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2/09/18

RE: Senate Bill 1507 and House Bill 4001.

POSITION: OPPOSITION TO BOTH BILLS BEING PROPOSED FOR THE 2018 SESSION.

Dear Representatives and Senators:

First, I would like to emphatically state, I do not oppose people wanting to reduce emissions from vehicles, specifically commercial sized ones. The intent of this bill is to lessen greenhouse and other gasses from being emitted into the atmosphere.

The bills, HB-4001 and SB 1507 however, are over reaching and damaging to Oregon businesses specifically in the trucking industry.

It seems in fear of climate change, Oregon is trying to become the state leader in clean energy.

Instead, some legislators and environmental activists are trying to push new taxes and regulations that can overburden the already heavily taxed and regulated trucking industry.

The purpose of this bill has been tainted by special interest and the incessant need to police more and more, year after year.

I can understand the need to use a legislative session to legislate. However, a short session shouldn't be used to push through massive regulation and taxes on a major business industry for the state.

We, in the trucking industry can only handle so much burden in a short amount of time. As you know the state just passed the largest tax hike in Oregon history. The taxes on fuel will go up nearly 53% in the next few years. Trucking is one of the most important trades in the world. These costs from taxes will go only a few ways: 1) They will be passed on to a customer, who will then pass it on to their customers, who will be people buying products. 2) Customers who cannot afford the cost increase will simply close their doors due to costs of operation being too high. 3) Trucking companies will attempt to eat the price hike by freezing wages, dropping benefits, or furloughing entry level workers. None of those are a good thing for Oregonians.

No one should want Oregon companies to become uncompetitive to out of state businesses.

As our elected officials, I hope you in turn will honor your responsibilities to protect us all from this type of political posturing. Anything less would be considered indecent and immoral.

I encourage you to strongly oppose HB-4001 and SB-1507 for the following reasons:

1 –Oregon already has a Low Carbon Fuel Standard and this just creates a redundant tax impacting everyone.

2 – <u>The short session in the state legislature should not be used to push massive regulation and taxes on</u> one of Oregon's largest industries. It should be used to correct budget issues and tweak past legislation minimally. If we are to push this type of regulation, it should be done in a full session.

3 - The above bills create more taxes (minimum of 0.16/gallon) only a year after passing the largest tax hike in Oregon history. If we are going to raise taxes even farther on the trucking industry, we need to get businesses more time to adapt to past tax increases that haven't taken effect.

4 - The bill is meant to lower emissions. However, <u>if</u> Oregon wants to use law to make people act a certain way, they should incentivize good behavior, rather than tax what some deem bad. Instead in 2019, Oregon should propose a tax incentive for trucking companies to start using electric and low emission engines. That way no financial burden is placed on small businesses.

5- Small businesses are hit the hardest with emission control taxes. A small company that only has a few trucks cannot afford to buy a new \$150,000.00 truck with low emissions. When you push taxes and regulations, the small business owners trying to start up their own companies with 1 or 2 trucks will simply close their own doors and work for a company that can afford a new truck every few years. As you know small businesses should be encouraged for competition to create better paying jobs.

These emission bills are being pushed hard by big business and special interest in the name of safety. But in reality, they want the burden placed on small companies to push them out of the marketplace.

6- I urge you on behalf of the small business community, to oppose HB-4001 and SB-1507.

I thank you for your attention and consideration of this opinion