

Requested by Senator COURTNEY

**PROPOSED AMENDMENTS TO  
SENATE BILL 1504**

1 In line 2 of the printed bill, delete “; and prescribing an effective date”.

2 Delete lines 4 through 10 and insert:

3 **“SECTION 1. (1) As used in this section, ‘carbon dioxide**  
4 **equivalent’ means the amount of carbon dioxide by weight that would**  
5 **produce the same global warming impact as a given weight of another**  
6 **greenhouse gas, based on considerations including but not limited to**  
7 **the best available science, including information from the Intergov-**  
8 **ernmental Panel on Climate Change.**

9 **“(2) A fungible authorization to emit a quantity of carbon dioxide**  
10 **equivalent, or a fungible credit that represents a greenhouse gas**  
11 **emissions reduction or the removal of a quantity of carbon dioxide**  
12 **equivalent, issued by a state government agency pursuant to a state**  
13 **program for regulating greenhouse gas emissions, does not constitute**  
14 **property or a property right for any purpose under state or local law,**  
15 **including taxation.**

16 **“(3) The receipt of a fungible authorization to emit a quantity of**  
17 **carbon dioxide equivalent directly distributed, at no cost to the person**  
18 **that receives the authorization, by a state government agency pursu-**  
19 **ant to a state program for regulating greenhouse gas emissions may**  
20 **not be subject to any local tax, fee, assessment or other charge and**  
21 **is exempt from taxation under ORS chapters 316, 317 and 318.**

1       **“SECTION 2. (1) The Department of Transportation, in consultation**  
2 **with the Department of Environmental Quality and any other appro-**  
3 **priate state agency, shall study modifying the classification of diesel**  
4 **fuel from fuel, as defined in ORS 319.520, to motor vehicle fuel, as de-**  
5 **defined in ORS 319.010. The study may include consideration of:**

6       **“(a) Any necessary changes to law to ensure compliance of fuel**  
7 **sellers and motor vehicle fuel dealers;**

8       **“(b) Any potential impacts this change may have on motor vehicle**  
9 **fuel tax revenue collections;**

10       **“(c) Any potential impacts this change may have on weight-mile tax**  
11 **revenue collections;**

12       **“(d) The most efficient method for maintaining fairness and pro-**  
13 **portionality of revenues described in Article IX, section 3a (3), of the**  
14 **Oregon Constitution;**

15       **“(e) Any potential impacts this change may have on operations of**  
16 **the Department of Transportation pursuant to its oversight and regu-**  
17 **latory functions;**

18       **“(f) Whether vehicles with a registration weight over 10,000 pounds**  
19 **should be included within a weight-mile tax system; and**

20       **“(g) Any necessary changes to law regarding the treatment for**  
21 **purposes of taxation, of dyed fuels, including but not limited to:**

22       **“(A) Connection to the provisions of the Internal Revenue Code and**  
23 **federal regulations;**

24       **“(B) Testing for illegal use; and**

25       **“(C) Compliance and enforcement provisions.**

26       **“(2) The Department of Transportation shall report the results of**  
27 **the study to the Joint Committee on Transportation during the 2021**  
28 **regular session of the Legislative Assembly in the manner provided in**  
29 **ORS 192.245. The report must include an implementation plan to re-**  
30 **classify diesel fuel beginning January 1, 2022.”.**

