

Sen. Michael Dembrow
Rep. Ken Helm
Oregon State Legislature
900 Court St., NE
Salem, OR 97301

For the hearing record on HB4001

I'm submitting testimony today in opposition to HB4001, a bill to adopt California's cap and trade program here in Oregon.

As the president of a family-owned business, I have been part of Oregon's manufacturing sector my entire professional life. I have seen first-hand the positive impact our company's success can have in the lives of our workers and health of our community. I have also been witness to the incredible reforms adopted by manufacturing over the years to improve the well-being of workers and protection of our environment. For years, we have been finding innovative ways to balance these two important goals. Unfortunately, HB4001 threatens to upset this delicate balance and jeopardize opportunities for Oregon workers.

Oregon has been a national leader in reducing carbon emissions. According to the Department of Environmental Quality, between 2000 and 2015 Oregon's carbon emissions declined by 15 percent. This was during a time span when our economy grew by 85 percent and population grew by 18 percent. In fact, Oregon's share of global carbon emissions is a meager .1 percent, meaning you could wipe out our economy entirely and not make a dent in climate change.

Yet while it won't have a positive impact globally, adopting California's cap and trade system will have a negative impact on Oregon. The system imposes a tax on all carbon emissions, including from our cars. It's estimated that if this bill is enacted it will raise the price of a gallon of gas by \$.16 *immediately* and increase that even more over time. The tax on electricity generation, natural gas distribution, and transportation fuel will drive up costs across the board for Oregon households, by over \$50 per month according to estimates. This is particularly bad for those who can least afford it – seniors and others living on fixed incomes. But, the increase in the cost of electricity and natural gas will make Oregon manufacturing less competitive with other states and countries, jeopardizing thousands of jobs.

Supporters tout California's roaring economy as evidence that cap and trade won't impact jobs. But, let's look at that more closely. Since enactment of its comprehensive carbon law, California's manufacturing job growth rate has been half the US average. Almost all of California's growth is concentrated in the urban areas of Los Angeles and the Bay Area. Nearly every other county has an unemployment rate above the state or US average. Do we need more policies that further divide the economies of Oregon's urban and rural communities?

Manufacturing jobs pay more, sustain families and provide greater economic impact in their communities. That's why most policymakers want more of them. Adopting California's cap and

trade system, however, will drive manufacturing jobs to other states. The evidence is clear. In 2013, the year California's cap and trade system went into effect, California had 46 manufacturing plants locate or expand in the state; Texas had 253. Driving jobs away from Oregon's clean economy and into high-carbon states and countries will only harm the goal of reducing global carbon emissions.

Oregon manufacturers share our state's passion for environmental protection. We take seriously our mission to provide opportunity to workers and their families while applying new technology to reduce impacts to the environment. We've shown great success in both.

Mr. Chairmen and members of the committee, I urge you to reject HB4001. Adopting California's cap and trade program will take opportunities away from workers, increase costs on every Oregon family, and provide no benefit in the fight against climate change.

Respectfully submitted,
Lori Miles-Olund
President
Miles Fiberglass
8855 SE Otty Road
Happy Valley, OR 97806