LC 2194 2013 Regular Session 11/6/12 (DLT/ps)

## DRAFT

## SUMMARY

Makes legislative findings regarding climate accountability. Requires agencies to provide certain information regarding reduction of greenhouse gas emissions. Requires Secretary of State to audit agencies regarding reduction of greenhouse gas emissions.

1	A BILL FOR AN ACT
2	Relating to climate expenditures by agencies.
3	Be It Enacted by the People of the State of Oregon:
4	
5	LEGISLATIVE FINDINGS
6	
7	<b>SECTION 1.</b> The Legislative Assembly finds that:
8	(1) In order to increase efficiency in the use of scarce resources, the
9	State of Oregon must receive the greatest possible return on the en-
10	vironmental investments that it makes related to climate expendi-
11	tures. Projects that do not return the expected environmental benefits
12	waste not only the funds given to the project, but also prevent funding
13	from being available for projects that would have a positive environ-
14	mental impact.
15	(2) Reliable information and accountability are critical to ensuring
16	that climate expenditures are effective. By setting clear goals, the
17	state can determine which climate expenditures best promote envi-
18	ronmental sustainability and hold agencies and contractors account-
19	able if those goals are not met.

20 (3) By promoting accountability for climate expenditures, the state

**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.

## LC 2194 11/6/12

1	can make the most of its resources in the effort to reduce greenhouse
2	gas emissions and promote energy efficiency.
3	
4	DEFINITIONS
5	
6	SECTION 2. As used in sections 1 to 4 of this 2013 Act:
7	(1) "Agency" has the meaning given that term in ORS 183.310.
8	(2) "Certified carbon offsets" means carbon credits as specified in
9	rules adopted by the Environmental Quality Commission.
10	(3) "Climate expenditure" means any expenditure by an agency that
11	is designed to reduce greenhouse gas emissions.
12	(4) " $CO_2e$ " means carbon dioxide equivalent calculated as
13	greenhouse gases normalized to metric tons of carbon dioxide.
14	
15	CLIMATE EXPENDITURES
16	
17	SECTION 3. (1) Prior to implementation of a climate expenditure,
18	an agency shall provide the following information on the agency's
19	website:
20	(a) The number of tons of CO <sub>2</sub> e reduced by the climate expenditure;
21	(b) The total cost of the climate expenditure;
22	(c) The cost per ton of $CO_2$ e reduction; and
23	(d) An analysis of the environmental costs and benefits of the cli-
24	mate expenditure.
25	(2) The information about climate expenditures must include the
26	cost per ton of $CO_2$ e reduction in the performance portion of any
27	contracts entered into by the agency.
28	
29	ACCOUNTABILITY FOR CLIMATE EXPENDITURES
30	
31	SECTION 4. (1) The Secretary of State shall regularly audit agen-

[2]

cies to ensure that contracts related to climate expenditures meet
performance standards for cost per ton of CO<sub>2</sub>e. If a contractor is not
in compliance, the contractor shall:

4 (a) Provide certified carbon offsets equivalent to the difference be-5 tween actual emissions reductions and contracted emissions re-6 ductions; or

7 (b) Refund a portion of the contract funds until the cost per ton
8 of CO<sub>2</sub>e reduction meets the performance standards included in the
9 contract.

(2) Agencies managing climate expenditure contracts shall regularly
 provide reports to the Legislative Assembly outlining the performance
 of the individual contracts. The reports must include, but are not
 limited to, information related to:

14 (a) The total tons of CO<sub>2</sub>e reduced;

15 (b) The total contract amount;

16 (c) The cost per ton of CO<sub>2</sub>e reduced; and

17 (d) The environmental costs and benefits of the climate expendi 18 ture.

- 19
- 20
- $\mathbf{21}$

## **MISCELLANEOUS**

22 <u>SECTION 5.</u> The unit captions used in this 2013 Act are provided 23 only for the convenience of the reader and do not become part of the 24 statutory law of this state or express any legislative intent in the 25 enactment of this 2013 Act.

26

[3]