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February 2, 2015

To: Senate Environment & Natural Resources Committee

Re: SB 324 – Repeals Sunset Provision on Low Carbon Fuel Standards

My Name is Steve Ferree and I own Mr. Rooter Plumbing. I am also the leadership chair for National Federation of Independent Business, which represents over 7000 small businesses in Oregon.

I know this committee is considering forwarding SB 324, under the direction of Governor Kitzhaber, to implement the Low Carbon Fuel Standards. I am here because the Low Carbon Fuel Standards (LCFS) is the wrong solution for Oregon, for both Small businesses, like me, and working families.

Poor and middle income families would be hit the hardest, as they typically spend a larger portion of their available income on transportation and fuel. Working families simply cannot trade their vehicles for expensive hybrids and electric cars. And because these policies aren't transparent, consumers often have no idea why their fuel costs are rising. This also impacts the amount of expendable income they have to spend in our small businesses in the state, which impacts the state economy. When fuel costs go up, families and small business suffer.

According to a study group by the Boston Consulting Group, the LCFS could raise the cost of fuel by \$.33 to \$1.06. In my business, that would equate to \$1485 to \$4500 a MONTH. This is just direct fuel costs; this does not count the increase in cost of goods, to both small business and working families.

This is also very complicated standard to implement; from tracking the carbon footprints of where the fuel came from, how it was delivered, and by location.

Masquerading as climate change policy, the proposed Low Carbon Fuel Standard has limited environmental benefits yet poses major economic consequences for Oregonians. We all want cleaner air, but punishing everyday motorists, individuals and businesses by increasing fuel costs through hidden taxes is not the way to do it.

Thank you for taking my comments.

Sincerely,

Steve Ferree – Mr. Rooter Plumbing  
Chair/NFIB Oregon Leadership Council