



*Grants Pass & Josephine County*  
**Chamber of Commerce**

**Testimony in Support of HB 3119**

**Presented to the House Committee On Climate, Energy, and Environment**

**January 25, 2025**

Chair Lively, Vice-Chairs Gamba and Levy, and Members of the Committee,

On behalf of the local businesses in Grants Pass and Josephine County, I am writing to express strong support for House Bill 3119, which would prohibit the Department of Environmental Quality (DEQ) from implementing or enforcing the Advanced Clean Trucks (ACT) regulations until January 1, 2027. This delay is essential to address the unique challenges faced by rural communities and businesses, including significant infrastructure gaps, economic burdens, technological limitations, and supply chain issues.

**Infrastructure and Technological Challenges**

The ACT rule mandates an increasing percentage of zero-emission medium- and heavy-duty vehicle (MHDV) sales starting in 2025. However, rural Oregon lacks the infrastructure necessary to support the widespread adoption of these vehicles. For example, there is currently only one public charging station in Oregon capable of servicing heavy-duty electric trucks, located at Daimler's facility in Portland. For businesses in rural areas like Grants Pass, access to charging facilities is virtually non-existent, making it impractical to rely on electric trucks for daily operations.

Furthermore, the range of electric MHDVs is significantly lower than that of diesel vehicles. Most electric trucks have a range below 200 miles, while diesel trucks can travel more than 1,000 miles on a single refueling. This range disparity is particularly problematic in rural areas, where delivery routes often span long distances. To maintain operational efficiency, businesses would likely need to purchase multiple electric vehicles to replace a single diesel truck, increasing costs and logistical complexities.

## **Economic Impact on Local Businesses**

The financial implications of the ACT rule are especially burdensome for small and medium-sized enterprises in rural Oregon. Electric MHDVs have significantly higher upfront costs compared to diesel trucks, and while there may be long-term savings in fuel and maintenance, the initial investment is prohibitive for many businesses operating on thin margins. Without adequate financial incentives or assistance, this mandate could force businesses to downsize or cease operations altogether.

Additionally, the ACT rule's restrictions on the sale of new diesel vehicles exacerbate these challenges. Diesel trucks are more affordable, readily available, and technologically mature, making them a practical choice for businesses looking to upgrade their fleets. By cutting off the supply of new diesel vehicles, the ACT rule prevents businesses from modernizing their fleets with more efficient diesel trucks, forcing them to rely on aging, less efficient vehicles, which increases costs and environmental impact.

## **Supply Chain Disruptions**

The implementation of the ACT rule has already disrupted the supply chain for diesel trucks. In December 2024, Daimler Trucks North America paused the sale of new diesel trucks in Oregon due to uncertainties surrounding the ACT regulations. Although sales have since resumed, this disruption highlights the instability caused by the regulatory environment. Such disruptions make it difficult for businesses to plan and maintain reliable operations, creating unnecessary obstacles to economic growth.

## **Limited Availability of Electric MHDVs**

Another critical issue is the limited production and availability of electric MHDVs. In 2023, global sales of electric trucks reached just 55,000 units, with the U.S. accounting for less than 0.2% of the market. This limited availability leaves businesses with few viable options for fleet upgrades, further complicating efforts to comply with the ACT rule. The supply simply does not meet the demand, particularly in rural regions where businesses rely heavily on medium- and heavy-duty vehicles for their operations.

## **Conclusion**

While we recognize the importance of reducing greenhouse gas emissions and transitioning to cleaner technologies, these efforts must account for the unique challenges faced by rural communities and businesses. Delaying the implementation of the ACT regulations until January 1, 2027, as proposed in HB 3119, will provide the necessary time to develop adequate infrastructure, expand the availability of electric MHDVs, and support businesses in making a practical and equitable transition to zero-emission fleets.

We respectfully urge the committee to support HB 3119 to ensure that environmental regulations are implemented in a way that is both effective and fair for all Oregonians.

Thank you for your consideration.

Sincerely,

Terry Hopkins

President & CEO

Grants Pass & Josephine County Chamber of Commerce