



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Carlson, Barofsky, McRae, Schlossberg and Brown  
FROM: Jason Heuser, Public Policy and Government Affairs Director  
DATE: April 21, 2023  
SUBJECT: State Legislative Session Update  
OBJECTIVE: Information

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## Issue

The 2023 State Legislative Session convened January 23, 2023. This memo is to apprise the Board of key issues of interest to EWEB, and the current status of these issues in the legislative process.

## Background

Prior to the start of each legislative session, the Board adopts general policy directives for advocacy at the Capitol, which guide the work of EWEB's lobbying activities. When political considerations test the applicability of those directives, the General Manager makes a determination as to whether a fundamental shift in direction is required. The Board may be asked to reaffirm its policy or direct staff to make necessary adjustments.

## Discussion

The first key deadline for the legislature has now passed – for most bills to remain viable, they needed to have had a public hearing and been voted out of committee by April 4 to keep advancing. As a result, hundreds of bills introduced this session are now deemed inactive or “dead”. The next key deadline: if a bill is passed by the first chamber of the legislature (House or Senate) it needs to be scheduled in a committee in the second chamber for a public hearing and work session by May 5<sup>th</sup> and voted on by May 19<sup>th</sup>.

The following is a summary of the status of key bills/issues of interest to EWEB:

### Willamette Water Treatment Plant Funding Request– SUPPORT

The Legislature's Joint Ways and Means Committee has been hosting a series of public hearings across the state in April to hear from Oregonians on their priorities for programmatic spending in the state budget. Meetings have been held in Portland, Newport, Roseburg thus far. Remaining meetings include Ontario (April 28<sup>th</sup>) and a Statewide Virtual Budget Town Hall on May 3<sup>rd</sup>.

The Joint Ways and Means Committee will expand its focus beyond programmatic spending next month and begin consideration for Capital Projects like EWEB's Willamette Water Treatment Plant Funding Request. EWEB staff are expecting to advocate for the project at hearings of the Capital Construction Subcommittee of the Joint Ways and Means Committee, likely to be scheduled in Early May.

## 2021 Wildfire Recovery Unspent Funding Carry-forward – SUPPORT

The 2021 Legislature appropriated funds for 2020 Wildfire Recovery, including \$4 million allocated to EWEB with a passthrough via the Oregon Watershed Enhancement Board. That balance has not been spent to date. It is currently believed that the Co-Chairs of the Ways and Means Committee plan to include a “reallocation” for all 2020 Wildfire Recovery funding in OWEB’s proposed budget for the 2023-2025 biennium.

EWEB has led coordination amongst other recipients of OWEB pass through wildfire recovery funding to produce a joint letter of support for this reallocation with logos from several local governments and conservation organizations. The Natural Resources Subcommittee of the Joint Ways and Means Committee took public testimony on April 20<sup>th</sup> in support of the reallocation from a panel comprised of the McKenzie River Trust, Rogue River Watershed Council, and the Klamath Watershed Partnership.

## SB 124/SB 125 – Renewable Hydrogen Grant Programs – SUPPORT

These two bills would support resiliency and decarbonization through the creation of renewable hydrogen grant programs to support hydrogen fueling stations as well as hydrogen-based emergency generators to replace emergency generators using fossil fuels (i.e., diesel). On March 20<sup>th</sup> both bills were passed out of the Senate Energy and Environment Committee with a subsequent referral to the Joint Ways and Means Committee where they remain at this time.

If SB 124/SB 125 are either not approved or not funded, the definitions of renewable hydrogen and green electrolytic hydrogen set in these bills have been inserted into HB 2530 a bill that would direct the Oregon Department of Energy to study renewable hydrogen potential in Oregon and pursue related federal funding opportunities that could support initiatives like SB124/SB125. HB 2530 was approved by the House 45-12 on March 14<sup>th</sup> and received a public hearing in the Senate Energy and Environment Committee on April 20<sup>th</sup>.

## HB 2571 – Electric Bike Rebate – SUPPORT

This bill would establish a state electric bike rebate to support Oregonians using electric bikes. The State has existing electric vehicle rebate programs, this bill would create parity and fairness for those who use electric bikes as their mode of transportation.

HB 2571 was approved by the House Climate, Energy, and Environment Committee on March 31<sup>st</sup> and referred to the Joint Ways and Means Committee.

## SB 530 – Establishment of Natural and Working Lands Fund – SUPPORT

SB 530 will fund and direct state agencies to provide incentives and technical support to forest owners, farmers, ranchers, etc., to implement natural climate solutions on natural and working lands. This new fund could potentially support efforts like EWEB’s Carbon Forestry Initiative and Watershed Protection measures that have carbon sequestration co-benefits.

SB 530 was approved by the Senate Natural Resources Committee on April 3<sup>rd</sup> and referred to the Joint Ways and Means Committee.

## HB 2813 – Drinking Water Source Protection Fund – SUPPORT

HB 2813 is a bipartisan bill to help communities and water suppliers secure plentiful drinking water, increase resilience to climate change, and provide state funding to match and leverage private and federal funding to protect water resources and public health. Specifically, HB 2813 will direct the Oregon Health Authority to provide technical assistance and financing to water suppliers for protection and enhancement of watersheds. It would establish a grant program to protect, restore, and enhance sources of drinking water. Grants may be used for acquiring lands or using easements for the protection, enhancement or restoration of lands that will benefit a drinking water source used by a drinking water supplier.

HB 2813 was approved by the Agriculture, Land Use, Natural Resources, and Water and referred to Joint Ways and Means Committee. However, the language of the bill was recently duplicated into the proposed Bipartisan Drought Relief and Water Security Package (BiDRAWS) assembled in HB 3124, a bill that was referred to the House Rules Committee on April 10<sup>th</sup>. The House and Senate Rules Committees are not subject to the same bill deadlines as the other policy committees. HB 3124 received an informational hearing its original Agriculture, Land Use, Natural Resources, and Water Committee on April 18<sup>th</sup>. EWEB staff testified in support of the package, highlighting specific support for the inclusion of HB 2813 as Component #3-2 of the BiDRAWS.

## HB 2490 – Cyber Security Public Records Exemption – SUPPORT

HB 2490 exempts from public records disclosure cybersecurity documents that protect computer, information technology, or communications systems from threat or attack. This includes records that depend for their effectiveness upon a lack of public knowledge and contractual and insurance records that document cybersecurity specifications. The bill has been brought forward by local State Representative Nancy Nathanson.

HB 2490 was approved by the House 57-0 on March 23<sup>rd</sup>. The bill has been scheduled for a public hearing on April 25<sup>th</sup>. EWEB staff provided testimony in support of the bill on the House side and will do so again for the bill's consideration in the Senate.

## HB 3166 State Whole-Home Energy Savings and High Efficiency Electric Home Rebate Program – MONITOR

This bill would direct the Oregon Department of Energy (ODOE), in consultation with the Housing and Community Services Department, to establish a whole-home energy savings program and high-efficiency electric home rebate program and a create single resource that provides information and technical assistance to interested persons on available energy efficiency incentives and programs.

The bill is intended to be a receptacle and disbursement mechanism for expected funds that will flow to the state through the federal Inflation Reduction Act (IRA) to assist ratepayers, deploy energy efficiency and reduce bills.

This program could be a successful mechanism to deploy IRA funds in Oregon but could require further coordination with existing energy efficiency programs run by the Energy Trust of Oregon, individual Consumer-Owned Utilities (COUs), and the Bonneville Power Administration. Proper coordination and alignment is needed to ensure resources are deployed strategically and that unintended consequences are avoided (i.e. overlapping incentives that pay for more than 100 percent the cost of a measure – this can be avoided with data sharing between the state and utility programs; state incentives should require performance standards equal to those of the Bonneville Power

Administration (BPA) so that any energy savings in COU territories can be claimed towards regional energy efficiency targets set by the Northwest Power Planning and Conservation Council.

HB 3166 was approved out of committee on March 20<sup>th</sup>, with a subsequent referral to the Joint Ways and Means Committee.

**Recommendation**

This memo is for informational purposes. No board action is requested.

**Requested Board Action**

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