

TO: Co-chairs Steiner and Sanchez and members of the Joint Committee for Ways and Means

FROM: Jane Stackhouse, Metro Climate Action Team (MCAT) Transportation

Date: April 8, 2023

RE: Oregon State budget

Co-chairs Steiner and Sanchez and members of the Committee, for the record my name is Jane Stackhouse. I am a member of the Metro Climate Action Team (MCAT) and co-chair of our Transportation Committee.

Our Transportation Committee recognizes that the transportation sector is the largest contributor to greenhouse gas emissions in Oregon. We look for ways to decrease emissions from transportation including reducing congestion by encouraging active forms of transportation and public transit. More freeway lanes do not solve congestion they only make cars more attractive and make walking and biking more difficult.

I try to stay optimistic when I consider climate change and the adverse impact it is already having on weather patterns. Here in Oregon, we see crop failures, fish die off, heat domes, and wildfire. Budgets represent our values. We need to invest more in climate mitigation and resiliency. When you reach across the aisle to talk with your colleagues about what we Oregonians value you will find a lot in common. Oregonians value our families, our communities, our beautiful landscape, and our freedom to enjoy health and prosperity. Climate change threatens all of these and we must invest in programs to mitigate by finding alternatives to burning fossil fuels and adapt to the changing climate by becoming more resilient.

First, we need to make sure Oregon qualifies for our fair share of the unprecedented federal funding opportunities available this year.

- One thing we can say about ODOT is they are very skilled at securing Federal funds. My concern is they tend to use these funds for big highway projects rather than active transportation and mass transit.
- The OTC Restructuring bill (HB 2619) could go a long way to increasing input from Oregonians on how projects should be prioritized and help ODOT look at transportation as putting people in proximity to the goods and services they need rather than building more expensive freeways so more people are forced to drive.

Second, we need to ensure that State agencies are adequately funded and staffed so they have the capacity to implement existing climate programs and policies.

- Agencies, especially DEQ responded proactively to Governor Brown's Executive Order to reduce greenhouse gas emissions. We know when agencies are effective because big business pushes back.
- Please make sure all agencies are staffed to monitor and ensure we accomplish our CO2 reduction goals. The Climate Protection Program; and ODOT's Climate Office commitment to use low carbon construction materials and evaluate projects by CO2 emissions are good starts and must be maintained to maximize the investment we have made.

- ODOT is also a source of revenue through licensing, fees, the gas tax, and planned tolling revenue. Please encourage them to develop a long-term revenue plan that will be equitable and account for the day when all vehicles are running on electricity and/or clean hydrogen fuel cells. The current bill HB 3287 is not adequate nor equitable. ODOT should be encouraged to develop a plan to fund necessary maintenance through a licensing and fee structure that encourages fewer emissions and harmful pollution.
- Right sizing ODOT projects can free up General Funds and Lottery money for other agencies and avoid additional debt service charges that add to budget expense. I suggest Joe Cortright’s testimony to the Joint Committee on Ways and Means Subcommittee on Transportation and Economic Development to clarify the importance of managing debt service expenses.
<https://olis.oregonlegislature.gov/liz/mediaplayer/?clientID=4879615486&eventID=2023031181>

Third, we must invest in new programs to help achieve Oregon’s climate goals and build healthy, resilient communities.

1. Some **transportation** programs might involve:
 - Focus on active transportation. Although ODOT has increased the total for active transportation it is still only about 5% of their budget.
 - There is a reason we rate communities on walkability. Everyone wants to live in a nice community with proximity to shops, services, green spaces, and convenient transportation. We want communities that promote walking and rolling where people from various income levels can live together.
 - The IRA provides for subsidies and rebates for EVs and we hope HB 2613 will pass. We must also consider that EV incentives “does not solve all the issues [because] it provides no direct incentives for people to take transit, bike or walk. It further subsidizes driving—even though reducing emissions would [occur more quickly](#) if people got *out* of their cars.
<https://www.urban.org/urban-wire/what-inflation-reduction-act-did-and-didnt-do-sustainable-transportation>
 - Invest in mass transit by directing ODOT to grow their Public Transportation Division which has helped local jurisdictions obtain Federal and State funds for public transportation that fits local needs.
 - Institute congestion pricing and provide mass transit and car pool resources before expanding freeways. This can save money by building the right size infrastructure.
 - Congestion pricing is generally more equitable because drivers can vary their schedule and the amount of the toll is not as large as tolling to pay off bonds. Equity in tolling is essential. Some residents do not have a viable option due to work, family, or physical capacity. ODOT should be directed to set tolling with necessity and income guidelines to accommodate residents with a greater needs.
 - We need ODOT to focus on maintaining what we have verses building more and wider highways as recommended in the Fix It First HB 2677.

- Great Streets and Safe Routes to School must be adequately funded and should be funded from the highway fund saving General Fund dollars for other programs. (HB 3113)
2. The legislature is making great strides in the area of **housing** and I hope that the bills related to Resilient, Efficient Buildings will pass.
- I am delighted HB 2001 has passed and will provide funds for affordable housing. Homes and buildings are Oregon's second largest sector for greenhouse gas emissions. New construction must be energy efficient as directed by SB 869 Building Smart from the Start. We need the full package SB 868, SB 870 and SB 871 to ensure that homes and buildings are energy efficient and have no net negative greenhouse gas emissions.
 - Heat pumps are magic and save money.
<https://newrepublic.com/article/169975/heat-pumps-save-money-culture-war>
 - Please monitor the outcomes of these bills and ensure that all new construction is energy efficient. It is important to understand that no methane gas mechanicals, in any building, are more efficient than cleanly generated electricity.
 - Upgrading existing buildings is more complicated because we begin with old 'leaky' buildings. I have personal experience with remodeling, energy efficiency upgrades, electrification. In 2020 I converted my 1925 duplex to all electric and rounded up the previous insulation efforts with all new weather stripping. During the 2020 wildfires our HEPA air filter kept the interior air fresh although they had to be replaced after one week. During the 2021 heat dome we were able to maintain a comfortable 78 degrees inside and could have even been cooler. Upgrading old buildings works.
 - As we build low income and affordable housing it is essential that we incorporate equity and avoid the massive housing projects that have only bred crime and hopelessness in other cities. Former Portland Mayor Bud Clark used to tell stories of growing up poor in the mixed Goose Hollow neighborhood and how much he learned about being successful from the families he associated with in the neighborhood.
 - Please do not allow precious state housing funds to be used to create 150 resident ghettos in Portland because the mayor has decided to build 'pods' that could get state funds rather than use tents. People deserve real energy efficient homes and I fear these 'temporary' solutions will become permanent.
3. Our state **energy and natural resources agencies** receive a mere 2% of the state budget. They need to be properly funded to do the work we have assigned them.
- The only effective method we have for extracting carbon (CO₂) from the atmosphere is plant photosynthesis.
 - We must fund and promote smart forestry and sequester and store carbon in our forests.
 - Agriculture in Oregon had reached an all time high in insurance claims for crop failures. There is a lot of research and education

needed to ensure we are growing the right crops in the most efficient manner and keeping our soil healthy.

- As with forestry, science is discovering better ways to grow crops and we need the Department of Agriculture to be state of the art to teach our farmers and provide incentives to restore soil health and sequester CO2.
- Better to take funds from ODOT and put them into carbon sequestration programs.

Many members of this committee are strong advocates to reduce pollution. Our state has many needs including affordable housing, education, health care, jobs, and supportive infrastructure for our economy to thrive. We have hard choices to make. We need to remember that how we spend our money, where we invest, what we make a priority when it comes to hard choices reflects our values and our ability to imagine a positive future. I have listed suggestions for priorities and how we might shift the budget slightly to promote energy efficient housing and carbon sequestration and storage.

We also need to remember there are external factors bearing down on us. Oregon is due for a subduction zone 9.5 earthquake. Are we ready? Maybe. The world is facing rising temperatures and sea levels due to global warming. Are we doing enough? No. Key investments to increase climate resilience are not adequately funded and we see push back at every turn from people and groups who now claim they are concerned but 'this is not the right solution at this time'. In the transportation sector we keep funding projects that will increase emissions rather than decrease them. Yes, cars idling in traffic jams put more CO2 per hour in our air than the same cars moving smoothly over the same route. However, these cars put more CO2 in our air than the same number of people taking mass transit, biking, rolling, or walking. The less CO2, NOX, and particulate matter being pumped into our air next to us while we are rolling and walking the more health benefits we get from that activity.

We need to face up to the fact the rainy day is here visible in warmer air holding more water, causing unprecedented storms, creating killer heat domes, lost agricultural and timber crops, and putting all people at risk. We need to invest in climate and livable communities now. We need to consider the social cost of carbon. The CO2 we emit today stays with us for 100 years. Our investment today will help families have safer and cleaner homes, help communities reduce climate pollution, and create local clean energy jobs that cannot be exported and will help our state weather any coming recession.

Thank you for the opportunity to testify today in support of a strong, strategic, climate-smart 2023-25 biennium budget. Please invest my tax dollars efficiently and effectively with climate, clean energy, and equity in mind.

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I have attached my favorite photo of 'Fearless Girl' facing off the Wall Street Bull in New York City. Please consider the message on the superhero cape she was wearing in January 2019: People and Planet Over Profit.

Taking care of the people and our environment will ensure the profits will come with the new clean energy economy.

