On page 1 of the printed A-engrossed bill, delete lines 9 through 18 and insert:

“(2) The value of a fungible authorization to emit a quantity of carbon dioxide equivalent directly distributed, at no cost to the person that receives the authorization, by a state government agency pursuant to a state program for regulating greenhouse gas emissions may not be included in income for purposes of ORS chapters 316, 317 and 318.

“(3) Gains and losses from the following are not subject to taxation under ORS chapters 316, 317 and 318:

“(a) The first sale or other transfer of a fungible authorization to emit a quantity of carbon dioxide equivalent that is directly distributed, at no cost to the person that receives the authorization, by a state government agency pursuant to a state program for regulating greenhouse gas emissions.

“(b) The first sale or other transfer after generation of a fungible credit that:

“(A) Represents a greenhouse gas emissions reduction or the removal of a quantity of carbon dioxide equivalent; and

“(B) Is issued by a state government agency pursuant to a state program for regulating greenhouse gas emissions.

“(4) Fungible authorizations to emit a quantity of carbon dioxide equivalent, and fungible credits that represent a greenhouse gas emissions reduction or the removal of a quantity of carbon dioxide equivalent, issued by a state government agency pursuant to a state program for regulating greenhouse gas emissions, are exempt from ad valorem property taxation.”.

On page 2, after line 22, insert:

“SECTION 3. Notwithstanding any other law limiting expenditures, the expenditure limitation established by section 2 (11), chapter 614, Oregon Laws 2019, for the biennium ending June 30, 2021, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds received as reimbursement from the United States Department of Transportation, but excluding lottery funds and federal funds not described in section 2, chapter 614, Oregon Laws 2019, collected or received by the Department of Transportation for transportation program development, is increased by $426,605.”.