

SB 130 STAFF MEASURE SUMMARY

Senate Committee On Natural Resources

Action Date: 03/01/23

Action: Do pass and refer to Tax Expenditures by prior reference.

Vote: 5-0-0-0

Yeas: 5 - Girod, Golden, Prozanski, Smith DB, Taylor

Fiscal: No fiscal impact

Revenue: Has minimal revenue impact

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Meeting Dates: 2/13, 3/1

WHAT THE MEASURE DOES:

Extends the tax credit for installing a fish screening device, bypass device, or fishway from January 1, 2024 to January 1, 2030.

ISSUES DISCUSSED:

- Standard six-year tax credit extension
- Relatively low usage with 39 projects and approximately \$50,000 tax credits issued since 2017

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Fish screening devices, bypass devices, and fishways are all methods to assist fish passage where obstructions exist. Fish screening devices are screens placed at water diversion points to prevent fish from being diverted along with water into fields and ditches with no chance of escape. Bypass devices are designed to be used in conjunction with screens, to guide fish away from the screens and back to the stream or river. Fishways, also known as fish ladders, are structures placed on or around constructed barriers such as dams to allow fish to continue to migrate.

Taxpayers are allowed a tax credit for installing a fish screening device, bypass device, or fishway. They are typically installed on diversions from rivers, lakes, and streams on agricultural land to prevent fish from entering irrigation channels. The tax credit is not allowed for projects that are part of a hydroelectric project regulated by the Federal Energy Regulatory Commission or for projects financed by the state Water Development Fund.

The credit is equal to 50 percent of the certified cost of installing the device, up to \$5,000 per device. The Oregon Department of Fish and Wildlife (ODFW) must certify the device through a process that includes a preliminary certification prior to installation and a final certification upon completion. First instituted in statute in 1989, the tax credit for these devices has been legislatively extended in 2009, 2011, and 2017. The credit has a sunset date that will prohibit ODFW from issuing a preliminary certificate after January 1, 2024.

Senate Bill 130 would extend the tax credit for installing a fish screening device, bypass device, or fishway from January 1, 2024 to January 1, 2030.