



777 NW Wall St. Ste. 200
Bend, OR 97703
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March 1, 2019

Joint Committee on Carbon Reduction

The Honorable Michael Dembrow, Co-Chair The Honorable Karin Power, Co-Chair The Honorable Cliff Bentz, Co-Vice Chair The Honorable David Brock-Smith, Co-Vice Chair Joint Committee on Carbon Reduction Oregon State Legislature Salem, OR

900 Court St. NE
Salem, OR 97301

Senator Tim Knopp
900 Court St. NE S-309
Salem, Oregon 97301

Representative Cheri Helt
900 Court St. NE H-371
Salem, Oregon 97301

Representative Jack Zika
900 Court St. NE H-387
Salem, Oregon 97301

Regarding: Regarding HB 2020, Relating to greenhouse emissions, establishes carbon policy...

Dear Chairs, Vice-Chairs, and Members of the Committee, Sen. Knopp, Rep. Helt, Rep. Zika, and Members of the Committee,

Thank you for holding hearings on HB 2020 throughout the state, including Bend. The Bend Chamber of Commerce is also grateful to Senator Dembrow for visiting our chamber last summer to discuss this legislation.

Our chamber represents 1,300+ members with over 25,000 employees of diverse industry and size and have discussed this legislation with many of our members. While we are generally supportive of efforts to reduce carbon and address climate change, we have some input regarding HB 2020.

We are facing a housing affordability crisis in Bend and many of our members have employees that live in other cities and must commute long distances to work. Increased prices at the pump will have a disproportionate impact on our local community. The bill will also have significant impact in freight costs in our land-locked region. Increased statewide fuel tax will also make any local fuel tax for transportation improvements nearly impossible to pass with voters. The City of Bend is already planning to send a fuel tax to our voters next year to address our overly strained transportation system as the fastest growing city in Oregon and the West Coast.

We also believe the current cap-and-invest legislation is missing proposals that provide additional resources for small businesses and communities who want to take steps toward a clean energy economy—particularly in Central Oregon. If HB 2020 is going to be effective, it must dedicate a portion of the cap-and-invest revenues to an investment fund to help business reduce carbon, create new solutions in cleantech and engineering sectors, or retrain workers in industries substantially affected by this new tax. As Oregon pursues policies designed to eliminate fossil fuels from the region's energy portfolio, making capital available to companies voluntarily wanting to reduce carbon, or spur further innovation will deliver better carbon reduction results.



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Another area of HB 2020 needing attention is that it places a disproportionate burden on Central Oregon's agricultural community, which is already strained by changing water demands and policies. The margins of farming are extremely thin and would be pushed down severely by increased fuel costs.

While we are supportive of potential rate easement to those who are in our most vulnerable socioeconomic status, natural gas is the main heat source for a majority of homes and especially critical during our cold winter months in Central Oregon. The proposed package will increase the cost of natural gas by more than 50%+ to our residents and businesses.

We respectfully ask that you make these adjustments to HB 2020 in order to invest in companies who are committed to reducing carbon, and to reduce the impacts of increasing utility and fuel costs to our residents and businesses.

Sincerely,

Katy Brooks
CEO
Bend Chamber of Commerce