

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

Mr. Chairman and Members of the Committee

My name is Alan Rasmussen. I'm testifying today on behalf of my family's business, Modern Building Systems. I'm testifying in opposition to HB4001, the Oregon Legislature's carbon cap and trade proposal.

Modern Building Systems is a family-owned and operated commercial modular building company located in Aumsville, OR. We construct a broad range of structures including offices, medical buildings and classrooms. My grandfather, Don Rasmussen, started the company in 1971. My father Ken, Uncle Jim, and I continue to operate the business today and I represent the third generation of our family business. Since our founding we have grown to employ over 150 people here in Oregon, working across the full spectrum of trades in manufacturing and construction.

Oregon is doing its part as a leader in the green economy. Modern has strived to do the same, we are Earthwise certified, investing in true energy savings projects like rewiring our whole plant lighting system to be on automatic motion sensors, and extensive recycling programs. Oregon is already one of the lowest carbon-emitting states in the nation, and we're getting lower. An Oregon cap and trade system would have no impact on global greenhouse gas emissions or climate change.

Adopting a cap and trade system as outlined in HB4001 will have a negative impact on Oregon. The specific impacts to Modern is our costs across the board will increase, from general overhead, materials costs, and transport costs of our modules will rise. We compete against out of state companies and factories which will now have a competitive advantage over us as an Oregon based company. This could lead to modular building consumers in Oregon buying from out of state companies and large publically traded dealer corporations. Some of our current clients include Oregon Dept. of Corrections, Oregon Childhood Coalition, and a long list of Oregon public school districts. Another tax would limit our ability to maintain revenues which lead to a reduction in income tax receipts, expand, hire more, and invest more in the Oregon economy and community.

And I implore you to ask yourself honestly, for what? This bill won't have an impact on global greenhouse gas emissions or climate change. The legislation imposes a tax on all carbon emissions, including from our cars. It's estimated 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 families and companies. The increases in cost of electricity and natural gas will make

Oregon manufacturing less competitive with other states and countries, jeopardizing thousands of jobs, just like our real jobs at Modern Building Systems.

Rural communities like where Modern is located will be hardest hit by this proposal. Oregon's rural residents already struggle to access high-wage jobs with benefits, which are prevalent in the manufacturing sector, and manufacturing plays an outsized role in rural economies. The chill cap and trade places on manufacturing job growth will create fewer opportunities.

HB4001 will drive up the cost of doing business, take opportunities away from workers, increase costs on every Oregon family and company and provide no benefit in the fight against climate change. We need economic stability not the uncertainty this costly and unnecessary proposal will create. I hope you will oppose HB4001.

Thank you for the opportunity to testify.

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