



**To: Members of the House Energy and Environment Committee**

**From: Rex Storm CF, Executive Vice President, Associated Oregon Loggers, Inc.**

**Date: March 3, 2021**

**Re: Testimony Opposing Legislation Proposing Indirect Source Rule Authority - HB 2814**

**Good afternoon Chair Marsh, Vice-Chairs Helm and Smith, and members of the committee:**

For the record, my name is Rex Storm. I am here today on behalf of the Associated Oregon Loggers (AOL) to speak in **opposition to HB 2814**. We oppose HB 2824 because it proposes an unnecessary and costly indirect source air quality review program at DEQ.

Associated Oregon Loggers is the statewide trade association serving as the voice of Oregon's forest operators. AOL represents nearly 1000 mainly small, generational family businesses that employ more than 22,000 working Oregonians. AOL family businesses provide statewide sustainable forest management services for Oregon's forestlands, economic stability for their communities, living wages to their families, and many are family forest landowners. These are the folks who do the work of forest management, including hazard reduction, fire protection, forest restoration, reforestation, road construction, habitat maintenance, recreation access, and harvest operations.

We are the working families and small rural businesses who manage Oregon forests. Nearly all Oregon forest management is conducted by these family-owned businesses. The indirect source proposal would impact DEQ costs and program performance:

In 2020, the EQC unanimously rejected a similar proposal for several reasons:

1. DEQ estimated an indirect source program would require 10,000 permits and major expansion
2. DEQ last year suggested several near, medium, and long-term actions to evaluate an indirect source program. That work is ongoing
3. DEQ already has an indirect source program, with authority that addresses this matter
4. DEQ has evaluated 400 sources. No indirect source caused a violation of air quality standards
5. DEQ has numerous regulatory programs that address mobile sources of emissions
6. A new indirect source review program would add more costs for DEQ air modeling and permitting

The bill's proposed costly indirect source air review program would unfairly and disproportionately impact rural communities, local governments, and small family-owned forest businesses:

- A. Local government could be impacted by their rural unpaved road systems, and the economic drivers of their communities, including forest-farm-construction projects
- B. Impact of this program would be felt by Oregon's whole economy, but especially by rural areas and small businesses that are not equipped to absorb added analysis, review and permitting requirements—expected for forest-farm-construction projects
- C. Costs of air quality analysis and permit preparation would be prohibitive for small business
- D. Substantial delays would also be caused by review requirements
- E. New permitting costs and regulatory hurdles would create further strain on forest, farm, and construction businesses
- F. This is a bad time to burden small business and local governments—as our state recovers from the historic economic impacts of 2020-21

Thank you for your consideration to oppose HB 2814.