

Happy New Year from Oregon!

We are off and running with changes at hand and more to come. The 2020 election set the stage for the 2021 Legislative Long Session. Oregon has both a “long” session and a “short” each biennium. In odd numbered years, the Legislature meets for approximately 6 months, while in even numbered years the Legislature meets for five weeks. Little changed in terms of leadership after Oregon’s election. Both the House and Senate Democrats retained their supermajorities with the House Republicans picking up one seat. In addition to new Legislators, Oregon voters passed all 4 measures we last brought to your attention (Measure: 107, 108, 109, 110) with the largest impact to members coming from the \$2 dollars per pack increase tax on Tobacco (measure 108).

Gas Tax and VMT: For many years Oregon’s Federal Delegation has undergone a full court press on raising the gas tax from Earl Blumenauer (D-Ore). Sources say he will be working along side Pete Buttigieg (Transportation Secretary-designate) to establish a Federal VMT (Vehicle Miles Traveled) tax that would encompass traditional gas and diesel vehicles as well as the newer EV cars that have gone untaxed thus far while on the roadways. While OFA disagrees with this type of taxation, Oregon has been known as a leader on VMT following the establishment of one of the nation’s first VMT pilot programs.

Schools: Kate Brown (D-Ore Governor) has made comments hinting to a reopening of schools on February 15th 2021. As more information is gathered on the effects to our young students’ learning capabilities, we are discovering that classroom closures have a far-reaching negative impact on learning, domestic violence in the home, sustainable food for regular meals, and other. This has also affected the members of OFA, as parents and even grandparents have weighed the difficult decisions to stay home with the youth or continue working. We are all hopeful to see a return to the classroom and thus a return to more regular schedules for the employees at large throughout our mini-serve state.

Climate Regulation: OFA Lobbyist Mike Freese was announced as a member to a Rules Advisory Committee (RAC) that will be key in contributing toward the development of the Oregon Climate Protection Program ordered by Governor Brown. OFA’s goal is to influence the rules for the Cap and Reduce program to ensure that member companies can avoid unnecessary regulatory burdens and combat stacking of regulations designed to do the same thing – reduce greenhouse gas emissions. OFA members have been leaders in Oregon, reducing greenhouse gas emissions through the Clean Fuels Program. We all want to do our part in reducing Climate Pollution, but the burden of regulations should be at a Rack level rather than Dealers/Distributors.

Legislative Session: The Oregon Legislature is in full swing – virtually. Due to COVID 19 concerns, the Oregon Legislature is working remotely and only meeting in-person at the Capitol when necessary to hold constitutionally required floor votes. All in all, this virtual environment has proven challenging for the public, lobbyists, and legislators. So far, nearly 2,000 bills have been introduced and we expect that total could approach 3,000 over the course of session. Leadership has indicated that wildfire recovery, COVID response, and police reform are the top priorities. While that may be true, the legislature is looking at many other issues this session, including the following highlights for OFA members:

- Over 10 Electric Vehicle Bills. These bills are designed to promote and increase the use of EVs in Oregon.
- RFS. HB 2185/SB 715 Require diesel fuel offered for sale in Oregon State contain at least five percent biodiesel during period that begins on October 1st of each year and ends on March 31st of following year. Then at least 20 percent biodiesel during summer period that begins on April 1st and ends on September 31st.

- Air Quality. HB 2588 Requires employers to monitor daily outdoor air quality and determine whether employees who perform outdoor work activities will be at risk of exposure to unhealthy air quality due to certain concentration levels of particulate matter in air.
- Carbon Free Electricity. HB 2995 Requires 100 percent of electricity sold in 2035 and beyond to be “clean” electricity.
- Tax Bills. The legislature will consider making changes to how the state connects to the Federal tax code with the intent to raise additional revenue.
- Labor Laws. There are numerous bills offered by unions to increase workers comp coverage and increase COVID worker protections. OFA is working with a coalition of business interest on COVID liability protections for businesses.

We foresee ‘Marching Forward’ with continued re-opening of our small business restaurant and other industry partners as we navigate new environments. OFA Members are thankful for the designation of Essential Business and work tirelessly to continue the uninterrupted supply and availability of Energy. While we cannot predict the future, we are Blessed to manage the day-to-day activities that when combined, make up a good part of the careers and life of so many residences in Oregon.

Stay Safe and Drive Often

Gabriel Zirkle, President, OFA