

Testimony in Support of SB 1541

TO: Oregon Senate Committee On Natural Resources and Wildfire
From: Ernie Niemi, President, Natural Resource Economics

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SB 1541 Will Lower Costs for Oregon Families and Businesses

Testimony in opposition to SB 1541, in the hearing on February 5, 2006, asserted that SB 1541 will increase costs for Oregon families and businesses:

“Fuel costs will rise. Transportation costs will rise. Grocery prices will rise. Heating, hauling, logging, farming, ranching, and manufacturing will all become more expensive,” said Jen Hamaker, president of Oregon Natural Resource Industries.¹

Evidence shows this assertion is erroneous, and I urge legislators to reject it. **Implementing SB 1541 will lower costs Oregon’s families and businesses must bear to cope with climate extremes resulting from the climate pollution emitted by fossil-fuel corporations.** For example:

- **Safe Schools.** Hotter classrooms, resulting from climate pollution, jeopardize students’ health and learning abilities. Funds from the Climate Resilience Superfund can relieve costs to Oregon taxpayers: \$10 million per building to install air conditioning and ventilation to restore a healthy and good learning environment.²
- **Insurance Premiums.** Funds from the Climate Resilience Superfund can increase resilience to climate-related wildfires and relieve costs to Oregon’s homeowners’ who have seen insurance premiums increase an average of nearly 30% since 2020.³ Businesses also should benefit.
- **Wildfire Smoke I.** Funds from the Climate Resilience Superfund can increase resilience to climate-related wildfires and relieve costs Oregonians must bear when smoky days disrupt business, increase costs of living, and degrade quality of life.⁴ 44 smoky days in Deschutes County in 2023, for example, cost households \$20,000, on average, kept visitors away, and forced outdoor businesses to close.
- **Wildfire Smoke II.** Funds from the Climate Resilience Superfund can reduce the number of “major smoke” events that can reduce the value of goods and services produced in the state (GDP) by at least \$1 billion, reducing revenues for businesses and earnings for workers.⁵
- **Transportation.** Funds from the Climate Resilience Superfund can buttress the transportation system against floods and other extreme events, saving taxpayers money and reducing business costs from supply-chain disruptions. Data for 2009-2021 show costs have recently increased from \$5 million to \$14 million per year, which ODOT attributes to climate change.⁶

¹ Loew, T. 2025. [Fuel Companies Would Be Charged for Climate Disasters Under Oregon Bill](#). Salem Statesman Journal.

² Climate Central. 2025. [How has Climate Change Shaped Your Lifetime of Heat?](#) Website; Silverman, J. 2024. [With Extreme Heat in the Forecast, Portland-Area Schools Weigh Their Options](#). Oregon Live. Website.

³ Baumhardt, A. 2024. [Oregon Homeowners Face Soaring Premiums, Few Property Insurance Options Over Wildfires](#). OPB. Website.

⁴ Niemi, E. 2024. [Economic Costs to Oregon Households from Exposure to Wildfire Smoke](#). Natural Resource Economics.

⁵ Sterns, J., and T. Beavers. 2025. Potential Economic Impacts of a major Wildfire Smoke Event in Oregon. in Fleishman, E., editor. 2025. [Seventh Oregon Climate Assessment](#). Oregon Climate Change Research Institute, Oregon State University. pp. 121-129.

⁶ Talberth, J., and R. Mietz. 2024. Climate Change Adaptation in Oregon: What Will It Cost and Who Will Pay?