



CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE
BUREAU OF REVENUE AND FINANCIAL SERVICES

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Revenue Division Adopts Clean Energy Surcharge Administrative Rules

The City of Portland's Revenue Division published the final version of administrative rules related to the Clean Energy Surcharge (CES). This action implements Measure 26-201's language that voters approved in November 2018. The administrative rulemaking process further defines the Clean Energy Surcharge and taxpayer responsibilities based on the measure language.

Background on the Rulemaking Process

On November 6, 2018, Portland voters overwhelmingly approved the nation's first-of-its kind, frontline community-led ballot measure (Measure 26-201, the Portland Clean Energy Community Benefits Initiative). This measure creates new revenue to fund clean energy projects and living-wage jobs by placing a 1 percent surcharge on the retail sales within Portland of large retailers with at least \$1 billion in sales nationally and \$500,000 in the city.

On February 21, 2019, the Portland City Council passed a series of ordinances to codify Measure 26-201 into Portland City Code Chapters 7.02, 7.07, and 5.04. On March 15, 2019, pursuant to Portland City Code 7.02, the City of Portland's Revenue Division released draft administrative rules for public comment. The Revenue Division held a public hearing on the proposed rules on April 3, 2019 and accepted written comments through April 5, 2019.

On May 30, 2019, the City of Portland Attorney's Office issued a written opinion advising the Revenue Division and City Council that the Revenue Division could only consider the plain language of the official measure, and the implementing ordinance approved by Council, when drafting and considering community comments on the proposed rules. Any changes to the application of the Clean Energy Surcharge as it

relates to deductions and exemptions must be proposed and made by Council. If any such modifications are made, the Revenue Division will update the rules, if applicable, and release them for public comment pursuant to Portland City code 7.02.

For additional information on the Portland Clean Energy Fund, please visit <https://www.portlandoregon.gov/bps/78729>. For live updates on the Portland Clean Energy Fund, please subscribe to the [Bureau of Planning and Sustainability](#) and (<https://www.portlandoregon.gov/bps/article/705673>).

The community coalition that led the ballot initiative is organizing workgroups on key areas of implementation including staffing, capacity building, communications and oversight. To learn more and join their email list, visit: <https://portlandcleanenergyfund.org/>.

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