

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: SB 1504 - 1**

80th Oregon Legislative Assembly – 2020 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

Prepared by: Haylee Morse-Miller  
Reviewed by: John Terpening, Gregory Jolivette  
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**Measure Description:**

Directs Department of Environmental Quality to study potential uses of government revenue from program for placing price on greenhouse gas emissions.

**Government Unit(s) Affected:**

Department of Environmental Quality (DEQ), Oregon Department of Transportation (ODOT)

**Summary of Fiscal Impact:**

Costs related to the measure may require budgetary action - See analysis.

**Summary of Expenditure Impact:**

	2019-21 Biennium	2021-23 Biennium
Oregon Department of Transportation - Other Funds	426,605	
<b>Total Funds</b>	<b>\$426,605</b>	<b>\$0</b>
Positions	1	
FTE	0.50	

**Analysis:**

SB 1504 - 1 includes two sections.

Section 1 relates to authorization to emit carbon dioxide equivalents, or the amount of carbon dioxide by weight that would produce the same global warming impact as a given weight of another greenhouse gas. The authorization to emit a quantity of a carbon dioxide equivalent that is issued by a state agency as part of state program to regulate greenhouse gas emissions, is not considered a property or property right. If authorization to emit a quantity of carbon dioxide equivalent is received at no cost from a state government agency as part of a greenhouse gas emission regulation program, it may not be subject to taxation.

Section 2 requires the Oregon Department of Transportation (ODOT) in consultation with the Department of Environmental Quality (DEQ) to study modifying the classification of diesel fuel, from fuel to motor vehicle fuel. This study is to be reported to the Joint Committee on Transportation during the 2021 Legislative Session and include an implementation plan for reclassification of diesel fuel beginning January 1, 2022.

ODOT anticipates that they will hire one limited duration, full-time Operations and Policy Analyst 4 (0.50 FTE in 2019-21) to conduct the study, at a cost of \$117,605 for Personal Services and \$9,000 for Services and Supplies. This position will be supported by consultants at an estimated of cost of \$300,000 for the biennium, for total expenditures of \$426,605 Other Funds in 2019-21.

There is minimal fiscal impact for DEQ.

This measure requires referral to the Joint Committee on Ways and Means for further consideration.