

February 14, 2019

To Whom It May Concern:

My husband, daughter and I operate a small, family cattle operation in Harney County. Our profit margins are small, but this is the lifestyle we have chosen. We take great pride in helping to produce quality beef to feed the world and provide an array of by-products from our cattle. We are good stewards of our land and any public land we lease by not over-grazing and ensuring the land continues to be productive by using a variety of conservation strategies. It is disheartening when we see bills like HB2020, which includes agricultural fuels under the carbon cap.

Ranchers do not set their price for their calves or yearlings. We are price-takers, with buyers deciding the price they will pay based on their cost to take the cattle to the next step towards processing. HB2020 will have a negative impact on our already small profit with a cost increase to our ranch for the purchase of our fuel, along with our buyers for the cost of freight and fuel used in their operation.

Even in the first year of the program, we will see an increase in fuel cost for our ranch. Fuel is a necessity for all times of the year on a farm/ranch. We utilize fuel to prepare our meadows for irrigation, put up our hay crop and feed our cattle in the winter. Fuel is needed to travel to our summer range spring through fall as we maintain our fences, turn our cattle out, check and move our cattle, put out mineral and ensure an adequate water supply. **These fuels must be exempted in any version of the bill going forward.**

Oregon's agricultural sector is committed to natural resources stewardship and sustainability; we are part of the solution to atmospheric CO2. Oregon already is a leader in building one of the cleanest economies in the country through the adoption of major renewable fuel and energy policies (i.e. Low Carbon Fuel Standard, Renewable Portfolio Standard, and Coal-to-Clean). Oregon's share of U.S. greenhouse gas emissions is less than one percent and on a clear downward trend. HB 2020 will not make a measurable change in global greenhouse gas.

I am also concerned about appropriate oversight in HB 2020, as it appears to have few checks within the system. Section 21 directs the Carbon Policy Office to set an auction floor price for 2021 and a schedule for the floor price to increase by a fixed percentage over inflation each calendar year, as well as a hard ceiling price. I don't believe this authority should be left to the discretion of any state agency. I am further opposed to the Environmental Justice Task Force given the responsibility for reviewing and recommending investments from revenues resulting from HB 2020. This task force is not elected and nor set up to provide expertise with regard to sequestration practices on Oregon's farms and forests.

I would prefer to see voluntary incentive programs available to farmers and ranching to ensure Oregon agriculture remains competitive globally, while sequestering carbon at the same time. These programs would need to be affordable and accessible to all farmers and ranchers, regardless of their crop type or methods. I am requesting the Committee adopt recommendations made by the Work Group on Natural and Working Lands, hosted by the Governor's Carbon Policy Office.

In conclusion, I believe HB 2020 requires much more thought and improvement before being approved with the current language. With greater distances to travel on a daily basis, and greater transportation costs across the board, HB 2020 shifts the political desires and popular focus on a climate change bill in Oregon on those living, working, and owning businesses in rural areas of Oregon.

Sincerely,

Katie Baltzor  
Cattle & Hay Producer

