

March 19, 2019



Joint Committee on Carbon Reduction
Oregon State Capitol
Salem, Oregon

Dear Members of the Committee:

Executive Board

Past Chairman Josh Burns

Walmart DC

Chairman Paul Keeler

Eastern Oregon Telecom

Chair Elect Tim Mabry

Credits Inc.

Treasurer Kara Taylor

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Phillip Spicer Kuhn

Kuhn Law Office

Annette Kirkpatrick

Hermiston Irrigation District

Tammy Smith

Smitty's Ace Hardware

Steve Meyers

Umatilla Electric Cooperative

The Board of Directors of the Greater Hermiston Chamber of Commerce would like to express their opposition to HB 2020, as drafted. The bill will levy unnecessary costs on Eastern Oregon's farmers, ranchers, and manufacturers. The rural communities in Eastern Oregon will face the largest impacts of this bill due to location and transportation necessary to ship our commodities.

This bill fails to address the significant work and investments that have been made and has far reaching consequences. Eastern Oregon ships products from the Ports of Morrow and Umatilla to customers around the world. The manufacturers within our membership cite that they have spent upwards of \$500 million in upgrades to their Eastern Oregon facilities. Many food producers set voluntary reduction targets and have made significant progress towards those goals. We urge inclusion of a means of rewarding companies for past and current actions taken to reduce energy and emissions. Thus, allowing companies to continue to invest in efficiencies instead of diverting resources to purchase allowances.

Oregon's agricultural sectors are committed to natural resources stewardship and sustainability. HB 2020 will levy cost increases on Oregon's farms and ranches through the purchase of fuel and natural gas. Farmers and ranchers operate within a thin margin and have limited ability to recoup the increased costs associated with production and this bill would put them at an economic disadvantage compared to other states and countries.

As currently written, HB 2020 could lead key industries to reduce their Oregon presence, remove major employers from rural communities, and increase costs for the manufacturers that remain. This would put thousands of jobs at risk in the manufacturing and agricultural sectors, which are the life blood of Eastern Oregon.

We appreciate the opportunity to provide feedback on HB 2020 and we look forward to continued coordination in the efforts of the State to adopt a balanced program, protect Oregon jobs and support our growing economy.

Respectfully,

Paul Keeler
Board Chairman
Greater Hermiston Chamber of Commerce

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