

From the desk of
Rep. Barreto



THE DAILY ASTORIAN

Our View: Cap and trade bill would be disastrous

We've taken a wait-and-see attitude towards Oregon's carbon cap-and-trade proposal, which has been winding its way through the state Legislature this session.

The so-called Clean Energy Jobs Bill (House Bill 2020) would set a 52 million metric ton cap on greenhouse gas emissions. Companies that produce at least 25,000 metric tons of emissions per year would have to pay for every ton they emit by buying allowances through an auction. The proceeds from those sales would go to highway projects, climate mitigation projects, rural and minority communities, and other programs.

We've listened to detailed arguments on both sides — those who say the bill would create more clean energy jobs and fight climate change, and those who say it will cost good-paying local jobs and do nothing to prevent climate change.

After careful consideration, we believe this legislation would be disastrous — both for Oregon as a whole and Clatsop County in particular.

Working-class Oregonians would be particularly hard hit. That message seems to be falling on deaf ears in Salem. State Sen. Betsy Johnson, D-Scappoose, agrees.

"Any bill with upwards of 90 amendments sends a clear signal that the complicated concepts are not fully developed," Johnson said. "This bill will not, in and of itself, deliver a clean climate. It could, however, create a real disruption to our economy and the displacement of many established jobs."

Imperceptible impact

We aren't a bunch of climate deniers here at The Astorian. We believe climate change is real and America — indeed, the world — needs to take action to combat it.

This legislation, however, is not the answer. Even its proponents acknowledge it will have an imperceptible impact on global warming.

To have a perceptible impact on global warming, the entire nation must take action. A unified national approach would prevent industrial employers from simply moving their operations and jobs across state borders to less-restrictive areas.

That would require wholesale changes in the White House and Congress, of course, but the fight against climate change requires thinking big, not small.

If this passes, Oregon would join California as the only U.S. states to implement cap-and-trade systems. Unilateral, symbolic actions are not the answer to the climate threat.

Jobs in jeopardy

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The proposed carbon fees will cost jobs in this state, because they will put our industries at major competitive disadvantages with other states.

It's not hyperbole to say that this bill directly threatens 750 well-paying jobs at the Wauna Mill.

The mill's operator, Georgia-Pacific (owned by Koch Industries), has shown no compunction in the past about closing down operations to improve its bottom line. It shut down most of its plant in Camas, Washington, last year, resulting in hundreds of layoffs. And it recently announced it will close its Coos Bay lumber mill entirely, laying off all 111 workers.

Closure of the Wauna Mill would create an asteroid-sized hole in the county's economy. It pays an average hourly wage of \$26, or \$54,000 per year. It spends more than \$375 million on labor, goods and services, as well as more than \$2.6 million annually in Clatsop County property taxes.

Bill Kerr, president of United Steelworkers Local Union 1097 and a mill employee, said no pulping mills operate in California since enactment of that state's cap-and-trade legislation.

"We applauded the leadership of state Sen. Betsy Johnson and state Rep. Brad Witt to protect our jobs and oppose the cap-and-trade proposal," Kerr wrote in a recent guest column in The Astorian. "We urge Gov. Kate Brown and Rep. Tiffany Mitchell, as well as the 87 others representing communities across Oregon, to follow their lead. As you finalize cap-and-trade legislation, do what's right and protect our environment and protect local jobs."

Consumers will pay

The bill's proponents expect working-class Oregonians to eat the costs of the legislation for the greater good.

Carbon emitters will pass on the proposed fees to consumers, driving up gas and utility bills. There has been heated debate over exactly how much, but anyone who thinks they won't go up is delusional.

The bill's proponents chose not to go the cap-and-dividend route, which would have mitigated the economic impact by returning the fees to taxpayers, perhaps via the "kicker" tax rebate. They have the typical Oregon government mindset — they think they have better ideas about what to do with our money than we do.

Given those costs, and the lack of a perceptible climate benefit, this bill just doesn't make sense.

No on HB 2020.