

HB 3630 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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**Department of Energy
2023-25**

PRELIMINARY

Budget Summary

	2021-23 Legislatively Approved Budget	2023-25 Current Service Level	2023-25 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
				\$ Change	% Change
General Fund	\$ -	\$ -	\$ 4,641,112	\$ 4,641,112	100.0%
Federal Funds Limited	\$ -	\$ -	\$ 48,859	\$ 48,859	100.0%
Total	\$ -	\$ -	\$ 4,689,971	\$ 4,689,971	100.0%

Position Summary

Authorized Positions	0	0	6	6
Full-time Equivalent (FTE) positions	0.00	0.00	5.40	5.40

Summary of Revenue Changes

House Bill 3630 appropriates \$4,641,112 General Fund and increases Federal Funds expenditure limitation by \$48,859 in the 2023-25 biennium for development of a State Energy Strategy, county energy resilience planning, development of a whole-home energy savings program, and for community capacity building.

Summary of Natural Resources Subcommittee Action

House Bill 3630 contains a variety of provisions related to programs administered by the Oregon Department of Energy (ODOE). Overall, the bill provides \$4.6 million General Fund, \$48,859 Federal Funds expenditure limitation, and establishment of six positions (5.40 FTE). ODOE anticipates receiving \$57 million in federal funding for the High Efficiency Electric Home Rebate program, which provides rebates for purchase and installation of qualifying electrification projects in low- and moderate-income households; and \$57 million for the Home Energy Performance-Based, Whole-House Rebates program, to support performance-based rebates for residential energy efficiency retrofits. Federal guidance has not yet been received and the start date for the funding is yet unknown. ODOE will need to return to the Emergency Board or a subsequent legislative session to seek Federal Funds expenditure limitation once funding and guidance is made available.

First, the bill provides \$402,385 General Fund for the establishment of a program to provide assistance related to energy projects and activities to environmental justice communities. The Department must provide, at a minimum, information regarding funding resources, technical assistance, and other support that may be available. One permanent full-time Operations and Policy Analyst 3 (1.00 FTE) is established in the Administrative Services division, which would serve as a community navigator providing outreach to environmental justice communities and connect local governments, tribal governments, and community-based organizations with these communities and the technical and financial energy resources needed.

Second, the bill provides \$1,606,150 General Fund and establishes one permanent full-time Research Analyst 3 position (0.88 FTE) and one limited duration Project Manager 3 position (0.88 FTE) in the Energy Development Services division for the development and periodic update of a comprehensive state energy strategy that identifies optimized pathways to achieving the state's energy policy objectives. ODOE is directed to engage with stakeholders and may convene an advisory work group to inform this engagement work and development of the state energy strategy. ODOE is to submit a report on the state energy strategy to the Governor and the appropriate interim committees of the Legislative Assembly no later than November 1, 2025.

Third, the bill appropriates \$2,103,327 General Fund and establishes one limited duration Program Analyst 3 position (0.88 FTE) in the Energy Development Services division to establish a program to award grants of up to \$50,000 to each county to cover the costs of developing energy resilience plans. ODOE is to report on the program, and opportunities to incorporate county plans into the state energy resilience plan, to the interim committees of the Legislative Assembly related to energy no later than September 15, 2025. The grant program sunsets January 2, 2026.

Finally, the bill appropriates \$529,250 General Fund, increases Federal Funds expenditure limitation by \$48,859, and establishes one permanent full-time Program Analyst 3 (0.88 FTE) and one permanent full-time Operations and Policy Analyst 2 position (0.88 FTE) in the Energy Development Services division to create a resource that provides information, technical assistance, and assistance in identifying contractors and financing options related to available energy efficiency incentives and programs. ODOE is to coordinate information and data exchanges between different energy and government entities as needed. ODOE may contract with a nonprofit to develop the resource.

For all General Fund positions included in this bill, expenses include indirect costs equivalent to 49.7 percent of Personal Services costs. This rate is negotiated biennially with federal partner agencies and costs included here reflect the indirect rate for the 2021-23 biennium, not the rate for the 2023-25 biennium, as it is not yet negotiated.

PRELIMINARY

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Energy
Sione Filimoehala -- 971-707-8779

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS
			LIMITED	NONLIMITED	LIMITED	NONLIMITED		
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>								
SCR 200 - Energy Development Services								
Personal Services	\$ 917,507	\$ -	\$ -	\$ -	\$ 48,859	\$ -	966,366	5
Services and Supplies	\$ 1,321,220	\$ -	\$ -	\$ -	\$ -	\$ -	1,321,220	
Special Payments	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	2,000,000	
SCR 500 - Administrative Services								
Personal Services	\$ 232,440	\$ -	\$ -	\$ -	\$ -	\$ -	232,440	1
Services and Supplies	\$ 169,945	\$ -	\$ -	\$ -	\$ -	\$ -	169,945	
TOTAL ADJUSTMENTS	\$ 4,641,112	\$ -	\$ -	\$ -	\$ 48,859	\$ -	4,689,971	6
SUBCOMMITTEE RECOMMENDATION	\$ 4,641,112	\$ -	\$ -	\$ -	\$ 48,859	\$ -	4,689,971	6

PRELIMINARY