

HB 2020-31 Amendments: Changes from the Introduced Bill

(Section References in Parentheses)

- “Whereases” added to clarify legislative intent.
- Clarifies that it’s only “anthropogenic” emissions that are regulated in the Climate Action Program. (1)
- Definitions Clarifications – Indian tribes (7)
- Definitions Clarifications – Natural and Working Lands and Waters (7)
- Exemptions for emissions from F-Gases and from Municipal Incineration waste-to-energy eliminated. (9)
- Clarity in how the allowances budget will be created and adjusted. (10)
- Allowances Reserves (Price Containment, EITE, and Electricity) (10)
- Clarification of emissions reductions for electrical utilities. (11)
- Direct agency to identify medium-sized (10K-25K GHGe) emissions-intensive manufacturers for trade-exposure and potential to opt-in as regulated EITEs (15)
- Initial free allowances to EITEs reduced from 100% to 95%. Half of proceeds from EITEs can be used to help EITEs invest in more energy-efficient processes. (16)
- Change calculation of free allowances for EITEs so that the decline in a manufacturer’s free allowances is tied to its use of best-available technology for limiting emissions (16)
- Clarifies Offsets projects, protocols, and methodology for creating them. (19-20)
- Clarifies that rural communities are to be included in the definition of “impacted communities.” (21)
- Annual Climate Action Program Report, providing information to the Legislature on allowance sales, market prices, emissions reductions, investments, and impact on fuel prices. (24)
- Exempts manufacturing information from public-records requests that would compromise confidential business information. (28)
- Commits program to taking necessary steps to prevent fraud and abuse. (28)
- \$10 million for Just Transition Fund, focusing on training/retraining in clean energy jobs and protecting incumbent workers. Grants will be overseen by the Workforce Development unit of the Higher Education Coordinating Committee with assistance from other agencies. (30, 40)
- Clarifies how transportation grants will be developed and implemented. A mix of state and local (50%/50%), emissions mitigation and adaptation, urban and rural. Up to 1% reserved for planning grants for local jurisdictions. (32 & 33)
- Procurement standards for Oregon-grown nursery stock. (34)
- At least half of all Climate Investment Fund investments must benefit impacted communities, including 10% for federally recognized tribes located in Oregon. Up to 1%

can be used for technical assistance for project development by tribes and other impacted communities. These % allocations will sunset and be reconsidered by the Legislature in 2026. (35)

- Creates procurement preferences for construction materials made in a jurisdiction that puts a price on greenhouse gas emissions that are at least as stringent as ours. Includes asphalt, cement, concrete or any other aggregate product, aluminum, steel, iron, coatings for steel and iron, glass, manufactured wood products, and copper. (38)
- Further clarifies necessary labor standards for projects funded by the Transportation Decarbonization Fund and the Climate Investments Fund. (39)
- Biennial Expenditure Audit (44)
- Clarifies the process for making investment decisions via the biennial Climate Investments Plan's recommendations to the Legislature. (46, 48)
- Clarifies investment priorities. (47)
- Adds research in emission reduction, adaptation/resiliency, and sequestration as strategies for combating climate change and ocean acidification to list of Climate Investment Fund priorities. (47)
- Removes exemption for anthropomorphic (plastics-based) emissions from municipal waste-to-energy incinerators. Proceeds from allowance sales used to improve programs to reduce and recycle single-use plastics. (47)
- Clarifies role of the Public Utilities Commission in overseeing investments by the electric and gas utilities and reporting to the Legislature. (51-53)
- Directs the PUC to allow utilities to create a new low-income residential rate (53).
- Housing and Community Services will produce biennial "energy burden" report and monitor investments to reduce the energy burden of low and moderate income households. (54)
- Exempts landfills from regulation under the Climate Action Program; instead, DEQ is directed to regulate them directly, using standards that are at least as stringent as California's, the most stringent in the nation. (82)
- Clarifies process for Supreme Court jurisdiction over questions related to the Transportation Decarbonization Fund. (85)
- New sections related to studies/reviews of the program and reports to the Legislature related to potential changes. (89-92)
- By 2025 the Agency will study and recommend to the Legislature whether to continue or end the exemptions for aviation, marine, and railroad fuels. (91)
- Directs ODOT to design the Climate Action Refund program and bring back to the Legislature for action in the 2020 session (92)
- Directs ODOT to design the Climate Action Refund – Agriculture program and bring back to the Legislature for action in the 2020 session (92)