

Testimony of Angus Duncan in opposition to HB 2342
Joint Committee on Transportation April 20, 2021
2021 Legislative Session
State of Oregon

Co-Chairs Beyer and MacClain:

My name is Angus Duncan. I chaired the Oregon Global Warming Commission from its inception in 2008 until I stepped down last year. I am testifying here as a concerned citizen.

First, compliments to Rep Lively (and Councilor Dirksen) for bringing you a VMT-based approach to funding Oregon's transportation costs. I only wish they had brought you the right approach, and not the one before you. I have personally advocated for shifting to a well-designed VMT strategy since serving on Governor Kulongoski's transportation task force in 2007.

I have also been a voluntary participant in OREGO since its inception.

Lamentably, HB 2342 and the current RUC are not that well-designed strategy. In seeking to address an important but lesser problem – how to restore Oregon's transportation funding levels – it compounds and aggravates the far greater problem: how to reduce Oregon's transportation greenhouse gas emissions while also restoring funding levels.

Nationally and in Oregon, consumers since 2013 have responded to lower gasoline prices by buying bigger and less efficient SUVs, and driving them more miles. The market share of standard autos vs SUVs stood at 50/50 in 2013. It is now closer to 70% SUVs.

In the same period, vehicle miles traveled in Oregon increased 7%.

Meanwhile the market share of electric vehicles is growing but remains in single digits.

EVs aren't our present problem; SUVs are.

Does this bill do anything to address the larger issue of GHG emissions? Well, sort of; it makes a bad situation worse. It will increase the cost of driving an efficient vehicle while continuing to reward drivers of gas guzzlers with rebates. It piles extra charges onto cars getting more than 30 mpg. And does so at the same time Oregon is offering rebates to encourage drivers to move to electrics, the most efficient – and under this bill the most penalized – vehicle choices for Oregonians.

Why would we want to give \$2500 to Oregon drivers who switch to EV's, then take the money – and the purchase incentive -- back through registration and road user charges that are higher on EV's than on El Dorados and Hummers?

If there were no other way than this creaky RUC for funding essential ODOT activities, maybe then we'd have to bite this unappetizing bullet.

But there are at least two alternatives on offer. In either, revenues would be indexed to preserve value against inflation – as they are NOT in this bill. One approach would link every vehicle's VMT to a simple formula reflecting the efficiency of the vehicle, so she/he is paying for all the public goods consumed: pavement, airshed pollution, GHG pollution. Another would bump and index the gas tax but keep what is already a price signal to less efficient vehicles. EV's would pay an equivalent gas tax after adjusting for efficiency using an existing EPA scale.

Both these options are simple to put into service, and could be in place by 2027. Either would solve ODOT's funding issues while giving credit to more efficient vehicles that use fewer important public goods . . . like roadways, but also public health and climate gains.

I realize this isn't the recommendation that came to you from the RUFTF, but I feel compelled to point out that another State body, the Oregon Global Warming Commission, also sent the Legislature a recommendation or two. As early as our Roadmap to 2020, delivered to you in 2011, by a unanimous vote we recommended the VMT-plus-vehicle-efficiency approach. We reiterated this recommendation to you as recently as our 2018 Report. And the same approach was advanced in ODOT's own Statewide Transportation GHG Efficiency Strategy – the STS, which I worked on with OTC Chair Achterman – delivered to ODOT and the Legislature in 2013.

So those are your options: the *backward* step on climate coming from the RUFTF, and the transportation-funding-*plus*-emissions-reducing *forward* strategy coming from the Oregon Global Warming Commission, among others.

This should not be a hard choice.