



February 10, 2022

Joint Committee on Transportation

900 Court Street, NE

Salem, OR 97301

Dear Co-Chairs Beyer and McLain, and Members of the Committee:

The League of Oregon Cities opposes HB 4141.

HB 4141 sets timelines for prohibition of non-retail and retail sale of petroleum-derived diesel to consumers for use in motor vehicles. Section 5 of the bill preempts public bodies, including cities, from purchasing petroleum diesel for use in a motor vehicle subject to the control of the public body starting: January 1, 2025 for public bodies in Clackamas, Washington, and Multnomah counties; January 1, 2027 for public bodies in western Oregon; and January 1, 2029 for all public bodies throughout all of Oregon.

LOC opposes HB 4141 for the following reasons:

- Cities use fleets of diesel-powered vehicles and equipment to provide important services to their residents. As a result, any legislative action on diesel-powered vehicles and equipment will have impacts on cities and the services they provide.
- City diesel fleets vary significantly in size, age, and type. As a result, renewable diesel-powered replacements would likely prove difficult and costly for many cities.
- Due to supply challenges, not all cities will have the same access to renewable fuel even if they are able to replace their fleets.

Oregon's Clean Fuels Program and Climate Protection Program already provide significant incentives and mandates for fuel manufacturers, retailers, and wholesalers to import and sell as much renewable diesel as economically viable. Mandates should not be placed on cities who depend on diesel to provide core services to Oregonians. Instead, we recommend that there be a broad study that explores existing incentives, future demand and availability, infrastructure limitations and/or opportunities, and demographic access to alternative fuels. Any study should include cities, and other local government partners, as services in cities big and small, urban and rural will be affected if the state moves toward banning, disincentivizing, or phasing out petroleum-derived diesel.

Respectfully,

Jenna Jones

Lobbyist, League of Oregon Cities

jjones@orcities.org