

HB 3088 -3 STAFF MEASURE SUMMARY

Joint Committee On Transportation

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 4/15, 5/6

WHAT THE MEASURE DOES:

The measure directs the Department of Transportation to study promoting the use of sustainable aviation fuel in Oregon and to report to the Joint Committee on Transportation on progress, including recommendations for legislation. Takes effect on 91st day following adjournment sine die.

NOTE: *Measure has subsequent referral to Committee on Ways and Means*

ISSUES DISCUSSED:

- Work being done to develop a sustainable, lower-carbon aviation fuel
- Need to achieve higher production and cost parity for widespread use
- Facility currently planned in Oregon to produce fuel
- Likely demand for fuel from other states

EFFECT OF AMENDMENT:

-3 The amendment replaces the original measure and establishes a Task Force on Sustainable Aviation Fuel, consisting of two nonvoting legislative members, four non-voting members representing higher education and state agencies, and four voting members from the aviation, aviation fuel, and climate change sectors; it also directs the governor to invite individuals representing commercial aircraft manufacturers and commercial airlines. The amendment directs the Task Force to study ways to further the supply, distribution, and competitiveness of sustainable aviation fuel in Oregon and to prepare a report on findings and recommendations, including recommendations for legislation, to the interim committee on aviation by December 15, 2026. It specifies that Oregon State University will provide staff support, and that the university may contract for services with a third party. It requires the Task Force hold its first meeting no later than November 1, 2025 and sunsets the Task Force on December 31, 2026. The amendment appropriates \$1 million from the General Fund to the Higher Education Coordinating Commission to fund the Task Force. The amendment declares an emergency and takes effect upon passage.

FISCAL: Fiscal impact statement issued on measure w/the -3 amendment

REVENUE: No revenue impact on measure w/the -3 amendment

BACKGROUND:

Sustainable aviation fuel (SAF) is a liquid fuel currently used in aviation that reduces carbon emissions by as much as 80 percent. It is a non-extractive fuel produced by a number of feedstock sources including waste oils, fats, green and municipal waste, and non-food crops. Some types of SAF are capable of performing at levels operationally equivalent to Jet A1 fuel, are capable of being directly blended into existing fuel infrastructure at airports, and are fully compatible with modern aircraft.

The International Air Transport Association (IATA) estimates that SAF could make a significant contribution to reductions in carbon emissions needed to bring the aviation sector to net zero CO2 emissions by 2050. Such an initiative would require orders of magnitude increases in production sufficient to meet demand, with the largest increases in production expected in the 2030s.