



House Committee on Climate, Energy & Environment  
Oregon State Capitol  
900 Court St. NE  
Salem Oregon 97301

March 30, 2023

**RE: HB 3579-1 and forthcoming amendment – SUPPORT**

Chair Marsh, Vice Chairs Levy and Levy, members of the Committee,

Oregon Environmental Council (OEC) is a statewide nonprofit that advances innovative, collaborative and equitable solutions to Oregon's environmental challenges for today and future generations. Climate Solutions is a regional non-profit working to accelerate clean energy solutions to the climate crisis. On behalf of our thousands of members statewide, we urge your support of the Clean Technology Leadership bill, HB 3579-1 and the forthcoming -2 amendment.

This committee has heard a lot this session about the unprecedented opportunity we have to leverage historic federal investments in climate and clean energy, and the profound impact that these investments will have on the American economy. While much discussion has rightfully been focused on the hundreds of billions of dollars in demand-side incentives for individuals and businesses to adopt clean, efficient appliances, zero-emission vehicles, and renewable energy, less attention has been given to new, significant *supply*-side incentives for the production of these clean technologies.

These supply-side incentives for clean energy technologies are critical for 1) creating in-state, family-wage jobs that cannot be outsourced, 2) ramping up the production of technologies such as heat pumps and solar panels which will be in high demand to meet our state climate goals, and ultimately 3) reducing the price for these technologies at the point of sale, rather than at the time of filing taxes. This can help ensure more equitable deployment of clean energy technologies to those who might be unable to afford a higher upfront cost.

The Inflation Reduction Act includes roughly \$60 billion in tax credits, direct loans, and grants for domestic manufacturing across the clean energy supply chain. Right now, companies across the world are seeking to harness these incentives to expand or establish their clean technology businesses and manufacturing facilities across the United States. HB 3579-1 seeks to drive as much of this economic growth, job creation, and prosperity to Oregon communities as possible.

HB 3571-1 and the forthcoming -2 amendment was developed and informed by conversations with dozens of Oregon-based businesses, innovators, labor, and economic development organizations from across the state. These conversations have made abundantly clear just how far behind our state is when it comes to supporting clean technology companies and manufacturers in Oregon. Oregon is at an inflection point: We can either seize this opportunity to become a leader in producing and procuring innovative

technologies that the entire world is seeking in the transition to a clean energy economy. Or we can leave those jobs and economic prosperity for Oregonians on the table.

HB 3579-1 and the forthcoming -2 amendment offers a trifecta of solutions that will maximize our competitiveness in attracting, expanding, and *sustaining* new and existing clean energy technology industries and manufacturers right here in Oregon:

First, through the creation of the Oregon Clean Technology Manufacturing Opportunity Fund, this bill will support companies in re-equipping, expanding or establishing manufacturing facilities in Oregon, focusing on those industries without existing domestic manufacturing bases and with the greatest potential for growth in our state.

Second, by creating a statewide policy for evaluating and procuring zero-emission technologies, this bill will further support regional and in-state clean technology manufacturing, which will in turn help address supply chain constraints and ensure affordable access to clean energy technologies.

Finally, recognizing that this legislation must not be the end of the road, but rather the beginning, this bill establishes a statewide task force to identify additional, strategic policy mechanisms and tools to continue to foster clean technology manufacturing in our state. Together, these provisions will make an important down payment toward clean technology leadership and sustained economic vitality for Oregon.

For these reasons, we strongly urge you to support HB 3196-1 and the forthcoming -2 amendment.

Sincerely,

Nora Apter  
Climate Program Director  
Oregon Environmental Council

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Buildings Policy Manager  
Climate Solutions