

SENATE AMENDMENTS TO SENATE BILL 1507

By COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES

February 16

1 On page 1 of the printed bill, line 4, after the second “and” delete and the rest of the line and
2 delete line 5 and insert “prescribing an effective date.”.

3 After line 15, insert:

4 “Whereas climate change has a disproportionate effect on fish and wildlife populations, many
5 of which require specific habitat conditions and are therefore particularly vulnerable to warmer
6 temperatures, modified precipitation patterns, diminished snowpack, ocean acidification and other
7 effects of climate change; and”.

8 On page 2, line 26, after “communities” insert “and Indian tribes”.

9 In line 30, after “communities,” insert “Indian tribes,”.

10 In line 31, after “workers” insert “, including low-income households and people of color,”.

11 On page 3, line 31, delete “anthropogenic”.

12 In line 32, delete “anthropogenic”.

13 On page 5, delete lines 41 and 42 and insert:

14 “(2) In making appointments to the committee, the Governor shall seek to:

15 “(a) Reflect the geographic and demographic diversity of this state’s population; and

16 “(b) To the extent feasible, appoint individuals who have additional expertise or experience in
17 program development, budgeting, management and oversight, or climate planning or other disciplines
18 of particular value relevant to the duties of the committee.”.

19 On page 6, delete lines 23 through 45.

20 On page 7, delete lines 1 through 6 and insert:

21 **“SECTION 10. (1) The program advisory committee established under section 8 of this**
22 **2018 Act shall advise the Governor, the Environmental Quality Commission, the Department**
23 **of Environmental Quality, the Oregon Department of Administrative Services, the Oregon**
24 **Transportation Commission, the Department of Transportation, the Public Utility Commis-**
25 **sion, the Higher Education Coordinating Commission and other relevant state agencies on:**

26 **“(a) The development and implementation of rules under sections 12 to 19, 25, 30a and**
27 **32 of this 2018 Act;**

28 **“(b) The implementation of sections 31 and 34 of this 2018 Act; and**

29 **“(c) The expenditures and investments of state proceeds from auctions conducted under**
30 **section 18 of this 2018 Act pursuant to sections 27 to 32, 33, 34 and 34a of this 2018 Act.**

31 **“(2) The program advisory committee may conduct studies, request information and**
32 **provide other advice related to the program established under sections 12 to 19 of this 2018**
33 **Act and the expenditures and investments of state proceeds from auctions conducted under**
34 **section 18 of this 2018 Act as necessary to provide advice as described in subsection (1) of**
35 **this section.**

1 **“(3)(a) The program advisory committee shall prepare a biennial report in each even-**
2 **numbered year that includes:**

3 **“(A) The recommendations of the committee for the expenditures and investments of**
4 **state proceeds from auctions conducted under section 18 of this 2018 Act that are deposited**
5 **in the Climate Investments Fund established under section 28 of this 2018 Act and in the**
6 **Transportation Decarbonization Investments Account established under section 29 of this**
7 **2018 Act; and**

8 **“(B) The recommendations of the committee, which may include recommendations for**
9 **legislation, regarding the effectiveness of implementation of sections 12 to 19, 27 to 32, 33,**
10 **34 and 34a of this 2018 Act.**

11 **“(b) The committee shall submit the report required by this subsection to:**

12 **“(A) The Oregon Transportation Commission for consideration in developing the trans-**
13 **portation decarbonization investment proposal required under section 29a of this 2018 Act;**

14 **“(B) The Governor; and**

15 **“(C) The interim committees of the Legislative Assembly related to climate, in the**
16 **manner provided by ORS 192.245.”.**

17 In line 12, delete “and 34” and insert “, 34 and 34a”.

18 In line 15, after “lands,” insert “fish and wildlife resources,”.

19 On page 9, line 14, after “of” insert “anthropogenic”.

20 In line 19, delete “an air contamination source” and insert “one or more air contamination
21 sources”.

22 In line 21, delete “source” and insert “sources”.

23 In line 23, after “Act” insert a colon and delete the rest of the line and lines 24 and 25 and
24 insert:

25 **“(A) The methane emissions from a landfill that are demonstrated to have been recaptured and**
26 **used for the generation of renewable energy, including but not limited to electricity, transportation**
27 **fuels or heat.**

28 **“(B) A land disposal site if the land disposal site was closed before the effective date of this 2018**
29 **Act and is closed and maintained in compliance with ORS 459.268.**

30 **“(C) A cogeneration facility, as defined in ORS 758.505, that is owned or operated by a public**
31 **university listed in ORS 352.002 or by a hospital as defined in ORS 442.015. An owner or operator**
32 **of a cogeneration facility exempted under this paragraph shall biennially submit a report to the**
33 **Department of Environmental Quality and, in the manner provided by ORS 192.245, to the Joint**
34 **Legislative Committee on Climate. The report must detail the actions taken by the owner or oper-**
35 **ator to achieve demonstrable greenhouse gas emissions reductions at the public university or hos-**
36 **pital served by the cogeneration facility.”.**

37 On page 10, line 27, delete “of Environmental Quality”.

38 In line 30, delete “may” and insert “shall”.

39 In line 32, delete “an adjusted” and insert “a number of compliance instruments that is in ad-
40 dition to the entity’s”.

41 On page 12, line 43, delete “or”.

42 In line 45, delete the period and insert “; or

43 **“(C) Notwithstanding paragraph (b)(A) of this subsection, update the applicable emissions effi-**
44 **ciency benchmarks for any emissions-intensive, trade-exposed processes.”.**

45 On page 13, after line 6, insert:

1 “(5) The department shall allocate a percentage of allowances from each annual allowance
2 budget to be retired each year for eligible voluntary renewable electricity generated in the previous
3 year.”.

4 In line 7, delete “(5)” and insert “(6)” and delete “(4)” and insert “(5)”.

5 In line 24, delete “(b)(A)” and insert “(b)”.

6 In line 27, delete “(i)” and insert “(A)”.

7 Delete lines 32 through 36 and insert:

8 “(B) The air contamination source is in violation of the terms or conditions of any permit re-
9 quired or authorized under ORS chapter 468A and issued by the department or a regional air quality
10 control authority.”.

11 In line 43, delete “must” and insert “may”.

12 On page 15, line 23, after “reductions” delete the rest of the line.

13 In line 24, delete “offsets,”.

14 On page 16, line 1, delete “in” and insert “after”.

15 In line 7, after “socioeconomic,” insert “historic disadvantage,”.

16 In line 9, after “households,” insert “historically disadvantaged households,”.

17 In line 10, after “ment,” insert “high linguistic isolation,”.

18 On page 17, line 28, delete “in” and insert “after”.

19 In line 40, delete “(1)”.

20 In line 42, delete “Fund; and” and insert “Account;

21 “(b) All moneys that constitute revenues described in Article VIII, section 2 (1)(g), of the Oregon
22 Constitution, must be transferred to the Common School Fund; and”.

23 In line 43, delete “(b)” and insert “(c)” and delete “paragraph (a)” and insert “paragraphs (a)
24 and (b)”.

25 On page 18, delete lines 22 through 29 and insert:

26 “(a) Fifty percent must be allocated for projects, programs or activities that are to the benefit
27 of or geographically located in and to the benefit of impacted communities;

28 “(b) Ten percent must be allocated for projects, programs or activities that are to the benefit
29 of Indian tribes;

30 “(c) Twenty percent must be allocated for projects, programs or activities that represent in-
31 vestments in natural and working lands; and

32 “(d) Twenty percent may be allocated for any projects, programs or activities that meet the re-
33 quirements of subsection (2) of this section, as further described in section 30 of this 2018 Act, re-
34 gardless of whether a program, project or activity funded under this paragraph is described in
35 paragraphs (a) to (c) of this subsection.”.

36 Delete lines 41 through 45.

37 On page 19, delete lines 1 through 14 and insert:

38 **“SECTION 29. (1) The Transportation Decarbonization Investments Account is estab-
39 lished as a separate account within the State Highway Fund. Interest earned by the Trans-
40 portation Decarbonization Investments Account shall be credited to the account. Moneys in
41 the account are continuously appropriated to the Department of Transportation to be dis-
42 tributed by the department as provided in this section.**

43 **“(2) The account shall consist of moneys deposited in the account under section 26 of this
44 2018 Act.**

45 **“(3) Moneys deposited in the account may be used only for:**

1 “(a) The uses stated in Article IX, section 3a, of the Oregon Constitution; and

2 “(b) Activities that further the purposes stated in section 11 of this 2018 Act.

3 “(4) The Legislative Assembly shall allocate the moneys deposited in the account subject
4 to section 30 of this 2018 Act. At least 60 percent of the moneys deposited in the account
5 each biennium must be allocated for purposes that benefit impacted communities.

6 “(5) The department may perform activities necessary to ensure that recipients of mon-
7 eys distributed from the account comply with applicable requirements. If the department
8 determines that a recipient has not complied with applicable requirements, the department
9 may order the recipient to refund all moneys distributed from the account. Moneys refunded
10 pursuant to this subsection shall be credited to the account.

11 “SECTION 29a. (1) The Oregon Transportation Commission shall prepare, for each
12 biennium, a transportation decarbonization investment proposal that sets forth:

13 “(a) A list of recommended transportation projects to be funded with moneys in the
14 Transportation Decarbonization Investments Account established under section 29 of this
15 2018 Act; and

16 “(b) Any additional recommendations for the Legislative Assembly to consider in deter-
17 mining how to best allocate moneys deposited in the account.

18 “(2) Prior to selecting transportation projects for inclusion in the proposal, the commis-
19 sion shall consider the recommendations contained in the biennial report submitted to the
20 commission under section 10 of this 2018 Act, and shall seek additional input from the pro-
21 gram advisory committee established under section 8 of this 2018 Act.

22 “(3) In selecting transportation projects for inclusion in the proposal, the commission
23 shall consider:

24 “(a) Whether proposed transportation projects meet the requirements of sections 29 (3)
25 and 30 of this 2018 Act;

26 “(b) How selection of projects to be funded through moneys deposited in the account may
27 affect the state’s ability to carry out the purposes of Article IX, section 3a (3), of the Oregon
28 Constitution; and

29 “(c) How much of the cost of a proposed transportation project can be funded from any
30 source other than the account.

31 “(4) The commission shall submit the proposal required under this section to:

32 “(a) The interim Joint Legislative Committee on Climate in the manner provided by ORS
33 192.245; and

34 “(b) The Oregon Department of Administrative Services, to be included and submitted to
35 the Legislative Assembly as part of the Governor’s recommended budget.”.

36 In line 16, delete “Fund” and insert “Account” and after “allocated,” delete the rest of the line.

37 In line 17, delete “plicable” and after “law,” insert “to maximize greenhouse gas emissions re-
38 ductions,”.

39 In line 22, after “emissions” insert “, including technical assistance for minority or women
40 owned businesses, nonprofit organizations and other community institutions that serve or represent
41 most impacted communities or low-income households”.

42 In line 43, after “resilience” insert a period and delete the rest of the line and lines 44 and 45.

43 On page 20, after line 8, insert:

44 “(g) Funding to strengthen the resilience of fish, wildlife and ecosystems in the face of climate
45 change through investments in projects, including but not limited to projects involving instream flow

1 acquisition and protection, fish barrier removal, habitat restoration and enhancement and protection
2 of wildlife corridors, coldwater refugia areas and species strongholds.”.

3 In line 9, delete “Fund” and insert “Account”.

4 In line 11, after “in” insert a colon and delete the rest of the line and line 12 and insert:

5 “(A) Programs, projects or activities that are consistent with, or that complement, investments
6 described in subsection (2) of this section;

7 “(B) The implementation of land use and transportation scenarios required to be adopted by
8 metropolitan service districts under section 37, chapter 865, Oregon Laws 2009, and that have been
9 approved by the Land Conservation and Development Commission; and

10 “(C) The development and implementation of land use and transportation scenarios by local
11 governments and metropolitan planning organizations in accordance with the guidelines established
12 by the Department of Transportation and the Department of Land Conservation and Development
13 under ORS 184.893.”.

14 In line 14, delete “Fund” and insert “Account”.

15 Delete lines 18 through 45.

16 On page 21, delete lines 1 through 16.

17 In line 17, delete “(6)” and insert “(4)”.

18 In line 21, delete “(7)” and insert “(5)”.

19 In line 22, delete “(6)” and insert “(4)”.

20 In line 24, delete “(8)” and insert “(6)”.

21 After line 28, insert:

22 **“SECTION 30a. (1) If a construction project is funded in whole or in part by moneys al-**
23 **located by the Legislative Assembly from the Climate Investments Fund or the Transporta-**
24 **tion Decarbonization Investments Account, the primary contractor participating in the**
25 **construction project:**

26 **“(a) Shall participate in an apprenticeship program registered with the State Appren-**
27 **ticeship and Training Council;**

28 **“(b) May not be a contractor listed by the Commissioner of the Bureau of Labor and**
29 **Industries under ORS 279C.860 as ineligible to receive a contract or subcontract for public**
30 **works;**

31 **“(c) Must demonstrate a history of compliance with the rules and other requirements**
32 **of the Construction Contractors Board and of the Workers’ Compensation Division, the**
33 **Building Codes Division and the Occupational Safety and Health Division of the Department**
34 **of Consumer and Business Services; and**

35 **“(d) Must demonstrate a history of compliance with federal and state wage and hour**
36 **laws.**

37 **“(2) A farm labor contractor, as defined in ORS 658.405, may not receive moneys allocated**
38 **by the Legislative Assembly from the Climate Investments Fund or the Transportation**
39 **Decarbonization Investments Account unless the farm labor contractor is in compliance with**
40 **all licensing and any other requirements or regulations imposed upon farm labor contractors**
41 **pursuant to ORS 658.405 to 658.503.**

42 **“(3)(a) The Oregon Department of Administrative Services shall adopt model rules that**
43 **specify labor, workforce and contracting procedures for all state agencies to use in admin-**
44 **istering funds for projects that are funded in whole or in part by moneys allocated by the**
45 **Legislative Assembly from the Climate Investments Fund or the Transportation**

1 Decarbonization Investments Account. The department shall adopt the rules in accordance
2 with ORS chapter 183.

3 “(b) Model rules adopted under this subsection shall require the use of a project labor
4 agreement for large construction projects funded as described in paragraph (a) of this sub-
5 section. For all other construction projects funded as described in paragraph (a) of this
6 subsection, the model rules shall establish measurable, enforceable goals for the training and
7 hiring of persons who are members of impacted communities and for contracting with busi-
8 nesses that are owned or operated by members of impacted communities.

9 “(c) The model rules shall promote best practices in procurement and contracting.

10 “(d)(A) The model rules shall require that, in each contract awarded for a construction
11 project funded as described in paragraph (a) of this subsection, steel, iron, coatings for steel
12 and iron and manufactured products that the contractor purchases for the project and that
13 become part of a permanent structure be produced in the United States.

14 “(B) The requirement in subparagraph (A) of this paragraph shall not apply if the ad-
15 ministering agency finds that:

16 “(i) The requirement is inconsistent with the public interest;

17 “(ii) Steel, iron, coatings for steel and iron and manufactured products required for the
18 project are not produced in the United States in sufficient and reasonably available quantities
19 and with satisfactory quality; or

20 “(iii) The requirement set forth in subparagraph (A) of this paragraph will increase the
21 costs of the project, exclusive of labor costs involved in final assembly for manufactured
22 products, by 25 percent or more.

23 “(C) Notwithstanding a finding by the administering agency under paragraph (d)(B) of
24 this subsection, a contractor shall spend at least 75 percent of the total amount the con-
25 tractor spends in connection with the construction project on steel, iron, coatings for steel
26 and iron and manufactured products that become part of a permanent structure to purchase
27 steel, iron, coatings for steel and iron and manufactured products that are produced in the
28 United States.

29 “(e) Before adopting or amending a rule under this subsection, the department shall
30 consult with the program advisory committee established under section 8 of this 2018 Act,
31 representatives of labor and workforce equity and contractor equity, and other knowledge-
32 able persons.

33 “(4) A state agency charged with administering funds for construction projects that are
34 funded in whole or in part by moneys deposited in the Climate Investments Fund or the
35 Transportation Decarbonization Investments Account may not adopt the administering
36 agency’s own rules for labor, workforce and contracting procedures related to administering
37 funds allocated from the Climate Investments Fund or the Transportation Decarbonization
38 Investments Account.”.

39 In line 34, delete “in” and insert “after”.

40 On page 22, line 13, delete “in” and insert “after”.

41 In line 15, delete “jointly”.

42 After line 44, insert:

43 “**SECTION 34a. Moneys deposited in the Common School Fund under section 26 of this**
44 **2018 Act are continuously appropriated to the Department of State Lands to be used for**
45 **purposes:**

