

TESTIMONY
HOUSE COMMITTEE ON ENERGY & ENVIRONMENT
FEBRUARY 26, 2015
SUBMITTED BY JON IVERSON

I am sorry I wasn't able to testify in person. I came Tuesday and hoped to do so but the hearing ran out of time. I am against SB 324 for three main reasons.

First, I believe this will hurt Oregon's economy. I don't believe the economic recovery is as far along as we keep being told, our farm is still struggling and our neighbor is in bankruptcy. With so much of Oregon's economy reliant on natural resources that need to be trucked this will further harm our shaky economy. Our state has already some of the highest fuel prices in the country a further increase seems unwise. Like Senator Johnson said on Tuesday, tourism is directly affected by fuel prices as the price goes up local tourism goes down. Every year our farm puts on a tulip festival in Woodburn to help subsidize our farm; the income from the festival is paramount to our farms success, and as fuel prices increase we also see lower attendance to our festival.

Secondly, SB 324 will disproportionately harm rural and less affluent citizens. The first thing rural citizens do every morning is get into their vehicles to go to work, there is no public transit, and we are usually not within walking distance of anything. Also most of the rural jobs are reliant on truck transportation of shipping in inputs and shipping out finished products. While many wealthier citizens can afford to buy newer more fuel efficient cars, many low income earners are stuck in older vehicles out of necessity not by choice, not many low wage workers can afford a Prius or Tesla.

Finally, this will hurt family farms. Even though there is an exemption for Ag equipment we still have to truck our products to market. Salem's inaction on the ports has made it so some of our products now have to be trucked to Tacoma or Seattle. Legislators who believe the environment is one of their biggest issues should have been more vocal about getting the port issue resolved to prevent longer truck hauls. This inaction has been very frustrating and to penalize us with higher diesel prices when we needed help with the port to prevent longer hauls and more diesel being burned is very disappointing. I think it is also irresponsible to pass a bill not knowing the clear cost it will have on fuel prices. I have heard an increase \$0.09 to \$1.06 per gallon this would be an additional cost of between \$1,100 to \$30,000 dollars to our farm alone with no benefit to road infrastructure. On our farm the average age of our tractors we use is 38 years old and the average age of our trucks is 29 years old, we are trying to upgrade these to newer more fuel efficient tractors and trucks but it is expensive and this added fuel cost will only

delay upgrades. As a framer we are price takers, the price I get for a bushel of wheat is determined by the commodity markets, I can't pass extra costs on, I have to find ways to cut costs at the same time the companies that I buy inputs from will pass their extra costs on to me, so even though ag is supposed to be exempt we will end up paying this tax twice.

I would like to thank for your time and I really hope you did read my letter and put thought into what I am trying to say. As a farmer I am very concerned about climate change, my industry is very weather dependent, but I believe that there is a much better way to attack this problem than this bill proposes. I would like to end with a quote from President John F. Kennedy "*The farmer is the only man in our economy who buys everything at retail, sells everything at wholesale, and pays the freight both ways.*"

Jon Iverson, 3rd generation Family Farmer. Iverson Family Farms.