

**A-Engrossed**  
**House Bill 4058**

Ordered by the House February 8  
Including House Amendments dated February 8

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Environment and Natural Resources for Representative Pam Marsh)

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Directs Oregon Health Authority to create program to acquire and distribute air conditioners and air [*purifiers*] **filters** on emergency basis to individuals eligible for medical assistance. Appropriates moneys to authority to implement program.

Adds **Indian health center** and manufactured dwelling park nonprofit cooperative to list of entities eligible to participate in Healthy Homes Program. Clarifies electric utility as eligible entity. Adds improvements to reduce heat and electrical upgrades to types of repair and rehabilitation covered by program grants.

Establishes Heat Pump Deployment Program within State Department of Energy to provide grants to entities to provide financial assistance to cover purchase and installation of heat pumps and related upgrades. Establishes Heat Pump Deployment Advisory Council.

Establishes Heat Pump Deployment Fund **and appropriates moneys for deposit into fund.**  
[Directs State Department of Energy to develop and submit report related to heat pump technician training programs no later than September 15, 2023. Sunsets January 2, 2024.]

[Directs Public Utility Commission to explore measures to address differentiated rates or energy assistance for ratepayers with higher utility bills during periods of extreme temperatures or poor air quality.]

Declares emergency, effective on passage.

**A BILL FOR AN ACT**

1  
2 Relating to heat relief; creating new provisions; amending ORS 431A.400; and declaring an emer-  
3 gency.

4 Whereas the frequency and severity of extreme weather events and wildfires affecting  
5 Oregonians has increased in recent years and is expected to increase further; and

6 Whereas the impacts of extreme weather events such as cold snaps and heat domes have a dis-  
7 proportionate impact on low-income communities and members of environmental justice communi-  
8 ties; and

9 Whereas heating, cooling or air filtration technologies may increase electricity use and can  
10 impact the energy burden of low-income residential customers and residential customers who are  
11 members of environmental justice communities; and

12 Whereas energy efficient air conditioners and heat pumps and other energy burden mitigation  
13 measures can save renters and homeowners money on utility bills and improve the comfort and  
14 habitability of dwellings; now, therefore,

15 **Be It Enacted by the People of the State of Oregon:**

16  
17 **AIR CONDITIONER AND AIR FILTER**  
18 **DEPLOYMENT PROGRAM**  
19

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

**SECTION 1. (1) As used in this section:**

(a) “Air conditioner” means a portable, stand-up air conditioner that has an energy efficiency ratio rating of eight or higher.

(b)(A) “Air filter” means an air filtering device that uses a high-efficiency particulate air (HEPA) filter to remove contaminating particles from the air.

(B) “Air filter” does not include a device that is labeled an “air purifier” and that uses an electrostatic or ionizing process.

(c) “Eligible distribution entity” means a:

(A) Local government as defined in ORS 174.116;

(B) Local housing authority;

(C) Nonprofit organization;

(D) Federally recognized Indian tribe in Oregon;

(E) Indian health center;

(F) Coordinated care organization as defined in ORS 414.025;

(G) Community action agency as described in ORS 458.505;

(H) Manufactured dwelling park nonprofit cooperative as defined in ORS 62.803;

(I) Landlord who has a tenant who receives medical assistance through the Oregon Health Authority or Department of Human Services;

(J) Electric utility as defined in ORS 757.600; or

(K) Natural gas utility as defined in ORS 757.392.

(d) “Medical assistance” has the meaning given that term in ORS 414.025.

(2)(a) The Oregon Health Authority shall create a program to:

(A) Acquire an emergency supply of air conditioners and air filters; and

(B) Distribute the air conditioners and air filters to eligible distribution entities that will provide on an emergency basis the air conditioners and air filters to individuals eligible under subsection (4) of this section.

(b) The Oregon Health Authority may provide or contract with one or more third parties to provide the program.

(3) The Oregon Health Authority or a third party shall:

(a) Determine the percentage of program funds needed to support the costs of installation and materials for installation.

(b) Determine the percentage of program funds, but no more than 10 percent of program funds, needed to cover the costs of the authority or a third party or parties and eligible distribution entities in administering the program.

(c) Maintain technical assistance resources for individuals who receive an air conditioner or air filter from the program to answer questions about the installation, use and maintenance of the air conditioners and air filters.

(d) Provide technical assistance to eligible distribution entities. Technical assistance may include assistance that supports the distribution, installation and maintenance of the air conditioners and air filters and administration of the distribution of the air conditioners and air filters.

(4) An individual is eligible to receive an air conditioner or air filter under this section if the individual:

(a) Is eligible to receive medical assistance through the Oregon Health Authority, Department of Human Services or Medicare, or has received these services in the past 12

1 months;

2 (b) Resides in any type of housing or recreational vehicle, as defined in ORS 174.101, that  
3 has electricity for operating the air conditioner or air filter; and

4 (c) Upon receiving an air conditioner or air filter, provides an attestation that the indi-  
5 vidual can safely and legally install the air conditioner or air filter in the individual's home  
6 or recreational vehicle.

7 (5) The Oregon Health Authority shall make available a list of eligible distribution enti-  
8 ties participating in the program to:

9 (a) Individuals who are eligible to receive medical assistance through the Oregon Health  
10 Authority or Department of Human Services.

11 (b) The 2-1-1 system provided for in ORS 403.400 to 403.430.

12 (c) The Housing and Community Services Department to make available to the public on  
13 that department's website.

14 (6) The Oregon Health Authority and any eligible distribution entity participating in the  
15 program are not liable for:

16 (a) The functioning, safety or impact of any air conditioner or air filter distributed by the  
17 program.

18 (b) Any heat-related health impacts to an individual using an air conditioner or air filter  
19 distributed by the program.

20 (7) The Oregon Health Authority shall adopt rules to implement the program described  
21 in this section.

22  
23 **HEALTHY HOMES PROGRAM**

24  
25 **SECTION 2.** ORS 431A.400 is amended to read:

26 431A.400. (1) As used in this section:

27 (a) "Eligible entity" means a:

28 (A) Local government as defined in ORS 174.116;

29 (B) Local housing authority;

30 (C) Nonprofit organization;

31 (D) Federally recognized Indian tribe in Oregon;

32 **(E) Indian health center;**

33 ~~[(E)]~~ **(F)** Coordinated care organization as defined in ORS 414.025;

34 ~~[(F)]~~ **(G)** Community action agency as described in ORS 458.505; ~~[or]~~

35 ~~[(G) Program administered by:]~~

36 **(H) Manufactured dwelling park nonprofit cooperative as defined in ORS 62.803;**

37 ~~[(i)]~~ **(I)** An electric ~~[company]~~ **utility** as defined in ORS 757.600; or

38 ~~[(ii)]~~ **(J)** A natural gas utility as defined in ORS 757.392.

39 (b) "Environmental justice factor" means a circumstance or condition that impacts a  
40 community's ability to achieve a balance of health, economic or environmental benefits and burdens  
41 or that impacts a community's ability to participate in public processes.

42 (c) "Grant program recipient" means an eligible entity that has been awarded a grant from the  
43 Oregon Health Authority under this section.

44 (d) "Landlord" means a landlord, as defined in ORS 90.100, that meets eligibility criteria for a  
45 loan, grant or other financial assistance under the Healthy Homes Program as determined by the

1 authority.

2 (e) “Low income household” means a household having an income equal to or below 80 percent  
3 of the area median family income as determined by the authority.

4 (f) “Nonprofit organization” means an organization or group of organizations that is described  
5 in section 501(c)(3) of the Internal Revenue Code and is exempt from income tax under section 501(a)  
6 of the Internal Revenue Code.

7 (g) “Repair and rehabilitation” includes actions that:

8 (A) Maximize energy efficiency of residences;

9 (B) Extend the usable life of residences; or

10 (C) Improve the health and safety of the occupants of residences, including:

11 (i) Radon abatement;

12 (ii) Lead abatement;

13 (iii) Mold and mildew abatement;

14 (iv) Installation of a smoke filtration system, an air purification system or ventilation or re-  
15 duction of pathways for air infiltration;

16 (v) Removal of asthma or allergen triggers;

17 (vi) Structural or safety improvements that increase accessibility or visitability;

18 (vii) Improvements that make homes more fire resistant; *[and]*

19 (viii) Structural or safety improvements that promote seismic resiliency[.];

20 **(ix) Improvements that reduce the reflection of heat on or around the home, including**  
21 **improvements related to trees, vegetation, green roofs or cool roofs; and**

22 **(x) Electrical upgrades that improve the safety of the home or support or enable the use**  
23 **of energy efficiency upgrades such as heating or cooling devices.**

24 (h) “Residence” means a dwelling that is intended for occupation by a single family and is oc-  
25 cupied by one or more individuals who are members of a low income household as the individuals’  
26 principal residence, including a site-built home, manufactured home, residential trailer, mobile home,  
27 condominium unit or unit within multifamily housing.

28 (i) “Smoke filtration system” means a residential air filtration system that meets minimum effi-  
29 ciency standards, as determined by the authority, for the removal of particulates and other harmful  
30 substances generated by wildfires.

31 (2) The Healthy Homes Program is established within the Oregon Health Authority. The purpose  
32 of the program is to provide grants to eligible entities that provide financial assistance to persons  
33 in low income households to repair and rehabilitate their residences and to landlords to repair and  
34 rehabilitate dwelling units inhabited by low income households.

35 (3) To be eligible to receive grants from the Healthy Homes Program, an eligible entity must  
36 establish that it:

37 (a) Serves or represents:

38 (A) Communities with high concentrations of low income households; or

39 (B) Communities impacted by environmental justice factors, including but not limited to:

40 (i) Areas with above-average concentrations of historically disadvantaged households or resi-  
41 dents with low levels of educational attainment, areas with high unemployment, high linguistic iso-  
42 lation, low levels of homeownership or high rent burden or sensitive populations;

43 (ii) Areas disproportionately affected by environmental pollution and other hazards that can lead  
44 to negative public health effects, exposure or environmental degradation; or

45 (iii) Other environmental justice factors as determined by the authority.

- 1 (b) Has the capacity to administer grant funds received under this section.
- 2 (c) Is able to comply with the requirements of all state and federal laws, rules and regulations.
- 3 (4)(a) The authority shall adopt by rule processes for eligible entities to apply to receive grants
- 4 from the Healthy Homes Program. The processes may include a request for proposals.
- 5 (b) The authority may adopt by rule:
- 6 (A) Standards for repair and rehabilitation activities conducted by low-income households;
- 7 (B) Standards for repair and rehabilitation activities conducted by landlords;
- 8 (C) Additional requirements for landlords who receive program funds; and
- 9 (D) Provisions for the allocation of program funds including but not limited to allocations for
- 10 types of eligible entities, types of recipients, types of housing and regions of this state.
- 11 (c) The authority, in consultation with the Governor's Policy Advisor for Economic and Business
- 12 Equity, may establish by rule standards for the work performed using grants from the program to
- 13 be performed by disadvantaged business enterprises, minority-owned businesses, woman-owned busi-
- 14 nesses or businesses that service-disabled veterans own, as those terms are defined in ORS 200.005.
- 15 (5) Upon being awarded a grant under this section, the grant program recipient shall enter into
- 16 an agreement with the authority that contains provisions that:
- 17 (a) Indicate the purposes for which the grant funds may be used;
- 18 (b) Prohibit the grant program recipient from using more than 15 percent of grant funds for
- 19 administrative expenses and program delivery costs;
- 20 (c) Include the repayment provisions set forth in subsection (6) of this section;
- 21 (d) Permit the authority to conduct audits and investigations of the grant program recipient
- 22 regarding the purposes for which grant funds have been used; and
- 23 (e) Require the grant program recipient to provide reports as set forth in subsection (7) of this
- 24 section.
- 25 (6) A grant program recipient must repay to the authority, in whole or in part, grant funds re-
- 26 ceived under this section to the extent that:
- 27 (a) The grant program recipient does not use the grant funds in accordance with the provisions
- 28 of the grant agreement executed between the authority and the grant program recipient under sub-
- 29 section (5) of this section; or
- 30 (b) The Director of the Oregon Health Authority determines that the grant program recipient
- 31 must repay all or part of the grant funds on grounds of misappropriation, fraud or similar reasons
- 32 after auditing or investigating the grant program recipient's operations and conducting a contested
- 33 case hearing under ORS 183.413 to 183.470.
- 34 (7) A grant program recipient shall report to the authority by June 30 of each year concerning
- 35 the status and use of grant funds received under this section. The report required under this section
- 36 may not disclose the personal information of the recipients of loans, grants or other financial as-
- 37 sistance under the Healthy Homes Program. The report must include:
- 38 (a) A detailed description of the grant program recipient's use of grant funds;
- 39 (b) A list of each loan, grant or other financial assistance that the grant program recipient has
- 40 provided and, where applicable, a full accounting of the repayment status of the loans;
- 41 (c) The number of low income households that the grant program recipient has provided finan-
- 42 cial assistance to for the repair and rehabilitation of their residences;
- 43 (d) The number of landlords that the grant program recipient has provided financial assistance
- 44 to for the repair and rehabilitation of dwelling units;
- 45 (e) The nature and amounts of the administrative expenses and program delivery costs the grant

1 program recipient has incurred in providing the financial assistance under the program;

2 (f) Disaggregated data concerning the income, racial or ethnic background, family size and re-  
3 lated demographic information of low income households who received financial assistance for repair  
4 and rehabilitation of residences under the program from the grant program recipient; and

5 (g) Any other information required by the authority.

6 (8) The authority may not pay amounts for grants under this section from any source other than  
7 available funds in the Healthy Homes Repair Fund established in ORS 431A.402.

8 (9) Under the Healthy Homes Program, the authority may develop, or contract with public in-  
9 stitutions of higher education or nonprofit organizations to assist in developing:

10 (a) Methods for evaluating health hazards in housing;

11 (b) Methods for preventing and reducing health hazards in housing;

12 (c) Performance measures for the work being performed through the financial assistance pro-  
13 vided under the program; and

14 (d) Recommendations for promoting the incorporation of healthy housing into ongoing practices  
15 and systems, including housing codes.

16  
17 **HEAT PUMP DEPLOYMENT PROGRAM**

18  
19 **SECTION 3. (1) As used in this section:**

20 (a) **“Bulk fuel” means liquid petroleum, propane, coal, wood, wood-based products or**  
21 **other fuel delivered and stored until used on-site by the final consumer to produce energy.**

22 (b) **“Climate zone” means a heating or cooling climate zone assigned to a county by the**  
23 **Bonneville Power Administration.**

24 (c) **“Electric resistance heat” means heat produced by passing an electric current**  
25 **through a material that has high resistance, such as used in an electric baseboard, wall or**  
26 **space heater.**

27 (d) **“Electric utility” has the meaning given that term in ORS 757.600.**

28 (e) **“Eligible entity” means a:**

29 (A) **Local government as defined in ORS 174.116;**

30 (B) **Local housing authority;**

31 (C) **Nonprofit organization;**

32 (D) **Federally recognized Indian tribe in Oregon;**

33 (E) **Coordinated care organization as defined in ORS 414.025;**

34 (F) **Community action agency as described in ORS 458.505;**

35 (G) **Manufactured dwelling park nonprofit cooperative as defined in ORS 62.803; or**

36 (H) **An electric utility.**

37 (f) **“Energy burden” means the percentage of gross household income spent on energy**  
38 **costs.**

39 (g) **“Environmental justice communities” has the meaning given that term in ORS**  
40 **469A.400.**

41 (h) **“Heat pump” means an air-source or ground-source heat pump with an energy effi-**  
42 **ciency rating set by the State Department of Energy under subsection (5) of this section or**  
43 **a higher efficiency rating.**

44 (i) **“Region” means an economic development district in Oregon, designated by the Eco-**  
45 **nomic Development Administration of the United States Department of Commerce, for which**

1 a regional solutions center has been established under ORS 284.754.

2 (2) The Heat Pump Deployment Program is established within the State Department of  
3 Energy. The purpose of the program is to award a grant to an eligible entity for each region  
4 and federally recognized Indian tribe in Oregon to:

5 (a) Administer grant funds for that region or tribe; and

6 (b) Provide financial assistance from grant funds to individuals who reside within that  
7 region or who are members of that tribe for the purchase and installation of heat pumps and  
8 related upgrades.

9 (3)(a) To be eligible to receive a grant from the Heat Pump Deployment Program, an el-  
10 igible entity must establish that it:

11 (A) Serves or represents:

12 (i) An environmental justice community or communities within a region; or

13 (ii) Members of a federally recognized Indian tribe in Oregon; and

14 (B) Has the capacity to administer grant funds received under this section.

15 (b) An eligible entity applying for a grant may partner with other eligible entities but, if  
16 awarded a grant, shall take a lead role in administering grant funds and providing financial  
17 assistance.

18 (c) An eligible entity that serves or represents a community that has boundaries located  
19 within more than one region may apply for a grant for the region within which at least 50  
20 percent of the individuals of that community reside.

21 (d) An eligible entity that serves a specific geographical area may propose, in consulta-  
22 tion with any electric utility that serves the area, that the department use alternative  
23 boundaries to define a region. The department may approve the use of alternative boundaries  
24 to define a region provided that a minimum percentage, as determined by the department,  
25 of the eligible entity's specific geographical area is within the alternative boundaries of the  
26 region.

27 (e) If an electric utility is awarded a grant from the Heat Pump Deployment Program:

28 (A) The electric utility may provide financial assistance from grant funds only to indi-  
29 viduals who reside within the electric utility's service area and within the region for which  
30 the electric utility is awarded a grant.

31 (B) The electric utility shall partner with one or more other eligible entities to provide  
32 financial assistance from grant funds to individuals who reside outside the electric utility's  
33 service area and within the region for which the electric utility is awarded a grant.

34 (4) An eligible entity that is awarded a grant from the Heat Pump Deployment Program  
35 shall:

36 (a) Use the grant funds to cover up to:

37 (A) One hundred percent of the purchase and installation costs of a heat pump.

38 (B) A percentage, as determined by the department, of the costs for related upgrades  
39 that support or enable the use of a heat pump, including:

40 (i) A new electrical panel or other upgrades to the electrical system of a home or build-  
41 ing.

42 (ii) Weatherization or other structural repairs to reduce home or building heat and  
43 cooling loss.

44 (iii) Upgrades to improve the airflow of a home or building.

45 (b) Prioritize the provision of financial assistance to individuals who:

- 1       **(A) Are members of environmental justice communities.**  
2       **(B) Rely on bulk fuels or electric resistance heating.**  
3       **(C) Reside in a home or structure that does not have a functioning heating or cooling**  
4 **system.**  
5       **(c) Enter into a performance agreement with the department as described in subsection**  
6 **(8) of this section.**  
7       **(5) The department shall:**  
8       **(a) Award grants using available funds in the Heat Pump Deployment Fund established**  
9 **under section 5 of this 2022 Act.**  
10       **(b) In awarding grants, give preference to eligible entities that have, but may not require**  
11 **eligible entities to have:**  
12       **(A) Experience in administering state grant programs or programs similar to the Heat**  
13 **Pump Deployment Program.**  
14       **(B) Experience with community program development within a region or with members**  
15 **of a tribe.**  
16       **(C) Connections to communities within a region or with members of a tribe.**  
17       **(c) Develop criteria for allocating grant funds based on the energy burden of residences**  
18 **within a region or of members of a tribe and the climate zones of the counties that comprise**  
19 **that region or of tribal lands.**  
20       **(d) Permit a review of awarded grant funds by members of communities who may benefit**  
21 **from the Heat Pump Deployment Program.**  
22       **(e) In consultation with electric utilities, Bonneville Power Administration and the non-**  
23 **governmental entity that administers public purpose charge moneys collected under ORS**  
24 **757.612, set the minimum energy efficiency rating that a heat pump must have to be eligible**  
25 **for grant funds. The minimum energy efficiency rating for a heat pump set by the depart-**  
26 **ment must be equal to or greater than federal energy efficiency rating standards for heat**  
27 **pumps.**  
28       **(6) The department may not use moneys collected through the energy resource supplier**  
29 **assessment required under ORS 469.421 (8) to fund grants awarded under the Heat Pump**  
30 **Deployment Program.**  
31       **(7) The department may:**  
32       **(a) Establish a maximum amount of grant funds payable toward the purchase and in-**  
33 **stallation of a heat pump and related upgrades.**  
34       **(b) Permit the use of loans, grants, rebates or incentives offered by an electric utility**  
35 **or other programs toward any costs of the purchase and installation of a heat pump and**  
36 **related upgrades not covered by the Heat Pump Deployment Program.**  
37       **(c) Provide information to individuals receiving financial assistance from the Heat Pump**  
38 **Deployment Program about other loans, grants, rebates or incentives that may be offered**  
39 **by an electric utility or other programs.**  
40       **(d) Develop criteria for how specific loans, grants, rebates or incentives offered by an**  
41 **electric utility or other programs may be used toward the costs of the purchase or installa-**  
42 **tion of a heat pump and related upgrades.**  
43       **(e) Establish incentives to encourage the purchase and installation of heat pumps and**  
44 **related upgrades that have higher efficiency ratings.**  
45       **(f) Establish incentives for the purchase and installation of a heating or cooling device**



1 that has an efficiency rating similar to or higher than that of a heat pump and that provides  
2 cobenefits such as improving indoor air quality or lowering an individual's energy burden.

3 (g) Develop program procedures and practices that align with the reporting and other  
4 requirements of loans, grants, rebates or incentives offered by an electric utility or other  
5 programs.

6 (h) Require, by rule, that eligible entities notify electric utilities of a heat pump instal-  
7 lation and whether grant funds may be used for necessary electric distribution system up-  
8 grades associated with the installation of the heat pump.

9 (8) Upon being awarded a grant under this section, an eligible entity shall enter into a  
10 performance agreement with the department that contains provisions that:

11 (a) Indicate the purposes for which the grant funds may be used;

12 (b) Prohibit the eligible entity from using more than 15 percent of awarded grant funds  
13 for administrative expenses and marketing costs;

14 (c) Include the repayment provisions set forth in subsection (9) of this section;

15 (d) Permit the department to conduct audits and investigations of the eligible entity re-  
16 garding the purposes for which grant funds have been used; and

17 (e) Require the eligible entity to provide reports as required by subsection (10) of this  
18 section.

19 (9) An eligible entity must repay to the department, in whole or in part, grant funds re-  
20 ceived under this section to the extent that:

21 (a) The eligible entity does not use the grant funds in accordance with the provisions of  
22 the performance agreement executed between the department and the eligible entity under  
23 subsection (8) of this section; or

24 (b) The Director of the State Department of Energy determines that the eligible entity  
25 must repay all or part of the grant funds on grounds of misappropriation, fraud or similar  
26 reasons after auditing or investigating the eligible entity's operations and conducting a con-  
27 tested case hearing under ORS 183.413 to 183.470.

28 (10) An eligible entity that received grant funds under this section shall report to the  
29 department by June 30 of each year concerning the status and use of grant funds received  
30 under this section. The report required under this section may not disclose the personal in-  
31 formation of the recipients of loans, grants and other financial assistance under the Heat  
32 Pump Deployment Program. The report must include:

33 (a) A detailed description of the eligible entity's use of grant funds;

34 (b) A list of each loan, grant or other financial assistance that the eligible entity has  
35 provided and, where applicable, a full accounting of the repayment status of the loans;

36 (c) The nature and amounts of the administrative expenses and marketing costs the eli-  
37 gible entity has incurred in providing loans, grants and other financial assistance under the  
38 program; and

39 (d) Any other information required by the department.

40 (11) The department shall adopt rules to carry out the provisions of this section. The  
41 rules shall be developed in consultation with:

42 (a) The Bureau of Labor and Industries on issues related to the workforce.

43 (b) The Building Codes Division of the Department of Consumer and Business Services  
44 on issues related to building codes and commissioning.

45 (c) The Housing and Community Services Department to ensure the Heat Pump Deploy-

1 **ment Program complements any existing programs or services.**

2 **(d) The Department of Environmental Quality on issues of air quality related to bulk**  
3 **fuels and to ensure the Heat Pump Deployment Program complements any existing programs**  
4 **or services.**

5 **(e) The Oregon Health Authority on any health impacts and health impact data related**  
6 **to the Heat Pump Deployment Program and to ensure the program complements any existing**  
7 **programs or services.**

8 **(f) Electric utilities and utility program administrators on any impacts the Heat Pump**  
9 **Deployment Program may have on utility systems or services and to ensure the program**  
10 **complements any existing programs, incentives or services.**

11 **(g) Nonprofit organizations, housing providers, heat pump technicians and other**  
12 **stakeholders as appropriate.**

13 **SECTION 4. (1) The Heat Pump Deployment Advisory Council is established.**

14 **(2) The council consists of representatives from eligible entities administering grant**  
15 **funds under the Heat Pump Deployment Program established under section 3 of this 2022**  
16 **Act.**

17 **(3) The council shall study and identify:**

18 **(a) Best practices for administering grant funds and providing financial assistance;**

19 **(b) Barriers to administering grant funds and providing financial assistance; and**

20 **(c) Opportunities for providing technical assistance.**

21 **(4) A majority of the members of the council constitutes a quorum for the transaction**  
22 **of business.**

23 **(5) Official action by the council requires the approval of a majority of the members of**  
24 **the council.**

25 **(6) The council shall elect one of its members to serve as chairperson.**

26 **(7) The council shall meet at times and places specified by the call of the chairperson or**  
27 **of a majority of the members of the council. The council may meet by telephone or video**  
28 **conference.**

29 **(8) The council may adopt rules necessary for the operation of the council.**

30 **(9) Members of the council are entitled to compensation and expenses as provided in ORS**  
31 **292.495 from moneys in the Heat Pump Deployment Fund established under section 5 of this**  
32 **2022 Act.**

33 **(10) The State Department of Energy shall provide staff support to the council.**

34 **SECTION 5. (1) The Heat Pump Deployment Fund is established in the State Treasury,**  
35 **separate and distinct from the General Fund. Interest earned by the Heat Pump Deployment**  
36 **Fund shall be credited to the fund. The fund consists of:**

37 **(a) Moneys appropriated or otherwise transferred to the fund by the Legislative Assem-**  
38 **bly;**

39 **(b) Moneys received from federal, state or local sources;**

40 **(c) Gifts, grants or other moneys contributed to the fund; and**

41 **(d) Other amounts deposited in the fund from any source.**

42 **(2) Moneys in the fund are continuously appropriated to the State Department of Energy**  
43 **for the purpose of the Heat Pump Deployment Program established under section 3 of this**  
44 **2022 Act.**

45 **(3) The department may use reasonable amounts from the fund, but no more than 15**

1 percent of the fund, necessary to:

2 (a) Administer and market the Heat Pump Deployment Program; and

3 (b) Provide for the compensation and expenses of members of the Heat Pump Deployment  
4 Advisory Council established under section 4 of this 2022 Act.

5 (4) The Director of the State Department of Energy shall submit a biennial report to the  
6 Legislative Assembly in the manner provided by ORS 293.640 regarding the expenditures of  
7 moneys deposited in the Heat Pump Deployment Fund, including:

8 (a) A detailed description of the use of the moneys;

9 (b) A detailed description of the loans, grants or other financial assistance provided from  
10 the moneys and, where applicable, an accounting of the repayment status of the loans;

11 (c) The nature and amounts of the administrative expenses and marketing costs paid  
12 from the moneys; and

13 (d) Indicators of program success.

14 SECTION 6. The Director of the State Department of Energy shall submit the first  
15 biennial report required under section 5 of this 2022 Act to the Legislative Assembly no later  
16 than December 31, 2023.

17 SECTION 7. Section 6 of this 2022 Act is repealed on January 2, 2025.

18  
19 **APPROPRIATIONS**

20  
21 SECTION 8. In addition to and not in lieu of any other appropriation, there is appropri-  
22 ated to the Oregon Health Authority, for the biennium ending June 30, 2023, out of the  
23 General Fund, the amount of \$5,000,000, for the purpose of carrying out section 1 of this 2022  
24 Act.

25 SECTION 9. In addition to and not in lieu of any other appropriation, there is appropri-  
26 ated to the State Department of Energy, for the biennium ending June 30, 2023, out of the  
27 General Fund, the amount of \$10,000,000 for deposit into the Heat Pump Deployment Fund  
28 established under section 5 of this 2022 Act.

29  
30 **UNIT CAPTIONS**

31  
32 SECTION 10. The unit captions used in this 2022 Act are provided only for the conven-  
33 ience of the reader and do not become part of the statutory law of this state or express any  
34 legislative intent in the enactment of this 2022 Act.

35  
36 **EFFECTIVE DATE**

37  
38 SECTION 11. This 2022 Act being necessary for the immediate preservation of the public  
39 peace, health and safety, an emergency is declared to exist, and this 2022 Act takes effect  
40 on its passage.