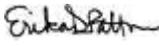




Memo

To: Representative Kotek, Speaker of the House
Members of the House of Representatives

From: Erika Patton, President 

CC: Governmental Affairs Team

Date: 2/19/2015

Re: Low Carbon Fuel Standard

The Pendleton Chamber of Commerce opposes Senate Bill 324 because it will negatively impact our member businesses and our community.

Traditionally, an increase in fuel taxes translates into necessary road and transportation projects. But the increased costs of the LCFS will not put a single dollar into what our community needs most – safer and better roads. Fuel in Pendleton already costs more than a majority of Oregon cities and if SB 324 is passed, it will compromise the appetite for Pendletonians to support a local bond for critically-needed road improvements.

Pendleton is a tourism and ag-dependent rural community. Passage of SB 324 would negatively impact our economy because it would result in higher transportation and operational costs. Many Pendleton businesses already incur higher fuel costs simply by operating in rural Eastern Oregon. Please do not penalize them with low carbon fuel standards that could add expensive equipment retrofits or replacement.

While this impact to our community is clear, it is also clear that communities across Oregon will feel similar impacts. Oregon's industries and businesses are extremely dependent on transportation and Oregon citizens will largely feel the economic brunt of implementation of this policy. Oregon's transportation dependent industries and businesses largely support sound policies to reduce transportation related environmental impacts, however, the LCFS will merely raise costs to Oregon consumers with no appreciable environmental benefit.

Oregon's carbon footprint is one of the lowest in the nation. Imposing the LCFS costs and regulations on our economy makes no sense when other states with larger carbon emissions are not doing the same. It is yet another competitive disadvantage we will all pay for with fewer jobs and diminished tax revenue.

We see no positive outcomes for Pendleton businesses or the community as a result of this legislation. The only possibility we see is that it will be yet another blow to our local economy. Therefore, Pendleton Chamber of Commerce strongly urges you to oppose SB 324. Please let the Oregon Clean Fuels Program expire.

Gail Nelson
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