

Submitter: Rich Peppers

On Behalf
Of:

Committee: Joint Committee On Ways and Means Subcommittee On
Transportation and Economic Development

Measure: HB5040

Co-Chairs Woods and Gomberg, Members of the Committee -

I'm a resident of the Montevilla Neighborhood of Portland, and have been retired since 2015. Since before my retirement, I have been and continue to be very concerned about the climate change crisis we all face, together. I made my testimony "neutral" at this stage of the budget process because I realize it is still early in budget development, but I wanted to flag for the Committee some conflicts between various goals for the agency and for the State. Budget-making is of course all about balancing conflicting goals or values, I realize that. Still, given that the Transportation Sector is Oregon's most heavily greenhouse-gas-emitting sector of the economy, at 40% of harmful emissions (and not counting other health and climate damaging emissions, like black carbon from diesel), I encourage Committee members to keep as a high priority continuing to make progress on our climate goals.

I want to recognize and commend the agency for making some progress in recent years with the creation of a Climate Office, and choosing a greener option package of investments in its Statewide Transportation Investment Plan (STIP) than it could have, and for committing to evaluate its projects in the future through a climate lens; and that there has also been an increase in EVs on the road (but still short of statewide goals for this time). But, these steps are still not yet making much of a dent in reducing Vehicle Miles Traveled (VMT), or in the Transportation Sector's contribution to ghg emissions because the trends have to be maintained over a long time and even accelerated to make the impact we need.

The emphasis in budget presentations I have seen so far for the Transportation Sector is understandably on the revenue crisis the agency is facing with the erosion of the gas tax contribution to the three-legged-stool for funding the agency and its projects. (That erosion is only partly from the greater fuel efficiency of newer cars, but also from the reduced purchasing power of not keeping up with inflation.) As you know, the agency is also proposing some very large highway projects in the Portland/Metro area which will certainly strain and likely far exceed our current funding base. Some of these are necessary projects by all accounts, but how expensive they get is a matter of choice.

Various options for rebuilding the agency's funding base are being considered, with two front-runners being Road User Fees and Tolling. I don't believe there is anything inherently wrong with these methods of collecting revenue, but there could very

well be a devil in the details. The State and Country have a policy goal of incentivizing consumers to purchase electric vehicles, for instance through rebate programs and through federal highway electrification funding programs. This general climate-friendly incentive structure should be preserved when or if implementing new revenue raising strategies. Tolling strategies should be implemented to reduce congestion and VMT, not just seek maximum revenue gains. And, I urge you also to consider any big projects you have before you in this session with an eye on whether they stay within our funding capacity and whether they tend to undermine our climate protection efforts or not.

Thank you for your time and efforts serving on this Committee -

Rich Peppers