



February 8, 2018

**To:** Chair Greenlick and Members of the House Health Care Committee  
**From:** Megan Chrisman, OBI  
**RE:** OBI Testimony in Opposition to HB 4003

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Chair Greenlick and members of the House Committee on Health Care:

Thank you for providing Oregon Business & Industry (OBI) the opportunity to submit written testimony for the House Committee on Health Care public hearing regarding HB 4003.

OBI is Oregon's most comprehensive business association representing approximately 1,600 businesses that employ nearly 330,000 people. Our members and member's employees are located in many of the state's geographically diverse communities.

OBI's members are stewards of our state's natural environment. Our members strive to help Oregon achieve greater air, water, and environmental standards, while growing our economy.

For the last few sessions, the Oregon Legislature has considered several variations of diesel regulations. Most recently, in 2017, the Legislature passed SB 1008. The original version of this bill would have been devastating to Oregon business. After a yearlong negotiation, a compromise was struck in a collaborative effort between legislators and a broad base of coalition members including representatives of private sector nonroad and on-road diesel users and public sector diesel users convened by your Senate Environment and Natural Resources leader, Senator Dembrow. This bi-partisan, consensus compromise included applications for the VW settlement funds in SB 1008, and more importantly for this discussion, an allocation of \$500,0000 to the DEQ to conduct a third-party inventory of nonroad diesel engines (HB 5006), which is in process, but has yet to be completed. This is one of the reasons OBI opposes HB 4003. This inventory is an important tool in understanding the comprehensive impact of diesel on Oregon.

The language proposed in HB 4003 is detrimental to the economic well-being of our state. The stringent requirements tie Oregon to California's costly regulatory program at an accelerated rate that is overly cumbersome for business in Oregon. The bill proposes to add public contracting provisions that would disrupt the level playing field in Oregon and may be preempted by federal law under the Federal Clean Air Act.

The changes proposed to idling standards are problematic: There are currently 339,088 heavy trucks operating in Oregon. Of those, 292,489 are from out of state. It would be impossible to effectively educate the vast numbers of out of state truck drivers if local government were allowed to establish a different idling standard. Under the indirect sources component of the bill to regulate delivered-to store-fronts, regulatory compliance

will shift to unsuspecting business owners. This, too, would be a difficult and unfair policy outcome. Lastly, the proposed statewide registration program is costly and unnecessary. The information required to understand diesel's impact in Oregon can be achieved by the inventory which the state has already decided to make an investment in.

OBI asks that the Legislature wait until the inventory is complete before further consideration of additional diesel regulations.