

Testimony to the Joint Committee on Transportation on HB 2342

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Founded in 1968, the Oregon Environmental Council (OEC) is a nonprofit, nonpartisan, membership-based organization. We advance innovative, collaborative and equitable solutions to Oregon's environmental challenges for today and future generations.

Through passage of a number of previous laws, and as indicated in many state goals, Oregon is aiming to reach a transportation future that does not rely on the burning of fossil fuels. Oregon Environmental Council considers a road user charge to be a reasonable way to price the use of the system in place of the gas tax, and we support this shift if done thoughtfully.

The transition from the gas tax to a road user charge is an extraordinary opportunity for Oregon to lead the country in creating a transportation revenue system designed to provide sufficient revenue for a healthy transportation system while also supporting the state's goals for equity, and climate.

As drafted, HB 2342 does not sufficiently support those goals.

The existing user charge - the gas tax - does, in a small way, reinforce the state climate goals by putting a small price on burning fossil fuel. HB 2342, however, would make enrollment in OReGO mandatory for fuel-efficient vehicles only, thus increasing their operating costs. This threatens to undercut the EV rebate and other efforts of the state to support transportation electrification in alignment with SB1044.

HB 2342 also does not address the increasingly burdensome cost of transportation for low-income communities that are more dependent on driving. As the state looks to ways to help communities that have been hit hard by the pandemic and associated economic crisis, it is important to address this need.

We appreciate that HB 2342 is looking ahead to the future, and hope that the legislature will seize the opportunity to lead the country and create a reimagined transportation revenue approach that supports the transition to a decarbonized and more equitable transportation system.

We would like to see HB 2342 revised to require that the road user charge:

- **Apply to all vehicles, not just those that are most fuel-efficient**
- **Assess a fee that addresses the impacts of pollution**
- **Incorporate structural elements to reduce the impact on low-income Oregonians.**

The -1 and -4 amendments were drafted to help further this conversation, and we would welcome the opportunity to keep working on the amendments to better achieve these goals.