

Legislative Fiscal Office

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Joint Committee on Ways and Means

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Rep. Dan Rayfield, House Co-Chair

Sen. Jackie Winters, Senate Co-Vice Chair
Rep. David Gomberg, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Capital Construction Subcommittee

From: John Terpening, Legislative Fiscal Office

Date: June 18, 2019

Subject: HB 2007 – Relating to engine emissions
Work Session Recommendations

HB 2007 extends the authorized uses of moneys from the Volkswagen Environmental Mitigation Trust Agreement. The measure also authorizes the Department of Environmental Quality (DEQ) to adopt rule criteria for certification of approved retrofit technologies to diesel engines. The measure also directs DEQ to adopt rules for a voluntary emissions control label program for pieces of construction equipment powered by nonroad diesel engines operated in Oregon and authorizes a schedule of fees to be established for participation in this program.

Finally, the measure directs the Department of Transportation (ODOT) to annually report to the Legislature on registration of certain motor vehicles and creates the Supporting Businesses in Reducing Diesel Emissions Task Force.

The fiscal impact to the Department of Environmental Quality is \$407,718 General Fund and two positions (1.66 FTE). One position will be responsible for leading rulemaking and program development for the registration and titling requirements and the second position will be responsible for rulemaking efforts related to the voluntary emissions labeling program. The voluntary emissions labeling program provides for a fee schedule and allows the Department to contract with a third-party vendor to implement the program. The Department does not currently require additional positions or expenditure limitation to disburse the VW settlement funds.

DEQ identified additional positions that may be required to fully implement these programs as the rulemaking process progresses. These positions would be anticipated to start in July 2020. If additional positions prove to be necessary, the Department may return to the 2020 session for additional position authority.

There is a minimal fiscal impact to the Department of Transportation, Department of Justice, and Department of Administrative Services.

Recommended Changes

LFO recommends adoption of the -A7 amendment. The -A7 amendment clarifies that emergency vehicles under the measure can be publicly or privately owned.

MOTION: I move adoption of the -A7 amendment to HB 2007. (VOTE)

LFO recommends adoption of the -A10 amendment. The -A10 amendment clarifies several definitions, limits titling prohibitions to Clackamas, Multnomah and Washington Counties, and clarifies activities to be addressed by the task force.

MOTION: I move adoption of the -A10 amendment to HB 2007. (VOTE)

LFO recommends adoption of the -A11 amendment. The -A11 provides a General Fund appropriation to the Department of Environmental Quality in the amount of \$407,718 to implement the registrations and titling requirements and the voluntary emissions labeling program.

MOTION: I move adoption of the -A10 amendment to HB 2007. (VOTE)

Final Subcommittee Action

LFO recommends that HB 2007, as amended by the -A7, -A10 and -A11 amendments, to be moved to the Ways and Means Full Committee.

MOTION: I move HB 2007, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____