



OregonFuels.org ■ 503-779-3312 ■ OregonFuelsAssociation@gmail.com

SENATE COMMITTEE ON NATURAL RESOURCES AND WILDFIRE

OREGON FUELS ASSOCIATION

TESTIMONY

February 4, 2026

OPPOSE SB 1541

The Oregon Fuels Association (OFA) opposes Senate Bill 1541. OFA is comprised of small, local and family businesses that import, distribute, and sell fuel to Oregonians. Over the last 10-years, OFA members have helped their customers reduce their greenhouse gas footprint by blending and importing renewable fuels. At the same time, ensuring a reliable supply of fuel for families, farmers, small businesses, freight carriers, and emergency services across the state. We are writing to express serious concerns with Senate Bill 1541 and the unintended consequences it could have on fuel costs, supply reliability, and Oregon consumers.

SB 1541 creates a new and highly uncertain cost-recovery framework that would apply to greenhouse gas emissions associated with fuels imported into Oregon, including emissions that occurred decades in the past. As importers and retailers of transportation and heating fuels, we have very limited control how or where fuels were produced historically, yet this bill would expose current market participants to potentially significant retroactive financial liability. That uncertainty alone could create real economic consequences to the fuel companies we all rely on.

Unlike in-state production, imported fuel already carries additional costs related to transportation, compliance, and logistics. SB 1541 would layer an additional, undefined financial obligation on top of existing environmental programs such as the Climate Protection Program, Clean Fuels Program and Renewable Fuel Standards. These costs cannot and will not be absorbed by fuel businesses already operating on thin margins. Ultimately Oregon consumers will pay the price.

For households already struggling with high costs of living, even modest increases in fuel prices matter. Higher gasoline and diesel prices disproportionately impact rural Oregonians, low-income families, and small businesses that depend on transportation. Diesel cost increases, in particular, ripple through the economy by raising the cost of moving goods, food, and building materials. SB 1541 risks compounding inflationary pressures at a time when affordability is already a top concern for Oregonians.



OregonFuels.org ■ 503-779-3312 ■ OregonFuelsAssociation@gmail.com

In addition to price impacts, SB 1541 raises concerns about fuel availability. Transportation fuel companies make daily decisions about where to send limited supplies of gasoline and diesel across the West Coast. A policy environment that introduces open-ended, retroactive financial exposure makes Oregon a higher-risk destination for fuel. Over time, this can discourage imports, tighten supply, and increase the likelihood of price volatility or shortages—especially during emergencies, refinery outages, or natural disasters when reliable fuel access is most critical.

We are also concerned about the lack of clear limits or standards in the bill regarding how costs are calculated, how responsibility is assigned, and how disputes would be resolved. This uncertainty makes long-term planning extremely difficult and undermines confidence in Oregon's fuel market. Stable, predictable policy is essential to maintaining reliable fuel supply, particularly for a state that depends heavily on imported products.

OFA supports thoughtful, balanced approaches to emissions reduction and recognizes the importance of climate resilience. However, SB 1541 moves beyond forward-looking policy and instead imposes retroactive liability that risks increasing consumer costs without clear, measurable benefits to fuel affordability or supply reliability.

For these reasons, we urge the Legislature to carefully consider the cost and supply impacts of SB 1541 on imported fuels and the consumers who depend on them every day. We respectfully ask that the committee oppose SB 1541.

Thank you for the opportunity to provide testimony.

Respectfully,

Mike Freese
Oregon Fuels Association