adjusted the credit rates. In adjusting the credit rates under

1 this subsection, the department must take into consideration market condi-  
2 tions for each feedstock including, but not limited to, processing and trans-  
3 portation costs, technology advancements and alternative uses.”.

4 On page 9, line 7, delete “15” and insert “10”.

5 In line 12, before “equivalent” insert “annual”.

6 Delete lines 14 through 17 and insert:

7 **“SECTION 13. The total amount of tax credits certified under sec-  
8 tion 8 of this 2015 Act may not exceed:**

9 **“(1) \$3.5 million for the biennium beginning on July 1, 2015;**

10 **“(2) \$12 million for any biennium beginning on or after July 1, 2017,  
11 and before July 1, 2023; and**

12 **“(3) \$3 million for the six months beginning on July 1, 2023, and  
13 ending on December 31, 2023.”.**

14 Delete lines 24 through 30 and insert:

15 **“SECTION 14a. Prior to the convening of the 2019 regular session  
16 of the Legislative Assembly, the Legislative Revenue Officer shall  
17 submit a report addressing the credits allowed under ORS 315.141 and  
18 section 8 of this 2015 Act to the interim committees of the Legislative  
19 Assembly related to revenue. The report shall contain the items re-  
20 quired of reports submitted pursuant to ORS 315.051.**

21 **“SECTION 15. (1) Section 2 of this 2015 Act and the amendments to  
22 ORS 315.141 and 315.144 by sections 3 and 5 of this 2015 Act apply to tax  
23 years beginning on or after January 1, 2016.**

24 **“(2) The amendments to ORS 469B.403 by section 6 of this 2015 Act  
25 apply to tax years beginning on or after January 1, 2016, and before  
26 January 1, 2018.**

27 **“(3) The amendments to ORS 469B.403 by section 6a of this 2015 Act  
28 apply to tax years beginning on or after January 1, 2018.**

29 **“(4) Sections 8, 9, 11 and 12 of this 2015 Act and the amendments  
30 to ORS 315.053 by section 10 of this 2015 Act apply to tax years begin-**

1 **ning on or after January 1, 2016, and before January 1, 2024, and to**  
2 **energy production occurring on or after January 1, 2016, and before**  
3 **January 1, 2024.”.**

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