



June 7, 2017

Co-Chairs Senator Lee Beyer and Representative Caddy McKeown
Joint Committee on Transportation Preservation and Modernization
Oregon State Legislature
900 Court Street
Salem, OR 97301

Due to the closure of T-6 at the Port of Portland and the necessity to transport our product through Portland for export our members first hand recognize the cost of congestion on the interstate system. This reality, along with other issues with Oregon's highways, convinced the Oregon Seed Council to take a position in support of a transportation package. For a bill to receive our support it must take major steps in easing this congestion and make it easier for our members to get their products to market and at the same time ensure our tax dollars are being used as efficiently as possible.

After evaluating HB 2017 and the -3 amendments it is our opinion that this bill fits that criteria in some areas, it falls short in others. While we recognize there is a lot in this bill and it is certainly not the bill we would craft to fit our needs, the highway congestion infrastructure improvements included in the bill will go a long way to start fixing that issue for our members. We look forward to seeing any adjustments to the bill the committee makes but for now must hold support until we see the final product.

We would like to mention a few items specifically that we feel are important to include in any legislation to gain our support, point out important items missing from this bill and identify some provisions we cannot support.

We agree the projects identified in the bill for the interstate freeways are long past due, we would like to see more improvements to I-5 and I-205. While this legislation will get the process started on those improvements, our members believe more lanes need to be added between Eugene and Portland. This interstate was designed and built in the 1950's and 60's and needs significant increases in capacity.

As stated above, we believe the success of the transportation funding package is dependent upon the enactment of the accountability measures developed by the joint committee. The accountability provisions reflect good policy and should be enacted regardless of whether a funding package is passed. Enacting the accountability measures first provides the voting public a clear indication that the funds from any package will be used in the most efficient manner.

We would also like to have the Secretary of State engage in an audit of the Department of Transportation. It is of the utmost importance that the public be confident that decisions made by the Department of Transportation regarding the use of funds are transparent and follow procedures with clearly identified decision makers and accountability measures.

HB 2017 contains significant accountability measures for ODOT, it lacks adequate accountability for local agencies even though local agencies will receive a significant percentage of the additional funding. Local agencies should be required to consider costs before constructing public improvement projects - especially if they intend to construct a public improvement with their own employees.

One item in the bill our members certainly do not support is the payroll tax for public transit. It will be very unlikely that our members or their employee's will receive any benefit from this new tax. Due to the need to transport materials and supplies and odd work hours in rural settings not served by mass transit, farmers and farm workers do not have a lifestyle that public transit can serve efficiently. We believe an exemption for farmers and farm workers would be appropriate for these reasons.

Lastly, one item not included in this bill which we feel should be are protections in the Low Carbon Fuel Standard (LCFS) that would shield consumers from both short- and long-term price spikes based on the cost or availability of program credits. The -14 amendments to HB 3386, which is currently in the House Rules Committee, should be included as part of this bill or that bill should be passed as a companion measure with a requirement that both become law or both are void. Including that provision would protect consumers from increased fuel prices due to a lack of available low carbon fuel blends.

Sincerely,



Roger Beyer, Executive Director
Oregon Seed Council