

From: [Keith LaHaie](#)
To: [HEE Exhibits](#)
Subject: Testimony in Opposition to HB4159
Date: Wednesday, February 12, 2020 10:23:52 AM

Dear Members of The House Committee on Energy and Environment,

My wife and I are strongly opposed to HB4159 and any other type of “cap and trade” measure and request that you reject HB4159 without further action.

Oregon is not responsible for climate change, and this bill will do nothing at all to impact the climate! Oregon’s emissions have decreased and will continue to decrease organically over time. The state’s own Greenhouse Gas Emissions report asserts *“Oregon’s population has increased 43 percent since 1990 while in-state emissions per capita have decreased in the same time period. Since 2011, Oregon’s in-state production emissions per capita have stayed relatively flat, around 13 MTCO_{2e} per person.”* Some federal reports show Oregon’s per capita CO₂ emissions at less than 10 metric tons.

Further reductions can and should be achieved without the massive government intervention that this bill represents. HB4159 establishes improbable and in our opinion, unattainable emissions reductions – standards that are based on completely unrealistic assumptions on the availability of technology that will be needed in order to meet those standards.

HB4159 is nearly identical in scope and principle to SB1530 and SB1574 and the goals of each bill appear to be identical as well. The introduction section in HB4159 includes claims regarding changes in Oregon’s average temperature that are not included in the other bills. Interestingly enough, the studies that produced this temperature data were provided by *state-funded* scientific groups, and do not seem to be corroborated by other studies not funded by the state of Oregon. With all that is at stake in the “cap and trade” discussion, this seems to be a serious conflict of interest. In any case, the submission of multiple proposals on the same subject appears to be a subversive tactic intended to divide public attention so that HB4159 can proceed through Committee without testimony in opposition.

It’s outrageous that the legislative supermajority intends to use the February “short session” as a bludgeon to ram through several sweeping and impactful pieces of cap and trade legislation. This blatant abuse of the short session is a violation of the voter’s trust.

The short session was not designed to accommodate the deliberation of controversial legislation such as HB4159. The Senate Majority leader even said: “The purpose of the short session is to deal with budget matters and urgent matters that can’t wait until the long session.

HB4159 represents yet another abuse of the “emergency clause,” which has been added to this bill with clear intent to prevent public opposition through a ballot initiative. Despite Greta Thunberg’s protestations to the contrary, there is no emergency that will be mitigated by this proposal – this is proven by the fact that this proposal will have no impact on the climate at all!

HB4159 represents \$700 million in additional taxation - just to start! Tax dollars that will be extorted from hard-working citizens! We are very concerned about the supermajority's increasingly insatiable appetite for, and mismanagement of – hard-earned taxpayer dollars.

There is language in the bill indicating that it hasn't yet been determined whether this is a "bill to raise revenue" (we would assert it is) or whether it is even constitutional. This is further borne out by the fact that this bill provides for expedited review of certain constitutional questions by the Supreme Court. Our alarm is further raised by the fact the priority for these reviews will be raised over all matters before the Supreme Court. The fact that there are fundamental constitutional questions about this legislation seems to be a fatal flaw. Will the taxpayers be on the hook for legal fees to defend the inevitable lawsuits that will result should this terrible bill somehow pass into law?

HB4159 represents absolute pandering to special interest groups. There are provisions in this bill that intend to address "environmental justice." What exactly does that mean? Is it really possible to prove that one community is impacted more than another when it comes to "climate change?" With toxic emissions, there are cases to be made. However, even if it could be proven that certain communities are more impacted by climate change, how do we achieve "environmental justice?" On what basis will this be determined?

HB4159 will empower the Department of Environmental Quality (DEQ) with unprecedented authority over the lives of Oregonians. The DEQ is an already powerful and unaccountable bureaucracy, so this is very alarming. HB4159 also establishes new and very suspect procurement and contracting standards related to greenhouse gas reduction.

As the Legislature well knows, the ability to control CO2 emissions is the ability to control the economy, energy, land, people and resources. This equates to a massive and unacceptable expansion of government power that we will strongly resist.

There is one detail that is included in all of the current cap and trade bills – a section mandating the use of ethanol in gasoline. This requirement by itself is not a serious concern; however, there is a continuing debate on the value of ethanol as a motor vehicle fuel. In the October 10, 2018 issue of Forbes Magazine, an article entitled "*Put Ethanol in People, Not Gasoline*" contained the statement – "*Ethanol's contribution to greenhouse gas reduction is minimal and expensive. The production of ethanol requires a significant amount of energy, which combined with the land impact of increased corn production means that ethanol usage increases greenhouse gas emissions.*" The fact that an ethanol requirement is included in a bill intending to decrease greenhouse gases only increases our skepticism regarding the legitimacy of many of the other requirements outlined in SB4159.

HB4159 (and all other cap and trade legislation before the Legislature) is a direct result of the increasing climate hysteria promoted by extremist environmental groups such as Renew Oregon and Southern Oregon Climate Action. We realize that HB4159 was carefully crafted so that the initial cost increases don't present much of an impact to the average citizen; however, we're not blind to the fact that once this damaging proposal is implemented, our fuel and energy costs will increase dramatically as more onerous taxation and control measures are phased in over time. We certainly that once this proposal is made law, it will be quickly amended so that it is even more restrictive

than it is currently.

We're very concerned about the impact this legislation will have on those who are already struggling to pay their bills, as well as on the health of Oregon's economy in general. We're not buying the promises of "50,000 green jobs," nor do we believe the claims of how beneficial this proposal will be for our economy. As evidenced by the Solyndra debacle (among others), the "green jobs promise" has been largely empty, and there is no proof that this proposal will result in a net increase of jobs. More likely, there will be a major net decrease of jobs, as businesses move out of state, or are forced to readjust staffing levels in order to offset increased energy costs. As well, many "green jobs" are actually existing jobs that have been re-designated as "green," so again – no net gain.

We see HB4159 only as a cash and power grab, as well as a massive wealth transfer from hard working Oregonians to politically favored industries and contractors. The contrived carbon-trading market that will be created by this legislation could provide massive profits to wealthy investors who - operating outside of Oregon and even the U.S. - will return none of that wealth to this state.

Supporters of this proposal (and every other cap and trade measure being proposed) claim that it will force "polluters" to pay their "fair share," but those "polluters" will merely pass their compliance costs onto Oregon consumers! Saddling Oregon businesses with these additional costs will make difficult or impossible for them to compete with similar business in states without crippling "cap and trade" programs.

We're very disappointed and angry that the Oregon Legislature is continuing its quest to punish hardworking Oregonians with draconian cap and trade proposals. Besides HB4159 there are two other proposals currently on the table. We thought it was made abundantly clear last June that there is serious opposition to "cap and trade" in this state. What proof is there that HB4159 will do anything whatsoever to restore the climate to some arbitrary "optimum?" It's been made clear by the state's own climate researchers that the goals being set in HB4159 will have essentially no impact on the climate. There are reports (which are clearly debatable) claiming that drought, reduced snowpack, increased wildfire and impacts to fisheries purportedly caused by climate change is costing Oregonian millions, but again there is no proof that the billions in costs Oregonians will incur due to HB4159 will offset any of the costs allegedly related to "climate change."

We're sure the Legislature is aware that China is building more than 700 new coal-fired power plants worldwide, and India is building hundreds more as well. Just last week, the *New York Times* reported that Japan is proposing to construct 22 new coal plants in-country, and they, like China are also building coal plants abroad. These coal fired power plants will increase global CO2 emissions by BILLIONS of tons, far exceeding Oregon's overall contribution of 64 million tons. Oregon's emissions constitute 0.7% of US total, and 0.02% of the global total – that's miniscule! While we're not advocating the construction of new coal-fired power plants - what sense is there in punishing Oregonians for their miniscule contribution to global CO2 emissions while the CO2 emissions from China and India's proposed new coal plants alone exceed Oregon's total emissions by at least a factor of 20?

Oregonians will incur substantial costs due to this dreadful proposal while receiving no benefits in

return. We are the real “stakeholders” here, not the environmental extremists who are dictating our futures and risking our prosperity.

HB4159 is little changed from its predecessor - HB2020 – and in many ways it is actually worse!

- From what we understand, certain records related to the current cap and trade proposals are being exempted from Oregon’s Public Records Law. Is this the case with HB4159? How does that align with the Governor’s pledge for transparency? What does the Legislature have to hide?
- HB4159 is HB2020 rewritten with “concessions,” along with additional exemptions and “carve-outs” designed to fool those who object to “cap and trade” legislation. The most absurd of these is the claim that this new version of cap and trade will “spare rural areas.” We are not fooled by these exemptions - we’re fully aware that any and all of these loopholes will be quickly closed, and that rural areas will ultimately bear the full brunt of this proposal. We see that the confusing amendments being hastily added to this bill include even more exemptions – all included in order to further “grease the skids” for passage. Are we to assume that these loopholes will not be closed at some point either? We know what the end goal is – HB 2020 made that clear, and we are also keenly aware of the goals being pushed by environmental extremist special-interest groups that seem to have special status in this debate.
- HB4159 clearly jeopardizes Oregon jobs – this is evidenced by the fact that the proposal includes provisions for assistance to workers who will be displaced or lose their jobs due to the implementation of cap and trade policy.
- HB4159 will increase the cost of the natural gas and already very expensive propane that people need in order to heat their homes, despite the “bill assistance” that HB4159 promises to provide.
- HB4159 will increase the cost of the gasoline and diesel fuels that people need for daily transportation, recreation, and to run their businesses.
- HB4159 will increase the cost of all goods and services produced in Oregon, and will damage many business as people will spend a greater portion of their income on the fuel and energy they need to conduct their lives and businesses rather than on the goods and services they would otherwise purchase.
- HB4159 will be BAD FOR OREGON! The Legislature needs to focus on initiatives to improve the lives of Oregonians - not on punishing them! The Governor and some members of the Legislature claim that we need to “show leadership on climate” – how about showing leadership on issues where real change can be made, such as the epidemic of addicted homeless people, our marginal education system, the unaffordable housing situation . . . the list is very long, and we’re not seeing the leadership! Does anyone really think that the world cares about the “climate action” Oregon is taking? We really doubt it. Nations such as China, India and Japan will do what’s best for their economies and their citizens, and Oregon will not influence that one bit. This legislation is just a distraction from the real issues facing Oregon.

HB4159 is a sweeping and very impactful proposal. If it is to move forward, it should be placed on the ballot and subjected to a vote of the people! We’re hoping it never makes it that far, and we will be petitioning our Republican representatives to again walk out if necessary to prevent this legislation from advancing.

Thank you for your consideration.

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