

HB 4080 A STAFF MEASURE SUMMARY

House Committee On Business and Labor

Action Date: 02/14/24

Action: Do pass with amendments and be referred to Ways and Means by prior reference.
(Printed A-Eng.)

Vote: 6-5-0-0

Yeas: 6 - Grayber, Holvey, Hudson, Nelson, Nosse, Sosa

Nays: 5 - Boshart Davis, Breese-Iverson, Elmer, Osborne, Scharf

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 2/7, 2/14

WHAT THE MEASURE DOES:

This measure creates state policy that supports bringing groups together to engage in the offshore wind development process. The measure directs the Department of Land Conservation and Development to review plans for offshore wind projects and sets labor and building standards for offshore wind energy projects.

Detailed Summary: Outlines state policy to support ongoing engagement between offshore wind developers and affected organizations and entities, including local governments, tribes, ports, and others impacted by the development, as well as the interconnection of offshore wind energy with the Oregon Coast electrical grid. Directs the Oregon Department of Land Conservation and Development (DLCD) to develop an Offshore Wind Roadmap to support enumerated goals and policies related to communities, economic opportunity, protection of tribal resources, offshore wind workforce development, environmental protection, and state energy and climate objectives. Authorizes DLCD to solicit and accept moneys from public and private sources, as well as to adopt rules to carry out provisions of measure. Directs DLCD to conduct assessment of state policies that may be used, with focus on adequacy of existing enforceable policies and agency capacity. Requires DLCD to report on progress to interim legislative committees by September 1, 2025. Establishes state policy for strong labor and supply chain standards for offshore wind projects. Requires developers and contractors involved in offshore wind and related projects to participate as training agents for apprentices; establish outreach and recruitment plan for women, minorities, and veterans; and comply with specified wage standards, hours worked, and occupational safety and health. Sets requirements for domestically-produced construction materials for projects over \$250,000. Allows for workforce development agreements to comply with provisions and specifies that such agreement must include a project labor agreement, a labor peace agreement, and an agreement to use or develop domestic supply chains. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Potential benefits of offshore wind power generation
- Similar efforts in other states
- Role of Department of Land Conservation and Development on coastal management
- Potential impacts on ecosystem, natural, and cultural resources
- Role of federal government in offshore wind power projects
- Impact of wage and labor agreements on project cost
- Role of wind energy in meeting Oregon's climate goals

EFFECT OF AMENDMENT:

Revises list of entities to be involved in ongoing engagement to include Confederated Tribes of Coos, Lower Umpqua and Suislaw Indians; the Coquille Indian Tribe; and other impacted Indian tribes. Transfers responsibility

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for Offshore Wind Roadmap development from Oregon Department of Energy to Department of Land Conservation and Development. Requires report on roadmap be submitted to legislative committees related to marine renewable energy by September 1, 2025. Revises worker wage and benefit provisions. Revises provisions for project labor agreements and labor peace agreements.

BACKGROUND:

Offshore wind is a renewable energy technology being deployed in shallow waters across the world and is advancing into deeper waters by affixing wind turbine technology to floating platforms. Total offshore wind power nameplate capacity worldwide in 2022 was approximately 64 gigawatts, with China, the United Kingdom, and Germany accounting for three-quarters of that total capacity. In 2022, the Oregon Department of Energy issued the report, "Floating Offshore Wind: Benefits and Challenges for Oregon," which indicated that technical modeling has shown potential to develop dozens of gigawatts of offshore wind energy along the southern Oregon and northern California coast.

House Bill 4080 A establishes state policy regarding the implementation of an Offshore Wind Roadmap. The policy includes support for the engagement between offshore wind developers and impacted organizations, communities, and tribes in the development of an Offshore Wind Roadmap, as well as to promote economic diversification and resilience in offshore wind energy development by ensuring labor and supply chain standards.