

Senate Bill 348

Sponsored by Senator OLSEN; Senator THATCHER (Presession filed.)

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 **as introduced**.

Requires Division of Audits to hire or contract with independent, third-party entity to conduct cost-benefit analysis of low carbon fuel standards and associated rules.

Sunsets December 31, 2020.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to conducting a cost-benefit analysis of low carbon fuel standards; and prescribing an ef-
3 fective date.

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

5 **SECTION 1. (1) The Division of Audits of the office of the Secretary of State shall hire**
6 **or contract with an independent, third-party entity to conduct a cost-benefit analysis of the**
7 **low carbon fuel standards and associated provisions adopted by the Environmental Quality**
8 **Commission by rule under ORS 468A.265 to 468A.277 and of any rules proposed by the com-**
9 **mission as of the effective date of this 2019 Act.**

10 **(2) The cost-benefit analysis required by this section must address:**

11 **(a) The total greenhouse gas emissions in this state that will be reduced by the year 2025**
12 **through implementation of the low carbon fuel standards. The analysis under this paragraph**
13 **must include, but need not be limited to, consideration of:**

14 **(A) The indirect land use change emissions associated with the production and use of**
15 **fuels used as substitutes for gasoline or diesel; and**

16 **(B) Estimated greenhouse gas reductions associated with credits generated under the**
17 **clean fuels program adopted by the commission by rule under ORS 468A.266.**

18 **(b) Observed and anticipated fluctuations and variation in the cost of credits.**

19 **(c) The point during the phased implementation of the low carbon fuel standards at which**
20 **regulated parties will no longer be able to meet the low carbon fuel standards through**
21 **blending.**

22 **(d) The total anticipated monetary costs of the low carbon fuel standards to regulated**
23 **parties and to residents of Oregon.**

24 **(e) The total benefits of the low carbon fuel standards to slowing the progress of climate**
25 **change, measured by a calculation of how much the anticipated reductions in greenhouse gas**
26 **emissions attributable to the low carbon fuel standards will contribute to slowing predicted**
27 **average global temperature increases and slowing the effects on Oregon of those predicted**
28 **average global temperature increases over the next 10, 20, 30, 40 and 50 years.**

29 **(f) The possible impacts on the effectiveness of the low carbon fuel standards by:**

30 **(A) The implementation of deferrals pursuant to orders issued under ORS 468A.273 or**

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 **468A.274; or**

2 **(B) The adoption and implementation of provisions that, notwithstanding ORS 646.913 and**
3 **646.922, would allow for regulated parties under the standards to offer for sale in this state:**

4 **(i) Gasoline that contains a percentage of ethanol other than 10 percent ethanol by vol-**
5 **ume; or**

6 **(ii) Diesel fuel that contains less than five percent biodiesel by volume or other renewable**
7 **diesel with less than five percent renewable component by volume.**

8 **(g) This state's annual greenhouse gas emissions as a percentage of annual global**
9 **greenhouse gas emissions.**

10 **(3) The Division of Audits shall prepare a report on the results of the cost-benefit anal-**
11 **ysis required by this section and submit the report in the manner required by ORS 192.245**
12 **to the appropriate interim committees of the Legislative Assembly no later than September**
13 **15, 2020.**

14 **SECTION 2. Section 1 of this 2019 Act is repealed December 31, 2020.**

15 **SECTION 3. This 2019 Act takes effect on the 91st day after the date on which the 2019**
16 **regular session of the Eightieth Legislative Assembly adjourns sine die.**

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