

**FISCAL IMPACT OF PROPOSED LEGISLATION**

Measure: HB 4139 - 2

81st Oregon Legislative Assembly – 2022 Regular Session  
Legislative Fiscal Office***Only Impacts on Original or Engrossed  
Versions are Considered Official***Prepared by: Tim Walker  
Reviewed by: Michelle Deister, John Terpening  
Date: 02/21/2022**Measure Description:**

Requires Department of Transportation to establish pilot program to reduce greenhouse gas emissions by means of replacing or substituting certain materials used in constructing or maintaining state transportation system with other materials that enable greenhouse gas emission reductions, or by means of other appropriate measures.

**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:**

	2021-23 Biennium	2023-25 Biennium
Other Funds	236,219	515,394
<b>Total Funds</b>	<b>\$236,219</b>	<b>\$515,394</b>
Positions	2	2
FTE	0.92	2.00

**Analysis:** The measure directs the Oregon Department of Transportation (ODOT) to establish a program for greenhouse gas reduction that assesses the greenhouse gas emission from concrete, asphalt paving mixtures, steel products, and other products identified by ODOT. ODOT is also directed to conduct life cycle assessments and develop strategies for reducing greenhouse gas emissions in all five ODOT regions according to the specific needs of each region. ODOT is directed to establish a technical advisory committee to assist ODOT with implementing the program and outlines membership on the committee. The committee will be responsible for recommending quantities of covered material below which an environmental product declaration (EPD) is not required.

The measure directs ODOT to require submission of an EPD before a contractor installs the covered materials. ODOT can waive this requirement under certain circumstances and prohibits ODOT from using EPDs as a consideration of ranking or scoring bids.

The measure requires ODOT to establish, by rule, a program to extend grants to bidders or proposers that require financial assistance, to prepare EPDs. The measure stipulates that prior to establishing the grant program, ODOT must return to the Legislature to request funding to support this grant program. In addition, the measure requires ODOT to submit a report to the Oregon Transportation Commission and an interim committee of the Legislative Assembly related to transportation.

ODOT will need one Professional Engineer 2 position (0.46 FTE) to manage the technical advisory committee, rulemaking, and coordinating and conducting studies of various proposals. ODOT will also need one Civil Engineering Specialist 3 position (0.46 FTE) to act as a point of contact for the technical advisory committee's work across the five ODOT regions. This work will include coordinating and staffing internal working groups,

devising and executing implementation plans, monitoring program effectiveness, gathering data and preparing reports for committee review, and working with ODOT's 5 regions on the implementation of committee proposals.

The positions outlined in the measure will be paid through the State Highway Fund (SHF) as permissible expenditures. The grant program is not a permissible use of the SHF and ODOT expects to return to the Legislative Assembly in the future to request funding for this program.

The Department of Environmental Quality does not anticipate a fiscal impact.