Submitter:	Sean Dunning
On Behalf Of:	
Committee:	Joint Committee On Transportation
Measure, Appointment or Topic:	HB3362

Oregon HB3362, warrants scrutiny through a cost-benefit lens, especially given precedents like the Seattle Sounder commuter rail and Oregon's fiscal realities. Using the Sounder as a benchmark, where constructing 82 miles cost approximately $1.2 billion (averaging $14.6 million per mile by 2009, adjusted upward for inflation to roughly $20 million per mile today), a similar rail project in Oregon could easily exceed $1 billion for even a modest network. This figure excludes ongoing maintenance and operational costs, which for Sounder have ballooned due to its reliance on BNSF tracks and labor-intensive design. For Oregon, a state with vast rural expanses and fewer urban hubs than Washington, the per-mile cost could spike higher due to terrain challenges and land acquisition—potentially $50 million per mile in rugged areas.

To offset this, consider Oregon's potential revenue from HB3362 from vehicle fleet tire replacements every three years. With about 4.2 million registered vehicles (assuming a stable fleet), and an average tire replacement cost of $600 per vehicle (four tires at $150 each), total revenue could hit $2.52 billion every three years, or $840 million annually if taxed or leveraged creatively (e.g., a tire fee). Assuming a 4% tax on this ($34 million yearly), this covers only a fraction of a $1 billion rail project's capital cost, ignoring operations. Sounder's experience—$330,000 per rider on its north line due to low ridership—suggests Oregon's revenue stream would struggle to sustain rail without massive subsidies, likely shifting the burden to taxpayers already strained by other priorities like wildfire mitigation.

Population density further complicates HB3362's feasibility. Transit experts often cite 3,000–4,000 people per square mile as a threshold for cost-effective rail, yet Oregon's average is just 44 people per square mile, with Portland at 4,900. Sounder thrives (relatively) in the Puget Sound's denser corridor (e.g., Seattle's 8,500 per square mile), but Oregon's smaller cities—Eugene (2,600), Salem (2,300)—fall short. Rail connecting these hubs might serve commuters, but low-density rural stretches would hemorrhage money, as seen in Sounder's underused north line (1,100 daily riders vs. a projected 2,400–3,200). HB3362 risks overpromising connectivity while underdelivering ridership, echoing Sounder's cautionary tale of cost overruns and optimistic forecasts.

HB3362’s ambitions may appeal to environmental fundamentalists, but without denser urban clusters or a robust funding mechanism beyond tire revenue, it’s a fiscal gamble. Lawmakers should demand a rigorous density and revenue analysis—Sounder’s $142 billion escalation by 2046 warns against starry-eyed planning. Oregon deserves transit that works, not a monument to good intentions.

Sincerely,
Sean Dunning