



To: Members of the Joint Committee on Carbon Reduction

From: Kevin Campbell - Associated Oregon Loggers
Jenny Dresler - Oregon Farm Bureau

Date: May 31, 2019

Re: Testimony regarding SB 1051 (Agriculture and Forestry Fuel Refund Program)

Co-Chair Dembrow and Power and Members of the Committee,

Please accept this testimony regarding SB 1051 on behalf of the Oregon Farm Bureau and the Associated Oregon Loggers.

As a reference, Associated Oregon Loggers (AOL) is the statewide trade association representing approximately 1,000 member companies engaged in the harvest and sustainable forest management of Oregon's 30 million acres of forestland. The Oregon Farm Bureau Federation (OFB) is the state's largest general agriculture association, representing nearly 7000 families actively engaged in farming and ranching.

Our associations would like to express our appreciation to Senator Lee Beyer for considering the impacts that HB 2020-A would have on Oregon's natural resources sector and rural communities through the introduction of SB 1051. This measure would create a refund program for fuels utilized for the production, management, and transportation of agricultural and forestry products.

Fuel is an increasingly significant cost driver for the family owned businesses that make up our sector. These markets are volatile and are often impacted by national and international factors that are outside of their control. These family businesses operate on tight margins and have difficulty passing on costs that are created as the result of increased taxes, fees, or other regulatory requirements.

With these concerns in mind, we strongly appreciate the refund program established in SB 1051 to offset some of the costs increases that are anticipated under the cap-and-trade program envisioned under HB 2020-A.

Thank you.