

February 15, 2023

House Committee On Climate, Energy, and Environment 900 Court St. NE Salem, Oregon 97301

Dear Chair Marsh, Vice-Chairs Levy and Levy, and members of the Committee:

The need for additional revenue to support Oregon business in the transition to low or no emission heavy duty equipment is clear. In the first two rounds of VW grants, the Oregon Department of Environmental Quality received \$95 million in grant applications for only \$16 million in available funding. Or, put differently, of the 132 applicants to the program so far, only 20 have received grant funding.

Oregon businesses want cleaner equipment. Indeed, many businesses are now required by state law to have cleaner equipment. When the legislature adopted HB 2007 in 2019 the landmark legislation regulated the sale and registration of medium and heavy duty trucks in Multnomah, Washington, and Clackamas counties. The bill also imposed contracting requirements on state contracts that impact non-road diesel equipment. These rules are now starting to take effect, but absent ongoing support, those businesses, particularly smaller businesses, will struggle to meet the requirements of the law.

The legislature, when passing HB 2007, was aware that to reduce emissions, as the bill intended, additional revenue would be needed. That is why HB 2007 also created the "Task Force on Supporting Businesses in Reducing Diesel Emissions" (Task Force), which was directed to consider funding strategies to help businesses reduce emissions from diesel engines used in the course of business. The Task Force's final report included multiple recommendations for raising revenue, which are reflected in HB 3158. While the ultimate mix of revenue options in the final bill will be the subject of negotiations, the need for revenue to support business compliance with Oregon should be evident to lawmakers and industry representatives alike.

Cleaning up diesel engines will pay dividends to all Oregonians. Multnomah County case studies of diesel engine retrofits, and research on national trends have shown that retrofits and truck replacements are extremely cost effective in terms of dollars spent to pollution reduction and public health benefit. As the Task Force report notes, diesel engines power the economy. That is likely to be the case for decades to come, but the scourge of air diesel soot does not need to persist, indeed solving the issue is readily at hand and will benefit everyone. I urge passage of HB 3158.

## Sincerely, John Wasiutynski

Sustainability Director, Multnomah County