

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Action: Approval of Support Position for Senate Bill 306-A

Meeting Date: May 13, 2013
Department: City Manager's Office
www.eugene-or.gov

Agenda Item Number: 4
Staff Contact: Lisa Gardner
Contact Telephone Number: 541-682-5245

ISSUE STATEMENT

This is an action item requesting council approval to lobby in favor of Senate Bill 306-A, a bill to direct Oregon Department of Revenue to study the impacts of a carbon tax in Oregon.

BACKGROUND

This item is being brought directly to the full council for consideration of a support position. As of the writing of this agenda item summary, the amended bill language is still being drafted, and will be forwarded to the council as soon as it is available.

The Eugene Water & Electric Board is seeking support in lobbying for approval of Senate Bill 306-A. The bill, as amended, would direct the Oregon Department of Revenue to study the impacts of a carbon tax in Oregon on businesses, consumers, and groups that may be uniquely affected, for example low-income Oregonians, energy intensive industries, urban versus rural impacts, etc. The study report will be delivered to the 2014 State Legislature.

It is extremely likely that a legislature or Governor-appointed task force will be formed in 2014, or some alternative, to recommend whether or not a carbon pricing mechanism makes sense for Oregon, what types of challenges and fairness issues exist, and how those might be mitigated. Without SB 306, very little data and research into these issues would be available to inform the legislature. With SB 306, the legislature will be able to make a more informed decision whether or not to proceed with the development and how to do it in the best interests of maintaining economic competitiveness and fairness to affected groups and areas.

Although it not clear yet how study scope will assess regional impacts within Oregon, the study could help inform the Eugene City Council as to what impact a carbon price could have locally. Given the relatively lower carbon footprint of Eugene due to the legacy of planning efforts from the City and EWEB, the community could potentially be more economically competitive within Oregon once greenhouse gas emissions externalities are priced and internalized, reflecting their true cost.

A carbon pricing approach could also likely avoid preemption of local decision-making and unfunded mandates for local governments.

RELATED CITY POLICIES

Support for this bill is consistent with the Climate Energy Action Plan, and the 2009 Council goal that all City-owned facilities and City operations shall be “carbon neutral” by 2020 (i.e. shall reduce net carbon emissions to zero, or if that is not possible, cancel all remaining scope 1 and scope 2 emissions through the funding of approved local offset mechanisms or the purchase of approved high-quality carbon offsets).

COUNCIL OPTIONS

The council may approve a support position for Senate Bill 306-A, may oppose Senate Bill 306-A, may take no action, or may otherwise direct staff regarding the City’s position on this bill.

CITY MANAGER’S RECOMMENDATION

The City Manager recommends council support Senate Bill 306-A, and direct staff to work with the Eugene Water & Electric Board to lobby a support position on this bill.

SUGGESTED MOTION

Move to approve a Support position for Senate Bill 306-A.

FOR MORE INFORMATION

Staff Contact: Lisa Gardner
Telephone: 541-682-5245
Staff E-Mail: lisa.a.gardner@ci.eugene.or.us