To: Representative Jessica Vega Pederson, Chair, and Members of House Committee on Energy and Environment

From: Tom Bowerman

RE: Oregon Climate Stability & Justice Act <u>HB3470</u> Testimony for April 14, 2015

Carbon reduction policies in Oregon are not achieving the goals provided for in Oregon's ORS greenhouse gas reduction policy. HB3470 is designed to:

- 1. Achieve Oregon's emission objectives.
- 2. Be politically feasible.
- 3. Navigate Oregon constitutional provisions about fuel taxation.
- 4. Reflect the preference of Oregon's citizens.
- 5. Help the economy.
- 6. Be fair to at risk populations.
- 7. Contribute to a larger regional or national greenhouse gas policy.
- 8. Remain flexible within best science, technology and changing circumstances.

An important distinction from the other bills in this hearing, **HB 3470 is NOT a carbon tax or fee policy**, it is a greenhouse gas reduction policy.

HB3470 language specifically provides for these important components:

- Gives <u>ORS 468A.205</u> greenhouse gas reduction goals the mandate it needs.
- Consolidates Oregon laws, rules and policies about emissions into a comprehensive framework.
- Applies the best available science.
- Mandates emission reductions which are real, quantifiable, verifiable and enforceable.
- Requires lease cost implementation strategies.
- Provides protections that impacts do not fall disproportionately on low income communities.
- Authorizes a market-based trading and auction program similar to <u>California law AB32</u>. California, with the 7th largest economy in the world, designed their law to be joined by other jurisdictions. Nine years of California carbon cap policy is demonstrating that a carbon cap is helping their economy.
- Provides a policy framework which is supported by a majority of Oregonians (see overleaf).

Amendment <u>HB3470-1</u>:

- Requires five year reporting & strategic adjustments.
- Requires full accounting methods for carbon emissions.

The Legislative Revenue office finds that HB3470 has No Revenue Impact

Priority Request:

A. Pass HB3470 to a full House vote with a Do Pass recommendation.

B. If the Committee does not have the will to pass this bill outright, the bill should be scheduled for a work session wherein it may be evaluated more comprehensively than possible within this hearing.

Human caused climate change is a profoundly urgent issue and is not going away. Delayed action rapidly compounds the costs. The best possible outcome here is to keep this bill moving forward, either through passage or keeping the conversation alive. (see overleaf)

Public Opinion: This small national sample will be very close to Oregon levels of opinion. This is a <u>PI Opinion Survey</u> <u>April 11 & 12, 2015</u> N=205 National Panel Sample. An Oregon random sample is also scheduled to run this week.

3. Greenhouse Gas Emissions

sta		of action by the US Congress, would you support a law in reenhouse producing products to reduce their greenhous	-	Create Chart
			Response Percent	Response Total
1	YES, feel strongly		38.54%	79
2	Lean towards YES		34.15%	70
3	Don't know, Undecided		7.80%	16
4	Lean towards NO		9.76%	20
5	NO, feel strongly		9.76%	20
Opt	ional, you may offer a comment here: (17) View			
			answered	205
			skipped	0

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4. Here are several components such a law would include. For eac INCREASE, or NOT CHANGE your original position:	ch statement, tell	me if it would DEC	REASE,	Create Chart
	DECREASE SUPPORT for lowering business emissions	DOES NOT CHANGE original opinion	INCREASE SUPPORT for Iowering business emissions	Response Total
It would be designed to foster multi-state participation for regional cooperation and effectiveness.	4.9% (10)	46.3% (95)	48.8% (100)	205
A market based fee for emission allowance would fund emission reducing investments like conservation and public transportation, producing local jobs and energy efficiency.	7.3% (15)	43.9% (90)	48.8% (100)	205
Reductions would occur incrementally through 2050 to allow for time for conversions.	10.7% (22)	47.8% (98)	41.5% (85)	205
Emission reduction targets would be updated every five years regularly using best accounting and science to address new discoveries and make sure things are on-track.	3.9% (8)	40.0% (82)	56.1% (115)	205
Safeguards would be put into place to help protect low income groups from adverse impacts.	2.9% (6)	41.5% (85)	55.6% (114)	205
Optional comment: (6) View				
View Matrix Charts	answered	205		
			skipped	0

Invested in conservation, renewable energy and public transportation type projects.	70.79%	143
		.40
2 Refunded equally to every citizen including dependents who are under 18 years old.	25.74%	52
3 Other (must specify if checked): View	3.47%	7