

**REVENUE IMPACT OF
PROPOSED LEGISLATION
79th Oregon Legislative Assembly
2018 Regular Session
Legislative Revenue Office**

Bill Number:	SB 1519 - 1
Revenue Area:	ESA
Economist:	Mazen Malik
Date:	02-12-2018

*Only Impacts on Original or Engrossed
Versions are Considered Official*

The revenue impact of this measure is indeterminate for the following reasons:

Many funds and programs are transferred out of the Department of Energy, as well as the duties and responsibilities for servicing and administering loan programs such as the SLP. It is not clear how the impacts on the loan programs will be. Further The measure allows moving the fund account and the tax credit revenue for the RED program to Oregon Business Development Department (OBDD), along with the authority to sell tax credits which sunset Dec. 31, 2017. The bill requires ODOE to work in consultation with OBDD to report findings to the Legislature on costs associated with managing the loan portfolio; transfers the Clean Energy Deployment Program and the Clean Energy Deployment Fund to OBDD; Repeals the Energy Efficiency and Sustainable Technical Loan Program in ORS 470.500-470.720. Also, repeals other statutes related to EEAST in ORS 701.108

The largest source of uncertainty to revenue is the result of reducing the Energy Supplier Assessment (ESA) cap to 0.15%. Although the current law cap is 0.375 %, it is not utilized all the way, and the current assessment for 2017 was 0.134 percent. The cap becomes effective for the 2019 assessment and will be based on 2018 revenues, but the adequacy of the cap is not clear for a slimmed down agency, which might have enough space under the cap or need to expand it again to higher level.