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Testimony in Support of HB 3062 – Extends Oregon Road Tax Exemption for biodiesel blends of 20% or more

Testimony of Brent Leathers, General Manager, Leathers Enterprises, Inc.

House Revenue Committee, April 30, 2019

CHAIR NATHANSON, CO-CHAIRS FINDLEY & MADRAS, & MEMBERS OF THE COMMITTEE

Good morning. My name is Brent Leathers, General Manager and part owner of Leathers Fuels and Leathers Enterprises.

The current biodiesel state tax exemption is a success, particularly where the street/retail price is lowered to reflect the incentive. It provides the reason for consumers and delivery truck drivers to try the different fuel. It encourages research into renewable biodiesel options, promotes understanding of the generally equivalent performance characteristics, and overcomes much of the negative history associated with biodiesel that was poorly refined.

The State of Oregon is in the process of changing the incentives and penalties associated with various energy sources, with the emphasis on favoring low carbon energy products. A lot of money will be expended through new taxes and disincentive policies. This UCO biodiesel bill, now expanded to include other biodiesel sources, has cost the State very little in the overall picture of energy incentives.

Those of us that chose to invest in this program by installing new underground storage tanks, dispensers, underground product lines, and through public education through brochures and training, believe that the program has proven a success by changing consumer purchasing decisions, and promoting education about biodiesel in general.

We ask that you sustain the program for another year to secure these gains in consumer education and behavior. As other energy legislation is crafted and adopted, the place of the biodiesel incentives will become clearer, and can be modified to complement the other strategies.

Thank you for your time today.