

A-Engrossed
Senate Bill 1051

Ordered by the Senate May 31
Including Senate Amendments dated May 31

Sponsored by Senators BEYER, DEMBROW, Representative POWER

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Establishes, if House Bill 2020 becomes law, credit available to eligible persons for purpose of mitigating carbon price indirectly paid through purchase of fuel to propel eligible motor vehicles on public highways.

Establishes, if House Bill 2020 becomes law, refund available to certain persons for purpose of mitigating carbon price indirectly paid through purchase of fuel used to propel motor vehicles, for certain farming and forestry activities, on certain roads other than highways.

Becomes operative January 1, 2021.

Takes effect only if House Bill 2020 becomes law.

If House Bill 2020 becomes law, takes effect on 91st day following adjournment sine die or on effective date of chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020), whichever is later.

A BILL FOR AN ACT

1
2 Relating to mitigating fuel costs; creating new provisions; amending sections 42, 46 and 47, chapter
3 _____, Oregon Laws 2019 (Enrolled House Bill 2020); repealing section 48, chapter _____,
4 Oregon Laws 2019 (Enrolled House Bill 2020); and prescribing an effective date.

5 **Be It Enacted by the People of the State of Oregon:**

6
7 **CREDIT FOR FUEL USED TO PROPEL**

8 **ELIGIBLE MOTOR VEHICLES ON PUBLIC HIGHWAYS**

9
10 **SECTION 1. As used in sections 1 to 5 of this 2019 Act:**

11 (1) **"Eligible motor vehicle" means a passenger motor vehicle that is powered by fuel.**

12 (2) **"Eligible person" means an individual with an adjusted gross income that does not**
13 **exceed 250 percent of the federal poverty guidelines, based on the individual's household size**
14 **and household members.**

15 (3) **"Fuel" means:**

16 (a) **Motor vehicle fuel as defined in ORS 319.010; and**

17 (b) **Fuel as defined in ORS 319.520.**

18 (4) **"Median vehicle miles traveled" means, for a county, the median number of miles**
19 **traveled, per eligible motor vehicle, by residents of that county who are eligible persons using**
20 **eligible motor vehicles.**

21 (5) **"Oregon Climate Action Program" has the meaning given that term in section 15,**
22 **chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020).**

23 (6) **"Per-gallon carbon price" means the portion of the price of a gallon of fuel in Oregon**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 that is attributable to the cost to a fuel producer or importer of being regulated under the
2 Oregon Climate Action Program.

3 **SECTION 2.** (1)(a) Not later than August 15 of each year, the Department of Transpor-
4 tation, in consultation with the Climate Policy Office, shall prepare an annual estimate of the
5 per-gallon carbon price and, for each county, an annual estimate of:

6 (A) The median vehicle miles traveled for that county; and

7 (B) The median number of gallons of fuel used by an eligible motor vehicle in traveling
8 the median vehicle miles traveled for that county.

9 (b) The annual estimate of the per-gallon carbon price required under paragraph (a) of
10 this subsection shall be expressed in a positive amount of dollars per gallon of fuel.

11 (c) The department may contract with an independent third-party organization to assist
12 in preparing the estimates required under this subsection.

13 (2) Using the estimates prepared under subsection (1) of this section, the department
14 shall develop a schedule that lists for each county the annual per capita credit amount
15 available to each eligible person who is a resident of the county. The annual per capita credit
16 amount shall be computed:

17 (a) To reflect the median number of gallons of fuel used by an eligible motor vehicle in
18 traveling the median vehicle miles traveled for the county, multiplied by the applicable per-
19 gallon carbon price;

20 (b) To closely approximate the carbon price indirectly paid by eligible persons in the
21 county through the purchase of fuel to propel eligible motor vehicles on the public highways;
22 and

23 (c) To reflect any adjustments necessary to account for differences between the total
24 moneys available for issuance of credits during the previous calendar year in the Climate
25 Action Reimbursement Fund established under section 5 of this 2019 Act and the total mon-
26 eys issued as payment of credits during the previous calendar year, if the amount claimed
27 as credits exceeded the total moneys available.

28 (3) Not later than August 15 of each year, the Department of Transportation shall notify
29 the Department of Revenue of, as calculated for each county for the immediately preceding
30 fiscal year:

31 (a) The estimates required under this section; and

32 (b) The annual per capita credit amount available to an eligible person.

33 (4) The Department of Transportation may adopt rules necessary to carry out this sec-
34 tion.

35 **SECTION 3.** (1) Each eligible person may apply for a credit under this section in an
36 amount equal to the annual per capita credit amount for the county in which the eligible
37 person resided as of December 31 of the year for which the credit is applied for, as computed
38 under section 2 of this 2019 Act.

39 (2) The Department of Revenue shall provide a means on the personal income tax return,
40 beginning with returns filed for tax years beginning on or after January 1, 2021, by which
41 an eligible person may apply for the credit. An eligible person may apply for the credit on
42 the return filed by the eligible person for any personal income tax year beginning on or after
43 the date on which the estimate required under section 2 of this 2019 Act is made.

44 (3) The department shall allow for an eligible person who is not required to file a personal
45 income tax return to apply for the credit in a form prescribed by the department by rule.

1 (4) An eligible person claiming a credit under this section shall provide to the depart-
2 ment:

3 (a) Proof of registration in Oregon, as of December 31 of the year for which the credit
4 is applied for, to the eligible person of at least one eligible motor vehicle; and

5 (b) Any other information required by the department by rule.

6 (5) The amount of credit allowed under this section shall equal, for residents of each
7 county:

8 (a) Twice the amount of the per capita credit amount listed for that county on the
9 schedule developed under section 2 of this 2019 Act, if claimed on a joint return, provided the
10 return includes proof of registration of two eligible motor vehicles; or

11 (b) The per capita credit amount listed for that county on the schedule developed under
12 section 2 of this 2019 Act, for credits claimed on all types of personal income tax returns
13 other than joint returns.

14 (6) In no event may more than twice the per capita credit amount be allowed on the basis
15 of one return, regardless of the number of eligible motor vehicles registered to an eligible
16 person.

17 (7) The amounts authorized under this section shall be credited by the department out
18 of the Climate Action Reimbursement Fund established under section 5 of this 2019 Act and
19 in the manner of refund payments in excess of tax liability under ORS chapter 316.

20 (8) Amounts received through a credit issued under this section are exempt from per-
21 sonal income taxation under Oregon law.

22 (9) Credits allowed under this section do not bear interest.

23 **SECTION 4.** Except as otherwise provided in section 3 of this 2019 Act, or where the
24 context requires otherwise, the provisions of ORS chapters 305 and 314 as to the audit and
25 examination of reports and returns, periods of limitation, determination of and notices of
26 deficiencies, assessments, collections, liens, delinquencies, claims for refund and refunds,
27 conferences, appeals to the Oregon Tax Court, stays of collection pending appeal,
28 confidentiality of returns and the penalties and procedures relative thereto, apply to the de-
29 terminations of taxes, credits, penalties and interest under section 3 of this 2019 Act.

30 **SECTION 5.** The Climate Action Reimbursement Fund is established in the State Treas-
31 ury, separate and distinct from the General Fund. The Climate Action Reimbursement Fund
32 shall consist of moneys transferred to the fund under section 42, chapter _____, Oregon
33 Laws 2019 (Enrolled House Bill 2020). Interest earned by the fund shall be credited to the
34 fund. Moneys in the fund are continuously appropriated to the Department of Revenue to
35 issue credits under section 3 of this 2019 Act and to pay the administrative expenses of the
36 department in connection with implementation and administration of sections 1 to 5 of this
37 2019 Act.

38
39 **REFUND FOR FUEL USED IN CERTAIN FARM**
40 **OR FOREST ACTIVITIES**

41
42 **SECTION 6.** (1) As used in this section, “fuel” and “per-gallon carbon price” have the
43 meaning given those terms in section 1 of this 2019 Act.

44 (2) The following persons may apply to the Department of Transportation for a refund
45 equal to the number of gallons of fuel used during a calendar year for the following purposes,

1 multiplied by the per-gallon carbon price for that calendar year, as estimated by the de-
2 partment under section 2 of this 2019 Act:

3 (a) A farmer, as defined in ORS 319.320 (4), for fuel used in farming operations in the
4 operation of any motor vehicle on any road, thoroughfare or property in private ownership.

5 (b) Any person, for fuel used in operation of a motor vehicle on any road, thoroughfare
6 or property, other than a state highway, county road or city street, for the removal of forest
7 products as defined in ORS 321.005, or the product of forest products converted to a form
8 other than logs at or near the harvesting site, or when used for the construction or main-
9 tenance of the road, thoroughfare or property, pursuant to a written agreement or permit
10 authorizing the use, construction or maintenance of the road, thoroughfare or property,
11 with:

12 (A) An agency of the United States;

13 (B) The State Board of Forestry;

14 (C) The State Forester; or

15 (D) A licensee of an agency named in this paragraph.

16 (c) Any person, for fuel used in operation of a motor vehicle on any county road for the
17 removal of forest products as defined in ORS 321.005, or the products of forest products
18 converted to a form other than logs at or near the harvesting site, if:

19 (A) The use of the county road is pursuant to a written agreement entered into with the
20 State Board of Forestry, the State Forester or an agency of the United States, authorizing
21 the person to use the road and requiring the person to pay for or to perform the con-
22 struction or maintenance of the county road;

23 (B) The board, officer or agency that entered into the agreement or granted the permit,
24 by contract with the county court or board of county commissioners, has assumed the re-
25 sponsibility for the construction or maintenance of the county road; and

26 (C) Copies of the agreements or permits required by this subsection are filed with the
27 Director of Transportation.

28 (3) An application for a refund under this section shall be in a form prescribed by the
29 Department of Transportation by rule and must include a statement, signed by the applicant
30 under penalties for false swearing, that sets forth the number of gallons of fuel proposed
31 under subsection (2) of this section as the basis for computing the amount of the refund.
32 An application for a refund under this section must be filed with the department within 15
33 months of the date of purchase of fuel proposed under subsection (2) of this section as the
34 basis for computing the amount of the refund.

35 (4)(a) The department may investigate a refund application submitted under this section
36 and gather and compile such information related to the application as the department con-
37 siders necessary.

38 (b) The department may examine the relevant records of the applicant in order to es-
39 tablish the validity of an application.

40 (c) If an applicant does not permit the department to examine the relevant records, the
41 applicant waives all rights to the refund to which the application relates.

42 (5)(a) The department shall reject or approve an application for a refund submitted under
43 this section.

44 (b) The department may allow the applicant to modify an application without refiling to
45 any reasonable extent necessary for approval of the application.

1 (c) If the department rejects an application, the department shall notify the applicant and
2 explain the reasons for the rejection. An applicant may request review of a rejection in the
3 manner prescribed for a contested case under ORS chapter 183.

4 (d) If the department approves an application, the department shall notify the applicant
5 and issue payment of the refund.

6 (6) The refunds authorized under this section shall be paid by the department out of the
7 Farm and Forest Climate Action Reimbursement Fund established under section 7 of this
8 2019 Act.

9 (7) The refunds available under this section shall be in addition to and not in lieu of any
10 other refund available pursuant to ORS 319.320 or 319.831.

11 (8) Amounts received through a refund issued under this section are exempt from per-
12 sonal income taxation under Oregon law.

13 (9) Refunds allowed under this section do not bear interest.

14 (10) The department may adopt rules necessary to carry out this section.

15 **SECTION 7.** (1) The Farm and Forest Climate Action Reimbursement Fund is established
16 in the State Treasury, separate and distinct from the General Fund. Interest earned by the
17 Farm and Forest Climate Action Reimbursement Fund shall be credited to the fund. Moneys
18 in the fund are continuously appropriated to the Department of Transportation to issue re-
19 funds under section 6 of this 2019 Act and to pay the administrative expenses of the depart-
20 ment in connection with implementation and administration of section 6 of this 2019 Act.

21 (2) The Farm and Forest Climate Action Reimbursement Fund shall consist of:

22 (a) Moneys transferred to the fund under section 42, chapter _____, Oregon Laws 2019
23 (Enrolled House Bill 2020);

24 (b) Moneys allocated from the Climate Investments Fund established under section 46,
25 chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020);

26 (c) Funds appropriated by the Legislative Assembly; and

27 (d) Any moneys deposited in the fund from any other public or private source.

28
29 **TRANSPORTATION DECARBONIZATION INVESTMENTS ACCOUNT AMENDMENTS**

30
31 **SECTION 8.** If House Bill 2020 becomes law, section 42, chapter _____, Oregon Laws 2019
32 (Enrolled House Bill 2020), is amended to read:

33 **Sec. 42.** (1) The Transportation Decarbonization Investments Account is established as a sepa-
34 rate account within the State Highway Fund. Interest earned by the Transportation Decarbonization
35 Investments Account shall be credited to the account.

36 (2) Moneys in the Transportation Decarbonization Investments Account are continuously ap-
37 propriated to the Department of Transportation for the purposes described in subsections (4) and (5)
38 of this section and sections 43 and 44, **chapter _____, Oregon Laws 2019 (Enrolled House Bill**
39 **2020)** [of this 2019 Act].

40 (3) The Transportation Decarbonization Investments Account consists of moneys deposited in
41 the account under sections 34 and 35, **chapter _____, Oregon Laws 2019 (Enrolled House Bill**
42 **2020)** [of this 2019 Act].

43 (4)(a) Of the moneys deposited in the Transportation Decarbonization Investments Account each
44 biennium, **the department shall:**

45 (A) **First, transfer 30 percent to the Climate Action Reimbursement Fund established**

1 under section 5 of this 2019 Act; and

2 (B) Second, transfer an amount to the Farm and Forest Climate Action Reimbursement
3 Fund established under section 7 of this 2019 Act, as necessary to pay the refunds authorized
4 under section 6 of this 2019 Act for which moneys in the Transportation Decarbonization
5 Investments Account may constitutionally be used.

6 (b) Of the moneys available each biennium after meeting the requirements of paragraph
7 (a) of this subsection:

8 [(a)] (A) 50 percent shall be used by the Department of Transportation for transportation
9 projects selected by the Oregon Transportation Commission pursuant to section 44, chapter
10 _____, Oregon Laws 2019 (Enrolled House Bill 2020) [of this 2019 Act]; and

11 [(b)] (B) 50 percent shall be used to provide grants for transportation projects pursuant to
12 sections 43 and 44, chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020), [of this 2019
13 Act] and to provide technical assistance, which may include grant writing assistance, to applicants
14 for and recipients of the grants.

15 (5) The amount of moneys used to provide technical assistance under subsection [(4)(b)] (4)(b)(B)
16 of this section may not exceed one percent of the amount of moneys [deposited in the account each
17 biennium] available each biennium after meeting the requirements of subsection (4)(a) of this
18 section.

19 (6) Expenditures [from the Transportation Decarbonization Investments Account] under sub-
20 section (4)(b) of this section shall, to the extent feasible and consistent with law, be in addition
21 to and not in replacement of any existing allocation or appropriation for transportation projects.

22 (7) Examples of uses of moneys [deposited in the Transportation Decarbonization Investments
23 Account] pursuant to subsection (4)(b) of this section may include, but are not limited to, uses
24 related to:

25 (a) Enhancing roadway drainage, improving slope stability, investment in the safe routes to
26 schools program established under ORS 184.741, the repower, retrofit or replacement of certain
27 diesel engines, reducing vehicle miles traveled through bike, pedestrian or other multimodal im-
28 provements and traffic signal optimization; and

29 (b) Increasing the resilience of transportation infrastructure and evacuation routes against the
30 effects of climate change, extreme precipitation, sea level rise, and extreme temperatures and
31 wildfires.

32
33 **CLIMATE INVESTMENTS FUND AMENDMENTS**

34
35 **SECTION 9.** If House Bill 2020 becomes law, section 46, chapter _____, Oregon Laws 2019
36 (Enrolled House Bill 2020), is amended to read:

37 **Sec. 46.** (1) The Climate Investments Fund is established in the State Treasury, separate and
38 distinct from the General Fund. The Climate Investments Fund shall consist of moneys deposited
39 in the fund under sections 34 and 35, chapter _____, Oregon Laws 2019 (Enrolled House Bill
40 2020) [of this 2019 Act]. Interest earned by the fund shall be credited to the fund. The Oregon De-
41 partment of Administrative Services shall administer the fund.

42 (2) Moneys in the fund are continuously appropriated to be used only for programs, projects and
43 activities that further one or more of the purposes set forth in section 14, chapter _____, Oregon
44 Laws 2019 (Enrolled House Bill 2020), [of this 2019 Act] consistent with section 59, chapter
45 _____, Oregon Laws 2019 (Enrolled House Bill 2020) [of this 2019 Act].

1 (3) The Legislative Assembly shall allocate the moneys deposited in the fund as informed by the
2 biennial climate action investment plan delivered by the Climate Policy Office under section 57,
3 **chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020)** [of this 2019 Act].

4 (4) Of the moneys deposited in the fund each biennium:

5 (a) 10 percent shall be allocated for uses that directly benefit eligible Indian tribes, as defined
6 in section 15, **chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020)** [of this 2019 Act];

7 (b) 40 percent shall be allocated for uses that benefit impacted communities, as defined in sec-
8 tion 15, **chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020)** [of this 2019 Act];

9 (c) 20 percent shall be allocated for uses that benefit natural and working lands, as defined in
10 section 15, **chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020)** [of this 2019 Act];

11 (d) No more than one percent shall be allocated to provide technical assistance to applicants for
12 or recipients of moneys described in paragraphs (a) to (c) of this subsection; [and]

13 (e) \$10 million shall be allocated for deposit in the Just Transition Fund established in section
14 51, **chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020)**, [of this 2019 Act] to be used
15 to establish a Just Transition Program and develop a Just Transition Plan pursuant to section 52,
16 **chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020)** [of this 2019 Act.]; and

17 (f) **An amount shall be allocated for deposit in the Farm and Forest Climate Action Re-**
18 **imbursement Fund established under section 7 of this 2019 Act, as necessary for the payment**
19 **of refunds authorized under section 6 of this 2019 Act that may not be paid with moneys**
20 **deposited in the Transportation Decarbonization Investments Account established under**
21 **section 42, chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020).**

22 (5) Moneys allocated for investments and expenditures that benefit natural and working lands
23 pursuant to subsection (4)(c) of this section shall be allocated to promote adaptation and resilience
24 in the face of climate change and ocean acidification through actions that may include, but need
25 not be limited to:

26 (a) Programs, projects or activities that achieve energy efficiency or emissions reductions in the
27 agricultural sector such as through fertilizer management, soil management, bioenergy or biofuels;

28 (b) Programs, projects or activities that result in sequestration of carbon in forests, agricultural
29 soils, and other terrestrial and aquatic areas;

30 (c) Improving forest and natural and working lands health and resilience to climate change im-
31 pacts through actions including thinning, prescribed fire and wildland fire prevention;

32 (d) Project-specific planning, design and construction projects that reduce the storm water im-
33 pacts of existing infrastructure and development;

34 (e) Reducing the risk of flooding by restoring natural floodplain ecological functions, protecting
35 against damage caused by floods and protecting or restoring naturally functioning areas where
36 floods occur;

37 (f) Improving the availability and reliability of water supplies for instream uses and out-of-stream
38 uses;

39 (g) Projects to prepare for sea level rise and to restore and protect estuaries, fisheries, marine
40 shoreline and inland habitats; and

41 (h) Increasing the ability to adapt to and remediate the impacts of ocean acidification.

42 (6) Allocations from the Climate Investments Fund shall, to the maximum extent feasible and
43 consistent with law, be in addition to and not in replacement of any existing allocations or appro-
44 priations for programs, projects and activities.

45 **SECTION 10.** If House Bill 2020 becomes law, section 47, chapter _____, Oregon Laws 2019

1 (Enrolled House Bill 2020), is amended to read:

2 **Sec. 47.** The amendments to section 46, **chapter _____, Oregon Laws 2019 (Enrolled House**
3 **Bill 2020)**, [of this 2019 Act] by [section 48 of this 2019 Act] **section 11 of this 2019 Act** become
4 operative on July 1, 2027.

5 **SECTION 11. If House Bill 2020 becomes law, section 48, chapter _____, Oregon Laws**
6 **2019 (Enrolled House Bill 2020) (amending section 46, chapter _____, Oregon Laws 2019**
7 **(Enrolled House Bill 2020)), is repealed and section 46, chapter _____, Oregon Laws 2019**
8 **(Enrolled House Bill 2020), as amended by section 9 of this 2019 Act, is amended to read:**

9 **Sec. 46.** (1) The Climate Investments Fund is established in the State Treasury, separate and
10 distinct from the General Fund. The Climate Investments Fund shall consist of moneys deposited
11 in the fund under sections 34 and 35, chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020).
12 Interest earned by the fund shall be credited to the fund. The Oregon Department of Administrative
13 Services shall administer the fund.

14 (2) Moneys in the fund are continuously appropriated to be used only for programs, projects and
15 activities that further one or more of the purposes set forth in section 14, chapter _____, Oregon
16 Laws 2019 (Enrolled House Bill 2020), consistent with section 59, chapter _____, Oregon Laws
17 2019 (Enrolled House Bill 2020).

18 (3) The Legislative Assembly shall allocate the moneys deposited in the fund as informed by the
19 biennial climate action investment plan delivered by the Climate Policy Office under section 57,
20 chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020).

21 (4) Of the moneys deposited in the fund each biennium:

22 (a) 10 percent shall be allocated for uses that directly benefit eligible Indian tribes, as defined
23 in section 15, chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020); **and**

24 [(b) 40 percent shall be allocated for uses that benefit impacted communities, as defined in section
25 15, chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020);]

26 [(c) 20 percent shall be allocated for uses that benefit natural and working lands, as defined in
27 section 15, chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020);]

28 [(d) No more than one percent shall be allocated to provide technical assistance to applicants for
29 or recipients of moneys described in paragraphs (a) to (c) of this subsection;]

30 [(e) \$10 million shall be allocated for deposit in the Just Transition Fund established in section
31 51, chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020), to be used to establish a Just
32 Transition Program and develop a Just Transition Plan pursuant to section 52, chapter _____,
33 Oregon Laws 2019 (Enrolled House Bill 2020); and]

34 [(f)] (b) An amount shall be allocated for deposit in the Farm and Forest Climate Action Re-
35 imbursement Fund established under section 7 of this 2019 Act, as necessary for the payment of
36 refunds authorized under section 6 of this 2019 Act that may not be paid with moneys deposited in
37 the Transportation Decarbonization Investments Account established under section 42, chapter
38 _____, Oregon Laws 2019 (Enrolled House Bill 2020).

39 [(5) Moneys allocated for investments and expenditures that benefit natural and working lands
40 pursuant to subsection (4)(c) of this section shall be allocated to promote adaptation and resilience in
41 the face of climate change and ocean acidification through actions that may include, but need not be
42 limited to:]

43 [(a) Programs, projects or activities that achieve energy efficiency or emissions reductions in the
44 agricultural sector such as through fertilizer management, soil management, bioenergy or biofuels;]

45 [(b) Programs, projects or activities that result in sequestration of carbon in forests, agricultural

1 *soils, and other terrestrial and aquatic areas;]*

2 *[(c) Improving forest and natural and working lands health and resilience to climate change im-*
3 *pacts through actions including thinning, prescribed fire and wildland fire prevention;]*

4 *[(d) Project-specific planning, design and construction projects that reduce the storm water impacts*
5 *of existing infrastructure and development;]*

6 *[(e) Reducing the risk of flooding by restoring natural floodplain ecological functions, protecting*
7 *against damage caused by floods and protecting or restoring naturally functioning areas where floods*
8 *occur;]*

9 *[(f) Improving the availability and reliability of water supplies for instream uses and out-of-stream*
10 *uses;]*

11 *[(g) Projects to prepare for sea level rise and to restore and protect estuaries, fisheries, marine*
12 *shoreline and inland habitats; and]*

13 *[(h) Increasing the ability to adapt to and remediate the impacts of ocean acidification.]*

14 [(6)] (5) Allocations from the Climate Investments Fund shall, to the maximum extent feasible
15 and consistent with law, be in addition to and not in replacement of any existing allocations or ap-
16 propriations for programs, projects and activities.

17
18 **CAPTIONS**

19
20 **SECTION 12. The unit captions used in this 2019 Act are provided only for the conven-**
21 **ience of the reader and do not become part of the statutory law of this state or express any**
22 **legislative intent in the enactment of this 2019 Act.**

23
24 **OPERATIVE DATE**

25
26 **SECTION 13. (1) Sections 1 to 7 of this 2019 Act and the amendments to sections 42 and**
27 **46, chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020), by sections 8 and 9 of this**
28 **2019 Act become operative on January 1, 2021.**

29 **(2) The Department of Transportation and the Department of Revenue may adopt rules**
30 **or take any actions before the operative date specified in subsection (1) of this section that**
31 **are necessary to enable the departments, on and after the operative date specified in sub-**
32 **section (1) of this section, to carry out the provisions of sections 1 to 7 of this 2019 Act and**
33 **the amendments to sections 42 and 46, chapter _____, Oregon Laws 2019 (Enrolled House**
34 **Bill 2020), by sections 8 and 9 of this 2019 Act.**

35
36 **EFFECTIVE DATE**

37
38 **SECTION 14. This 2019 Act does not take effect unless House Bill 2020 becomes law.**

39 **SECTION 15. If House Bill 2020 becomes law, this 2019 Act takes effect on the later of:**

40 **(1) The 91st day after the date on which the 2019 regular session of the Eightieth Legis-**
41 **lative Assembly adjourns sine die; or**

42 **(2) The effective date of chapter _____, Oregon Laws 2019 (Enrolled House Bill 2020).**
43 _____