

HOUSE AMENDMENTS TO HOUSE BILL 3579

By COMMITTEE ON CLIMATE, ENERGY, AND ENVIRONMENT

April 10

1 On page 1 of the printed bill, line 2, after the first semicolon delete the rest of the line and
2 delete line 3 and insert “and prescribing an effective date.”.

3 Delete lines 5 through 24 and delete pages 2 through 5 and insert:

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

5 **“(a) ‘Apprenticeship training program’ means the total system of apprenticeship that a**
6 **local joint committee, as defined in ORS 660.010, operates, including a local joint committee’s**
7 **registered standards and all other terms or conditions for qualifying, recruiting, selecting,**
8 **employing and training apprentices in apprenticeship occupations.**

9 **“(b) ‘Clean energy technology’ means a facility, piece of equipment or other property**
10 **that:**

11 **“(A) Produces or stores energy from the sun, water, wind, geothermal deposits or other**
12 **renewable resources, including microturbines or energy storage systems and components;**

13 **“(B) Enables energy conservation in heating, cooling or ventilating residential or com-**
14 **mercial buildings, including electric heat pump water heaters, electric heat pumps and as-**
15 **sociated heating, ventilation and air conditioning components for space heating or cooling,**
16 **electric stoves, cooktops, ranges or ovens, or electric heat pump clothes dryers and associ-**
17 **ated heating, ventilation and air conditioning components;**

18 **“(C) Facilitates or assists in manufacturing or expanding infrastructure to support elec-**
19 **tric vehicles, including medium-duty or heavy-duty electric vehicles; or**

20 **“(D) In the determination of the Director of the Oregon Department of Administrative**
21 **Services, is otherwise capable of conserving energy or producing energy from renewable and**
22 **zero-emission sources.**

23 **“(c) ‘Disadvantaged worker’ means:**

24 **“(A) A minority individual or woman, as those terms are defined in ORS 200.005;**

25 **“(B) A veteran, as that term is defined in ORS 408.225;**

26 **“(C) A person who was previously incarcerated; or**

27 **“(D) A person with a disability.**

28 **“(d) ‘Living wage’ means a wage that is not less than or is equal to the greater of the**
29 **following applicable wage standards:**

30 **“(A) The living wage standard in the locality or region where the job is performed;**

31 **“(B) The prevailing wage that the Commissioner of the Bureau of Labor and Industries**
32 **determines under ORS 279C.815 for a trade or occupation in a specified locality;**

33 **“(C) The minimum wage specified under the federal Service Contract Act (41 U.S.C.**
34 **351-401) for the same or similar job duties in the same locality;**

35 **“(D) A wage calculated according to the Massachusetts Institute of Technology self-**

1 sufficiency and living wage calculator for the applicable region or county; or

2 “(E) A collective bargaining agreement, if applicable, for the job being performed.

3 “(e) ‘Preapprenticeship training program’ means a program, the nature, goals, methods
4 and implementation of which the commissioner specifies by rule, for preparing underrepre-
5 sented, disadvantaged or low-skilled individuals to enter and complete a registered appren-
6 ticeship program.

7 “(2) The Oregon Department of Administrative Services shall adopt rules under ORS
8 279A.070 to govern procurements of clean energy technology that the department conducts
9 on behalf of state agencies under ORS 279A.140.

10 “(3) In adopting rules under subsection (2) of this section, the department shall solicit
11 input from and cooperate with other state agencies with expertise in energy production and
12 conservation and in reducing or mitigating environmental impacts.

13 “(4) The department’s rules must permit a prospective contractor or supplier to submit,
14 in response to clean energy technology procurements, proposals or price agreements that
15 include:

16 “(a) An employment plan under which the prospective contractor or supplier specifies
17 how the prospective contractor or supplier will create and retain high-skilled manufacturing
18 jobs in areas in this state in which the prospective contractor or supplier operates, or the
19 area in this state in which the clean energy technology will be used, and how the prospective
20 contractor or supplier will recruit disadvantaged workers and invest in preapprenticeship,
21 apprenticeship and other training programs, provide family health and retirement benefits
22 and pay living wages; or

23 “(b) An employment plan under which the prospective contractor or supplier specifies
24 how the prospective contractor or supplier will create and retain high-skilled manufacturing
25 jobs throughout the United States and how the prospective contractor or supplier will recruit
26 disadvantaged workers and invest in preapprenticeship, apprenticeship and other training
27 programs, provide family health and retirement benefits and pay living wages if federal
28 moneys fund all or a portion of the procurement.

29 “(5) Rules the department adopts under subsection (2) of this section must provide for
30 giving a preference to a prospective contractor or supplier that submits, as part of the pro-
31 spective contractor’s or supplier’s proposal, a credible employment plan as described in sub-
32 section (4) of this section.

33 “(6) The department may enter into cooperative procurements and intergovernmental
34 agreements under which the department procures clean energy technology in combination
35 with other governmental bodies within this state, the State of Washington and the Province
36 of British Columbia, Canada, as a market incentive for clean energy technology manufac-
37 turers and suppliers to create and retain high-skilled manufacturing jobs within this state,
38 the State of Washington and the Province of British Columbia. The cooperative procure-
39 ments and intergovernmental agreements may require prospective contractors or suppliers
40 to submit, in response to requests for proposals, plans to recruit disadvantaged workers and
41 invest in preapprenticeship, apprenticeship and other training programs, provide family
42 health and retirement benefits and pay living wages.

43 “(7) All state agencies that are subject to ORS 279A.140 shall cooperate with the depart-
44 ment in adopting and implementing the rules described in subsection (2) of this section.

45 “SECTION 2. (1) The Task Force on Establishing, Attracting and Sustaining Manufac-

1 turing of Clean Energy Technology is established.

2 “(2) The task force consists of 12 members appointed as follows:

3 “(a) The Director of the Oregon Department of Administrative Services shall appoint the
4 State Chief Procurement Officer as a cochair of the task force.

5 “(b) The Director of the Oregon Business Development Department shall appoint a rep-
6 resentative from the department as a cochair of the task force.

7 “(c) The directors of the Department of Administrative Services and the Oregon Business
8 Development Department shall jointly appoint 10 additional members of the task force.
9 Members that the directors appoint under this paragraph must represent the geographic di-
10 versity of this state and must have experience in areas of concern to the task force. The
11 members appointed under this paragraph must include:

12 “(A) One representative from the Department of Transportation;

13 “(B) One representative from the State Department of Energy;

14 “(C) Two representatives from clean technology manufacturing firms or individuals who
15 have expertise in developing and implementing clean technology manufacturing incentives;

16 “(D) Two representatives from clean technology manufacturing firms with headquarters
17 or operations in this state;

18 “(E) One representative from a labor organization that represents regional manufactur-
19 ing industry workers;

20 “(F) One representative from a labor organization that represents workers in building
21 trades or construction;

22 “(G) One representative from an organization with an interest in combatting or reducing
23 the effects of climate change; and

24 “(H) One representative from an organization or local government with expertise in ad-
25 vancing local or regional economic growth and job creation.

26 “(3) The task force shall:

27 “(a) Identify, evaluate and recommend policies or other methods of fostering, attracting
28 and sustaining clean energy technology manufacturing firms and operations in this state,
29 while maximizing additional benefits, including creating and sustaining living wage or union
30 jobs, alleviating supply chain constraints and improving access to clean energy technologies,
31 supporting technological innovation and clean energy leadership and diversifying the econ-
32 omy of this state;

33 “(b) Consider, in developing the task force’s recommendations:

34 “(A) Short-term opportunities for this state to leverage and maximize consumer- and
35 business-facing incentives from the federal Inflation Reduction Act of 2022, P.L. 117-169, in-
36 cluding, but not limited to:

37 “(i) An extension of advanced energy project credit for clean technology manufacturing
38 facilities under section 13501 of the Inflation Reduction Act;

39 “(ii) An advanced manufacturing production tax credit for solar panels, wind turbines,
40 inverters and batteries, under sections 13502 and 30001 of the Inflation Reduction Act, in-
41 cluding investments under the federal Defense Production Act of 1950, 50 U.S.C. 4531 et seq.,
42 for domestic heat pump manufacturing;

43 “(iii) Direct loans to retool or establish electric vehicle auto manufacturing facilities
44 under section 50142 of the Inflation Reduction Act; and

45 “(iv) Moneys from the Greenhouse Gas Reduction Fund under section 60103 of the In-

1 **flation Reduction Act;**

2 **“(B) Other methods, including, but not limited to, rebates, tax credits, loan guarantee**
3 **programs and public procurement policies to promote clean technology manufacturing as-**
4 **sembly and supply chains in this state;**

5 **“(C) Opportunities to provide incentives and utilize procurement preferences to prospec-**
6 **tive contractors and suppliers to create and retain high-skill jobs by, at a minimum, re-**
7 **cruiting disadvantaged workers and investing in preapprenticeship, apprenticeship and other**
8 **training programs, provide family health and retirement benefits and pay living wages; and**

9 **“(D) Costs, savings and benefits of policies that attract and sustain clean technology**
10 **manufacturing firms, including short-term and long-term economic, job creation, environ-**
11 **mental, climate and health costs, savings and benefits; and**

12 **“(c) Receive testimony, perform research, consult with experts, review appropriate lit-**
13 **erature, assess and consult with representatives from other jurisdictions that have adopted**
14 **or considered similar incentive programs, solicit feedback from disproportionately impacted**
15 **communities around this state and otherwise undertake activities to inform task force**
16 **members related to the scope of the task force’s duties.**

17 **“(4) The task force may:**

18 **“(a) Cooperate with or join other task forces in the State of Washington or the Province**
19 **of British Columbia, Canada, with a similar mission to form a regional strategy for attracting**
20 **and fostering clean energy manufacturing within the region;**

21 **“(b) Appoint other members to the task force by majority vote; and**

22 **“(c) Provide recommendations for establishing an eligible nonprofit to receive and ad-**
23 **minister federal moneys and to use a range of financial tools and technical assistance to**
24 **support projects that reduce greenhouse gas emissions and other forms of air pollution.**

25 **“(5) A majority of the members of the task force constitutes a quorum for the trans-**
26 **action of business.**

27 **“(6) Official action by the task force requires the approval of a majority of the members**
28 **of the task force.**

29 **“(7) If there is a vacancy for any cause, the appointing authority shall make an appoint-**
30 **ment to become immediately effective.**

31 **“(8) The task force shall meet at times and places specified by the call of the cochairs**
32 **or of a majority of the members of the task force.**

33 **“(9) The task force may adopt rules necessary for the operation of the task force.**

34 **“(10) The task force shall submit a report in the manner provided in ORS 192.245, and**
35 **may include recommendations for legislation, to an interim committee of the Legislative**
36 **Assembly related to energy technology, with copies to the Director of the Oregon Depart-**
37 **ment of Administrative Services and the Director of Transportation, no later than September**
38 **15, 2024.**

39 **“(11) The Oregon Department of Administrative Services shall provide staff support to**
40 **the task force.**

41 **“(12) Members of the task force are not entitled to compensation or reimbursement for**
42 **expenses and serve as volunteers on the task force.**

43 **“(13) All agencies of state government, as defined in ORS 174.111, are directed to assist**
44 **the task force in the performance of the duties of the task force and, to the extent permitted**
45 **by laws relating to confidentiality, to furnish information and advice that the members of**

1 the task force consider necessary to perform their duties.

2 **“SECTION 3.** Section 2 of this 2023 Act is repealed on December 31, 2032.

3 **“SECTION 4.** (1) As used in this section, ‘clean energy technology’ means a facility, piece
4 of equipment or other property that:

5 **“(a)** Produces or stores energy from the sun, water, wind, geothermal deposits or other
6 renewable resources, including microturbines or energy storage systems and components;

7 **“(b)** Enables energy conservation in heating, cooling or ventilating residential or com-
8 mercial buildings, including electric heat pump water heaters, electric heat pumps and as-
9 sociated heating, ventilation and air conditioning components for space heating or cooling,
10 electric stoves, cooktops, ranges or ovens, or electric heat pump clothes dryers and associ-
11 ated heating, ventilation and air conditioning components;

12 **“(c)** Facilitates or assists in manufacturing or expanding infrastructure to support elec-
13 tric vehicles, including medium-duty or heavy-duty electric vehicles; or

14 **“(d)** In the determination of the Director of the Oregon Department of Administrative
15 Services, is otherwise capable of conserving energy or producing energy from renewable and
16 zero-emission sources.

17 **“(2)** The Oregon Clean Energy Technology Manufacturing Opportunity Fund is estab-
18 lished in the State Treasury, separate and distinct from the General Fund. Interest earned
19 by the Oregon Clean Energy Technology Manufacturing Opportunity Fund must be credited
20 to the fund. Moneys in the Oregon Clean Energy Technology Manufacturing Opportunity
21 Fund are continuously appropriated to the Oregon Business Development Department.

22 **“(3)** Moneys in the Oregon Clean Energy Technology Manufacturing Opportunity Fund
23 consist of:

24 **“(a)** Moneys that the Legislative Assembly appropriates for or otherwise transfers to the
25 fund;

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

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

28 **“(d)** Other moneys deposited in the fund from any source.

29 **“(4)** The department may make expenditures from the Oregon Clean Energy Technology
30 Manufacturing Opportunity Fund to:

31 **“(a)** Foster, attract and sustain:

32 **“(A)** Clean energy technology industries without a prominent existing domestic manu-
33 facturing base;

34 **“(B)** Early-stage companies that have a potential to grow into manufacturing operations;

35 **“(C)** Quality job creation in clean energy technology product or supply chain manufac-
36 turing;

37 **“(D)** Local economic benefits for environmental justice communities; and

38 **“(E)** Clean energy technology assembly or supply chain manufacturing in former coal
39 communities and economically distressed communities.

40 **“(b)** Support clean energy technology manufacturing in this state by funding activities
41 that include, but are not limited to:

42 **“(A)** Research for site location and project development;

43 **“(B)** Repurposing and retooling manufacturers in this state in heat pump or clean energy
44 technology assembly or supply chain; and

45 **“(C)** Supporting heat pump or other clean energy technology assembly or supply chain

1 manufacturing in this state, including using funds from other federal resources, including
2 the federal Greenhouse Gas Reduction Fund.

3 “(5) The Oregon Business Development Department shall prioritize approval of eligible
4 entities or projects that best achieve the purposes described in subsection (4) of this section,
5 with a specific focus and priority on supporting heat pump manufacturing in this state.

6 “(6) The department may make grants or provide moneys, including low-interest loans,
7 from the Oregon Clean Energy Technology Manufacturing Opportunity Fund to a certified
8 community development financial institution with a mission statement to promote clean en-
9 ergy technology manufacturing and direct the certified community development financial
10 institution to allocate the moneys to one or more entities organized as nonprofit corpo-
11 rations under section 501(c)(3) of the Internal Revenue Code that have a mission statement
12 promoting clean energy technology manufacturing.

13 “(7) All financial incentives from the Oregon Clean Energy Technology Manufacturing
14 Opportunity Fund, including low-interest loans or grants, must seek to promote the em-
15 ployment plan described in section 1 (4) of this 2023 Act or, when entered into an intergov-
16 ernmental agreement as described in section 1 (6) of this 2023 Act, must be used as
17 disclosure and evaluation criteria in which the prospective contractor or supplier seeking
18 funds must demonstrate how the prospective contractor or supplier will create and retain
19 high-skilled manufacturing jobs in areas in this state in which the entity operates, or the
20 area in this state in which the clean energy technology will be used, and how the prospective
21 contractor or supplier will recruit disadvantaged workers and invest in preapprenticeship,
22 apprenticeship and other training programs, provide family health and retirement benefits
23 and pay living wages.

24 “(8) The department shall seek as contributions to the Oregon Clean Energy Technology
25 Manufacturing Opportunity Fund federal and private investments, including moneys from the
26 federal Greenhouse Gas Reduction Fund.

27 “SECTION 5. In addition to and not in lieu of any other appropriation, there is appro-
28 priated to the Oregon Business Development Department, for the biennium beginning July
29 1, 2023, out of the General Fund, the amount of \$10,000,000 for deposit into the Oregon Clean
30 Energy Technology Manufacturing Opportunity Fund established under section 4 of this 2023
31 Act.

32 “SECTION 6. This 2023 Act takes effect on the 91st day after the date on which the 2023
33 regular session of the Eighty-second Legislative Assembly adjourns sine die.”