

HB 3433 STAFF MEASURE SUMMARY**Joint Committee On Carbon Reduction****Action Date:** 05/17/19**Action:** Without recommendation as to passage and be referred to Ways and Means.**House Vote****Yeas:** 6 - Bonham, Boshart Davis, Helm, Marsh, Power, Smith DB**Nays:** 1 - Lively**Senate Vote****Yeas:** 6 - Bentz, Beyer, Dembrow, Girod, Golden, Taylor**Exc:** 1 - Olsen**Fiscal:** Fiscal impact issued**Revenue:** Revenue impact issued**Prepared By:** Beth Reiley, LPRO Analyst**Meeting Dates:** 5/13, 5/17**WHAT THE MEASURE DOES:**

Requires Oregon Department of Forestry (ODF) and Department of State Lands (DSL) pursue agreements for shared stewardship of national forests between State of Oregon and United States Forest Service Pacific Northwest Region (USFS), with key purpose of reducing greenhouse gas (GHG) emissions related to wildfire through implementing targeted forest treatments on meaningful landscape-scale of acres of national forestland at risk of catastrophic wildfire, and national forestland identified for ongoing timber harvest under existing plans. Requires ODF and DSL pursue shared stewardship agreements that prioritize and implement projects using Good Neighbor Authority and all other authorities and active management tools available to engage in stewardship and forest treatments that maximize carbon sequestration of national forests, taking into account carbon storage in harvested wood products manufactured in Oregon, and result in rehabilitation and replanting of federal lands affected by catastrophic wildfire and other catastrophic events. Requires ODF coordinate with the USFS to conduct study on forest carbon flux associated with wildfire on national forestland in Oregon and submit to interim committee of Legislative Assembly related to climate or carbon reduction no later than September 15, 2020. Requires study to address certain factors. Requires appropriate college or colleges of Oregon State University (OSU) coordinate to conduct studies related to GHG sequestration and emissions reductions from activities related to Oregon's natural and working lands and in Oregon's forest products, agricultural, and building materials industries and submit report on studies to interim committee of Legislative Assembly related to climate or carbon reduction no later than September 15, 2020. Requires OSU to consult with Oregon Department of Agriculture (ODA) and any other interested or appropriate agencies of state government to conduct study on carbon sequestration potential of Oregon's orchards, vining, and perennial crops, rangeland, and agricultural crops. Requires OSU to consult with Oregon Department of Geology and Mineral Industries, ODF, and any other interested or appropriate agencies of state government to conduct study on innovations and strategies available to increase GHG sequestration or decrease GHG emissions within Oregon's aggregate, steel, and cross-laminated timber industries. Requires OSU to consider and make recommendations regarding: implementation of using emission reduction techniques by Oregon's forestry and forest products industries as method for reducing GHG emissions; and utility of biochar as marketable soil amendment and alternative to nitrogen-based fertilizers in agricultural applications when designing and implementing study on utilization of air curtain destructors or other similar techniques for reducing emissions from fuel reduction of slash, wood, and other burnable waste materials and for producing and utilizing biochar as marketable commodity. Requires OSU to conduct study on commercial development of seaweed production for livestock feed as method for reducing methane emissions. Requires

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Oregon Department of Energy (ODOE) consult with Oregon Department of Transportation (ODOT), Public Utility Commissions (PUC), TriMet, electric companies, and any other interested or appropriate agencies of state government when designing and implementing study and developing recommendations on electricity grid modernization, capacity, and infrastructure changes necessary to provide urban areas in Oregon with adequate access to electric vehicle (EV) charging stations to support transition to use of light-duty EVs and buses necessary to meet state and regional goals for reducing GHG emissions from transportation sector. Requires ODOE submit report on study to interim committee of Legislative Assembly related to climate or carbon reduction no later than September 15, 2020. Requires ODOE conduct study on potential role for small modular nuclear reactor power plants in reducing GHG emissions related to generation of electric power to serve electricity customers in Oregon to be submitted to interim committee of Legislative Assembly related to climate or carbon reduction no later than September 15, 2020. Requires study, at minimum, address: potential GHG emissions avoided through replacing fossil fuel-powered electric power generating plants with small modular nuclear reactor power plants for producing baseload electricity; considerations related to potential technological and economic viability of modular nuclear reactor power plants; and barriers to siting, permitting, and regulation of small modular nuclear reactor power plants in Oregon and recommendations for addressing any identified barriers. Repeals study requirements on December 31, 2020. Requires DEQ to complete an additional review of the clean fuels program and report on DEQ's reviews to interim committees of Legislative Assembly related to environment and natural resources. Requires DEQ submit first report no later than September 15, 2020 and second report no later than February 1, 2022. Requires ODOE complete second study to evaluate job impacts of Oregon Renewable Portfolio Standard and report to interim committee of Legislative Assembly related to climate or carbon reduction no later than September 15, 2020. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Provisions of measure
- Other legislation being considered
- State greenhouse gas reduction goals

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

House Bill 3433 would require the Oregon Department of Forestry (ODF) and the Department of State Lands to pursue shared stewardship agreements to reduce greenhouse gas (GHG) emissions related to wildfire, require certain state agencies and colleges at Oregon State University to conduct studies on opportunities for GHG emissions reductions through specified industries and sectors with a sunset date of December 31, 2020, increase the number of reviews conducted by the Oregon Department of Environmental Quality on the Clean Fuels Program from one to two no later than September 15, 2020 and February 1, 2022, require the Oregon Department of Energy to complete a second study evaluating the impact of the Oregon Renewable Portfolio Standard on jobs in the state no later than September 15, 2020, and would take effect on 91st day following adjournment sine die.