

Requested by Senator LIEBER

**PROPOSED AMENDMENTS TO
SENATE BILL 868**

1 In line 2 of the printed bill, after “buildings” insert “; and prescribing an
2 effective date”.

3 Delete lines 4 through 8 and insert:

4 **“SECTION 1. (1) The Legislative Assembly finds that:**

5 **“(a) Energy consumption in residential and commercial buildings**
6 **accounted for 34 percent of annual greenhouse gas emissions in this**
7 **state in 2021, according to the Department of Environmental Quality;**

8 **“(b) Space and water heating account for 64 percent of an average**
9 **residential building’s energy use;**

10 **“(c) Heat pumps provide both heating and cooling benefits that keep**
11 **people safe during extreme weather events that are becoming more**
12 **frequent and more intense as a consequence of climate change;**

13 **“(d) Electric heat pumps can provide up to three times more heat**
14 **energy than the electrical energy the heat pumps consume, which**
15 **makes heat pumps the most energy efficient space heating option**
16 **available in the market;**

17 **“(e) Upgrading space and water heating appliances with contempo-**
18 **rary heat pump technologies can help people to save money on**
19 **household energy bills;**

20 **“(f) Existing and forthcoming state and federal incentive programs**
21 **will assist in energy efficiency improvements in homes and buildings,**

1 including adoption of energy efficient heating and cooling appliances;

2 “(g) Many residents of this state suffer from disproportionately high
3 energy burdens, and environmental justice communities face greater
4 barriers to purchasing and installing heat pumps and other energy
5 efficient appliances; and

6 “(h) Additional support and innovative solutions are necessary to
7 ensure that all households in this state benefit from energy efficient
8 appliances and heating and cooling upgrades.

9 “(2) The Legislative Assembly declares as goals for this state:

10 “(a) That owners, operators or residents of residential or commer-
11 cial buildings in this state install and use at least 500,000 new heat
12 pumps by 2030;

13 “(b) That the state provide programs and support for accelerating
14 purchases and installations of heat pump technologies to help meet
15 the state’s greenhouse gas emissions reduction goals;

16 “(c) That the programs and support described in paragraph (b) of
17 this subsection should prioritize environmental justice communities
18 and individuals who reside in houses and structures that do not have
19 a functioning, adequate or affordable heating or cooling system;

20 “(d) That the state evaluate the adoption and use of heat pump
21 technologies regularly to determine whether the rate of adoption and
22 use will enable the state to meet greenhouse gas emissions reduction
23 goals; and

24 “(e) That the agencies of the executive branch of state government
25 lead by example by acquiring, installing and using heat pump tech-
26 nologies.

27 **“SECTION 2. (1) As used in this section and sections 3 and 4 of this**
28 **2023 Act:**

29 “(a) ‘Designated state agency program’ means a program related to
30 the promotion, implementation, incentivization or regulation of en-

1 **ergy efficiency in buildings carried out by any of the following state**
2 **agencies, as determined by the agency by rule:**

3 **“(A) The State Department of Energy;**

4 **“(B) The Housing and Community Services Department;**

5 **“(C) The Public Utility Commission;**

6 **“(D) The Department of Environmental Quality;**

7 **“(E) The Oregon Health Authority; and**

8 **“(F) The Department of Consumer and Business Services.**

9 **“(b) ‘Greenhouse gas emissions reduction goals’ means policies and**
10 **goals for reducing greenhouse gas emissions in this state to achieve,**
11 **at a minimum, emissions reductions consistent with the greenhouse**
12 **gas emissions reduction goals specified in ORS 468A.205.**

13 **“(c) ‘Heat pump’ means a device that provides indoor space heating**
14 **and cooling by transferring thermal energy between the interior and**
15 **exterior of a building.**

16 **“(d) ‘Heat pump technology’ means a device that transfers thermal**
17 **energy between the interior and exterior of a building for the purpose**
18 **of space heating and cooling and water heating.**

19 **“(2) In carrying out a designated state agency program, an agency**
20 **described in subsection (1)(a) of this section shall consider actions to**
21 **aid in achieving greenhouse gas emissions reduction goals that in-**
22 **clude, but are not limited to:**

23 **“(a) Considering greenhouse gas emissions reduction goals in des-**
24 **ignated state agency program regulatory decisions.**

25 **“(b) Aligning the creation or operation of new or existing desig-**
26 **nated state agency programs with greenhouse gas emissions reduction**
27 **goals.**

28 **“(c) Working in consultation and aligning efforts with other agen-**
29 **cies to simplify and improve access for residents of this state to ex-**
30 **isting and new programs that relate to energy efficiency and**

1 resilience, and, where appropriate, to reduce or eliminate within pro-
2 grams financial or nonfinancial barriers to accessing energy efficiency
3 measures or appliances that will result in the greatest available energy
4 efficiency and reductions of greenhouse gas emissions.

5 “(d) Consistent with applicable federal and state laws and program
6 requirements, prioritizing actions that help environmental justice
7 communities, as defined in ORS 469A.400:

8 “(A) Adapt to impacts from climate change; and

9 “(B) Overcome cost burdens and other barriers to using energy in
10 a way that is efficient and in alignment with greenhouse gas emissions
11 reduction goals.

12 “(e) Consistent with applicable federal and state laws, consulting
13 with the Oregon Global Warming Commission and the Environmental
14 Justice Council and using, when appropriate, the environmental jus-
15 tice mapping tool developed under section 12, chapter 58, Oregon Laws
16 2022, when considering or evaluating for development or implementa-
17 tion the policies and actions described in this subsection.

18 **“SECTION 3. (1) The State Department of Energy shall submit to**
19 **the Governor and an interim committee of the Legislative Assembly**
20 **related to the environment not later than September 15 of each odd-**
21 **numbered year, beginning in 2025, a report that evaluates the rate of**
22 **adoption of heat pump technologies among residents of this state and**
23 **progress the state is making in achieving the state’s greenhouse gas**
24 **emissions reduction goals. At a minimum, the report must:**

25 “(a) Review, using existing studies, market reports, polling data and
26 other publicly available information, the nature and state of the mar-
27 ket for heat pump technologies, including the size and dollar value of
28 the market and the variety of available technologies, applications and
29 appliances;

30 “(b) Identify financial and nonfinancial barriers that prevent

1 adoption of heat pump technologies by residents of this state;

2 “(c) Assess the state’s progress in achieving the goals specified in
3 section 1 (2) of this 2023 Act; and

4 “(d) Estimate the date by which the state will achieve the goals
5 specified in section 1 (2) of this 2023 Act.

6 “(2) The department shall collaborate with other state agencies de-
7 scribed in section 2 (1)(a) of this 2023 Act in preparing the report de-
8 scribed in subsection (1) of this section and may:

9 “(a) Contract with a private entity to conduct research for, prepare
10 or assist in preparing the report; and

11 “(b) Incorporate the findings from this report into the biennial en-
12 ergy report or into other reports to the Legislative Assembly con-
13 cerning home energy efficiency or heat pump technologies.

14 “(3) In assessing the state’s progress toward achieving the goal
15 specified in section 1 (2)(a) of this 2023 Act, the department shall focus
16 on heat pumps that are commercially available and shall, to the extent
17 possible, use existing studies, data and analysis to evaluate:

18 “(a) Whether reductions in greenhouse gas emissions attributable
19 to new heat pumps installed in homes and buildings in this state con-
20 tribute to the state’s ability to meet greenhouse gas emissions re-
21 duction goals; and

22 “(b) To the extent possible, whether sales figures, the percentage
23 of newly installed space and water heating systems that are heat
24 pumps and the rate at which residents of this state install new heat
25 pumps indicate that the state will meet the goal specified in section 1
26 (2)(a) of this 2023 Act.

27 **“SECTION 4. (1) The State Department of Energy shall collaborate**
28 **with other state agencies described in section 2 (1)(a) of this 2023 Act**
29 **to reduce financial and nonfinancial barriers to home energy efficiency**
30 **and resilience by:**

1 “(a) Providing initial and continuing technical assistance and
2 training in order to build capacity in developers, builders,
3 community-based organizations, homeowners and tenants to conduct
4 renovations and installations of energy efficient technologies, includ-
5 ing heat pumps; and

6 “(b) Providing education and training to contractors, subcontrac-
7 tors, technicians, community-based organizations and other installers
8 and other workers in industries related to construction and energy
9 appliance installation concerning:

10 “(A) The availability of moneys, programs, rebates and other in-
11 centives for acquiring and installing energy efficient appliances for
12 heating and cooling;

13 “(B) Methods, techniques, available incentives and funding avail-
14 able for upgrading electrical panels and wiring to accommodate energy
15 efficient appliances for heating and cooling; and

16 “(C) Planning for, installing and operating heat pumps.

17 “(2) The program described in subsection (1) of this section must:

18 “(a) Provide information and assistance that is understandable and
19 usable by developers, builders, community-based organizations and
20 other industry stakeholders with an interest in acquiring, maintaining
21 and using energy efficient technologies for heating and cooling homes
22 and commercial buildings, including heat pump technologies;

23 “(b) Include information on delivering, installing and using high
24 efficiency heating and cooling appliances in instances where variation
25 exists in funding options for various minimum efficiency require-
26 ments;

27 “(c) Work with locally connected and culturally connected organ-
28 izations to provide the program’s information, technical assistance,
29 training and support; and

30 “(d) Allow sufficient flexibility for designated state agencies to

1 contract with private entities to provide needed information, assist-
2 ance, training and support.

3 “(3) The department may incorporate the work described in this
4 section with other programs that serve to educate the public on energy
5 efficiency.

6 **“SECTION 5. (1)(a) The Energy Efficient Technologies Information
7 and Training Fund is established in the State Treasury, separate and
8 distinct from the General Fund. Interest that the Energy Efficient
9 Technologies Information and Training Fund earns must be credited
10 to the fund.**

11 **“(b) Moneys in the fund may be invested and reinvested as provided
12 in ORS 293.701 to 293.857.**

13 **“(2) Moneys in the fund consist of:**

14 **“(a) Appropriations to the State Department of Energy for the
15 purposes described in sections 1 to 5 of this 2023 Act;**

16 **“(b) Moneys from federal sources and other moneys the department
17 receives for the purposes specified in sections 1 to 5 of this 2023 Act;**

18 **“(c) Interest and other earnings on moneys in the fund; and**

19 **“(d) Other amounts the department receives from any source and
20 deposits into the fund.**

21 **“(3) Subject to subsection (4) of this section, moneys in the fund
22 are continuously appropriated to the department for the purpose of
23 funding the purposes described in sections 1 to 5 of this 2023 Act.**

24 **“(4)(a) The department may not during any biennium expend more
25 than 10 percent of the average quarterly balance of the fund to pay the
26 cost of administering the fund or the administrative costs of carrying
27 out the purposes described in sections 1 to 5 of this 2023 Act.**

28 **(b) As used in this subsection, “administrative cost” does not in-
29 clude grants or other funds provided to community-based organiza-
30 tions or other contracted entities.**

