

A-Engrossed
House Bill 2681

Ordered by the House April 14
Including House Amendments dated April 14

Sponsored by Representative NOSSE; Representatives EVANS, KENY-GUYER (Presession filed.)

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.

Sets forth policy objectives for State Department of Energy in administration of income tax credit allowed for construction or installation of alternative energy devices. Requires department to report biennially to committee of Legislative Assembly on use of credit. Extends sunset for [*construction or installation of alternative energy devices*] tax credit.

A BILL FOR AN ACT

1
2 Relating to residential energy; creating new provisions; and amending section 5a, chapter 832,
3 Oregon Laws 2005.

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

5 **SECTION 1.** Section 5a, chapter 832, Oregon Laws 2005, as amended by section 35, chapter 843,
6 Oregon Laws 2007, section 12, chapter 913, Oregon Laws 2009, section 16, chapter 83, Oregon Laws
7 2011, and section 67, chapter 730, Oregon Laws 2011, is amended to read:

8 **Sec. 5a.** (1) A taxpayer may not be allowed a credit under ORS 316.116 if the first tax year for
9 which the credit would otherwise be allowed with respect to an alternative energy device begins
10 on or after January 1, [*2018*] **2024**.

11 (2) A taxpayer may not be allowed a credit under ORS 316.116 if the first tax year for which the
12 credit would otherwise be allowed with respect to an alternative fuel vehicle or related equipment
13 begins on or after January 1, 2012.

14 **SECTION 2.** Sections 3 and 4 of this 2017 Act are added to and made a part of ORS
15 **469B.100 to 469B.118.**

16 **SECTION 3.** In administering the personal income tax credit allowed under ORS 316.116,
17 the State Department of Energy shall take steps to ensure that:

18 (1) **The use of the credit addresses the rising cost of fossil fuels, the need for energy**
19 **conservation and the economic feasibility of alternative forms of energy.**

20 (2) **The credit serves to promote energy savings or energy displacement and transfor-**
21 **mation of markets for energy.**

22 (3) **The credit facilitates actions by taxpayers that would not be taken if the tax credit**
23 **were not available.**

24 (4) **Taxpayers of varying demographics apply to claim the credit.**

25 (5) **Taxpayer use of the credit coordinates with use of other incentives available to**
26 **ratepayers in this state.**

27 **SECTION 4.** (1) **Not later than March 31 of each odd-numbered year, the State Depart-**

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 ment of Energy shall prepare a report on the administration of the personal income tax
2 credit allowed under ORS 316.116 and shall submit the report to a committee of the Legisla-
3 tive Assembly related to revenue. The report must address the operation of the credit in the
4 two immediately preceding calendar years.

5 (2) In the report required under subsection (1) of this section, the department shall de-
6 scribe:

7 (a) The total amount of credits certified by the department under ORS 316.116 for the
8 personal income tax years beginning in the preceding two calendar years;

9 (b) The demographic breakdown, including statistical information about income and zip
10 code of residence, of the taxpayers claiming credits;

11 (c) The amount of each credit allowed to a taxpayer;

12 (d) A classification of every alternative energy device, as listed in ORS 469B.100, for
13 which a credit is allowed;

14 (e) The total amount of energy efficiency achieved in each of the preceding two calendar
15 years;

16 (f) The total amount of renewable energy generated;

17 (g) The total amount of greenhouse gas emissions reduced;

18 (h) The total number of new full-time equivalent positions directly related to the allow-
19 ance of the credit; and

20 (i) The overall economic impact of the credit.

21 (3) The report must include any information that the department submitted under ORS
22 184.484 in relation to credits certified under ORS 469B.106 in the preceding two calendar
23 years.

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