




**OREGON WHEAT GROWERS LEAGUE**115 SE 8th Street  Pendleton, OR 97801  541.276.7330  [www.owgl.org](http://www.owgl.org)

Amanda Hoey, Chief Executive Officer

Date: February 15, 2023

To: Chair Marsh and Members of the House Committee on Climate, Energy, and Environment  
From: Oregon Wheat Growers League  
Re: Oppose HB 3158

Good afternoon Chair Marsh and Members of the Committee,

The Oregon Wheat Growers League is a nonprofit trade association representing the nearly 2,000 farms across Oregon producing wheat. Thank you for the opportunity to testify in opposition of HB 3158 which would place a tax on off-road fuel, farm equipment and tires and hurt the businesses that form the core of Oregon's rural economies.

In particular, this bill would tremendously disadvantage Oregon wheat producers and our ability to sustain farm operations. With nearly 90% of our production going to export markets, it is one of Oregon's most important export crops. However, under this bill, our industry, which includes generational family farms, would be taxed on critical inputs and equipment. Of particular concern is the tax on red dyed fuel, the tax on tires and the tax on the sale, lease or rental of off-road equipment. Wheat producers would face these increased costs, yet the amount we receive for our wheat will remain the same as we trade on the global market. This will result in Oregon Wheat producers struggling to compete, while our overseas competitors benefit from our disadvantage.

Oregon Wheat Growers recognize that efficient use of energy is both economical and sustainable and we have continually invested in our own operations to minimize energy usage to the extent possible as it is essential for our businesses to survive. However HB 3158 is indifferent to our investments and asks our producers to shoulder the costs for the state, a prospect we cannot afford and which will damage our future capacity to make necessary investments in our operations.

We rely on specialized equipment to produce wheat. It has a higher pricetag due to its specialized function. To place the proposed taxes into context, the purchase price for only one of those pieces of off-road diesel equipment: a very basic combine with a hillside package used to harvest wheat is roughly \$600,000. The proposed tax would add \$9,000 before we can even get out into the field. Nearly every piece of equipment we use, and the tires and fuel to operate that equipment, would be taxed.

HB 3158 places the burden on our family farms for the benefit of largely urban projects. OWGL strongly opposes and asks committee members to vote “no”.

Thank you,



Amanda Hoey, CEO