

HB 2020 and Transportation Related Emissions

The legislature should include a program for refunds or credits of the revenue from transportation fuels allowance sales to those that take actions to reduce emissions; and refer the question of legality to the Supreme Court, along with the other two questions already to be referred to the Court, in HB 2020.

The Oregon constitution, chapter 9, section 3a, includes this language related to fuel taxes:

(2) Revenues described in subsection (1) (a) of this section may also be used for the cost of administration and any refunds or credits authorized by law.

Nothing states that the refunds or credits can't be restricted to those that make investments to reduce emissions; that the refunds can't be based on average consumption; that they can't be based on years of taxes paid.

The legislation should also include language to allow the legislature to allocate the revenue between the highway fund eligible projects, and the program based on the refunds clause.

Justification

First, Oregon Department of Transportation (ODOT) testified before the Carbon Reduction Committee that there are fuel tax/allowance purchase eligible projects that can reduce emissions or address climate change impact on the highway system. ODOT estimates that these projects could reduce emissions related to transportation fuels by 20% (via Senator Beyer), well short of the emission reduction targets.

Second, HB 2020 provides or allows programs to conserve energy, or to convert to clean energy, but there are no provisions for car and truck owners. The chances of achieving necessary emissions reductions from the transportation sector could be greatly improved with more resources applied to the vehicles.

Third, the initiative in Washington State was defeated, in part, due to a massive advertising campaign arguing that the measure was a tax increase with no benefit for the car and truck driving taxpayer. Oregonians could receive money out of the programs to help reduce car and truck emissions, and save money by reducing fuel costs. Polling indicates that Oregonians favor carbon fees, provided that the revenues are invested in projects and programs that reduce emissions. Oregonians want to be part of the solution, not just pay more for fuel.

Submitted by

Dan Mulholland
Eugene

