

**Hampton Susan**

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**Subject:** FW: Testimony regarding SB 1533A

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**From:** John Charles [<mailto:john@cascadepolicy.org>]  
**Sent:** Thursday, February 23, 2012 12:34 PM  
**To:** Rep Bailey; Rep Gilliam; Rep Boone; Rep Krieger; Rep Bentz; Rep KenyGuyer; Rep Thompson; Rep Witt  
**Cc:** Patrino Beth  
**Subject:** Testimony regarding SB 1533A

Members of the House Energy, Environment and Water Committee:

I am writing to share my concerns regarding SB 1533A.

Regardless of how one feels about any particular source of energy, I believe it is poor public policy to mandate a minimum level of capital expenditures on future public projects for that source. Every project has a fact-specific context; the people in charge of that project should be entrusted to develop a budget that makes sense within that context. Few people would impose "1% for art" or "1.5% for solar" mandates on themselves for all future home renovation projects, so why is this considered appropriate for public sector construction?

Even though SB 1533A does allow the 1.5% minimum expenditure to be avoided upon a finding of inappropriateness, the mandate is then rolled ahead to be compounded on the next public project. This "doubling-down" on a bad premise almost guarantees wasteful expenditures in the future.

Oregon already has numerous mandates and subsidies for so-called "green technologies." We've had the 3% "public purpose" tax for the past 10 years that has subsidized the Energy Trust of Oregon and a variety of "market transformation" activities. We also have a very aggressive RPS mandate that will cost ratepayers billions of dollars in premiums to support the "green energy" industry. We have a solar energy feed-in tariff, we have green energy tax credits, and we have small energy loan programs. There is little rationale for yet another energy mandate.

I recognize that the "minimum expenditure requirement" is already embedded in the existing language of ORS 279C.527, but tweaking it doesn't help; the best solution is to repeal the language of that statute entirely.

Thank you for your consideration.

John Charles  
Cascade Policy Institute