

**OREGON**  
**BUSINESS**  
**FOR CLIMATE**

**Senate Committee On Energy & Environment**

Oregon State Capitol  
900 Court Street NE  
Salem, Oregon 97301

February 3, 2022

**RE: Support for Senate Bill 1518 (Reach Code) – Advancing energy efficiency through local choice**

Chair Lieber, Vice-Chair Findley, Members of the Committee:

Oregon Business for Climate is pleased to provide our support for SB 1518.

We are a league of nearly 100 businesses large and small across the state, representing nearly 30,000 employees in a range of industries from manufacturing to construction and building design to agriculture, transportation, healthcare and others. We believe climate leadership is critical to the health of Oregon's industries and communities, and will help our state re-emerge as a leader thriving in the growing clean economy. To that end, our mission is to advance urgent, ambitious, equitable climate policies designed to help spur innovation and economic opportunity while effectively and responsibly reducing emissions.

There are three key reasons that Oregon Business for Climate supports SB 1518:

1. This bill supports **good jobs** – jobs that advance with improving technologies, new construction techniques and building systems, and jobs in innovative Oregon companies developing new solutions to continue advancing energy efficiency in our residential and commercial buildings.
2. SB 1518 unlocks smart economics and community benefits – including **affordability** improvements for our most impacted communities.
3. Local reach code advancement leverages the **power of local choice and leadership** along with the broader climate imperative to help Oregon stay at the forefront of this global transition.

Below is further perspective on each of these three considerations.

First, JOBS. Jurisdictions that choose to adopt more ambitious energy efficiency expectations help spur progress in their construction industries, and in a host of associated services that go along with them (from design to maintenance to repair and retrofitting down the line). In addition to direct construction jobs, this advancement accelerates innovation and adoption of new technologies, building systems, and construction techniques – many of which can be Oregon exports, boosting our economy (in manufacturing, services, etc.) as other states and regions recognize the need to address energy efficiency, cost savings, and climate impacts.

And these are good jobs, ready for immediate growth in this recovery, and for years to come. A [recent study by E2 in partnership with Oregon Business for Climate](#) shows that Oregon employed nearly 57,000 clean energy workers before the COVID-19 crisis with wages 25% higher than the national median. (In Oregon, that means \$23.91.) Oregon lost 6,000 of these jobs to the COVID-19 crisis. The sector was one of the fastest growing pre-COVID. With legislative permission, and local leadership through options like SB 1518, these 6,000 jobs can be recovered quickly, and we can keep growing from there.

This sector also represents a strength for Oregon that we should build on by passing SB 1518. Among U.S. states, Oregon has the ninth highest concentration of clean energy jobs. And 3 in 10 Oregon construction workers are employed in clean energy. These are also small business jobs: more than 80% of clean energy workers in Oregon were employed by businesses with fewer than 20 employees. Energy efficiency is by far the largest category of Oregon's clean energy jobs, with over 40,000 or Oregon's 50,000+ clean energy jobs (including work with Energy Star & Lighting systems jobs: 5,414, traditional HVAC jobs: 10,952, high-efficiency HVAC & renewable heating and cooling jobs: 11,442, and advanced materials jobs: 9,702).

Secondly, SB 1518 represents smart economics that brings benefits to our communities, to our most impacted populations, and to our businesses serving and operating in Oregon. Oregon has been a leader in this field, and we should recapture that leadership. Contrary to claims from some entrenched interests, studies show that there is very little marginal cost involved in making a new building more energy efficient. And after a quick payback period, these modest upfront investments pay significant dividends in energy savings for decades – not to mention the large benefits in improved air quality, health, and occupant performance (in commercial buildings).

These economic benefits flow to the owners, renters and businesses that occupy these buildings. And when a family saves hundreds of dollars per year in energy costs (net of the small investment that is rolled into their mortgage payment) those dollars not only help the family, but are also freed up for the local economy. Those are dollars that will continue circulating up and down Main Street, supporting small businesses in every participating community throughout Oregon.

Finally, SB 1518 is about choosing to lead. It's a smart approach that unlocks ambition in communities that want to stay ahead of coming advances and help lead the way – but with a single standard so that businesses operating in different jurisdictions don't have to manage a patchwork of standards. With the economic benefits of energy efficiency, and in the face of the climate imperative, this sensible leadership tool is a powerful way for Oregon to lead in the growing clean economy.

**Forward-looking Oregon businesses strongly support SB 1518, and are ready to thrive in communities across Oregon that choose to raise the bar.**

Sincerely,



Tim Miller  
Director, Oregon Business for Climate