Before the Senate Committee on Environment and Natural Resources Testimony of Shelly Boshart Davis Vice President Boshart Trucking, Inc. Senate Bill 824 ~ April 1, 2015

Chair Edwards and Committee – my name is Shelly Boshart Davis. Thank you for allowing me to testify today on behalf of our family farm and trucking company.

We are a custom farming and trucking business that provides jobs to almost 50 employees. We also export over 2200 containers of Ag exports overseas.

I'm not a scientist, or a statistician, or like collecting or interpreting massive amounts of data. So I'm not going to try to discredit how not-clean or clean our air is. Here's what I did find:

According to the DEQ, "Overall, air pollution in the Portland area has decreased dramatically over the last 30 years." CEO of the American Lung Association said, "We are happy to report that the state of our air is much cleaner today than when we started the 'State of the Air' report 14 years ago."

And I can tell you about trucks. And our trucking industry is pretty impressive – and just getting better. Diesel-dependent industries are improving on their own. For example, we recently upgraded 25% of our port-destination portion of our truck fleet to have the new standard of engines: 2014 Peterbilt trucks. By 2020, we will have had most of our fleet upgraded to new or newer trucks because that's what businesses and farms and people do – they upgrade over time. Whatever problem or perceived problem exists, it will be rectified. Why burden businesses with extensive costs to implement? Every dollar invested into retrofitting or buying new equipment is one less dollar that I can spend on my employees, that I can spend on garnering new business – that I can help the economy, the families that I employ, and providing food and feed for neighbors, Oregonians and the world.

If we had to follow the CARB rules, the average cost to install an aftermarket Diesel Particulate Filter in California is \$12,500 per truck. We have 29 trucks that would need to be retrofitted, totaling \$362,500.

Currently, the average age of Heavy Trucks is 6 years old. If this trend continues, by 2020, the average age of trucks will be on average 2014 trucks – this is great news!

This leads me back to my point: whatever problem we may or may not have – it's already fixing itself.

Labor and Fuel are trucking industries two largest costs. Labor is going up as truck drivers are harder and harder to find. According to the Journal of Commerce: Truckload carriers will need to raise driver pay substantially to attract the type of qualified candidates needed to haul freight. On top of that, a host of new driver-related regulations will make hiring truck drivers harder, and more expensive. Because Low Carbon Fuel Standards was recently signed into law, the fuel costs will be going up. I testified in opposition to the LCFS based on the fact that the increase in fuel costs was undetermined. Equipment is always a concern and a cost of doing business and providing a cost-effective service to customers. Mandated equipment upgrades or new purchases cannot be simply absorbed. What will this cost be to small business across the state?

Committee, this hits home to me. I urge you, do not pass this regulation on an industry that the Oregon Legislature just passed to increase fuel costs (Low Carbon Fuel Standard) to and who is already struggling with labor force – not to mention our current port struggle... We are not California, we do not have their problems, and our diesel-dependent trucking industry is getting better. Because trucking companies are continuously upgrading their fleets and trucks with stricter emissions controls, older trucks are already being phased out and replaced by the cleaner burning trucks as companies can afford to do so. Disrupting this process by requiring companies to install DPFs in older equipment, equipment that was not manufactured to work efficiently with DPFs, is an added burden to businesses and commerce. Trucking companies will be able to upgrade their fleets faster if they aren't having to spend that money on installation and maintenance of DPFs on their older trucks.