

Chairs Helm and Dembrow, members of the committee

Thank you for your time today. I'm Nathan Jackson, a rancher in Myrtle Creek Oregon and President of the Oregon Cattlemen's Association.

I'm here to express concerns with Oregon's proposed market for carbon offsets and the effects it could have on ranchers. Many of our agricultural partners have covered or will cover a wide range of technical concerns with this bill.

I'm here to urge you to carefully consider the net benefit of an Oregon carbon offset program in light of the potential risks and costs to farmers and ranchers. Nationally, Oregon is already one of the lowest greenhouse gas emitting states, and we're yet to achieve or analyze the effects of recent policy changes to Oregonians from programs such as low carbon fuel standards and renewable energy standards. Oregon farmers and ranchers bear a higher cost than other Oregonians in achieving Oregon's laudable, yet aggressive climate change goals. It is clear that Oregon is a global leader in addressing climate change already. We ask you to also be a global leader in protecting our agricultural economy.

Our organization has nearly 1100 members throughout the state. For most, if not all of our members, we are selling Oregon beef into a competitive, global commodity market. Capping carbon emissions in Oregon and creating a market for carbon offsets likely will increase the cost of many of our inputs and drive up costs down the supply chain. These are costs we cannot recoup in the market. Further, as small businesses, we have very little leverage to negotiate prices for inputs that would be directly regulated by a new "cap and trade" program: feed, fertilizer, fuel, other energy costs or products we buy at the local feed store, co-op or supply warehouse. Secondly, we'll pay the same increased inputs as we send our products down the supply chain through logistics, processing, distribution, and even retail facilities subject to the offset market.

We urge you to recognize that through the legislature's actions, Oregon has placed a very high priority on addressing climate change. Our members are still adjusting to, and yet to pay for many of those policies. We also caution you to please carefully consider the claims that this program and the related grants will actually benefit agriculture.

We know that many of you receive great thanks from your constituents and other groups for your aggressive policy approach to this important topic. However, we urge you to stop and reflect on the industries that are paying for Oregon's progressive policy changes, particularly here in a state where we already pride ourselves on a low carbon footprint. We urge you to slow down and ensure that we understand the costs (and magnitude or diminishing returns) on these policies here in Oregon.

Finally, we ask you to recognize and thank Oregon's farmers and ranchers who are carrying out prior policies and bearing the load of Oregon's climate change policies.