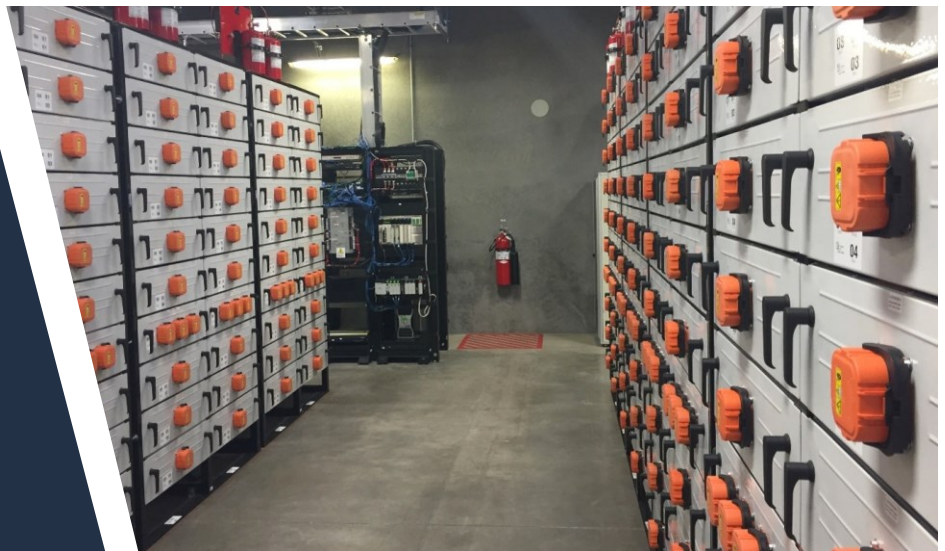




2024
Legislative
Session
Report



OREGON DEPARTMENT OF ENERGY

ODOE LEGISLATIVE REPORT – 2024



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For questions about this report or if you see that there's a bill we ought to have included or something else of concern, please email our Government Relations Coordinator, Christy Splitt at christy.splitt@energy.oregon.gov.

Contact us: <https://www.oregon.gov/energy/About-Us/Pages/Contact-Us.aspx>

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INTRODUCTION

Oregon’s 2024 legislative session adjourned on March 7. There were 291 bills, memorials, and resolutions introduced during the session. Of those, the legislature passed 135. At the time of initial publication of this document, the Governor is still in the process of signing bills. This report will be updated accordingly.



ODOE at the Capitol

The Oregon Department of Energy helps Oregonians make informed decisions and maintain a resilient and affordable energy system. We advance solutions to shape an equitable clean energy transition, protect the environment and public health, and responsibly balance energy needs and impacts for current and future generations.

On behalf of Oregonians across the state, the Oregon Department of Energy achieves its mission by providing:

- A Central Repository of Energy Data, Information, and Analysis
- A Venue for Problem-Solving Oregon's Energy Challenges
- Energy Education and Technical Assistance
- Regulation and Oversight
- Energy Programs and Activities

With all these roles in mind, we track each legislative session carefully. This session, the [Oregon Department of Energy shared](#) energy data, information, and analysis and provided energy education about federal funding opportunities for energy and climate change, energy facility siting, energy planning, and more. We also tracked bills that make changes to regulatory roles and add new programs and activities at the agency, and we provided technical advice to legislators and staff along the way.

As the legislative session closed on March 7, the Oregon Department of Energy was only assigned a few tasks to take on by new legislation. SB 1525 made minor changes to several ODOE programs and SB 1530 added \$4 million to the Oregon Rental Home Heat Pump Program.

About the 2024 Legislative Session Report

This document is designed with several purposes in mind:

- For energy stakeholders to use as a quick reference of energy bills during the 2024 session
- For the general public to use as a place for quick, easy-to-read summaries of bills that relate to energy and other issues that relate to the mission or work of the Oregon Department of Energy
- To serve as a record of the bills ODOE tracked most closely during the Legislative session

Following this introduction, there are three sections:

- *Bills Passed* that relate to energy or the work of the Oregon Department of Energy

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- *Budget Bills* that relate to energy or the work of the Oregon Department of Energy
- *Bills Considered* that relate to energy in Oregon, but did not pass

For each bill listed, there is a summary, the effective date, and related Oregon Revised Statute chapter. For more information, click the hyperlinks on the right above each bill summary to go to the Oregon Legislative Information System overview page for each bill. From there, you can find the text of each measure, testimony, and votes on the bills as they moved (or did not move) through the process.

One of ODOE's roles is to provide analysis of energy issues to inform state energy planning, regulation, program administration, and policy development. In that vein, we have also provided a narrative summary of the energy landscape as the 2024 legislative session came to a close.

This is an online report, which means that ODOE can update it – if you see that there's a bill we ought to have included or something else of concern, please email christy.splitt@energy.oregon.gov.

A Brief Overview of Energy Issues in the 2024 Legislative Session

The 2024 Legislative Session – the short session of an even-numbered year – was once again held amidst a major, multi-year seismic retrofit of the Capitol. Over half of the building was closed and all of it a construction zone. But while in the 2023 session there were also rumblings of partisan tension alongside the jackhammers, 2024 was cordial and marked by major legislation passing with support on both sides of the aisle.

The 2024 session followed energy-packed [2021](#), [2022](#), and [2023](#) sessions. Conventional wisdom at the Capitol says that if there was recent major legislation on an issue, it is quieter on that topic the next time around – and that was *finally* the case this year. But with the urgency of climate change clear, there were still significant investments in energy efficiency and plenty of conversation about the clean energy transition. Investments were made in heat pumps, home retrofits, and toward life-saving heating and cooling measures as extreme weather events become more common. After many years of discussion about divestment from fossil fuels in state pension programs, HB 4083 – divesting from coal – crossed the finish line.

The question of how the state can balance the demand for new clean energy development with its legacy of protecting farms, forests, and fishing waters was once again a topic in 2024. For example, HB 4080 passed, which directs a roadmap to and labor and procurement standards for potential floating offshore wind projects off the South Coast (see page 4 for a longer summary and a link to more information). HB 4015 will allow standalone battery storage systems to be reviewed at either the county or Energy Facility Siting Council level (page 4). On the other hand, HB 4090, did not pass (page 10). This bill would have addressed the siting of energy facilities on strictly federally owned land. The bill proposed that in the case of a clean energy facility being proposed on federal lands, only federal review would be required. With changes proposed on federal review for energy projects, legislators hesitated to pass this concept until those changes are finalized. Energy facility siting – especially around transmission – will be an issue to watch in 2025.

This report includes a section on bills that didn't pass starting on page 10 to provide a sense of what other policy issues or concepts may be considered in the future. You will see a concept related to supporting Oregon's clean energy technology industry, as well as one on greenhouse gas emissions that have come up in both 2023 and 2024, and seem likely to return in 2025.

Bill Information: Effective Dates, Operational Dates, Publication

Normal Effective Dates

ORS 171.022 provides that unless otherwise stated, all bills take effect on January 1 of the year after the bill is signed into law. This means that unless a bill specifically names a different effective date or has an emergency clause, the bill will take effect on January 1 of the next year.

Emergency Clause

The Oregon Constitution prohibits a bill from taking effect “until ninety days from the end of the session” unless an emergency is declared. An emergency clause will appear in the bill if it is to take effect before the 91st day after adjournment sine die. Bills with emergency clauses are not subject to a referendum of the voters; all other bills are subject to possible referral under the Oregon Constitution. Because of this provision, the Constitution gives the Governor the power to veto an emergency clause without affecting the rest of the bill. The Constitution also prohibits the use of an emergency clause in bills that regulate taxation or exemption. An emergency clause must apply to an entire bill.

Operative Date

If a bill requires administrative preparation before the bill is fully operative, an operative date is used to delay operation of all or part of the bill. If an operative date is used, the entire bill takes effect on its effective date. However, a specified part of an Act does not become operational until a later specified date. It is important to distinguish between items that are authorized on and after the effective date, and items that are not authorized until the operative date.

Example of an emergency clause for a bill that will take effect on its passage:

SECTION 30. This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect on its passage.

Note: A bill with an emergency clause takes effect when the Governor signs it, not when passed by both houses of the Legislative Assembly.

Example of an emergency clause for a bill that takes effect on a specific date after passage but before the 91st day after the end of session:

SECTION 30. This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect July 1, 2023.

Bill Publication

Copies of the 2024 enrolled bills (the copy the Governor signs) may be found on the legislative website: <https://olis.leg.state.or.us/liz/2024R1/Measures/list/>. Measures signed into law are known as “session laws” and are available on the legislative website under Oregon Laws. Permanent Laws passed during

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the 2024 Legislative Session will not be codified until the 2025 edition of Oregon Revised Statutes is released.

LEGISLATION PASSED

HB 4015: Battery Energy Storage Systems

[HB 4015](#)

ORS: Chapter 25, 2024 Laws

Effective Date: June 6, 2024

HB 4015 adds battery energy storage systems to the Energy Facility Siting Council definition statute. While the bill does not add standalone battery energy storage systems to EFSC jurisdiction, it does allow an opt in to EFSC jurisdiction by developers and deferral to EFSC jurisdiction by local governments.

Learn more about battery storage for electricity in the ODOE online article [*Batteries Are Included: The Rise of Energy Storage.](#)

HB 4080: Offshore Wind Roadmap and Labor Standards

[HB 4080](#)

ORS: Chapter 31, 2024 Laws

Effective Date: March 27, 2024

This bill directs Oregon Department of Land Conservation and Development (DLCD) to lead an engagement and input gathering process with a diverse group of interested parties, Tribes, communities, and state agencies to develop a “state offshore wind roadmap” to identify standards that must be considered in approval processes related to developing an offshore wind project. Standards must support: a) stakeholder engagement; b) coastal communities; c) new economic opportunities and sustainment of existing economies; d) a local, trained, housed and equitable floating offshore wind workforce; e) protection of Tribal cultural and archaeological resources, viewsheds, and other Tribal interests; f) protection of the environment and marine species; and g) achievement of state energy and climate policies, including energy diversity, reliability, and resilience of state and regional energy systems.

The bill also establishes three new state policies and specifies certain labor and supply chain workforce standards that must be met by companies involved in the construction, operation, and maintenance of OSW projects.

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- State policy to support engagement between offshore wind developers and impacted organizations, ports, communities, and Tribes.
- State policy that OSW interconnect to the grid in a way that promotes energy reliability and energy resilience of Oregon’s power grid.
- State policy that any companies involved with the construction, operation, maintenance of OSW projects, or port projects necessary for OSW projects, must adhere to certain labor and supply chain standards.

For more information on the benefits and challenges of establishing floating offshore wind off Oregon’s South Coast, please see ODOE’s 2021 Report: [Floating Offshore Wind Study: Benefits & Challenges for Oregon](#).

HB 4083: Divestment from Coal

[HB 4083](#)

ORS: Chapter 79, 2024 Laws
Effective Date: January 1, 2025

HB 4083 directs the Oregon Investment Council and the State Treasurer to take reasonable action to try to ensure that investment funds are not invested in any thermal coal company or any other fund invested in any thermal coal company. The bill requires the Council and State Treasurer to investigate all companies within the state investment portfolio. If the Treasurer determines that state funds are invested in a thermal coal company, HB 4083 requires any such funds to be divested and reinvested through “reasonable, prudent, and productive investments” in companies generating comparable returns to the thermal coal company.

HB 4083 gives the State Treasurer discretion to retain an investment in a thermal coal company that demonstrates it is transitioning to clean energy on a “reasonable timeline.” The bill authorizes the Oregon Investment Council to adopt rules defining a reasonable timeline for a transition from thermal coal to clean energy. The Treasurer would be obligated to monitor the company to ensure it is on track to meet emissions reduction targets, which may be informed by guidelines issued by the United Nations Intergovernmental Panel on Climate Change.

The bill defines “clean energy” as “nonemitting electricity” as defined in ORS 469A.400, which is defined as “electricity, including hydroelectricity, that is generated and may be stored in a manner that does not emit greenhouse gas into the atmosphere.”

HB 4102: Federal Funds and Natural and Working Lands

[HB 4102](#)

ORS: Chapter 11, 2024 Laws
Effective Date: June 6, 2024

HB 4102 allows federal funds to be deposited into the Natural and Working Lands Fund, which was established by HB 3409 in 2023. The Natural and Working Lands Fund supports projects that can reduce

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or sequester carbon via programs at the Oregon Departments of Agriculture, Fish and Wildlife, and Forestry and the Oregon Watershed Enhancement Board. By law, the [Oregon Climate Action Commission](#) has a role in approving how the Natural and Working Lands Fund is allocated.

HB 4109: Transportation Omnibus Bill

[HB 4109](#)

ORS: Chapter 8, 2024 Laws

Effective Date: June 6, 2024

HB 4109, the transportation omnibus bill for the 2024 session, includes a few provisions related to climate change or transportation fuels, including:

- Extending the sunset for the Oregon Department of Transportation to distribute compressed natural gas (CNG) for fueling at the state fleet center by one year until January 2, 2026.
- Establishing the Charge Ahead Zero-Emission Incentive Fund separate from the existing Zero-Emission Incentive Fund; modifying the rebate amount for a new vehicle under the Charge Ahead program to a maximum of \$7,500 (this amount was previously available by stacking the Standard EV Rebate and Charge Ahead rebate); and requiring that privilege tax revenues be offset by money deposited into the Charge Ahead Zero-Emission Incentive Fund from any other source.
- Directing ODOT to cooperate with the State of Idaho to apply for assistance from the Federal Rail Administration to study the potential of reestablishing service on the Amtrak Pioneer line, with a report due to the legislative committee on transportation by December 31, 2024.

SB 1525: ODOE Statutory Adjustments Package

[SB 1525](#)

ORS: Chapter 51, 2024 Laws

Effective Date: March 27, 2024

Many new programs and projects have been assigned to the Oregon Department of Energy in recent years. As these programs and projects are implemented, sometimes issues or areas for improvement are identified.

SB 1525 transfers unexpended dollars from the [Community Heat Pump Deployment Program](#) to the [Oregon Rental Home Heat Pump Program](#), allowing the rental home program to serve regions and Tribes without the regional administrators required for the community deployment program. Those funds will be earmarked for those unserved regions or Tribes.

SB 1525 extends deadlines for the [Energy Security Plan](#) (from June 2024 to September 2024) and for three [Oregon Climate Action Commission](#) Reports on natural and working lands (from late 2024/early 2025 to late 2025/early 2026).

SB 1525 also makes the following changes to the [Community Renewable Energy Grant Program](#):

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- It allows partners in an application to pay project costs.
- It allows for an additional type of eligible applicant: electric cooperatives that generate, purchase, or obtain power or represent consumer owned utilities in meeting certain objectives.
- It allows for an additional release of up to 30% grant funds mid-project, if certain criteria – to be set in rule – are met. Under the original program design, 30% of grant funds can be released at the start of a grant agreement when certain criteria are met.

Finally, it adjusts a 2021 statutory change to allow for standby generators over 25MW to connect to the grid to provide emergency dispatchable power without obtaining a site certificate from the Energy Facility Siting Council.

SB 1529: Air Conditioning and Filtration

[SB 1529](#)

ORS: Chapter 108, 2024 Laws
Effective Date: April 17, 2024

SB 1529 makes changes to the Oregon Health Authority program to distribute air conditioners and air filters to eligible individuals. Under the bill, OHA could distribute equipment for an anticipated emergency as well as an existing emergency. The bill would also expand “technical assistance” under the bill to include reimbursement for the costs of identifying eligible individuals, delivering utility supports when not otherwise available, and ensuring devices are installed and working properly. The bill also expands eligibility to include individuals who receive medical assistance under the Cover All People program. Finally, the bill changes a provision relating to the maximum reimbursement to landlords for property damages caused by tenants accepted under the Housing Choice Landlord Guarantee program.

SB 1530: Housing Investments Omnibus

[SB 1530](#)

ORS: Chapter 109, 2024 Laws
Effective Date: April 17, 2024

SB 1530 is a collection of investments in housing and housing-related programs. The bill is primarily focused on addressing homelessness and the statewide shortage of affordable housing. It also includes the following climate and energy-related elements:

- \$15 million into the OHA Healthy Homes Repair Fund
- \$3.5 million to OHA for air conditioners and air filters
- \$4 million to the Oregon Department of Energy for the Oregon Rental Home Heat Pump Program
- \$2 million to DHS for warming and cooling shelters

SB 1581: Utility Reporting on Regional Energy Markets

[SB 1581](#)

ORS: Chapter 67, 2024 Laws
Effective Date: January 1, 2025

This bill requires investor-owned electric utilities that sell more than two million MWh of electricity in a calendar year to annually provide a verbal report to the Legislative Assembly its activities, including any plans or preparations, toward participating in a regional energy market. Reports are due no later than January 15 of the following year. This requirement, in effect, would apply to Portland General Electric and Pacific Power based on their historic sales (which are many times the two million MWh threshold), but not to Idaho Power, whose annual sales are far below the threshold. The reporting requirement is repealed on January 2, 2031.

HCR 38: 2024 Legislative Assembly Rules

[HCR 206](#)

Filed with Secretary of State

Every legislative session, energy policy is discussed and addressed — and ODOE expects that there will be energy policy-related measures in the 2025 session as well. HCR 206 sets out the following limitations for the 2025 Legislative Session, when legislators next plan to come together for a regular session:

- Legislators and committees must submit requests for draft measures to the Office of the Legislative Counsel by 5:00 p.m. on September 27, 2024.
- The Office of the Legislative Counsel must deliver drafts of measures to requesters by 5:00 p.m. on December 4, 2024.
- Requestors of measure must submit drafts for introduction to the Senate Desk and the House Desk by 5:00 p.m. on December 13, 2024.

The limitations on the introduction of measures and deadlines do not apply to the Joint Committee on Ways and Means, the President of the Senate, and the House Committee on Rules.

BUDGET BILLS

SB 5701: Budget Reconciliation Bill

[SB 5701](#)

ORS Chapter: Chapter 114, 2024 Laws

Effective Date: April 17, 2024

SB 5701, the budget reconciliation or “end of session bill,” makes changes to the state budget for the 2023-2025 biennium. It includes several changes to the Oregon Department of Energy budget:

- Carries over remaining funds for continuing energy-related incentive programs at the Oregon Department of Energy.
- Authorizes ODOE to administer and add staff for the [Grid Resilience State Grant](#), as provided by the Infrastructure Investments and Jobs Act. The two new positions are a Compliance Specialist and a Program Analyst.
- Authorizes ODOE to administer and staff the Energy Efficiency and Conservation Block Grant program, including a limited duration Compliance Specialist position.
- Allows for \$500,000 of federal funding to support the [Oregon Energy Strategy](#), which will be included in Oregon’s Comprehensive Action Plan as part of the state’s work on the Climate Pollution Reduction Grants in the Inflation Reduction Act.
- Increases the ODOE budget by \$580,752 Other Funds for four permanent positions within the Department’s finance and procurement operations. The positions will allow for more financial oversight and increased capacity to support the administration of \$250 million in new energy and climate incentive programs. In addition, SB 5701 changes five existing limited duration positions in administration to permanent status.
- Makes some technical changes to align funding appropriated in 2023 through the adoption of HB 3630 and HB 3409 with the budget area in which the work will take place.

Additionally, SB 5701 includes these components relevant to energy and climate change:

- Allocations from the Natural and Working Lands Fund, established in HB 3409 (2023) were made to three state agencies to support natural climate solutions. These allocations were [proposed to](#) and approved by the Oregon Climate Action Commission.
 - The Department of Agriculture received \$978,928 for projects.
 - The Department of Fish and Wildlife received \$2.4 million for as well as two limited duration positions to support that work.
 - The Department of Forestry received \$3.3 million for projects focused on climate-smart forestry, carbon sequestration, and climate-ready seeds and seedlings.
- In addition to providing funding for a variety of wildfire-related costs, SB 5701 includes a budget note directed the Department of Forestry and the Department of the State Fire Marshal to convene a wildfire funding workgroup. As the occurrence of wildfires has increased in recent years, so too have costs – and who and how those costs should be covered was a hot topic during this legislative session.

LEGISLATION NOT PASSED

HB 4090A: Energy Facility Siting on Federal Lands

[HB 4090A](#)

Did Not Pass

HB 4090A proposed to eliminate Energy Facility Siting Council (EFSC) jurisdiction for renewable energy projects that are located entirely on federal lands and subject to National Environmental Policy Act (NEPA) review. As amended, the bill would have also directed developers to consult with area local governments on potential impacts to existing federal agricultural and grazing permits and leases, road usage, noxious weed management and fire management and response plans.

HB 4100: Public Utilities and Rate Recovery

[HB 4100](#)

Did Not Pass

This bill relates to the ongoing concerns over wildfire risks and the recent legal/regulatory actions against transmission owning utilities (primarily investor-owned utilities) relating to liability claims of utility negligence or fault in the cause of recent wildfires and resulting economic damages. HB 4100 would have prohibited utilities from recovering from customers the costs and expenses that are or are associated with a criminal or civil fine or penalty, or a judgement of settlement from a civil action, that is based in negligence or a higher degree of fault by the utility. The bill also would have required an investor-owned utility to report fire-related incidents to the State Fire Marshal and the State Forestry Department for all such incidents caused by an electric power line that the utility manages, operates, owns or controls when the incident occurs in Oregon or poses a health or safety risk to Oregon residences.

HB 4112: Clean Energy Technology Package

[HB 4112](#)

Did Not Pass

HB 4112 would have created three different policies promoting clean energy technologies in Oregon. First, it would have mandated that the Department of Administrative Services establish rules about procurement from clean energy technology companies. State agencies would then have to follow these procurement rules. In creating these procurement rules, the bill proposed giving preference to companies with a credible employment plan.

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This bill would have also established the Oregon Clean Energy Technology Manufacturing Opportunity Fund at the Oregon Business Development Department. The fund would have been used to create a grant and/or low-interest loan program to attract clean energy technology companies to Oregon and support clean energy technology companies already established in Oregon.

Finally, HB 4112 would have created the Clean Technology Leadership Advisory Council to support and advise the Oregon Business Development Department in distributing the funds from the Oregon Clean Energy Technology Manufacturing Opportunity Fund and in their efforts to further support clean energy technology development in the state.

SB 1559: Greenhouse Gas Reduction Goals

[SB 1559](#)

Did Not Pass

SB 1559 would have increased the stringency of Oregon’s greenhouse gas emissions reduction goals. This concept was initially introduced in SB 522 and in HB 3409 in 2023, based on the then-Oregon Global Warming Commission’s [Oregon Climate Action Roadmap to 2030](#). The revised goals would have called for Oregon to aim to reduce greenhouse gas emissions to at least 45 percent below 1990 levels by 2030, to at least 70 percent below 1990 levels by 2040, and to at least 95 percent below 1990 levels by 2050. The bill also declared an aspiration for the state to achieve net zero emissions by 2050 and maintain net negative emissions after 2050. The bill explicitly did not give regulatory authority to any agencies to enforce the goals or aspirations.

FOR MORE INFORMATION

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