

Requested by Senator JOHNSON

**PROPOSED AMENDMENTS TO
A-ENGROSSED HOUSE BILL 2020**

1 On page 1 of the printed A-engrossed bill, line 2, delete “352.823,”.

2 In line 3, after “468A.205,” delete the rest of the line.

3 In line 5, delete the first comma and insert “and” and delete “and
4 757.528”.

5 On page 2, delete line 1 and insert “469.409, 526.780, 526.783,”.

6 On page 3, after line 11, insert:

7 “Whereas the carbon pricing program must ensure a level playing field
8 between emissions sources in the waste management sector that are included
9 in and excluded from the program, thus preventing leakage resulting from
10 incomplete inclusion of emissions sources in the waste management sector
11 in the program; and”.

12 On page 4, line 1, delete the colon and insert “to at least 80 percent below
13 1990 emissions levels by 2050.”.

14 Delete lines 8 and 9.

15 On page 14, line 8, delete “carbon dioxide” and insert “greenhouse gas”.

16 On page 15, line 33, delete “an electric company” and insert “a public
17 utility as defined in ORS 757.005”.

18 On page 16, delete lines 41 through 44.

19 In line 45, delete “(C)” and insert “(B)” and delete “2036” and insert
20 “2022”.

21 On page 19, after line 20, insert:

1 **“SECTION 17a. For the period beginning January 1, 2021, and end-**
2 **ing December 31, 2024, the Climate Policy Office shall exclude from**
3 **regulated emissions under sections 15 to 40 of this 2019 Act annual**
4 **verified greenhouse gas emissions reported or assigned under ORS**
5 **468A.280 that are:**

6 **“(1) Emissions attributable to the combustion of fuel produced in**
7 **Oregon, or imported into Oregon, by a covered entity described in**
8 **section 16 (2)(g) of this 2019 Act; and**

9 **“(2) Not otherwise excluded from regulated emissions under section**
10 **17 (2) of this 2019 Act.”.**

11 After line 34, insert:

12 “(e) The office shall allocate a number of the allowances for direct dis-
13 tribution at no cost to covered entities that are electricity service suppliers
14 pursuant to section 20a of this 2019 Act.”.

15 In line 35, delete “(e)” and insert “(f)”.

16 In line 36, after “companies” insert “and electricity service suppliers”.

17 In line 38, delete “(f)” and insert “(g)”.

18 On page 20, line 5, delete “(g)” and insert “(h)”.

19 After line 7, insert:

20 “(i) The office shall allocate a number of the allowances for direct dis-
21 tribution at no cost to covered entities that are natural gas suppliers pur-
22 suant to rules adopted under section 23a of this 2019 Act.”.

23 In line 8, delete “(h)” and insert “(j)”.

24 In line 11, delete “(i)” and insert “(k)”.

25 After line 15, insert:

26 “(L) The office shall allocate a number of the allowances for direct dis-
27 tribution at no cost to covered entities that are in the waste management
28 sector pursuant to section 29a of this 2019 Act.”.

29 In line 16, delete “(j)” and insert “(m)”.

30 In line 18, delete “(k)” and insert “(n)”.

1 In line 19, delete “(j)” and insert “(m)”.

2 On page 21, line 8, delete “compliance obligations” and insert “the com-
3 pliance obligation”.

4 After line 39, insert:

5 **“SECTION 20a. (1) For the purpose of aligning the effects of**
6 **sections 15 to 40 of this 2019 Act with the trajectory of emissions re-**
7 **ductions by electricity service suppliers resulting from the require-**
8 **ments of ORS 469A.005 to 469A.210, and subject to subsection (2) of this**
9 **section, the Climate Policy Office shall allocate allowances for direct**
10 **distribution at no cost to covered entities that are electricity service**
11 **suppliers as follows:**

12 **“(a) The annual direct distributions to an electricity service sup-**
13 **plier during 2021 and for each following year until and including 2030**
14 **must be in a number of allowances equal to 100 percent of the verified**
15 **anthropogenic greenhouse gas emissions forecast to be regulated**
16 **emissions for which the electricity service supplier must meet a com-**
17 **pliance obligation.**

18 **“(b) Beginning in 2031 and for each following year until and in-**
19 **cluding 2050, the direct distribution to an electricity service supplier**
20 **under this section shall decline annually by a constant amount**
21 **proportionate to the decline in the number of allowances available in**
22 **annual allowance budgets pursuant to section 16 (1)(b) of this 2019 Act.**

23 **“(2) The office shall conduct the forecasts necessary to administer**
24 **subsection (1)(a) of this section. The office may annually request the**
25 **information from each electricity service supplier that is reasonably**
26 **necessary to enable the office to conduct the forecasts. The office may**
27 **not directly distribute allowances at no cost under this section to an**
28 **electricity service supplier if the electricity service supplier fails to**
29 **submit to the office the information requested pursuant to this sub-**
30 **section.”.**

1 In line 42, after “companies” insert “and electricity service suppliers”.

2 On page 22, line 30, delete “January 1” and insert “December 31”.

3 In line 33, delete “January 1” and insert “December 31”.

4 In line 40, after “receive” insert a comma.

5 In line 41, after “cost” insert a comma.

6 On page 23, delete lines 8 through 15 and insert:

7 “(a) The annual direct distributions to a natural gas utility during 2021
8 and for each following year until and including 2029 must be in a number
9 of allowances such that the natural gas utility receives a total direct dis-
10 tribution of allowances over that time period equal to 100 percent of the
11 natural gas utility’s weather normalized anthropogenic greenhouse gas
12 emissions forecast, for 2021 and for each following year until and including
13 2029, to be regulated emissions attributable to the natural gas utility.

14 “(b) The direct distribution to a natural gas utility during 2030 must be
15 in a number of allowances equal to 100 percent of the weather normalized
16 anthropogenic greenhouse gas emissions forecast, for 2030, to be regulated
17 emissions attributable to the natural gas utility.

18 “(c) The direct distributions to a natural gas utility during 2031 and for
19 each following year until and including 2050 shall decline annually from the
20 number of allowances directly distributed to the electric company in 2030 by
21 a constant amount, as necessary to reduce the annual direct distributions
22 such that the direct distribution in 2050 is a number of allowances equal to
23 20 percent of the average of the annual emissions of the natural gas utility
24 for the five most recent years prior to the effective date of this 2019 Act, as
25 reported under ORS 468A.280.”.

26 In line 17, delete “75” and insert “100”.

27 In line 18, before “utility” insert “natural gas”.

28 After line 24, insert:

29 **“SECTION 23a. Direct distribution of allowances for natural gas**
30 **suppliers. (1) The Climate Policy Office shall, in consultation with the**

1 **Public Utility Commission, adopt rules for allocating allowances for**
2 **direct distribution at no cost to covered entities that are natural gas**
3 **suppliers.**

4 **“(2) Rules adopted under this section must allow for a natural gas**
5 **supplier to receive a direct distribution at no cost of a number of al-**
6 **lowances equal to the regulated emissions attributable to the sale of**
7 **natural gas to the natural gas supplier’s customers. By January 1 of**
8 **the first year of each compliance period, the office shall determine,**
9 **after consultation with the commission, the quantity of allowances to**
10 **distribute directly at no cost to a natural gas supplier under this sec-**
11 **tion. Allowances distributed to a natural gas supplier under this sec-**
12 **tion must be used by the natural gas supplier only to fulfill a**
13 **compliance obligation, with the benefit of the use accruing to the na-**
14 **tural gas supplier’s customers.**

15 **“(3) Rules adopted under this section must allow for a natural gas**
16 **supplier to receive directly distributed allowances at no cost as follows:**

17 **“(a) The annual direct distribution to a natural gas supplier during**
18 **2021 and for each following year until and including 2030 must be a**
19 **number of allowances equal to 100 percent of the weather normalized**
20 **anthropogenic greenhouse gas emissions forecast, for the year for**
21 **which the allowances are directly distributed, to be regulated emis-**
22 **sions attributable to the natural gas supplier.**

23 **“(b) Beginning in 2031 and for each following year until and in-**
24 **cluding 2050, the direct distribution received by a natural gas supplier**
25 **for emissions described in paragraph (a) of this subsection shall de-**
26 **cline annually by a constant amount proportionate to the decline in**
27 **the number of allowances available in annual allowance budgets pur-**
28 **suant to section 16 (1)(b) of this 2019 Act.”.**

29 Delete lines 32 through 45 and insert:

30 **“(a) Aerospace Product and Parts Manufacturing, code 3364.**

- 1 “(b) Basic Chemical Manufacturing, code 3251.
- 2 “(c) Cement and Concrete Product Manufacturing, code 3273.
- 3 “(d) Chemical and Allied Products Merchant Wholesalers, code 4246.
- 4 “(e) Converted Paper Product Manufacturing, code 3222.
- 5 “(f) Dairy Product Manufacturing, code 3115.
- 6 “(g) Foundries, code 3315.
- 7 “(h) Fruit and Vegetable Preserving and Specialty Food Manufacturing,
8 code 3114.
- 9 “(i) Glass and Glass Product Manufacturing, code 3272.
- 10 “(j) Iron and Steel Mills and Ferroalloy Manufacturing, code 3311.
- 11 “(k) Lime and Gypsum Product Manufacturing, code 3274.
- 12 “(L) Miscellaneous Durable Goods Merchant Wholesalers, code 4239.
- 13 “(m) Motor Vehicle Manufacturing, code 3361.
- 14 “(n) Nonferrous Metal (except Aluminum) Production and Processing,
15 code 3314.
- 16 “(o) Nonmetallic Mineral Mining and Quarrying, code 2123.
- 17 “(p) Other Nonmetallic Mineral Product Manufacturing, code 3279.
- 18 “(q) Plastics Product Manufacturing, code 3261.
- 19 “(r) Pulp, Paper, and Paperboard Mills, code 3221.
- 20 “(s) Resin, Synthetic Rubber, and Artificial and Synthetic Fibers and
21 Filaments Manufacturing, code 3252.
- 22 “(t) Sawmills and Wood Preservation, code 3211.
- 23 “(u) Semiconductor and Other Electronic Component Manufacturing, code
24 3344.
- 25 “(v) Veneer, Plywood, and Engineered Wood Product Manufacturing, code
26 3212.
- 27 “(w) Warehousing and Storage, code 4931.”.
- 28 On page 24, delete lines 8 through 10.
- 29 In line 11, delete “(c)” and insert “(b)”.
- 30 After line 19, insert:

1 “(4) The office may hire or contract with a third-party organization to
2 assist the office in gathering data and conducting analyses as necessary to
3 carry out this section and section 26 of this 2019 Act.”.

4 In line 36, delete “prior to the calendar year in” and insert “for”.

5 In line 41, after “entity” insert a period and delete the rest of the line.

6 Delete line 42.

7 On page 25, line 10, delete “as provided in this subsection”.

8 In line 11, delete “based on recent years’ efficiency” and insert “pursuant
9 to this subsection”.

10 In line 12, delete “2024” and insert “2030”.

11 Delete line 41 and insert “significant unanticipated change in the
12 anthropogenic greenhouse”.

13 In line 45, after the period delete the rest of the line.

14 On page 26, delete lines 1 and 2.

15 In line 3, delete “best available”.

16 In line 4, delete “technology” and insert “cost-effective efficiency meas-
17 ures”.

18 In line 5, delete “2025” and insert “2031”.

19 In line 7, delete “best available technology” and insert “cost-effective ef-
20 ficiency measures”.

21 In line 8, delete “2024” and insert “2030”.

22 In line 9, delete “2025” and insert “2031”.

23 Delete lines 14 through 45 and delete page 27.

24 On page 28, delete lines 1 through 18 and insert:

25 **“SECTION 28.** Section 26 of this 2019 Act is amended to read:

26 **“Sec. 26.** (1) As used in this section[,]:

27 **“(a)** ‘Annual benchmarked emissions calculation’ means the product of
28 an emissions efficiency benchmark for a good or group of goods, multiplied
29 by the EITE entity’s output, during the calendar year for which allowances
30 will be allocated for direct distribution at no cost to the EITE entity, of the

1 good or group of goods to which the emissions efficiency benchmark applies.

2 **“(b) ‘Cost-effective efficiency measures’ means the fuels, processes,**
3 **equipment and technology that will most effectively reduce the regu-**
4 **lated emissions:**

5 **“(A) That are the direct emissions of the EITE entity;**

6 **“(B) For which an EITE entity must meet a compliance obligation;**

7 **“(C) That are associated with the manufacture by an EITE entity**
8 **of a good, without changing the characteristics of the good being**
9 **manufactured, that is technically feasible, commercially available,**
10 **economically viable and compliant with all applicable laws; and**

11 **“(D) That, if implemented, will result in an internal rate of return**
12 **of 20 percent or more for the EITE entity.**

13 **“(2) The annual allocation of allowances for direct distribution at no cost**
14 **to an EITE entity shall be a number of allowances equal to the sum total**
15 **of the annual benchmarked emissions calculations for the goods manufac-**
16 **tured by the EITE entity.**

17 **“(3) The Climate Policy Office shall establish, by order, the emissions ef-**
18 **iciency benchmarks for goods manufactured in this state by EITE entities.**

19 **“(4) In establishing the emissions efficiency benchmarks, the office may:**

20 **“(a) Establish an emissions efficiency benchmark separately for each in-**
21 **dividual good manufactured in this state by an EITE entity; or**

22 **“(b) Establish a single emissions efficiency benchmark for a group of**
23 **goods manufactured in this state by an EITE entity, if the office determines**
24 **that the anthropogenic greenhouse gas emissions attributable to the manu-**
25 **facture of each of the goods in the group:**

26 **“(A) Are not materially different in quantity; or**

27 **“(B) Cannot be distinguished as emissions attributable to any one of the**
28 **goods in the group.**

29 **“[(5)(a) The office shall establish emissions efficiency benchmarks based on**
30 **recent years’ efficiency. An emissions efficiency benchmark established pursu-**

1 ant to this subsection shall be applicable for the period beginning January 1,
2 2021, and ending December 31, 2030. To determine each emissions efficiency
3 benchmark, the office shall:]

4 “[A] Calculate the three-year average of the total, expressed in metric tons
5 of carbon dioxide equivalent, of the anthropogenic greenhouse gas emissions
6 attributable to the manufacture of the good or group of goods for which the
7 EITE entity would have been the regulated covered entity if the Oregon Cli-
8 mate Action Program had been in effect during the time that the anthropogenic
9 greenhouse gas emissions occurred; and]

10 “[B] Divide the number calculated under subparagraph (A) of this para-
11 graph by the three-year average of the total annual output of the good or group
12 of goods in this state by the EITE entity, using output data from the three
13 most recent years prior to 2021.]

14 “[b] In conducting the calculation required by paragraph (a)(A) of this
15 subsection, the office shall use anthropogenic greenhouse gas emissions infor-
16 mation from the three most recent years prior to 2021 for which anthropogenic
17 greenhouse gas emissions information is available and verified by the office.]

18 **“(5)(a) The office shall establish emissions efficiency benchmarks**
19 **based on cost-effective efficiency measures and shall update each**
20 **emissions efficiency benchmark once every ten years. Each emissions**
21 **efficiency benchmark must represent the anthropogenic greenhouse**
22 **gas emissions that would be the resulting regulated emissions attrib-**
23 **utable to an EITE entity for the manufacture of a good or group of**
24 **goods in this state, if the EITE entity were to implement the cost-**
25 **effective efficiency measures, as of the date that the emissions inten-**
26 **sity benchmark was last updated, that materially contribute to the**
27 **regulated emissions of the EITE entity.**

28 **“(b) The office shall determine an emissions efficiency benchmark**
29 **based on the reports submitted under paragraph (c) of this subsection.**

30 **“(c) An EITE entity shall submit to the office an anthropogenic**

1 **greenhouse gas emissions intensity audit report assessing the sources**
2 **of the direct emissions of the EITE entity for which the EITE entity**
3 **has a compliance obligation. The audit report must be produced by a**
4 **qualified, independent third-party organization and must:**

5 **“(A) Include an analysis of the current fuels, processes, equipment**
6 **and technology that materially contribute to the regulated emissions**
7 **of the EITE entity attributable to the manufacture of each good or**
8 **group of goods by the EITE entity and the resulting emissions inten-**
9 **sity per unit of output for each good or group of goods.**

10 **“(B) Include an analysis of the cost-effective efficiency measures**
11 **available for production of the goods manufactured by the EITE entity**
12 **and the resulting anthropogenic greenhouse gas emissions intensity**
13 **per unit of output for each good or group of goods if cost-effective**
14 **efficiency measures were implemented by the EITE entity.**

15 **“(C) Based on the analyses required under subparagraphs (A) and**
16 **(B) of this paragraph, provide an estimate of the anthropogenic**
17 **greenhouse gas emissions intensity per unit of output to produce the**
18 **same goods or groups of goods at the same facility if the facility used**
19 **the cost-effective efficiency measures.**

20 **“(d) Beginning January 1, 2031, an EITE entity shall submit an up-**
21 **dated report under paragraph (c) of this subsection no less than once**
22 **every five years.**

23 **“(e) An EITE entity may not be directly distributed allowances at**
24 **no cost under this section unless the EITE entity has adopted a writ-**
25 **ten energy management program and has filed a copy of the program**
26 **with the office. The program shall address the sources of the direct**
27 **emissions of the EITE entity for which the EITE entity has a compli-**
28 **ance obligation and shall consist of:**

29 **“(A) A management commitment to energy efficiency;**

30 **“(B) A plan and procedures for reviewing energy performance;**

1 “(C) Goals and an action plan for increasing energy efficiency; and
2 “(D) Tracking methods for evaluating progress in implementing the
3 action plan and meeting the goals set forth in the written energy
4 management program.

5 “(6) An EITE entity may file with the office a written request for a con-
6 tested case hearing to challenge an order establishing the emissions effi-
7 ciency benchmarks for goods produced by the EITE entity. The request shall
8 be filed within 30 days after the date the order was entered. If an EITE en-
9 tity requests a hearing, the hearing shall be conducted in accordance with
10 the provisions applicable to contested case proceedings under ORS chapter
11 183.

12 “(7) In order to implement this section, the office shall adopt by rule:

13 “(a) A means for attributing an EITE entity’s anthropogenic greenhouse
14 gas emissions to the manufacture of individual goods or groups of goods;

15 “(b) Requirements for EITE entities to provide any pertinent records
16 necessary for the office to verify output data; and

17 “(c) A process for adjusting an allocation of allowances for direct dis-
18 tribution at no cost, if necessary, to reconcile for output variability or type
19 of good.

20 “(8) The office shall adopt by rule a process for EITE entities to apply
21 to the office for an adjustment to the allocation of allowances for direct
22 distribution at no cost that the EITE entity may receive. The office may
23 grant an adjustment under this subsection only for a significant unantic-
24 ipated change in the anthropogenic greenhouse gas emissions attributable to
25 the manufacture of a good or group of goods in this state by the EITE entity,
26 based on a finding by the office that the adjustment is necessary to accom-
27 modate changes to the manufacturing process that have a material impact
28 on anthropogenic greenhouse gas emissions.”.

29 After line 31, insert:

30 “**SECTION 29a. (1) The annual allocation of allowances for direct**

1 **distribution at no cost to a covered entity that is in the waste man-**
2 **agement sector shall be a number of allowances equal to the sum total**
3 **of the annual waste emissions calculation for the waste processed by**
4 **the covered entity, multiplied by 95 percent.**

5 **“(2) The annual waste emissions calculation shall be the product**
6 **of:**

7 **“(a) The applicable waste management benchmark for the year for**
8 **which the allowances are directly distributed; and**

9 **“(b) The total weight of waste managed by the covered entity during**
10 **the year for which the allowances are directly distributed.**

11 **“(3) For 2021 and for each following year until and including 2023,**
12 **the waste management benchmark shall be 0.44 metric tons of carbon**
13 **dioxide equivalent per short ton waste managed.**

14 **“(4) Beginning in 2024 and for each following year until and in-**
15 **cluding 2050, the Climate Policy Office shall, by order, set the waste**
16 **management benchmark based on best available science and best**
17 **available data, including data on the performance of methane gas**
18 **collection and control systems required under section 105 of this 2019**
19 **Act. The office shall adopt by rule a process for establishing waste**
20 **management benchmarks pursuant to this subsection.**

21 **“(5) A covered entity:**

22 **“(a) May not sell allowances directly distributed under this section;**
23 **and**

24 **“(b) Must use allowances directly distributed under this section to**
25 **fulfill the covered entity’s compliance obligation for the year for which**
26 **the allowances are directly distributed.”.**

27 On page 29, after line 26, insert:

28 **“(e) Avoid permanent or temporary net cumulative reductions, attribut-**
29 **able to offset projects, in the regional supply of wood fiber available to wood**
30 **products manufacturing facilities in this state;”.**

1 In line 27, delete “(e)” and insert “(f)”.

2 In line 29, delete “(f)” and insert “(g)”.

3 On page 30, delete lines 36 through 39 and insert:

4 “(D) May not allow for the development of offset projects on forestlands
5 owned by the State of Oregon.”.

6 On page 32, delete line 10 and insert:

7 “(3)(a) No later than September 15 of each year, the State”.

8 In line 19, delete “, 530.050” and delete the period and insert a semicolon.

9 Delete lines 27 through 41 and insert:

10 “(b) The information and analysis required under paragraph (a)(D) of this
11 subsection shall include and consider significant effects attributable to the
12 forestry offset projects and forestry carbon offsets on the supply of wood fi-
13 ber that are applicable to specific geographic areas of this state, relative to
14 the changes in demand for wood fiber by wood products manufacturing fa-
15 cilities located in those specific geographic areas.

16 “(c) The report required by this subsection may include recommendations
17 by the State Forestry Department on whether a temporary suspension of ac-
18 ceptance of new offset project applications under offset protocols related to
19 forestry developed pursuant to sections 30 and 31 of this 2019 Act is neces-
20 sary. The purpose of a temporary suspension must be to address any negative
21 effects attributable to forestry offset projects on the supply of wood fiber
22 available from nonfederal forestlands to wood products manufacturing facil-
23 ities in one or more specific geographic areas of this state, relative to the
24 changes in demand for wood fiber in the specific geographic areas. If the
25 department recommends a temporary suspension, the recommendation must
26 also include recommendations for measures to minimize adverse effects on
27 landowners developing offset projects.”.

28 On page 37, after line 31, insert:

29 “(d) Any individually identifiable information related to the electricity
30 consumption of the customers of electricity service suppliers submitted to the

1 office pursuant to section 20a of this 2019 Act.”.

2 On page 41, after line 23, insert:

3 **“SECTION 45a. Notwithstanding any contrary provision of law,**
4 **moneys deposited in the Transportation Decarbonization Investments**
5 **Account during the period beginning January 1, 2021, and ending De-**
6 **cember 31, 2024, may not be expended, dedicated, obligated or other-**
7 **wise made use of by the Department of Transportation for any purpose**
8 **until January 1, 2025.”.**

9 On page 42, line 1, delete “and” and insert:

10 “(e) \$20 million shall be allocated for strategic investments in wildfire
11 adaptation and resilience measures, including but not limited to wildfire
12 suppression, preparedness, capital expenditures and strategic reserve funds;
13 and”.

14 In line 2, delete “(e)” and insert “(f)”.

15 Delete lines 32 through 45.

16 On page 43, delete lines 1 through 32 and insert:

17 **“SECTION 48.** Section 46 of this 2019 Act is amended to read:

18 **“Sec. 46.** (1) The Climate Investments Fund is established in the State
19 Treasury, separate and distinct from the General Fund. The Climate In-
20 vestments Fund shall consist of moneys deposited in the fund under sections
21 34 and 35 of this 2019 Act. Interest earned by the fund shall be credited to
22 the fund. The Oregon Department of Administrative Services shall administer
23 the fund.

24 “(2) Moneys in the fund are continuously appropriated to be used only for
25 programs, projects and activities that further one or more of the purposes
26 set forth in section 14 of this 2019 Act consistent with section 59 of this 2019
27 Act.

28 “(3) The Legislative Assembly shall allocate the moneys deposited in the
29 fund as informed by the biennial climate action investment plan delivered
30 by the Climate Policy Office under section 57 of this 2019 Act.

1 “(4) Of the moneys deposited in the fund each biennium[:],
2 “[*(a)*] 10 percent shall be allocated for uses that directly benefit eligible
3 Indian tribes, as defined in section 15 of this 2019 Act[;].
4 “[*(b)*] 40 percent shall be allocated for uses that benefit impacted communi-
5 ties, as defined in section 15 of this 2019 Act;]
6 “[*(c)*] 20 percent shall be allocated for uses that benefit natural and working
7 lands, as defined in section 15 of this 2019 Act;]
8 “[*(d)*] No more than one percent shall be allocated to provide technical as-
9 sistance to applicants for or recipients of moneys described in paragraphs (a)
10 to (c) of this subsection;]
11 “[*(e)*] \$20 million shall be allocated for strategic investments in wildfire
12 adaptation and resilience measures, including but not limited to wildfire sup-
13 pression, preparedness, capital expenditures and strategic reserve funds; and]
14 “[*(f)*] \$10 million shall be allocated for deposit in the Just Transition Fund
15 established in section 51 of this 2019 Act to be used to establish a Just Tran-
16 sition Program and develop a Just Transition Plan pursuant to section 52 of
17 this 2019 Act.]
18 “[*(5)*] Moneys allocated for investments and expenditures that benefit na-
19 tural and working lands pursuant to subsection (4)(c) of this section shall be
20 allocated to promote adaptation and resilience in the face of climate change
21 and ocean acidification through actions that may include, but need not be
22 limited to:]
23 “[*(a)*] Programs, projects or activities that achieve energy efficiency or
24 emissions reductions in the agricultural sector such as through fertilizer
25 management, soil management, bioenergy or biofuels;]
26 “[*(b)*] Programs, projects or activities that result in sequestration of carbon
27 in forests, agricultural soils, and other terrestrial and aquatic areas;]
28 “[*(c)*] Improving forest and natural and working lands health and resilience
29 to climate change impacts through actions including thinning, prescribed fire
30 and wildland fire prevention;]

1 “[(d) Project-specific planning, design and construction projects that reduce
2 the storm water impacts of existing infrastructure and development;]

3 “[(e) Reducing the risk of flooding by restoring natural floodplain ecologi-
4 cal functions, protecting against damage caused by floods and protecting or
5 restoring naturally functioning areas where floods occur;]

6 “[(f) Improving the availability and reliability of water supplies for in-
7 stream uses and out-of-stream uses;]

8 “[(g) Projects to prepare for sea level rise and to restore and protect
9 estuaries, fisheries, marine shoreline and inland habitats; and]

10 “[(h) Increasing the ability to adapt to and remediate the impacts of ocean
11 acidification.]

12 “[(6)] (5) Allocations from the Climate Investments Fund shall, to the
13 maximum extent feasible and consistent with law, be in addition to and not
14 in replacement of any existing allocations or appropriations for programs,
15 projects and activities.”.

16 On page 50, line 22, delete “best”.

17 In line 23, delete “available technology” and insert “cost-effective effi-
18 ciency measures”.

19 On page 85, delete lines 8 and 9.

20 In line 14, delete “(13)” and insert “(12)”.

21 Delete pages 87 through 91.

22 On page 92, delete lines 1 through 19 and insert:

23

24 **“INDUSTRIAL ENERGY EFFICIENCY IMPROVEMENTS**

25 **LOAN PROGRAM**

26

27 **“SECTION 107. (1) The Climate Policy Office shall adopt by rule a**
28 **program for awarding loans to EITE entities, as that term is defined**
29 **in section 15 of this 2019 Act, to implement cost-effective efficiency**
30 **measures for reducing the anthropogenic greenhouse gas emissions**

1 associated with the manufacture by an EITE entity of a good or goods.

2 “(2) In adopting rules under this section, the office shall develop the
3 loan program in a manner that serves to best assist EITE entities with
4 implementing cost-effective efficiency measures.

5 “(3) The office shall award loans through the program adopted un-
6 der this section from the Industrial Energy Efficiency Improvements
7 Fund established under section 108 of this 2019 Act.

8 **“SECTION 108.** (1) The Industrial Energy Efficiency Improvements
9 Fund is established in the State Treasury, separate and distinct from
10 the General Fund. Interest earned by the fund shall be credited to the
11 fund.

12 “(2) The Industrial Energy Efficiency Improvements Fund shall
13 consist of:

14 “(a) Funds appropriated by the Legislative Assembly; and

15 “(b) Any moneys deposited in the fund from any other public or
16 private source.

17 “(3) Moneys in the fund are continuously appropriated to the Cli-
18 mate Policy Office to:

19 “(a) Award loans pursuant to the program adopted under section
20 107 of this 2019 Act; and

21 “(b) Pay for the administrative expenses of the office in processing
22 applications for the loans.

23 **“NOTE:** Sections 109 through 121c were delete by amendment. Sub-
24 section sections were not renumbered.”.

25 Delete lines 44 and 45.

26 On page 93, delete lines 1 through 14 and insert:

27 **“NOTE:** Section 123 was deleted by amendment. Subsequent sections were
28 not renumbered.”.

29 On page 94, after line 34, insert:

30 **“SECTION 127a.** (1) The Legislative Revenue Officer, in consultation

1 with the Department of Transportation and any other appropriate
2 state agencies, shall conduct the following analyses and economic
3 modeling related to the impacts of regulating anthropogenic
4 greenhouse gas emissions attributable to the combustion of motor
5 vehicle fuel used to propel motor vehicles in this state:

6 “(a) Economic modeling of the increases in fuel prices to operate
7 light vehicles and heavy vehicles in this state, beginning January 1,
8 2025, and until and including the year 2050, due to regulation of motor
9 vehicle fuel producers and importers as covered entities under sections
10 15 to 40 of this 2019 Act.

11 “(b) Economic modeling of the increases in costs to procure and
12 build public infrastructure including streets, roads, bridges and high-
13 ways due to regulation of motor vehicle fuel producers and importers
14 as covered entities under sections 15 to 40 of this 2019 Act.

15 “(c) An analysis of the pace of transportation electrification that
16 would be necessary to allow for the State of Oregon to achieve the
17 greenhouse gas reduction goals set forth in ORS 468A.205, and an
18 analysis of the costs to consumers in accomplishing that pace of
19 transportation electrification.

20 “(d) An analysis of the permissible uses of moneys deposited in the
21 Transportation Decarbonization Investments Account established in
22 section 42 of this 2019 Act.

23 “(e) An analysis of alternatives to the current system of taxing
24 highway use through motor vehicle fuel taxes.

25 “(2) On or before September 15, 2022, and in the manner provided
26 by ORS 192.245, the Legislative Revenue Officer shall provide a report
27 detailing the results of the economic modeling and analyses required
28 by this section to the Joint Committee on Climate Action and the
29 Joint Committee on Transportation.”.

30 On page 95, line 6, delete “2019” and insert “2022”.

1 In line 13, after “use” delete the rest of the line.
2 In line 14, delete “fuels that are not” and insert “heating sources other
3 than electricity or”.
4 In line 18, after “equipment” insert a period and delete the rest of the line
5 and delete line 19.
6 Delete line 22.
7 In line 23, delete “(b)” and insert “(a)”.
8 In line 24, delete “(c)” and insert “(b)”.
9 In line 25, delete “(d)” and insert “(c)”.
10 Delete lines 36 through 45.
11 On page 96, delete lines 1 through 12 and insert:
12 “**NOTE:** Section 130 was deleted by amendment. Subsequent sections were
13 not renumbered.”.
14 In line 31, after “133.” delete the rest of the line and delete lines 32
15 through 39.
16 In line 40, delete “(2)(a)” and insert “(1)(a)” and delete “and 89 to 92” and
17 insert “, 89 to 92, 107 and 108”.
18 On page 97, line 7, delete “and 89 to 92” and insert “, 89 to 92, 107 and
19 108”.
20 In line 13, delete “(c)” and insert “(d)”.
21 In line 25, delete “and 89 to 92” and insert “, 89 to 92, 107 and 108”.
22 In line 28, delete “(3)(a)” and insert “(2)(a)”.
23
