A-Engrossed Senate Bill 522

Ordered by the Senate April 12 Including Senate Amendments dated April 12

Sponsored by Senators DEMBROW, GOLDEN, Representative HELM (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.

Changes name of "Oregon Global Warming Commission" to "Oregon Climate Action Commission." Modifies membership and duties of commission.

Modifies state greenhouse gas emissions reduction goals. Directs state agencies to report to commission on progress toward achieving greenhouse gas emissions reduction goals.

Directs Department of Environmental Quality, in consultation with commission, to evaluate opportunities to reduce Oregon's consumption-based greenhouse gas emissions and report to interim committees of Legislative Assembly related to environment no later than September 15, 2024.

1 A BILL FOR AN ACT

- Relating to the Oregon Global Warming Commission; creating new provisions; and amending ORS 352.823, 468A.205, 468A.210, 468A.215, 468A.220, 468A.225, 468A.230, 468A.235, 468A.240, 468A.245, 468A.250, 468A.255 and 468A.260.
- Be It Enacted by the People of the State of Oregon:
- **SECTION 1.** ORS 468A.205 is amended to read:
 - 468A.205. (1) The Legislative Assembly declares that it is the [policy] aspiration of this state to reduce greenhouse gas emissions in Oregon [pursuant to] consistent with practices to limit global warming to 1.5 degrees Celsius and the following greenhouse gas emissions reduction goals:
- [(a) By 2010, arrest the growth of Oregon's greenhouse gas emissions and begin to reduce greenhouse gas emissions.]
 - [(b) By 2020, achieve greenhouse gas levels that are 10 percent below 1990 levels.]
 - (a) By 2030, achieve greenhouse gas levels that are at least 45 percent below 1990 levels.
 - (b) By 2040, achieve greenhouse gas levels that are at least 70 percent below 1990 levels.
 - (c) By 2050, achieve greenhouse gas levels that are at least [75] 95 percent below 1990 levels.
 - (2) In addition to the greenhouse gas emissions reduction goals described in subsection (1) of this section, it is the aspiration of this state to achieve net zero emissions as soon as practicable, but no later than 2050, and to maintain net negative emissions thereafter.
 - [(2)] (3) The Legislative Assembly declares that it is the policy of this state for state and local governments, businesses, nonprofit organizations and individual residents to prepare for the effects of global warming and by doing so, prevent and reduce the social, economic and environmental effects of global warming.
 - [(3)] (4) This section does not create any additional regulatory authority for an agency of the executive department as defined in ORS 174.112.

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.

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SECTION 2. ORS 468A.210 is amended to read:

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- 2 468A.210. As used in ORS [352.823 and] 468A.200 to 468A.260:
- 3 (1) "Global warming" means an increase in the average temperature of the earth's atmosphere 4 that is associated with the release of greenhouse gases.
 - (2) "Greenhouse gas" means any gas that contributes to anthropogenic global warming including, but not limited to, carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride.
 - [(3) "Greenhouse gas cap-and-trade system" means a system that:]
 - [(a) Establishes a total cap on greenhouse gas emissions from an identified group of emitters;]
- 10 [(b) Establishes a market for allowances that represent emissions; and]
 - [(c) Allows trading of allowances among greenhouse gas emitters.]
 - (3) "Net negative emissions" means the amount of greenhouse gases emitted into the atmosphere is less than the amount of greenhouse gases removed from the atmosphere, as determined by emissions accounting best practices over a specified period of time.
 - (4) "Net zero emissions" means the amount of greenhouse gases emitted into the atmosphere is equal to the amount of greenhouse gases removed from the atmosphere, as determined by emissions accounting best practices over a specified period of time.

SECTION 3. ORS 468A.215 is amended to read:

- 468A.215. (1) There is created the Oregon [Global Warming] Climate Action Commission. The commission shall consist of [25] **35** members, including [11] **13** voting members appointed by the Governor under this section and [14] **22** [ex officio] nonvoting members specified in ORS 468A.220.
- (2) Members of the commission appointed under this section shall be appointed so as to be representative of the social, environmental, cultural and economic diversity of the state and to be representative of the policy, science, education and implementation elements of the efforts to reduce greenhouse gas emissions and to prepare Oregon for the effects of global warming. Of the members appointed by the Governor under this section:
 - (a) One member shall have significant experience in manufacturing;
- (b) One member shall have significant experience in energy;
 - (c) One member shall have significant experience in transportation;
- (d) One member shall have significant experience in forestry;
 - (e) One member shall have significant experience in agriculture; [and]
- (f) One member shall have significant experience in environmental policy[.];
 - (g) One member shall have significant experience in environmental justice;
- (h) One member shall be appointed as a youth representative, who must be at least 16 but no more than 24 years of age when appointed; and
 - (i) One member shall have significant experience in the fishing industry.
- (3) The Governor shall select a chairperson and a vice chairperson from among the members appointed under this section.
- (4) The term of office of a member appointed under this section is four years, except that the term of office of the member appointed as a youth representative is two years. Before the expiration of the term of a member, the Governor shall appoint a successor whose term begins on January 31 next following. A member appointed under this section is eligible for reappointment. In case of vacancy for any cause, the Governor shall make an appointment to become immediately effective for the unexpired term.
 - (5) The members of the commission appointed under this section must be residents of this state.

- Failure of a member to maintain compliance with the eligibility requirements related to the 1 member's appointment shall result in disqualification from serving on the commission. 2
- (6) Voting members of the commission appointed under this section are entitled to expenses as 3 provided in ORS 292.495 (2). 4
 - **SECTION 4.** ORS 468A.220 is amended to read:
- 468A.220. (1) In addition to the members appointed under ORS 468A.215, the Oregon [Global 6 Warming] Climate Action Commission includes the following [ex officio] nonvoting members: 7
 - (a) The Director of the State Department of Energy;
- (b) The Director of Transportation;
- (c) The chairperson of the Public Utility Commission of Oregon; 10
- (d) The Director of the Department of Environmental Quality; 11
- 12 (e) The Director of Agriculture;
- (f) The State Forester; 13

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- (g) The Water Resources Director; [and] 14
- (h) The Director of the Department of Land Conservation and Development; 15
- (i) The Director of the Oregon Health Authority; 16
- (j) The Director of the Oregon Business Development Department; 17
- (k) The Director of the Oregon Department of Administrative Services; 18
- (L) The Director of the Department of Consumer and Business Services; 19
- (m) The State Fish and Wildlife Director; 20
- (n) The Director of the Housing and Community Services Department; 21
 - (o) The executive director of the Oregon Watershed Enhancement Board; and
 - [(h)] (p) Three additional [ex officio] nonvoting members, each from a state agency or an academic institution.
- (2) The following representatives of the Legislative Assembly also shall serve as [ex officio] 25 26 nonvoting members:
 - (a) Two members of the Senate, not from the same political party, appointed by the President of the Senate; and
 - (b) Two members of the House of Representatives, not from the same political party, appointed by the Speaker of the House of Representatives.
 - (3) Each legislative member serves at the pleasure of the appointing authority and may serve so long as the member remains in the chamber of the Legislative Assembly from which the member was appointed.
 - (4) Notwithstanding ORS 171.072, members of the commission who are members of the Legislative Assembly are not entitled to mileage expenses or a per diem and serve as volunteers on the commission.
 - **SECTION 5.** ORS 468A.225 is amended to read:
 - 468A.225. (1) A majority of the voting members of the Oregon [Global Warming] Climate Action Commission constitutes a quorum for the transaction of business.
- (2) The commission shall meet at times and places specified by a majority of the members of the 40 commission. 41
- (3) The State Department of Energy shall provide clerical, technical and management personnel 42 to serve the commission. [Other agencies shall provide support as requested by the department or the commission.]
 - (4) In order to assist the commission in its duties, state agencies shall regularly report

to the commission on the respective state agencies' efforts to make progress toward the greenhouse gas emissions reduction goals established by ORS 468A.205 and to prepare for the effects of global warming.

SECTION 6. ORS 468A.230 is amended to read:

468A.230. The Oregon [Global Warming] Climate Action Commission may adopt by rule such standards and procedures as it considers necessary for the operation of the commission.

SECTION 7. ORS 468A.235 is amended to read:

468A.235. The Oregon [Global Warming] Climate Action Commission shall recommend ways to coordinate state and local efforts to reduce greenhouse gas emissions in Oregon consistent with the greenhouse gas emissions reduction goals established by ORS 468A.205 and shall recommend efforts to help Oregon prepare for the effects of global warming. The Office of the Governor and state agencies working on multistate and regional efforts to reduce greenhouse gas emissions shall inform the commission about these efforts and shall consider input from the commission for such efforts.

SECTION 8. ORS 468A.240 is amended to read:

468A.240. (1) In furtherance of the greenhouse gas emissions reduction goals established by ORS 468A.205, the Oregon [Global Warming] Climate Action Commission may recommend statutory and administrative changes, policy measures and other recommendations to be carried out by state and local governments, businesses, nonprofit organizations or residents. In developing its recommendations, the commission shall consider economic, environmental, health and social costs, and the risks and benefits of alternative strategies, including least-cost options. The commission shall solicit and consider public comment relating to statutory, administrative or policy recommendations.

- [(2) The commission shall examine greenhouse gas cap-and-trade systems, including a statewide and multistate carbon cap-and-trade system and market-based mechanisms, as a means of achieving the greenhouse gas emissions reduction goals established by ORS 468A.205.]
- [(3)] (2) The commission shall examine possible funding mechanisms to obtain low-cost greenhouse gas emissions reductions and energy efficiency enhancements, including but not limited to those in the natural gas industry.

SECTION 9. ORS 468A.245 is amended to read:

468A.245. The Oregon [Global Warming] Climate Action Commission shall develop an outreach strategy to educate Oregonians about the scientific aspects and economic impacts of global warming and to inform Oregonians of ways to reduce greenhouse gas emissions and ways to prepare for the effects of global warming. The commission, at a minimum, shall work with state and local governments, the State Department of Energy, the Department of Education, the Higher Education Coordinating Commission and businesses to implement the outreach strategy.

SECTION 10. ORS 468A.250 is amended to read:

468A.250. (1) The Oregon [Global Warming] Climate Action Commission shall track and evaluate:

- (a) Economic, environmental, health and social assessments of global warming impacts on Oregon and the Pacific Northwest;
 - (b) Existing greenhouse gas emissions reduction policies and measures;
- (c) Economic, environmental, health and social costs, and the risks and benefits of alternative strategies, including least-cost options;
 - (d) The physical science of global warming;
 - (e) Progress toward the greenhouse gas emissions reduction goals, the net zero emissions goals and the net negative emissions goals established by ORS 468A.205;

- (f) Greenhouse gases emitted by various sectors of the state economy, including but not limited to industrial, transportation and utility sectors;
- (g) Technological progress on sources of energy the use of which generates no or low greenhouse gas emissions and methods for carbon sequestration;
- (h) Efforts to identify the greenhouse gas emissions attributable to the residential and commercial building sectors;
- (i) The carbon sequestration potential of Oregon's [forests] natural and working lands, alternative methods of [forest] land management that can increase carbon sequestration and reduce the loss of carbon sequestration to wildfire, changes in the mortality and distribution of tree and other plant species and the extent to which carbon is stored in tree-based building materials;
- (j) The advancement of regional, national and international policies to reduce greenhouse gas emissions;
 - (k) Local and regional efforts to prepare for the effects of global warming; and
- (L) Any other information, policies or analyses that the commission determines will aid in the achievement of the greenhouse gas emissions reduction goals established by ORS 468A.205.
 - (2) The commission shall:

- (a) Work with the State Department of Energy and the Department of Environmental Quality to evaluate all gases with the potential to be greenhouse gases and to determine a carbon dioxide equivalency for those gases; [and]
- (b) Use regional and national baseline studies of building performance to identify incremental targets for the reduction of greenhouse gas emissions attributable to residential and commercial building construction and operations[.];
 - (c) Prepare a detailed forecast of expected greenhouse gas emissions reductions; and
- (d)(A) Periodically evaluate the greenhouse gas emissions reduction goals, the net zero emissions goals and the net negative emissions goals established by ORS 468A.205 and, as necessary, make recommendations to the Legislative Assembly for updating those goals based on the best available science.
- (B) At a minimum, the commission shall complete an evaluation and provide any recommendations to the Legislative Assembly, in the manner provided in ORS 192.245, no later than 18 months after the date on which the United Nations Intergovernmental Panel on Climate Change publishes a synthesis report or the United States Global Change Research Program publishes a national climate assessment.

SECTION 11. ORS 468A.255 is amended to read:

468A.255. The Oregon [Global Warming] Climate Action Commission may recommend to the Governor the formation of citizen advisory groups to explore particular areas of concern with regard to the reduction of greenhouse gas emissions and the effects of global warming.

SECTION 12. ORS 468A.260 is amended to read:

468A.260. The Oregon [Global Warming] Climate Action Commission shall submit a report to the Legislative Assembly, in the manner provided by ORS 192.245, by [March 31] December 1 of each [odd-numbered] even-numbered year that describes Oregon's progress toward achievement of the greenhouse gas emissions reduction goals established by ORS 468A.205. The report may include relevant issues and trends of significance, including trends of greenhouse gas emissions, emerging public policy and technological advances. The report also may discuss measures the state may adopt to mitigate the impacts of global warming on the environment, the economy and the residents of Oregon and to prepare for those impacts.

SECTION 13. ORS 352.823 is amended to read:

352.823. (1) The Oregon Climate Change Research Institute is established at Oregon State University. In administering the institute, Oregon State University may seek the cooperation of other public universities listed in ORS 352.002.

- (2) The purpose of the Oregon Climate Change Research Institute is to:
- (a) Facilitate research by faculty at public universities listed in ORS 352.002 on climate change and its effects on natural and human systems in Oregon;
 - (b) Serve as a clearinghouse for climate change information;
 - (c) Provide climate change information to the public in integrated and accessible formats;
- (d) Support the Oregon [Global Warming] Climate Action Commission in developing strategies to prepare for and to mitigate the effects of climate change on natural and human systems; and
- (e) Provide technical assistance to local governments to assist them in developing climate change policies, practices and programs.
- (3) The Oregon Climate Change Research Institute shall assess, at least once each biennium, the state of climate change science, including biological, physical and social science, as it relates to Oregon and the likely effects of climate change on the state. The institute shall submit the assessment to the Legislative Assembly in the manner provided in ORS 192.245 and to the Governor.
- (4) State agencies may contract with the Oregon Climate Change Research Institute to fulfill agency needs regarding the collection, storage, integration, analysis, dissemination and monitoring of climate change information, research and training.
- SECTION 14. (1) The Department of Environmental Quality, in consultation with the Oregon Climate Action Commission, shall evaluate opportunities to reduce Oregon's consumption-based greenhouse gas emissions. The department shall present its findings in a report submitted in the manner provided in ORS 192.245, and may include recommendations for legislation, to the interim committees of the Legislative Assembly related to the environment, and the commission, no later than September 15, 2024.
 - (2) The report under this section must:
 - (a) Update Oregon's consumption-based greenhouse gas emissions inventory;
- (b) Identify opportunities to reduce consumption-based greenhouse gas emissions through materials management or other state programs or policies;
- (c) Include recommendations for regularly updating the consumption-based greenhouse gas emissions inventory; and
- (d) Evaluate the effects of consumption-based greenhouse gas emissions reductions, taking into account economic, social and environmental factors.
- SECTION 15. (1) The amendments to ORS 352.823, 468A.215, 468A.220, 468A.225, 468A.230, 468A.235, 468A.240, 468A.245, 468A.250, 468A.255 and 468A.260 by sections 3 to 13 of this 2023 Act are intended to change the name of the "Oregon Global Warming Commission" to the "Oregon Climate Action Commission."
- (2) For the purpose of harmonizing and clarifying statutory law, the Legislative Counsel may substitute for words designating the "Oregon Global Warming Commission," wherever they occur in statutory law, other words designating the "Oregon Climate Action Commission."