

Requested by HOUSE COMMITTEE ON ENERGY AND ENVIRONMENT

**PROPOSED AMENDMENTS TO
HOUSE BILL 4001**

1 On page 1 of the printed bill, line 4, after the second “and” delete the rest
2 of the line and 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
5 wildlife populations, many of which require specific habitat conditions and
6 are therefore particularly vulnerable to warmer temperatures, modified pre-
7 cipitation patterns, diminished snowpack, ocean acidification and other ef-
8 fects of climate change; and”.

9 On page 2, line 27, after “communities” insert “and Indian tribes”.

10 In line 31, after “communities,” insert “Indian tribes,”.

11 In line 32, after “workers” insert “, including low-income households and
12 people of color,”.

13 On page 3, line 32, delete “anthropogenic”.

14 In line 33, delete “anthropogenic”.

15 On page 5, delete lines 43 and 44 and insert:

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

18 “(a) Reflect the geographic and demographic diversity of this state’s pop-
19 ulation; and

20 “(b) To the extent feasible, appoint individuals who have additional ex-
21 pertise or experience in program development, budgeting, management and

1 oversight, or climate planning or other disciplines of particular value rele-
2 vant to the duties of the committee.”.

3 On page 6, delete lines 25 through 45.

4 On page 7, delete lines 1 through 8 and insert:

5 **“SECTION 10. (1) The program advisory committee established un-**
6 **der section 8 of this 2018 Act shall advise the Governor, the Environ-**
7 **mental Quality Commission, the Department of Environmental**
8 **Quality, the Oregon Department of Administrative Services, the**
9 **Oregon Transportation Commission, the Department of Transporta-**
10 **tion, the Public Utility Commission, the Higher Education Coordinat-**
11 **ing Commission and other relevant state agencies on:**

12 **“(a) The development and implementation of rules under sections**
13 **12 to 17, 23, 28a and 30 of this 2018 Act;**

14 **“(b) The implementation of sections 29 and 32 of this 2018 Act; and**

15 **“(c) The expenditures and investments of state proceeds from auc-**
16 **tions conducted under section 16 of this 2018 Act pursuant to sections**
17 **25 to 30, 31, 32 and 32a of this 2018 Act.**

18 **“(2) The program advisory committee may conduct studies, request**
19 **information and provide other advice related to the program estab-**
20 **lished under sections 12 to 17 of this 2018 Act and the expenditures and**
21 **investments of state proceeds from auctions conducted under section**
22 **16 of this 2018 Act as necessary to provide advice as described in sub-**
23 **section (1) of this section.**

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

26 **“(A) The recommendations of the committee for the expenditures**
27 **and investments of state proceeds from auctions conducted under**
28 **section 16 of this 2018 Act that are deposited in the Climate Invest-**
29 **ments Fund established under section 26 of this 2018 Act and in the**
30 **Transportation Decarbonization Investments Account established un-**

1 **der section 27 of this 2018 Act; and**

2 **“(B) The recommendations of the committee, which may include**
3 **recommendations for legislation, regarding the effectiveness of imple-**
4 **mentation of sections 12 to 17, 25 to 30, 31, 32 and 32a of this 2018 Act.**

5 **“(b) The committee shall submit the report required by this sub-**
6 **section to:**

7 **“(A) The Oregon Transportation Commission for consideration in**
8 **developing the transportation decarbonization investment proposal**
9 **required under section 27a of this 2018 Act;**

10 **“(B) The Governor; and**

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

13 In line 14, delete “and 32” and insert “, 32 and 32a”.

14 In line 17, after “lands,” insert “fish and wildlife resources,”.

15 Delete line 32.

16 In line 33, delete “(3)” and insert “(2)”.

17 In line 35, delete “(4)” and insert “(3)”.

18 In line 37, delete “(5)” and insert “(4)”.

19 In line 41, delete “(6)” and insert “(5)”.

20 In line 42, delete “(7)” and insert “(6)”.

21 In line 44, delete “(8)” and insert “(7)”.

22 On page 8, line 2, delete “(9)” and insert “(8)”.

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

24 In line 5, delete “(11)” and insert “(10)”.

25 In line 11, delete “(12)” and insert “(11)”.

26 In line 12, delete “(13)” and insert “(12)”.

27 In line 13, delete “(14)” and insert “(13)”.

28 In line 17, delete “(15)” and insert “(14)”.

29 In line 20, delete “(16)” and insert “(15)”.

30 In line 22, delete “(17)” and insert “(16)”.

1 In line 31, delete “(18)” and insert “(17)”.

2 In line 33, delete “(19)” and insert “(18)”.

3 In line 36, delete “(20)” and insert “(19)”.

4 In line 38, delete “(21)” and insert “(20)”.

5 In line 42, delete “(22)” and insert “(21)”.

6 In line 45, delete “(23)” and insert “(22)”.

7 On page 9, line 4, delete “(24)” and insert “(23)”.

8 In line 16, after “of” insert “anthropogenic”.

9 In line 21, delete “an air contamination source” and insert “one or more

10 air contamination sources”.

11 In line 23, delete “source” and insert “sources”.

12 In line 25, after “Act” insert a colon and delete the rest of the line and

13 delete lines 26 and 27 and insert:

14 “(A) The methane emissions from a landfill that are demonstrated to have

15 been recaptured and used for the generation of renewable energy, including

16 but not limited to electricity, transportation fuels or heat.

17 “(B) A land disposal site if the land disposal site was closed before the

18 effective date of this 2018 Act and is closed and maintained in compliance

19 with ORS 459.268.

20 “(C) A cogeneration facility, as defined in ORS 758.505, that is owned or

21 operated by a public university listed in ORS 352.002 or by a hospital as

22 defined in ORS 442.015. An owner or operator of a cogeneration facility ex-

23 empted under this paragraph shall biennially submit a report to the Depart-

24 ment of Environmental Quality and, in the manner provided by ORS 192.245,

25 to the Joint Legislative Committee on Climate. The report must detail the

26 actions taken by the owner or operator to achieve demonstrable greenhouse

27 gas emissions reductions at the public university or hospital served by the

28 cogeneration facility.”.

29 On page 10, line 29, delete “of Environmental Quality”.

30 In line 32, delete “may” and insert “shall”.

1 In line 34, delete “an adjusted” and insert “a number of compliance in-
2 struments that is in addition to the entity’s”.

3 On page 12, line 8, delete “or”.

4 In line 10, delete the period and insert “; or

5 “(C) Notwithstanding paragraph (b)(A) of this subsection, update the ap-
6 plicable emissions efficiency benchmarks for any emissions-intensive, trade-
7 exposed processes.”.

8 After line 17, insert:

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

12 In line 18, delete “(5)” and insert “(6)” and delete “(4)” and insert “(5)”.

13 In line 35, delete “(b)(A) and insert “(b)”.

14 In line 38, delete “(i)” and insert “(A)”.

15 Delete lines 43 through 45.

16 On page 13, delete lines 1 and 2 and insert:

17 “(B) The air contamination source is in violation of the terms or condi-
18 tions of any permit required or authorized under ORS chapter 468A and is-
19 sued by the department or a regional air quality control authority.”.

20 In line 9, delete “must” and insert “may”.

21 On page 14, line 34, after “reductions” delete the rest of the line.

22 In line 35, delete “offsets,”.

23 On page 15, line 12, delete “in” and insert “after”.

24 In line 18, after “socioeconomic,” insert “historic disadvantage,”.

25 In line 20, after “households,” insert “historically disadvantaged house-
26 holds,”.

27 In line 21, after “ment,” insert “high linguistic isolation,”.

28 On page 16, line 39, delete “in” and insert “after”.

29 On page 17, line 6, delete “(1)”.

30 In line 8, delete “Fund; and” and insert “Account;

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

4 In line 9, delete “(b)” and insert “(c)” and delete “paragraph (a)” and in-
5 sert “paragraphs (a) and (b)”.

6 Delete lines 33 through 40 and insert:

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

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

12 “(c) Twenty percent must be allocated for projects, programs or activities
13 that represent investments in natural and working lands; and

14 “(d) Twenty percent may be allocated for any projects, programs or ac-
15 tivities that meet the requirements of subsection (2) of this section, as fur-
16 ther described in section 28 of this 2018 Act, regardless of whether a
17 program, project or activity funded under this paragraph is described in
18 paragraphs (a) to (c) of this subsection.”.

19 On page 18, delete lines 7 through 25 and insert:

20 **“SECTION 27. (1) The Transportation Decarbonization Investments**
21 **Account is established as a separate account within the State Highway**
22 **Fund. Interest earned by the Transportation Decarbonization Invest-**
23 **ments Account shall be credited to the account. Moneys in the ac-**
24 **count are continuously appropriated to the Department of**
25 **Transportation to be distributed by the department as provided in this**
26 **section.**

27 **“(2) The account shall consist of moneys deposited in the account**
28 **under section 24 of this 2018 Act.**

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

30 **“(a) The uses stated in Article IX, section 3a, of the Oregon Con-**

1 **stitution; and**

2 **“(b) Activities that further the purposes stated in section 11 of this**
3 **2018 Act.**

4 **“(4) The Legislative Assembly shall allocate the moneys deposited**
5 **in the account subject to section 28 of this 2018 Act. At least 60 per-**
6 **cent of the moneys deposited in the account each biennium must be**
7 **allocated for purposes that benefit impacted communities.**

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

15 **“SECTION 27a. (1) The Oregon Transportation Commission shall**
16 **prepare, for each biennium, a transportation decarbonization invest-**
17 **ment proposal that sets forth:**

18 **“(a) A list of recommended transportation projects to be funded**
19 **with moneys in the Transportation Decarbonization Investments Ac-**
20 **count established under section 27 of this 2018 Act; and**

21 **“(b) Any additional recommendations for the Legislative Assembly**
22 **to consider in determining how to best allocate moneys deposited in**
23 **the account.**

24 **“(2) Prior to selecting transportation projects for inclusion in the**
25 **proposal, the commission shall consider the recommendations con-**
26 **tained in the biennial report submitted to the commission under sec-**
27 **tion 10 of this 2018 Act, and shall seek additional input from the**
28 **program advisory committee established under section 8 of this 2018**
29 **Act.**

30 **“(3) In selecting transportation projects for inclusion in the pro-**

1 **posal, the commission shall consider:**

2 **“(a) Whether proposed transportation projects meet the require-**
3 **ments of sections 27 (3) and 28 of this 2018 Act;**

4 **“(b) How selection of projects to be funded through moneys depos-**
5 **ited in the account may affect the state’s ability to carry out the**
6 **purposes of Article IX, section 3a (3), of the Oregon Constitution; and**

7 **“(c) How much of the cost of a proposed transportation project can**
8 **be funded from any source other than the Transportation**
9 **Decarbonization Investments Account.**

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

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

14 **“(b) The Oregon Department of Administrative Services, to be in-**
15 **cluded and submitted to the Legislative Assembly as part of the**
16 **Governor’s recommended budget.”.**

17 In line 27, delete “Fund” and insert “Account” and after “allocated,” de-
18 lete the rest of the line.

19 In line 28, delete “plicable” and after “law,” insert “to maximize
20 greenhouse gas emissions reductions,”.

21 In line 33, after “emissions” insert “, including technical assistance for
22 minority or women owned businesses, nonprofit organizations and other
23 community institutions that serve or represent most impacted communities
24 or low-income households.”.

25 On page 19, line 9, after “resilience” insert a period and delete the rest
26 of the line and lines 10 and 11.

27 After line 19, insert:

28 **“(g) Funding to strengthen the resilience of fish, wildlife and ecosystems**
29 **in the face of climate change through investments in projects, including but**
30 **not limited to projects involving instream flow acquisition and protection,**

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

3 In line 20, delete “Fund” and insert “Account”.

4 In line 22, after “in” insert a colon and delete the rest of the line and line
5 23 and insert:

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

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

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

17 In line 25, delete “Fund” and insert “Account”.

18 Delete lines 29 through 45.

19 On page 20, delete lines 1 through 27.

20 In line 28, delete “(6)” and insert “(4)”.

21 In line 32, delete “(7)” and insert “(5)”.

22 In line 33, delete “(b)” and insert “(4)”.

23 In line 35, delete “(8)” and insert “(6)”.

24 After line 39, insert:

25 **“SECTION 28a. (1) If a construction project is funded in whole or**
26 **in part by moneys allocated by the Legislative Assembly from the**
27 **Climate Investments Fund or the Transportation Decarbonization In-**
28 **vestments Account, the primary contractor participating in the con-**
29 **struction project:**

30 **“(a) Shall participate in an apprenticeship program registered with**

1 **the State Apprenticeship and Training Council;**

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

5 **“(c) Must demonstrate a history of compliance with the rules and**
6 **other requirements of the Construction Contractors Board and of the**
7 **Workers’ Compensation Division, the Building Codes Division and the**
8 **Occupational Safety and Health Division of the Department of Con-**
9 **sumer and Business Services; and**

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

12 **“(2) A farm labor contractor, as defined in ORS 658.405, may not**
13 **receive moneys allocated by the Legislative Assembly from the Climate**
14 **Investments Fund or the Transportation Decarbonization Investments**
15 **Account unless the farm labor contractor is in compliance with all li-**
16 **censing and any other requirements or regulations imposed upon farm**
17 **labor contractors pursuant to ORS 658.405 to 658.503.**

18 **“(3)(a) The Oregon Department of Administrative Services shall**
19 **adopt model rules that specify labor, workforce and contracting pro-**
20 **cedures for all state agencies to use in administering funds for projects**
21 **that are funded in whole or in part by moneys allocated by the Legis-**
22 **lative Assembly from the Climate Investments Fund or the Transpor-**
23 **tation Decarbonization Investments Account. The department shall**
24 **adopt the rules in accordance with ORS chapter 183.**

25 **“(b) Model rules adopted under this subsection shall require the use**
26 **of a project labor agreement for large construction projects funded as**
27 **described in paragraph (a) of this subsection. For all other con-**
28 **struction projects funded as described in paragraph (a) of this sub-**
29 **section, the model rules shall establish measurable, enforceable goals**
30 **for the training and hiring of persons who are members of impacted**

1 communities and for contracting with businesses that are owned or
2 operated by members of impacted communities.

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

5 “(d)(A) The model rules shall require that, in each contract awarded
6 for a construction project funded as described in paragraph (a) of this
7 subsection, steel, iron, coatings for steel and iron and manufactured
8 products that the contractor purchases for the project and that be-
9 come part of a permanent structure be produced in the United States.

10 “(B) The requirement in subparagraph (A) of this paragraph shall
11 not apply if the administering agency finds that:

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

13 “(ii) Steel, iron, coatings for steel and iron and manufactured pro-
14 ducts required for the project are not produced in the United States
15 in sufficient and reasonably available quantities and with satisfactory
16 quality; or

17 “(iii) The requirement set forth in subparagraph (A) of this para-
18 graph will increase the costs of the project, exclusive of labor costs
19 involved in final assembly for manufactured products, by 25 percent
20 or more.

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

28 “(e) Before adopting or amending a rule under this subsection, the
29 department shall consult with the program advisory committee estab-
30 lished under section 8 of this 2018 Act, representatives of labor and

1 workforce equity and contractor equity, and other knowledgeable per-
2 sons.

3 “(4) A state agency charged with administering funds for con-
4 struction projects that are funded in whole or in part by moneys de-
5 posited in the Climate Investments Fund or the Transportation
6 Decarbonization Investments Account may not adopt the administer-
7 ing agency’s own rules for labor, workforce and contracting proce-
8 dures related to administering funds allocated from the Climate
9 Investments Fund or the Transportation Decarbonization Investments
10 Account.”.

11 In line 45, delete “in” and insert “after”.

12 On page 21, line 24, delete “in” and insert “after”.

13 In line 26, delete “jointly”.

14 On page 22, after line 10, insert:

15 **“SECTION 32a. Moneys deposited in the Common School Fund un-
16 der section 24 of this 2018 Act are continuously appropriated to the
17 Department of State Lands to be used for purposes:**

18 **“(1) For which other moneys in the Common School Fund may be
19 used; and**

20 **“(2) That are consistent with the purposes stated in section 11 of
21 this 2018 Act.”.**

22 On page 24, line 15, after “to” insert “registration and”.

23 On page 32, line 31, delete “2019” and insert “2018”.

24 On page 33, line 1, delete “32” and insert “32a”.

25 In line 8, delete “32” and insert “32a”.

26 In line 15, delete “32” and insert “32a”.

27 Delete lines 34 through 38 and insert:

28

29 **“EFFECTIVE DATE**

30

1 **SECTION 51. This 2018 Act takes effect on the 91st day after the**
2 **date on which the 2018 regular session of the Seventy-ninth Legislative**
3 **Assembly adjourns sine die.”.**

4
