











TESTIMONY

House Committee on Health Care

Chair Greenlick, Vice Chair Hayden and Vice Chair Nosse

Wednesday, April 1, 2015

We represent a diverse coalition of agricultural producers in opposition to HB 3310, which would implement California's Truck and Bus Regulation in Oregon and target our existing diesel truck fleet. HB 3310 would impose a complicated and burdensome regulatory program on Oregon agricultural producers and require significant investments by Oregon small businesses.

With a population of nearly 39 million and 1 billion vehicles on the road, California's Truck and Bus Regulation was developed to reduce the amount of nitrogen oxides (NOx) in densely populated urban areas to improve air quality. Since its enactment, the Truck and Bus Regulation has been amended numerous times to accommodate the needs of California's seasonal industries and rural communities. For example, the California Air Resources Board (CARB) provided leeway to industries with seasonal emissions profiles—agriculture and logging—and exempted rural communities where combustion and NOx were not issues.

HB 3310 would require significant investments in trucks and farm equipment that Oregon's agricultural producers and transportation community cannot afford. The bill would require expensive engine retrofits or the total replacement trucks and farm equipment for anything bigger than a pickup. Diesel particulate retrofits often cost more than the truck is worth, and equipment replacements would cost over \$100,000 per vehicle. Oregon farmers operate on a tight margin, and HB 3310 adds one more cost that agricultural producers cannot afford.

Vehicles that operate seasonally or predominantly in rural areas of the state should be exempt from regulation under HB 3310. Many agricultural activities are seasonal, and equipment is used for a short duration with minimal impact on total NOx. The potential impact on air quality is even less in rural areas. We have not seen data to show how much trucks or farm equipment contribute to total NOx and would caution against enacting this policy without a thorough analysis of emissions by industry sector. Imposing California's Truck and Bus Regulation in Oregon would significantly harm agricultural producers, and emissions data must be provided to show if this program is cost effective.

Finally, we are disappointed that voluntary incentive programs have gone unfunded. The Oregon legislature had the opportunity to fund diesel retrofits when it created the Clean Diesel Engine Fund in 2007 (ORS § 468A.803). However, funding this incentive program was not prioritized, and today, the fund remains empty despite continued requests from stakeholders to incentivize expensive diesel retrofits. It is unfair to put this burden entirely on the backs of Oregon small businesses, and we ask that the legislature dedicate money to this fund to facilitate the voluntary transition of diesel engines in Oregon.

Our coalition does not support diesel emissions standards that would cripple the industry with little impact on total NOx emissions. HB 3310 fails to provide the flexibility necessary for the production of Oregon's diverse commodities and does not work for Oregon agriculture.

We respectfully ask you to oppose HB 3310.

Sincerely,

Jennifer Dresler Oregon Farm Bureau Roger Beyer Oregon Seed Council Oregon Dairy Farmers Association

Jeff Stone Oregon Association of Nurseries

Jerome Rosa Oregon Cattlemen's Association

Blake Rowe Oregon Wheat Growers League