



## MCAT-Climate.org - 2025 Legislative Outlook - April 14, 2025

### Transportation

- **Omnibus Transportation Package (no bill yet):**

The Transportation Reinvestment Package (TRIP) is out and contains:

- A proposal for phased-in specific fuels tax increases (adding up to \$.20/gal over 8 years) and then pegging future increases to inflation. These funds would be 90% dedicated to operations, maintenance and preservation (not road expansion).
  - Adding to the Highway Fund with increases in vehicle registration (+\$66), titles (+\$90), weight-mile taxes (+16.9%), and a one-time 1% system use charge on all new vehicle sales in the state to boost funding for safety improvements.
  - Phasing in a mandatory Road User Fee (RUF) for light vehicles over 4 years, for EVs, plug-in hybrids, new vehicles rated at 30 mpg or more, and for corporate delivery fleets.
  - Setting new requirements to develop greater Stewardship, Accountability, and Transparency in the Transportation System. Details still unknown.
  - Maintaining the transit system's current service levels of transit providers (and expanding the Youth Pass and Veterans' Passes) through an increase in the payroll tax dedicated to transit from 0.1% to 0.18%.
  - Investing in Rail infrastructure and operations by both increasing the vehicle privilege tax and establishing a Tire Tax (split between rail operations and wildlife crossing and salmon restoration).
  - Increasing the existing new bike tax from \$15/bike by \$9.50 to raise another \$1 million for the Community Paths program to develop and maintain "off-system" trails.
  - Still to be addressed: Road user fee rates, equity-based discounts, electrification rebates/subsidies, I-5 bridge replacement cost overruns.
- **Zero Emission School Bus Act (HB 2945):** Requires new rules by the Environmental Quality Commission (EQC) for accelerating the transition to zero-emission school buses.

### Clean Energy

- **Transmission Package: 1) (HB 3336)** Lower barriers to & incentivize adoption of Grid Enhancement Technologies (GETs); 2) **(HB 3681)** Streamlines the state regulatory approval processes for certifying new energy facilities and electricity transmission lines.
- **Protecting Oregonians with Energy Responsibility (POWER ACT) (HB 3546):** Ensures that large energy users, like data centers and crypto operations, do not unfairly burden Oregon households with their grid and transmission costs.
- **Performance-Based Regulation of Electric Utilities (SB 688):** Authorizes the Oregon Public Utility Commission (PUC) to develop new regulatory metrics that incentivize or penalize power companies based on how well the companies meet metrics important to Oregon, such as reduction of GHGs, increased energy efficiency, improved reliability and resilience, and minimizing costs to ratepayers.

- **Distributed Power Plant (DPP) Program (HB 3609):** Requires each electrical utility to develop a DPP program that will allow small sources of electricity to join together to provide additional power resilience and lower costs for small users.
- **Thermal Energy Network (TEN) Pilot Projects (SB 1143):** Directs the PUC to establish a utility-scale pilot program for natural gas companies. Those companies would be required to file a proposal for a TEN pilot program within two years or explain why not.

## Healthy Homes & Communities

- **Critical Energy Infrastructure (CEI) Hub Package:** 1) **(HB 3450)** Department of Environmental Quality (DEQ) to produce a strategic energy storage transition plan including short, medium, and long range goals by 2026; 2) **(HB 2152)** Requires Oregon Department of Energy (ODOE) to develop and implement a state-wide Disaster Reserves Plan for liquid fuels; 3) **(HB 2949)** Requires CEI-Hub bulk storage owners and operators to obtain a certificate of financial responsibility from DEQ.
- **Hydrogen Transparency (SB 685):** Requires methane (natural gas) service providers to give 60 days advance notice to their customers and the PUC if hydrogen content is over 2.5% by volume.
- **One Stop Shop 2.0/Energy Efficiency Navigation (HB 3081):** Expand the existing energy efficiency and incentives directory program – One Stop Shop 1.0; support more dynamic navigation services, reduce complexity and provide better service to customers.

## General

- **Right to a Healthy Environment (SJR 28):** A bill to send a constitutional amendment guaranteeing the fundamental right to a safe, clean and healthy environment to voters in 2026.
- **Task Force on Public Financing Options (HB 2966):** Creation of a Task Force to study and make recommendations concerning the establishment of public financing options.
- **Methane Monitoring (SB 726):** Directs DEQ to require municipal solid waste landfills to monitor and report emissions and quickly fix emission leaks.
- **Reducing Food Waste (HB 3018):** Uniform date labeling based on food safety and quality, modeled after California's program and requiring large entities to compost rather than landfill food, based on Metro's current program.

**Climate Budget:** The climate budget will be coming from the Legislative Environmental Caucus that will set overall targets to fund the work needed to meet Oregon's climate goals. Examples include:

- EV & eBike Rebates for low income purchasers (\$xxM)
- Electric School Buses (\$xxM)
- Finalizing the Private Forest Accord (\$xxM)
- Stable funding for Natural Climate Solutions (\$xxM)
- Funding for Climate Resilience programs
  - Rental Home & Community Heat Pump Programs (\$xxM)
  - Community Resilience Hubs (\$xM)

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