

Submitter: Claire Turner  
On Behalf Of:  
Committee: Joint Committee On Transportation  
Measure, Appointment or Topic: HB3362

Dear Members of the Joint Committee on Transportation,  
Please DO NOT pass HB 3362 with amendment that would add a 4% tax to the retail sales of most tires. The cost to rural Oregonians is yet another cost borne much more heavily by rural residents because we don't live near a city and are unable to take advantage of the scales of economy experienced by those who live in a suburban or urban area. Many of us have expenses that either don't exist for urban customers or are significantly higher than urban customers:

- Slow and expensive internet access
- Land lines for our phone service because cell service is so poor
- Food prices are much higher and food is not as fresh because the closest grocery store isn't part of a chain.
- Less selection for medical services unless we are willing to drive much farther to access medical care
- The cost to our time for driving much further to access basic medical care, food, and education.
- The fuel and maintenance costs for our vehicles due to driving so much further for basic needs than urban/suburban residents.

We live in Buxton, Oregon, the most western town in Washington County, directly off of Highway 26. Living in the country, we do not have access to multiple forms of transportation, including public transportation. Therefore, in order to go about our daily lives, including getting children to school, going grocery shopping, going to doctors' appointments, and getting to work, we have to use our own personal vehicles. The cost of maintaining our vehicles, from purchasing gas to buying tires, continues to be higher for those of us in rural areas because we have to drive so much further... which means that the cost of getting to the very places that many Oregonians take for granted is considerably higher than for those in suburbia or the city.

We also own a small logging company which keeps 24 families at a living wage. Every single year, the State continues to add costs to our ability to do business. Unlike a typical retail company that can increase their prices when their costs go up, we are unable to do that. For us, we are already bound by contracts that were signed in previous years, prior to these increasing, ongoing and, for us, unplanned for expenses. For example, our company's health insurance for a family with children is now \$30,000 per year (up 17% from last year, which was up 12 % from prior year). Our commercial insurance continues to skyrocket. The cost of equipment repairs (and having to drive to Long Beach, WA or Eugene, OR to bring the equipment in for repair or to pick up parts) continues to rise much faster than the rate of inflation. Our

employees haven't had a raise since 2021. The two owners haven't had a raise since 2015 and haven't had a bonus since the beginning of Covid. When Oregon added the CAT, it almost caused us to shut our doors (which directly correlates to the lack of bonuses and raises). While our gross revenue might be near \$4M, the vast majority of that money is passed through to our subcontractors. On top of that, unlike our Oregon parts suppliers, we are not able to pass on the CAT to our customers.

Now, Oregon is seriously contemplating a 4% tax to the sale of tires. At what point, does a 60-year-old business say, ENOUGH!? We want to work. We have to work. Our employees and subcontractors need to work. The timber industry needs to thrive. Our neighbors are buckling under the burden. Adding a 4% tax to the sale of tires hurts us all, consumers and businesses. There has to be a better and more equitable, fair way to fund the needs of the State that doesn't cause such a huge burden on small business and rural residents.

Death by a thousand cuts.

I urge you to consider the implications of your actions on rural economies, on the financial security of small businesses who are responsible for providing the food on our tables and the wood with which our houses are built, and on the families who continue to struggle to make ends meet. Thank you.