

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 803 - A**

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

Prepared by: Haylee Morse-Miller

Reviewed by: April McDonald, Michelle Deister, Kim To

Date: April 11, 2023

Measure Description:

Directs a study on petroleum diesel alternatives.

Government Unit(s) Affected:

Department of Agriculture, Department of Environmental Quality, Department of Administrative Services, Department of Transportation

Summary of Fiscal Impact:

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

Summary of Expenditure Impact:

	2023-25 Biennium	2025-27 Biennium
Department of Environmental Quality		
General Fund		
Services and Supplies	\$90,000	\$0
Total Fiscal Impact	\$90,000	\$0
<i>Total Positions</i>	0	0
<i>Total FTE</i>	0.00	0.00

Analysis:

SB 803 - A directs the Department of Environmental Quality (DEQ) to study the feasibility of phasing out fossil diesel fuels with a high carbon intensity value in use for transportation. DEQ is to study a variety of factors, including the price and availability of renewable fuels with certain carbon intensity value; incentives for increasing the availability of renewable fuels; regional estimates of current and future demand for on-road diesel fuels; the effects on the clean fuels program if petroleum diesel is removed from the marketplace; and the cost difference between certain renewable fuels and other transportation fuels, and supply and demand implications if petroleum diesel is removed from the marketplace. DEQ is to submit a report to the interim committees of the Legislative Assembly related to energy and climate by September 15, 2024. The measure takes effect on the 91st day after the Legislative Assembly adjourns sine die.

DEQ anticipates a cost of \$90,000 General Fund to conduct this study. The agency would either need to contract for the work required, or hire a temporary employee to perform some of this analysis. DEQ also would need to pay for access to some of the data required to conduct the study.

There is minimal fiscal impact for Oregon Department of Agriculture, Department of Administrative Services, and Oregon Department of Transportation.

This measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its impact on the State's General Fund.

