

222 NW Davis Street Suite 309 Portland, OR 97209-3900 503.222.1963 www.oeconline.org

Testimony to the Senate Committee on Rules on Senate Bill 1008

May 17, 2017

Angela Crowley-Koch Oregon Environmental Council

Founded in 1968, the Oregon Environmental Council (OEC) is a nonprofit, nonpartisan, membership-based organization. We advance innovative, collaborative and equitable solutions to Oregon's environmental challenges for today and future generations.

Oregon Environmental Council supports the -3 amendment to SB 1008.

Diesel engines have superior longevity and durability, but unfortunately, older diesel engines emit toxic exhaust that compromises the health of many Oregonians: in fact, 90% of Oregonians live where diesel exhaust exceeds health benchmarks.

The -3 includes an important provision to ban used dirty engines from being sold in Oregon. Since SB 1008 was stripped of all the deadlines for the phase-out of dirty engines, as a state we should at least prevent additional dirty engines from coming into Oregon.

We know that dirty engines are coming into Oregon. The Oregonian ran a story, which I've submitted for the record, that quotes California companies that sold engines into Oregon. To quote the article, "... seven California companies that sold dozens of old trucks to Oregon buyers told The Oregonian/OregonLive they'd gotten rid of them to comply with California's emissions rules." Preventing this kind of dumping into Oregon is an action we need to take to protect Oregonians health.

OEC and our members across the state are disappointed to see that the most important policy proposals to protect public health – deadlines to phase-out dirty engines in Oregon – have been removed from the bill. Without these deadlines there is no guarantee of pollution reduction outside of regular fleet turnover.

Fourteen years ago, OEC published a report, "Dirt on Diesel," that included a number of recommendations for reducing people's exposure to diesel pollution. Since that time, federal regulations for cleaner fuel and technology have resulted in high-performing vehicles that operate efficiently and with dramatically reduced pollution. But the task of addressing in-use engines was left to state authorities. Sadly, 14 years have gone by without Oregon adopting a proactive approach to protecting human health from toxic diesel emissions.

OEC published a new report in 2016 (attached to this testimony), which details the latest research on the health impacts of diesel pollution, why Oregon has fallen behind on protecting its residents, and how the problem can be addressed.

Our report and numerous health studies make it clear that Oregon will continue to pay a high price for diesel exhaust for decades longer unless we take legislative action. In order to protect public health in a way that works for our economy, SB 1008 proposes a balance of incentives and standards which:

- Create a clean-up fund and prioritize investments
- Stop the dumping of out-of-state dirty diesel engines into Oregon
- Set pollution standards for both on-road diesel fleets and off-road diesel engines
- Accelerate the clean up of off-road engines used in public contracts
- Allow local governments to implement their own idling ordinances

At the informational hearing on the health impacts of diesel a couple of weeks ago and in further testimony today, you have heard a lot about the human health impacts of diesel. We'd like to point out that diesel soot is also North America's most significant source of black carbon—a potent but short-lived climate forcer. The fine particles in diesel exhaust—known as "black carbon"—absorb solar radiation and emit it as heat, causing snow and ice to melt quicker. Because they affect the properties of clouds, these particles also affect precipitation. Unlike carbon dioxide, which can stay in the atmosphere for centuries, black carbon remains in the air for just a few weeks. So reducing black carbon now results in almost immediate benefits to our climate.

Thus the imperative to clean up dirty diesel is huge: To protect people's health, to address environmental justice, and to combat climate change, Oregon needs to act on diesel this session. We simply can't wait any longer.

Thank you for your consideration.

Oregon becomes dumping ground for California's old, polluting diesel big rigs

By <u>Rob Davis | The Oregonian/OregonLive</u> on January 23, 2015 at 5:00 AM, updated January 23, 2015 at 7:30 PM

Oregon has become a dumping ground for California's old, polluting big diesel rigs, an investigation by The Oregonian/OregonLive has found.

About 350,000 trucks in California are being phased out because they fail to meet that state's stricter standards. Trucking companies have found willing buyers in Oregon, where environmental standards are looser.

The Oregon Department of Transportation doesn't easily track specific outmoded vehicles that transfer ownership from California companies to trucking firms here. But seven California companies that sold dozens of old trucks to Oregon buyers told The Oregonian/OregonLive they'd gotten rid of them to comply with California's emissions rules.

"Last year was a big jump in selling the units," said Mike Covey Jr., manager of Covey Auto Express in Stockton, Calif., which has sold nine car transports that came to Oregon. "The finances made it a struggle, but we're finally there."

Trucking companies in California began selling off their obsolete trucks to meet a Jan. 1 deadline, the first target for the oldest trucks to comply. California plans to aggressively phase out diesel trucks built before 2010, when federal emissions standards tightened.

That requirement prompted the flood of truck owners selling their old rigs to buyers in Oregon.

California's tighter rules, the country's toughest, are cleaning that state's air at the expense of air quality in Oregon and elsewhere. Newer trucks emit 90 percent less diesel soot, a known carcinogen. The U.S. Environmental Protection Agency estimates diesel pollution prematurely kills 460 Oregonians annually.

Health problems such as lung cancer, heart attacks, pre-term and low-weight births, and asthma can be traced to exposure to the soot spewing from old diesel engines.

The shift undercuts Oregon regulators' limited work to reduce the number of older, higher-polluting diesel engines, which pollute the air that Oregonians breathe daily.

Oregon, like other states, hasn't done anything to prevent California's unwanted big rigs from coming in, despite plenty of warning. California adopted its rules in 2008.

Covey, the California trucking company manager, said he moved some of his old trucks to operate in other states. Like many other truck owners, Covey wasn't happy about being forced to sell his old trucks but said the new ones run far cleaner.

"You can look inside the tailpipe and not see a bunch of black soot caked on," he said. "You can see a noticeable difference."

Trucks are coming to Oregon through dealership trade-ins, consignment sales and classified ads. Demand is higher in Oregon than in California. Two trucking companies said they traded in their old big rigs in Oregon because dealerships pay more than in California, where buyers then have to endure the expense of taking the trucks elsewhere.

"We do use one dealer in Redding, and his trade values were a whole lot lower," said Bill Branch, vice president of finance at Stidham Trucking in Yreka. Instead, he traded in his trucks in Medford.

California trucks aren't only leaving for Oregon. One company told The Oregonian/OregonLive it sold its old fleet to buyers in Mexico and Washington. Another truck owner said his old rig wound up in Wisconsin.

All of California's pre-2010 trucks have to be off California's roads by 2023. With California's rolling deadlines starting to affect more rigs, advocates and public officials worry even more trucks will move to Oregon.

"A lot of the older model diesel trucks are now coming in to Oregon. This hugely impacts public health, particularly asthma rates for children," said Chris Pair, spokesman for Gov. John Kitzhaber. "We need to look for a comprehensive solution."

It's difficult to pinpoint exactly how many of California's old big rigs have come to Oregon. The Oregon Department of Transportation doesn't track it. But Gregg Dal Ponte, head of ODOT's motor carrier division, said he's aware that companies are diverting their old trucks to Oregon and Washington and putting new ones in California.

"It obviously conflicts with the public policy behind the rule," Dal Ponte said. "But it's a legal alternative that's going on to some extent, no doubt."

Oregon isn't just becoming a dumping ground for old trucks. California is also requiring old off-road equipment – bulldozers, backhoes, steamrollers – to stop operating in the state, too. Those are also winding up in Oregon.

"A lot of our contractors down there have sent their old equipment up here to send their new equipment down there," said Ed Kanable, a Volvo equipment dealer in Portland.

Mike Brenner, regional sales manager at Ritchie Bros. Auctioneers, a major heavy equipment broker, said in its California auctions, nearly half of what's sold is moving to states like Oregon with lighter regulation. About 2 percent is selling to Oregon buyers, he said.

The arrival of California trucks undermines Oregon's voluntary effort to get old rigs off

the road. In the last 13 years, the Oregon Department of Environmental Quality has overseen the spending of \$7 million, most of it federal grants, to retrofit, replace or retire 724 old diesel engines.

The state's effort has reached less than a half-percent of the 145,000 older diesel trucks operating in Oregon.

Kevin Downing, DEQ's clean diesel coordinator, says the air would be even dirtier without the improvements he's overseen. But it hasn't gotten cleaner.

"From our work here, we're making a difference," he said, "but we're not moving the needle."

State Sen. Michael Dembrow, a Portland Democrat, is drafting legislation to prevent Oregon from continuing to be a dumping ground. He said he expects to introduce a bill soon to adopt California-like standards. He hasn't decided on a time frame for implementation yet.

"We have to take action as quickly as possible," Dembrow said. "We do need to address it."

Rob Davis
rdavis@oregonian.com
503.294.7657
@robwdavis