

**REVENUE IMPACT OF
PROPOSED LEGISLATION
79th Oregon Legislative Assembly
2017 Regular Session
Legislative Revenue Office**

**Bill Number: HB 2135-1
Revenue Area: Energy & transportation
Economist: Mazen Malik
Date: 04-16-2017**

***Only Impacts on Original or Engrossed
Versions are Considered Official***

Measure Description:

Repeals greenhouse gas emissions goals and requires Environmental Quality Commission to adopt by rule statewide greenhouse gas emissions goal for 2025, and limits for years 2035 and 2050.

Revenue Impact (in \$Millions):

This statement is issued to facilitate the transfer of this measure to the committee on Ways and Means.

Impact Explanation:

House Bill 2135 would create a cap-and-trade system covering sources that emit more than 25,000 metric tons of greenhouse gases. Such sources would include certain fossil fuel suppliers, natural gas suppliers, electric utilities, landfills, universities, high tech industries and certain other heavy industries. These sources would be required to obtain allowances and remit a number of allowances equal to their level of emissions each compliance period. Proceeds would be invested in various grant program funds, infrastructure projects, and bill assistance for low-income utility customers.

Ten states currently have cap-and-trade systems. Nine are Northeastern states that joined together in 2009 to create a common carbon market through the Regional Greenhouse Gas Initiative (RGGI). California runs a separate program that began in 2012 and is linked to the Canadian province of Quebec's cap-and-trade program.

More detailed revenue impact will be performed as the measure is considered by ways and means.

Creates, Extends, or Expands Tax Expenditure: Yes No

Further Analysis Required