

The Association of Oregon Counties Feedback on SB 824

The Association of Oregon Counties appreciates the goals of SB 824. Having livable communities is a priority for AOC and the counties. While clean air is clearly an important aspect of our communities, having a viable roads department is important, too. With this in mind, AOC would like to report some concerns county road officials raised after reviewing SB 824.

“One Percent for Clean Diesel in Public Contracts”: Many of Oregon’s counties do not receive CMAQ (Congestion Mitigation and Air Quality) funds, and some who do noted support for Section 2 of this bill because it is a logical connection to the CMAQ program. County road officials note Section 4 of this bill will increase the cost to counties to complete all qualifying projects by 1%, which could result in less maintenance work being completed.

“Nonroad Diesel Engine Registration Requirement”: Many county road officials were concerned about the significant hurdles to implementing this part of the legislation. They felt that the record keeping and bureaucracy necessary would be burdensome and potentially expensive.

“Emission Requirements for Diesel Engines”: This part raised the most concern from the road officials because of the implications to their fleet. The vast majority of county diesel heavy equipment is older than 2007 and would need to be retrofitted. Costs range from \$50k to more than \$3 million for each county, depending on the size of the county road department and the age of their fleet (see table below.)

“Repeal of State Preemption of Local Regulation of Idling by Primary Engines in Commercial Vehicles”: This section did not raise significant concerns for the county road officials.

Under this bill, counties will incur significant costs from either retrofits or premature replacement of equipment with pre-2007 engines. In an effort to maximize value to the public, counties have stretched their equipment replacement cycles as much as possible, so the funds can instead be used patching potholes and paving roads. The result of this necessary triage, due in large part to a lack of adjustment to the static gas-tax rate, is older county equipment and significant replacement costs. Mandating equipment replacement or retrofit will force county maintenance and enhancement needs to grow far beyond the existing shortfall of \$505 million per year. Managing a fleet of vehicles is

very difficult and it takes great discipline to sustain the quality of the public’s investment over time.

AOC acknowledges the importance of having policies in place to curb the emissions of potentially harmful particulate matter and green house gases. However, without sufficient funding for daily maintenance and improvements on the county roads, the economic and fiscal burden of SB 824 will be a challenge to overcome.

If a workgroup formed to continue consideration of this important issue, AOC would appreciate having a seat at the table. AOC looks forward to working together in the future.

FISCAL ESTIMATES FROM A SAMPLING OF COUNTIES

	Part 3 (Low)	Part 3 (High)
Benton	\$50,000	\$225,000
Yamhill	\$474,000	\$474,000
Lincoln	\$200,000	\$200,000
Josephine	\$1,700,000	\$1,700,000
Deschutes	\$800,000	\$800,000
Jackson	\$150,000	\$1,800,000
Klamath	\$400,000	\$3,000,000
Tillamook	\$835,000	\$835,000
Linn	\$1,200,000	\$1,200,000
Union	\$200,000	\$200,000
Hood River	\$1,000,000	\$1,000,000
Morrow	\$300,000	\$300,000
Clackamas	"Millions"	
Lake	"just not feasible"	
Wallowa	"hard to estimate "	
Average:	\$609,083	\$977,833

These estimates are all based on educated “back of the envelope” calculations. Many counties have already investigated investing in cleaner diesel but have not had the funding to do so. Some counties mentioned that the retrofits necessary for SB 824 may actually cause their existing vehicles to no longer operate correctly.