

A-Engrossed

Senate Bill 1526

Ordered by the Senate February 11
Including Senate Amendments dated February 11

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Energy and Environment)

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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Tells ODOE to apply for moneys to pay for the formation of a new entity that can finance projects. (Flesch Readability Score: 62.8).

Requires the State Department of Energy to apply for grant moneys from the State Agency Program Fund to cover the costs and expenses of carrying out pre-startup activities and forming a nonprofit entity. Allows the department to also apply for moneys from other sources.

Directs the department to carry out pre-startup activities, including *[recruiting and]* convening a founding board **and filling the founding board's membership**, if the department secures sufficient grant moneys. Directs the founding board to form a nonprofit entity for the purpose of financing clean energy and resilience projects. Requires the entity to report annually to the appropriate committees or interim committees of the Legislative Assembly.

Directs the Oregon Business Development Department and the State Department of Energy to work with the entity.

A BILL FOR AN ACT

1 Relating to the facilitation of projects.

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

3 **SECTION 1.** (1) The State Department of Energy shall apply to the Environmental Res-
4 toration Council, established under ORS 541.861, for grant moneys from the State Agency
5 Program Fund, established under ORS 541.867, and may also apply for moneys from other
6 sources, for the purpose of covering:

7 (a) The department's costs and expenses in carrying out subsection (2) of this section;
8 and

9 (b) The organizational, startup and administrative costs of the founding board convened
10 under subsection (2) of this section in carrying out subsection (5) of this section.

11 (2) If the department secures grant moneys in a sufficient amount, but not less than \$2
12 million, the department shall carry out pre-startup activities to include convening a founding
13 board **and filling the founding board's membership**, as described in subsection (3) of this
14 section.

15 (3)(a) The founding board convened under subsection (2) of this section must consist of
16 at least eight members as follows:

17 (A) The Director of the State Department of Energy;
18 (B) The Director of the Oregon Business Development Department or the director's
19 designee;
20 (C) The Director of the Housing and Community Services Department or the director's

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.

1 **designee;**

2 **(D) Four members who represent nongovernmental organizations; and**

3 **(E) One member who represents a labor organization.**

4 **(b) The members of the founding board described in paragraph (a)(D) and (E) of this**
5 **subsection must:**

6 **(A) Have expertise in one or more of the following subjects:**

7 **(i) Financing at a local government, community development financial institution, credit**
8 **union, community bank or similar institution;**

9 **(ii) Energy utilities;**

10 **(iii) Clean energy projects, energy efficiency, zero-emissions transportation and technol-**
11 **ogies;**

12 **(iv) State infrastructure, community development and resilience and extreme weather**
13 **events;**

14 **(v) Investment fund management; or**

15 **(vi) Clean energy and resilience programs and the deployment of clean energy technolo-**
16 **gies; and**

17 **(B) Have a diverse range of perspectives, lived experiences and expertise that represent:**

18 **(i) The different geographical regions of this state;**

19 **(ii) Lower income, tribal, rural or underserved communities;**

20 **(iii) Commercial enterprises in the clean energy or resiliency sector; or**

21 **(iv) Labor and workforce development.**

22 **(4) The founding board convened under subsection (2) of this section shall manage the**
23 **founding board's membership and may fill vacancies on or add additional members to the**
24 **founding board. Members added to the founding board under this subsection must meet the**
25 **criteria described in subsection (3)(b) of this section.**

26 **(5) The founding board convened under subsection (2) of this section shall form a**
27 **nonprofit entity for the purpose of financing clean energy and resilience projects that facili-**
28 **tate:**

29 **(a) The generation, production or storage of clean energy or clean fuels;**

30 **(b) The conservation or efficient use of energy or fuels;**

31 **(c) A reduction in greenhouse gas emissions; or**

32 **(d) Improvements in the resilience and availability of infrastructure, natural and working**
33 **lands, buildings or communities, with priority given to lower income, tribal, rural or under-**
34 **served communities.**

35 **(6) The nonprofit entity formed pursuant to subsection (5) of this section must:**

36 **(a) Have articles of incorporation that require a supermajority of the entity's board to**
37 **change or amend.**

38 **(b) Be able to receive capital in any form from public and private sources.**

39 **(c) Report annually to the appropriate committees or interim committees of the Legis-**
40 **lative Assembly on the entity's activities, results and financial status.**

41 **(7) The Oregon Business Development Department shall work with the nonprofit entity**
42 **formed pursuant to subsection (5) of this section to explore potential agreements to provide**
43 **capitalization or financing to the nonprofit entity, including through the use of the**
44 **department's bonding authority.**

45 **(8) The State Department of Energy shall work with the nonprofit entity formed pursu-**

1 ant to subsection (5) of this section to explore potential contractual relationships and areas
2 of collaboration.

3 (9) All state agencies shall assist the State Department of Energy and founding board in
4 the performance of the department's and the founding board's duties and functions under
5 this section.