77ᵗʰ OREGON LEGISLATIVE ASSEMBLY – 2013 Session
BUDGET REPORT AND MEASURE SUMMARY

JOINT COMMITTEE ON WAYS AND MEANS

MEASURE: **SB 583-B**

Carrier – House: **Rep. Read**
Carrier – Senate: **Sen. Starr**

Action: Do Pass the A-Engrossed Measure as Amended and as Printed B-Engrossed

Vote: 19 – 6 – 1

House
Yeas: Barker, Buckley, Huffman, Komp, McLane, Nathanson, Read, Tomei, Williamson
Nays: Freeman, Hanna, Jenson, Richardson, Smith
Exc: Frederick
Senate
Yeas: Bates, Devlin, Edwards, Girod, Hansell, Johnson, Monroe, Steiner Hayward, Thomsen, Winters
Nays: Whitsett
Exc:

Prepared By: Tamara Brickman, Department of Administrative Services

Reviewed By: Krista McDowell, Legislative Fiscal Office

Meeting Date: July 6, 2013

Agency
Oregon Department of Energy

Biennium
2013-15

Budget Summary*

	2011-13 Legislatively Approved Budget[1]	2013-15 Current Service Level	2013-15 Committee Recommendation	Committee Change from 2011-13 Leg. Approved	
Oregon Department of Energy				$ Change	% Change
Other Funds	$ 0	$ 0	$ 3,000,000	$ 3,000,000	100.0%
Total	$ 0	$ 0	$ 3,000,000	$ 3,000,000	100.0%

Position Summary

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

[1] Includes adjustments through December 2012

* Excludes Capital Construction expenditures

Summary of Revenue Changes

This bill establishes the Alternative Fuel Vehicle (AFV) Revolving Fund, separate and distinct from the General Fund. The revenue is to be derived through the auction of $3 million in tax credits that will be administered by the Oregon Department of Revenue; net proceeds will be deposited in the AFV fund.

Summary of Capital Construction Subcommittee Action

Senate Bill 583-B creates the Alternate Fuel Vehicle Fund, which is to be continuously appropriated to the Department to provide loans to public entities and tribes so they can convert existing gasoline or diesel powered vehicles to alternative fuel vehicles or purchase new alternative fuel vehicles, conversions having the priority. The Department is required to establish rules regarding loan procedures, terms and requirements. The bill authorizes the auction of $3 million in tax credits that will be administered by the Oregon Department of Revenue; net proceeds will be deposited in the AFV fund. The Department's administrative costs may be deducted from the fund, and Department of Revenue can charge up to 0.25 percent of proceeds to cover their administrative charges associated with the auction. The Department of Energy will then issue tax certificates. The bill also adds the acquisition of an alternative fuel vehicle fleet to the list of eligible transportation projects under ORS 469B.320, effective 91 days after session. The bill allows a tax credit for certified alternative fuel vehicle contributions made by the taxpayer during the tax year that the contributions are made to the Alternative Fuel Vehicle Revolving Fund. Any unused portion of the tax credit issued under this program may be carried forward for three years.

The Subcommittee recommended additional Other Funds expenditure limitation of $3 million to the Oregon Department of Energy for administering the program and making loans. This includes administrative costs of $7,046 for Services and Supplies, and $172,010 in Personal Services to ensure that existing staff, within the Department, are able to properly bill this program for the time spent implementing and administering it.

Oregon Department of Energy
Tamara Brickman - 503-378-4709

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
SUBCOMMITTEE RECOMMENDATION									
Oregon Department of Energy									
SCR 200 - Energy Development Services									
Personal Services	$ 0	$ 0	$ 172,010	$ 0	$ 0	$ 0	$ 172,010	0	0.00
Services and Supplies	$ 0	$ 0	$ 7,046	$ 0	$ 0	$ 0	$ 7,046		
Special Payments- Dist to Other Gov Units (6025)	$ 0	$ 0	$ 2,820,944	$ 0	$ 0	$ 0	$ 2,820,944		
SUBCOMMITTEE RECOMMENDATION	$ 0	$ 0	$ 3,000,000	$ 0	$ 0	$ 0	$ 3,000,000	0	0.00