FISCAL IMPACT OF PROPOSED LEGISLATION **Measure: SB 1044 A**

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Date:	05/28/2019

Measure Description:
Establishes goals that promote zero-emission vehicle use and requires entities of executive department to promote zero-emission vehicle use.

Government Unit(s) Affected:
Department of Energy (DOE), Oregon Department of Transportation (ODOT), Department of Forestry (ODF), Department of Corrections (DOC), Oregon State Police (OSP), Department of Administrative Services (DAS)

Summary of Fiscal Impact:
Costs related to the measure are indeterminate at this time - See explanatory analysis.

Analysis: This measure would require 100% of new light-duty vehicle purchases and leases to be zero emission vehicles starting January 1, 2029 and by 2025, 25% of new state light-duty vehicle purchases or leases will be zero-emissions vehicles. The measure provides an exemption process based upon the feasibility of zero-emission vehicles and allows an agency to purchase or lease vehicles that meet the requirements of the Comprehensive National Energy Policy Act of 1992. Exemptions to this measure must be reported to the Oregon Department of Energy (ODOE). Police Vehicles, fire vehicles, and trucks to which a load-carrying device, dump, flatbed, tank, boom lift, or crane is attached are exempt.

The bill directs Executive Branch agencies to purchase zero-emission vehicles, when feasible, to total 25% of the agencies' fleet. ODOE is directed to report each odd numbered year on the adoption of zero-emission vehicles and progress the state is making in reducing greenhouse gas emissions in the transportation sector.

The fiscal impact of the measure is indeterminate. In general, zero-emission vehicles carry a price premium of approximately $9,000 per vehicle and it is not known whether or not there are sufficient vehicles on the market to meet the demand. Because there are no zero-emission pickups, SUV's, or passenger vans available, it is assumed that an agency would have to buy enough zero-emission sedans to equal 25% of their fleet. The fiscal impact of this bill would start in the 2025-27 biennium.