

Dear Chairs Dembrow and Power, and all members of the Joint Committee on Carbon Reduction:

Thank you for coming to Bend. I attended the field hearing here on March 2 but was dissuaded from testifying to my **SUPPORT for HB2020** when I saw the length of the list.

My overarching observation from listening to the entire proceeding was that the big polluters who oppose being subject to a cap on their GHG emissions (above 25,000 metric tons annually) have effectively promulgated a lot of misinformation. Over and over, the opposition demonstrated acceptance of fabricated "facts," dire outcomes from this legislation, and ignorance of the experience of other states where cap-and-trade programs are in place. I wish there could have been fact-checking in real time!

Also absent in fearful testimony was an understanding of the benefits afforded in HB2020. Sadly, those who are not well-informed are persuaded to think that change places their lives and incomes in peril,

This is not a new phenomenon, Historically, most legislation to make life better for the majority of Americans has prompted special interests to mount campaigns of misinformation that generate trepidation. Yet when new programs are enacted, these same interests manage to profitably navigate the change. Think about battles over Social Security, Medicare, the 40-hour work week, limiting child labor and more recently, raising the minimum wage, transitioning off coal or increasing fuel efficiency in our State!

It is not my intention to belittle those who are apprehensive, but to counter unreasonable fear with reasoned hope:

When California's cap and trade took effect in 2012, gasoline prices actually fell. Though not attributable to the legislation, this fact demonstrates that fuel prices are subject to a plethora of market factors. Efforts to limit carbon emissions are not a critical factor.

Electricity prices in the nine eastern Regional Greenhouse Gas Initiative (RGGI) states capping utility emissions fell 6 percent since cap and trade was enacted, while prices have risen 6 percent in other states,

The Gross Domestic Product of California (overall and per capita) has risen while greenhouse gas emissions (overall and per capita) have fallen. Meanwhile, the cap and trade states of RGGI were 4.3 percent ahead of surrounding states on economic growth and 15 percent better in emissions reductions.

Although Oregon is not the largest contributor to greenhouse gas emissions, I read that we do emit as much as 116 nations that remain signatory to the Paris Climate Agreement. Of course, global action to curb climate disaster is needed but Oregon has often been a leader. If we are not doing our part we have no standing to encourage other jurisdictions to act and we will be behind the curve in terms of innovation.

Rather than wreck our economy, the Investment component of HB 2020 will create numerous jobs, related to a green economy. Oregon's Department of Environmental Quality calculated funds raised in the first year of operation at \$550 million, of which \$348 million will be constitutionally earmarked for highway related projects that serve the purpose of reducing emissions. Most of the remaining \$202 million will be targeted for a Climate Investment Fund granting money to projects that generate employment in, for example: improving energy efficiency in homes and businesses, piping irrigation canals and even installing small hydropower turbines in those canals to lower costs for farmers (those who testified apparently had not considered this), agriculture and forestry endeavors that sequester carbon, implementing community solar, etc. I overheard one opponent remark outside that room that "we can only employ so many solar installers on Deschutes County," but projects like these would benefit family owned construction companies, machine shops, engineering and architectural firms, hardware suppliers, heating and cooling contractors, biofuel refiners, regenerative farmers, and more!

As reported by Oregon Public Broadcasting, an analysis by Berkeley Economic Advising and Research predicts much improved economic growth would occur statewide by 2050 with HB 2020 than without it, that 50,000 jobs would be created, and \$2 billion in health care costs would be saved within nine years.

And proceeds from allowances in HB2020 are largely targeted to low income persons and communities most impacted by climate change.

Bottom-line, what will be the actual perils if we fail to change? There are significant externalities no opponent seemed to acknowledge, which impact our health as well as our pocketbooks! I would actually prefer that fewer companies are designated as Energy Intensive Trade Exposed. And that there be no free allowances, However, I do not want the proverbial "perfect to be the enemy of the possible."

Now is your time to counter or disregard the misinformation. In passing HB2020, the Clean Energy Jobs Bill, Oregonians have an opportunity to help stabilize our climate, make our state stronger, healthier, and more prosperous.

Sincerely,

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