

Chair Sollman, Vice-Chair Findley, and members of the committee:

We appreciate the opportunity to submit our concerns regarding Senate Bill 803. Our organizations collectively represent Oregon's agricultural community. From nurseries and wheat to hazelnuts and blueberries, our members are directly involved in farming, ranching, and agribusiness across every county in Oregon.

Oregon's agricultural organizations strongly oppose Senate Bill 803 and any mandate that negatively impacts our economic feasibility.

SB 803 would completely phase out petroleum diesel in 7 years with no plan to address the supply of renewable diesel. Additionally, the bill would ban the sale of petroleum diesel regionally in 2026 and statewide by 2030.

We are not opposed to renewable diesel. We have members using it everyday. Our concern is mandating its exclusive use. If we're forced to use renewable diesel, how do farmers find petroleum diesel and if they do, what's the cost?

SB 803 would lead to supply chain issues. Renewable diesel is not readily available and the ability to get renewable diesel in Oregon remains a bottleneck. There continues to be a disconnect between where it's available in the world and what is available in Oregon for our farmers, ranchers, growers, and industry. Current supply of renewable diesel does not meet current demand and will undoubtedly not meet the demand if this bill passes.

Oregon does not have the renewable diesel supply and infrastructure for a fuel transition of this size and magnitude.

SB 803 is not necessary. The Oregon State Legislature has passed a steady stream of regulations and incentives to increase the use of cleaner fuels. In 2015, the Oregon State Legislature passed the Clean Fuels Program incentivizing the sale of renewable diesel. Under Governor Brown's Executive Order 20-04, the Department of Environmental Quality (DEQ) is already considering a rule that would more than double the clean fuels standard and make Renewable Diesel even more valuable. Additionally, the Environmental Quality Commission (EQC) adopted the Climate Protection Program that creates a preference for fuels like renewable diesel.

SB 803 would create unintended consequences. A ban on petroleum diesel will have negative impacts on Oregon's agricultural community, production, and supply chain. Oregonians are suffering enough, let's not add one more burden.

Please join Oregon's agricultural community and oppose Senate Bill 803.