

**Testimony of Randy Tucker, Legislative Affairs Manager
In Support of Senate Bill 306 (-4 amendment)
Senate Committee on Finance and Revenue
April 24, 2013**



Chair Burdick and members of the Committee:

As you know, Metro is the regional government of the Portland metropolitan area. The voters of the region created Metro specifically to address urban issues that are regional in nature rather than local and to deal with challenges that cross city and county lines. Among our most important responsibilities are regional land use and transportation planning and management of the region's solid waste system.

In 2008, the Portland region agreed on a set of six desired outcomes that together define successful communities.¹ One of those desired outcomes is that the region is a leader in minimizing contributions to climate change. Another is that current and future generations enjoy clean air, clean water and healthy ecosystems.

With these desired outcomes in mind, I would like to express the Metro Council's support for the -4 amendment to SB 306. The -4 amendment calls for the creation of a Task Force on Clean Air Revenue, which will submit to the 2015 Legislature a report and recommendations related to "a clean air fee or tax or a public purpose charge" aimed at reducing greenhouse gas emissions.

Technical analysis conducted in support of the Oregon Statewide Transportation Strategy has pegged the societal cost of greenhouse gas emissions contributing to climate change at \$30 per ton of CO₂ equivalent in 2010, increasing to \$50 per ton in 2030.² The study called for in the -4 amendments to SB 306 could provide information on how a tax or charge aimed at offsetting or reducing these costs could reinforce greenhouse gas reduction efforts already under way at the regional, state and national levels.

Because of Metro's major responsibilities related to transportation planning, our efforts to reduce greenhouse gas emissions are primarily focused on transportation. Among other things, Metro is currently carrying out the Climate Smart Communities project at the direction of the Oregon Legislature. This project, mandated by the 2009 Jobs and Transportation Act (HB 2001), is aimed at reducing emissions from light-duty vehicles to meet state greenhouse gas reduction targets. On a more modest level, we have also worked for several years to reduce harmful emissions from the region's waste hauling fleet, most recently by working with a broad coalition to pass SB 249, which will bring federal diesel emissions reduction dollars to Oregon and was signed by the Governor earlier this month.

We recognize the importance of meeting greenhouse gas reduction targets in the context of a prosperous and livable region. Pricing is one of the strategies that can encourage people to reduce harmful emissions in an economically efficient manner. We are thus encouraged by information that was recently presented to you and the House Revenue Committee demonstrating that British Columbia's implementation of a carbon tax apparently has not damaged that province's economy in relation to the rest of Canada.

The Metro Council believes the task force and study called for in SB 306, as amended, can help to advance the conversation about how to address greenhouse gas emissions in a comprehensive and efficient manner. The amendment thus supports our region's desired outcomes for successful communities, including clean air and water and minimizing contributions to climate change.

We urge you to pass SB 306 as amended. Thank you for your consideration of these comments.

¹ The Portland metropolitan region's six desired outcomes:

- **Vibrant communities:** People live and work in vibrant communities where they can choose to walk for pleasure and to meet their everyday needs.
- **Economic prosperity:** Current and future residents benefit from the region's sustained economic competitiveness and prosperity.
- **Safe and reliable transportation:** People have safe and reliable transportation choices that enhance their quality of life.
- **Leadership on climate change:** The region is a leader in minimizing contributions to global warming.
- **Clean air and water:** Current and future generations enjoy clean air, clean water, and healthy ecosystems.
- **Equity:** The benefits and burdens of growth and change are distributed equitably.

² See http://www.oregon.gov/ODOT/TD/OSTI/docs/sts/STS_TechAppendices.pdf, page 163.