

Testimony on SB 1574 by Walt Eager, Resident of Corvallis, Oregon (2/3/16)

Chair Edwards, Members of the Committee, I am Walter J. Eager, a resident of Corvallis, Oregon.

I appreciate the effort that Senate Bill 1574 proponents, sponsors and legislators are expending to get a carbon pricing bill enacted into Oregon law this year. It may surprise you that I am testifying against this bill, considering that my family and I have been working to eliminate fossil fuel use since 1974. That was when we moved to Corvallis from the Washington, D.C. Area after my first 20-year career, serving in the Civil Engineer Corps of the U.S. Navy.

We were motivated then by the harmful human health effects of toxic materials, emitted by fossil fuel combustion. Economists warned that our financial security was being degraded by wars, caused by our nation's dependence on foreign oil. In 1979 we learned from reputable climate scientists that the security of humans would be degraded by the greenhouse gases, produced by fossil fuel combustion.

In 1980 we completed construction of our solar heated, Sustainability Living Demonstration Home. We also finished installing our Organic Produce Gardens and Carbon-Sequestering Conifer Plantation. We progressively upgraded our Demonstration Home with a solar water heater and solar electric generating systems and became net fossil carbon negative in 1995. For the past three decades, we have given tours to show the public how to become fossil carbon negative. We proved that this can be done.

In 2011 we replaced one of our fossil-fueled vehicles with an all-electric vehicle, which has since provided 95% of our vehicular transportation. It will do so for the vast majority of Americans because the average distance of their travel is less than 40 miles per day, well within the range of nearly all modern electric vehicles. However, we recommend this only for those who can propel them without using coal-fired electricity, which causes three-times more premature deaths and immense suffering that goes with it, than any other form of transportation energy. Local choices are solar- and hydro-electricity. I come here on hydro-electricity from our home charging station. I will recharge using the quick charger at the Monmouth Dairy Queen, which is supplied by that city's hydro-electricity.

Our solar systems provides much more energy than we need to power our home, our vehicle and all of our gardening implements during eight months of each year. For the other four months our utility company effectively supplies each with clean, safe hydro-electricity as payback for the excess solar-electricity that we provided to it for use by other customers during the previous summer.

The reason that I am here today is because showing the public how to do this is not enough to motivate the majority to do so. The most effective carbon pricing law will do precisely that and this committee is one of the keys to this achievement. This will provide a greater benefit to all of us and to those who follow us, than anything that we could be doing for the rest of our lives.

I am a retired energy and environment engineer. I have additional, graduate-level education and experience in the related physical and life sciences. Consequently, I am deeply concerned about human-caused climate change.

I have never affiliated with any political party and regard myself as a non-partisan, political centrist. I believe that it is from this perspective that the climate problem must be resolved. There can be no red or blue states, only green ones, if humans are to survive on this our planet. I am an avid student of history and the role that politics plays in it. I greatly respect our multi-party system of government and firmly believe that political parties must work together to adequately-regulate, but not over-regulate businesses and other entities for the protection of all Americans.

I recently conducted an evaluation of all carbon pricing bills that were considered by the 2015 Legislature, as well as the California and British Columbia carbon pricing laws. I will summarize this study's most important findings in this testimony. A more complete summary is provided in a blog on my website. A link to it is at the bottom of the printed presentation, which you have.

Each bill was evaluated against a carefully-selected set of standards. These were deduced from a basic definition of the human-caused climate change problem and the political conditions under which it must be resolved. The most important of these is vulnerability to political attack by the fossil fuel industries. The Frontline investigative report, "Climate of Doubt", describes the public disinformation and political coercion campaigns, conducted by these industries at the national level. See: <http://www.pbs.org/wgbh/pages/frontline/climate-of-doubt/>. They prevented the U.S. Congress from enacting a national carbon pricing law. That is why we are here today. So it is imperative that Oregon's carbon pricing law has a provision that makes it immune to attack by these industries.

Here is how this attack is likely to be conducted against an Oregon law, that is based on the provisions of Senate Bill 1574. It would be staged after this law has been enacted and its first increment of carbon fees have been passed on by these industries for all Oregon Consumers, the large majority of which are voters, to pay. They will pay them as price increases on nearly all products and services they purchase, because fossil fuels are so extensively used throughout our economy. Unless Consumers (voters) are adequately compensated for these price increases, expect these industries to mobilize a majority of them in political actions to repeal this law. It is unlikely that Oregon would ever recover from this avoidable event and be able to enact an effective carbon pricing law. The time to enact the most effective law, that is not vulnerable to attack by the fossil fuel industries, is now.

The only law that will be immune to attack is one that returns to all Consumer (voters) all net carbon fee income as dividends (preferably paid monthly) to each household, the relative amount based on the number of consumers in it. After the first dividend payments are received, Oregon's carbon pricing law will enjoy full protection by a large and active majority of Consumers (voters). Activists and legislators can then safely turn their attention to the next most important problem, the growing income and wealth gaps. To try to cure the fossil-fuel-caused, human health and security problem and treat the symptoms of the widening income and wealth gap affliction with Senate Bill 1574 will result in its repeal. The solution to neither of these critically-important problems will be achieved. Financially disadvantaged Oregonians will be hurt the most by such failure, because climate change disproportionately affects them.

The only carbon pricing bills with a Dividend provision, that were considered by the 2015 Legislature, were House Bill 3176 (Carbon) Fee and (Taxpayer) Dividend, House Bill 3250 (Carbon) Cap and (Taxpayer) Dividend and the latter's almost identical twin, Senate Bill 965.

Minor word changes will be needed to make them fair to those Oregonians, whose income is below the Oregon tax threshold. They, too, are Consumers and will provide a substantial part of carbon fee income, when they purchase nearly all products and services. An example of the minor word changes that are required to overcome this problem is the replacement of the word "Taxpayer" with the word "Consumer" or "Household".

Of these three bills the most effective would be the upgraded version of the 2015 HB 3176, because its "Carbon Fee" is much simpler, less time-consuming and less costly to collect than that derived from the many complex processes that are required by Carbon Cap & Trade and closely-related bills. Simplicity

is of utmost importance. As a young engineer, I came quickly to understand that complex mechanisms are prone to malfunction. Later I came to understand that this same principal applies to laws. More time and money is spent by the executive, legislative and judicial branches of government and by business and other organization, as the result of complex laws, than is commonly realized. Divisiveness and political polarization is an even more damaging consequence.

With the wording changes, recommended above, the only remaining problem appears to be the wording of the 2015 HB 3176 that resulted in its classification by the House Committee on Revenue as a tax bill, which requires a super-majority vote to enact.

There are two potential solutions to this problem. One is for the Committee on Revenue to amend the wording of this bill to enable enactment by a simple majority. To this scientist/engineer the word “fee” defines a charge that is made to provide a service, such as providing land fill space for the privilege of dumping garbage. The atmosphere is being provided as a space for dumping greenhouse gases. Law is not my profession, so I will leave this for legislative experts to determine if this can be accomplished without significantly degrading the efficacy of this Carbon Fee and Consumer Dividend bill.

I will instead focus on the other potential solution by appealing to the Republican members of this Legislature to participate in a “Grand Bargain” with Democrats. Such collaboration appears necessary to achieve enactment by a super-majority of the 2016 version of the superior 2015 HB 3176.

The political risk for Republican legislators of doing so is much less in Oregon than in states that produce fossil fuels, like Oklahoma and West Virginia. Oregon has insignificant fossil fuel resources. Our economy is burdened by the import of these toxic and climate changing fuels. Conversion to Oregon's abundant, safe and renewable energy will result in the creation of many new businesses and the jobs that they provide. That is in addition to making Oregon a much safer place in which to live.

It important for Republicans to understand that an increasing majority of Americans, including Republican Party members are observing the adverse effects of fossil use on their lives and are calling for their governments to control human-caused climate change. This is reflected in a recent polls by Stanford University and Yale University. See for example:

<http://environment.yale.edu/climate-communication/article/republican-views-on-climate-change>

If the 2015 HB 3176 cannot be effectively reworded to avoid the super-majority requirement for enactment or a super-majority is not willing to enact it, then the next best bill for enactment is a minor upgrade of the 2015 Senate Bill 965. It should be entitled the: “2016 Carbon Cap and Consumer Dividend Bill”.

Visit my website for a more complete description.

Respectfully submitted,

Walter J. Eager
3500 NW Glen Ridge Place
Corvallis, OR 97330
(541) 753-5837
eagerwj@centurylink.net
<http://wp.me/p51SH0-1A>