

**Testimony to the Joint Committee on Transportation  
On House Bill 3056**

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Founded in 1968, the Oregon Environmental Council (OEC) is a nonprofit, nonpartisan, membership-based organization. We advance innovative, collaborative and equitable solutions to Oregon's environmental challenges for today and future generations.

Oregon Environmental Council opposes HB 3056.

While OEC supports the laudable goals of this legislation to provide much-needed support for a transit agency, we unfortunately cannot support this mechanism.

The Clean Fuels Program has been very successful – reducing the carbon intensity of in-state transportation fuels by over 4 million tons while creating hundreds of local jobs in biodiesel production, electric charging installation, among other sectors, as well as reducing harmful air pollution. The program, however, operates on the foundational rule that credits are generated only when a ton of emissions is reduced by the direct use of cleaner fuels after a particular timeline. Exchanging lapsed tax credits from an entirely different program for clean fuels credits fundamentally undermines this basic principle and erodes the program's integrity.

The Clean Fuels Program has provided support for transit agencies since its beginning. The program supports TriMet, Lane, Cherriots, and Rogue Valley Transit Authority for their current use of lower carbon fuels, such as electricity, renewable diesel, and biodiesel, among others. The program is also poised to provide even more benefit to transit fleets that want to electrify by bundling and advancing credits to help reduce upfront vehicle costs. Running buses on electricity has many co-benefits, including zero tail pipe emissions, the potential to charge with 100% renewable energy, keeping energy dollars in the local economy, and much greater price stability than oil.

Oregon must continue to support transit agencies as well as climate pollution reduction. We look forward to working with transit agencies on other options. Unfortunately this legislation is the wrong approach to provide that support.