

Oregon Family Farm Association

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Oregon Family Farm Association members are committed to natural resources stewardship. Our member farm families have been farming and ranching in Oregon for generations, which is the true definition of sustainable; we are part of the solution. Oregon's share of U.S. greenhouse gas emissions is less than one percent and on a clear downward trend. SB 1530 will not make a measurable change in global greenhouse gas emissions and will only reduce the competitiveness of Oregon's family farms and ranches.

SB 1530 will levy cost increases on Oregon's farm and ranch families through the purchase of fuel and natural gas. Oregon farmers and ranchers ship their products worldwide and therefore compete with others, not in Oregon, but around the globe. Adding costs to our members, who have little or no ability to recoup those costs, will just cause hardship to Oregon farmers and potentially drive production to other areas of the world which do not have the same environmental standard as Oregon.

During the 2019 interim, the Governor traveled around the state speaking with farmers and ranchers. A key recommendation in those discussions was to exempt all fuels used in the production of food and fiber in order to mitigate cap-and-trade-related cost increases borne by farmers and ranchers.

We are disappointed to see that SB1530 includes agricultural fuels (dyed diesel) and onroad fuels used to transport food and fiber under the carbon cap. This will increase fuel costs for farm and ranch families by thousands of dollars each year, beginning in the first year of the program.

Oregon Family Farm Association would also like to point out that dyed diesel is only part of the equation for farmers and ranchers. ORS 805.300 to 805.410 provides farmers and ranchers with farm vehicle registration. The use of dyed diesel is not allowed in these vehicles as they can be used on public highways. In order to truly exempt farms and ranches from a cap-and- trade system, the on-road fuel used in farm vehicles must also be exempt from the cap in any version of the bill going forward.

Acknowledging that agriculture plays a key role in carbon sequestration, any carbon regulating program should create accessible incentives and offsets that leverage existing programs that farmers and ranchers are familiar with. Interim work groups worked with state and federal agencies to identify such incentive programs and develop voluntary incentives that help Oregon agriculture remain competitive globally while sequestering carbon. These must be accessible and affordable for farmers and ranchers across the state, regardless of geography, crop type, or production method.

We also urge the Committee to revisit stringent and inaccessible offset requirements that are ill-suited to Oregon's diverse agricultural production. The California model for offsets will limit producer participation in the program and restrain the ability of offsets as a mechanism to reduce emissions. Instead a development of flexible protocols that expand and expedite the use of offsets and ensure that once an offset project is approved, it can continue to generate offsets throughout the intended life of the project.

Oregon Family Farm Association opposes SB 1530 and requests the Committee work on amendments to address these and other serious concerns that have been pointed out by us and others who have testified against this bill.

Thank you for the opportunity to testify.

Roger Beyer Oregon Family Farm Association