

Testimony before the Senate Environment and Natural Resources.

Opposition to – SB1008

March 8, 2017

Chair Dembrow and Members of the Committee:

My name is Anna Scharf and I am here today on behalf of Scharf Farms in Perrydale, OR. We are a family owned and operated farm with diverse crops as well as a custom seed cleaning operation.

In order to be successful, we rely on a variety of diesel engine equipment, tractors and trucks, application equipment and irrigation equipment. Most of which are only used for short durations of time and some of which only leave the field to travel from one location to another.

Section 11 and 12 of SB1008 states that DEQ shall establish and maintain an inventory of nonroad diesel engines and that they may establish the administrative rules (OAR's) necessary to implement this section. I am asking what the purpose is for this list? Will it eventually be used to assess some sort of a "tax" on the equipment on the list?

Also, we have a collection of antique 60 year old + tractors that are diesel but no longer used in our farming operations. According to this section, those would also need to be registered; again I am not sure of the purpose. This equipment rarely leaves the shed if they even run at all. I'm extremely concerned that an inventory could be used by the state to assess personal property tax on my farm equipment.

A bill ending the exemption for personal property tax was recently presented during this session, and was overwhelmingly opposed by the agricultural industry. Taxing equipment rarely used and often passed down from one generation to the next does not reflect the unique circumstances of farm equipment, period. So, again I have to ask what is the purpose of the inventory list?

Section 18 – The "on-road replacement standards" does have an exemption to cover our farm vehicles because they are currently F-plate vehicles. This exemption helps because if it was not in place it would cost us over \$350,000 to replace them. However, the provisions in section 19 may make it difficult for us to cost effectively replace them when the time does come since we would be forced to purchase 2007 or new models and will have troubles selling off the older models. The newest heavy-duty truck we have is a 1998; a truck that is driven less than 3,000 miles per year and our other older truck less than 1,000 miles per year. They get the job done and are not worth replacing for such limited use. However, eventually they will need to be replaced and this legislation makes that problematic.

I am asking you to consider the costly impacts to agriculture and to impact to the availability of future equipment necessary for agriculture, and vote no on this bill.

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