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Representative Karin Power Representative Daniel Bonham Representative Janeen Sollman Representative Ken Helm Representative E. Werner Reschke Representative Andrea Salinas Representative Sheri Schouten Representative David Brock Smith Representative Marty Wilde **House Committee on Energy and Environment** Oregon State Legislature

Re: Written Testimony in Opposition to HB 3119

Dear Members of the House Committee on Energy and Environment,

I offer this testimony on behalf of Earthjustice. We wield the power of law and the strength of partnership to protect people's health, to preserve magnificent places and wildlife, to advance clean energy, and to combat climate change. I write this testimony to oppose HB 3119, and encourage the Committee not to move this bill forward.

The Advanced Clean Truck rule is one of the most critical laws in Oregon that would substantially reduce toxic diesel air pollution and greenhouse gas emissions. The vast majority of trucks use diesel powered engines—75% of all trucks in America, and up to 97% of the heaviest classes. These heavy-duty diesel vehicles are the largest source of diesel exhaust in the state. It is critical to reduce pollution from these vehicles.

Diesel pollution has major health impacts for Oregon communities. This pollution concentrates in high traffic corridors, which disproportionately impacts middle and low-income communities and communities of color that are located in close proximity to ports, railyards, and distribution centers as a consequence of historic land-use patterns and environmental racism.

In Oregon, greenhouse gas emissions from transportation are about 35% of total emissions and represent the largest sector of emissions. Of that total, 28% of emissions come from long haul trucks, delivery trucks, and buses—the vehicles regulated by the Advanced Clean Truck ("ACT") Rule. It is critical to reduce the greenhouse gas emissions and harmful toxic air pollution from these vehicles to improve air quality for Oregonians and protect our client.

Earthjustice opposes HB 3119 because it would delay implementation of the Advanced Clean Truck rule. This bill is part of a national effort to rollback progress on electrifying trucks nationwide. The rationale for this delay is largely based on industry disinformation. Manufacturers are wreaking havoc on state truck sales by putting the burden for compliance exclusively on the backs of dealers and ignoring the many flexibilities in the regulation aimed to reduce compliance burdens. We've heard reports that certain manufacturers are refusing to sell trucks to customers unless they purchase an electric truck as well. **The Oregon Legislature should not give into these strong-arm tactics by delaying this important law that protects public health.**

Contrary to the rhetoric, the Advanced Clean Truck rule does not ban the sale of diesel trucks. *That is blatantly false*. The Advanced Clean Truck rule provides for a ratio approach such that only a portion of total *new* vehicle sales must be electric trucks, and there are flexibilities that allow manufacturers to comply with this requirement by purchasing compliance credits. Manufacturers such as Rivian or Tesla that have excess credits can trade those credits with other manufacturers to ensure compliance. Credits can also be traded across vehicle classes, so credits for electric delivery vans can be used to comply with a lack of electric vehicle sales in another truck class.

No specific type of vehicle needs to be sold as a ZEV, with the exception of tractortrailers. For example, a manufacturer can focus their sales on zero-emission school buses and wait on electrifying other vehicle types until later years. With the exception of tractor trucks, that have unique requirements.

The Advanced Clean Truck rule is structured to require an increasing percentage of truck sales are electric. This slow ramp up in electrification is designed to allow industry time to comply with the requirements. In 2025, only 7 to 11% of vehicle sales must be zero-emission, and again, the rule provides for flexible compliance pathways to meet this requirement. To our knowledge, most manufacturers are already in compliance with the requirements for 2025, and there are ample credits in the market to ensure compliance for the remaining manufacturers. **There is no need for a delay, when manufacturers can comply with the existing legal requirements**.

While claiming to simply delay the standards, delay could make it much harder for Oregon to ultimately adopt the Advanced Clean Truck rule. As we heard from Rivian in the hearing, delaying adoption of the Advanced Clean Truck rule sends mixed signals to the market, and harms sales. Companies like Rivian, that have sought to comply with the law and advanced this innovative technology will be harmed by any delay because of the market signal it sends. The Advanced Clean Truck rule is designed to provide a phase-in over time of its sales mandate. **Choosing to delay would mean that Oregon doesn't provide the market with time to slowly ramp up to the standards—making it hard to comply in the long term**

I strongly urge the legislature to reject HB 3119, and give Oregon the time it needs to electrify its economy. Companies can and currently are complying with Advanced Clean Truck rule. Delay is not necessary, and instead appears to be a thinly veiled guise to actually repeal the Advanced Clean Truck rule. The Legislature should stand strong against

political tactics by industry to undermine this important law that protects the health and environment of the State of Oregon and reject HB 3119.

Sincerely,

Jaimini Parekh Senior Attorney, Earthjustice