



Oregon

Kate Brown, Governor



550 Capitol St. NE

Salem, OR 97301

Phone: 503-378-4040

Toll Free: 1-800-221-8035

FAX: 503-373-7806

www.oregon.gov/energy

March 29, 2017

To: House Energy and Environment Committee

From: Mike Kaplan, Director

Subject: Energy Tax Credit Bills - HB 2072, HB 2074, HB 2680, HB 2681

House Bills 2072, 2074, 2680 and 2681 would all extend energy tax credit programs beyond the current sunset at the end of 2017. The Department of Energy administers these programs and does not support the extension of these tax credits.

In a letter to leadership dated June of 2016, Governor Brown recommended that three tax credit programs be allowed meet their legislatively established sunset at the end of 2017. Those programs include the Residential Energy Tax Credit, the Biomass Producer and Collector Tax Credit, and the Energy Incentive Program.

HB 2072 extends the sunset for tax credits for biomass production or collection for all types of biomass. HB 2074 extends the sunset for tax credits for energy conservation projects. HB 2680 extends the ability for tax credits to be auctioned until the end of the 2023 tax year to fund the Renewable Energy Development grant program. HB 2681 extends the sunset for tax credits for the Residential Energy Tax Credit program.

The Department of Energy encourages the House Energy and Environment Committee to recommend the natural sunset of these tax credit programs at the end of the 2017 tax year.