



TESTIMONY IN OPPOSITION TO HB 4001 -12 AMENDMENT
BEFORE THE HOUSE COMMITTEE ON RULES

February 22, 2018

Chair Williamson and members of the House Committee on Rules:

Thank you for providing Oregon Business & Industry (OBI) the opportunity to submit written testimony for the House Committee on Rules public hearing regarding the -12 amendment to HB 4001.

OBI is Oregon's most comprehensive business association representing approximately 1,600 businesses that employ nearly 330,000 people. We oppose the -12 amendment to HB 4001 to create a carbon cap and trade program for Oregon.

This -12 amendment forces a program to be implemented by the Environmental Quality Commission if a negotiation is not reached by the Legislature in 2019. This ultimately holds business hostage forcing the issue without engaging stakeholders in a meaningful way. It imposes a commitment to a solution without a thoughtful approach on how to achieve it. The -12 amendment makes Oregon's already tough greenhouse gas goals even more stringent, with no plan for how any business would comply with or pay for it.

The amendment will increase confusion and uncertainty in an already challenging economic climate. It is irresponsible to pass this new and complicated policy to an agency with no parameters, and no guidance. The failure to reach an agreement over the past year of meetings highlights how difficult and nuanced of an issue cap and trade is. This tactic circumvents the legislative process and does not allow for the Legislature to consider and vet alternative emissions reductions strategies or other ideas that could be less costly and more effective in Oregon's unique business environment.

A meaningful carbon reduction policy must consider various regulations already in place on Oregon's businesses. OBI is ready to be a partner at the table and help identify a solution for reducing emissions in 2019 but this amendment will paralyze investment in Oregon's economy.

Respectfully Submitted,

Abbie Laugtug
Vice President, Legislative Affairs
Oregon Business & Industry
abbieaugtug@oregonbusinessindustry.com
503-452-0050