

Associated Oregon Loggers, Inc.

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March 4, 2025

The Honorable Sen. Chris Gorsek & Rep. Susan McLain, Co-Chairs Joint Committee On Transportation Oregon State Capitol Salem, OR 97301

Subject: HB 3362 OPPOSE

Co-Chairs Gorsek & McLain, Co-Vice Chairs Starr and Boshart Davis, and Members of the Committee:

Associated Oregon Loggers (AOL) represents close to 1,000 member companies engaged in logging, forestry, and natural resource contracting. <u>We strongly oppose HB 3362</u>. This legislation would impose significant financial hardship on Oregon's forest operators and small logging businesses, further straining our critical industry for fighting wildfire, sustaining our forests, and providing the requisite wood products to adequately house Oregonians.

## Unfair Burden on Logging Businesses and Rural Oregon

Oregon's logging industry depends on trucks, trailers, and heavy equipment to harvest and transport timber safely and efficiently. A 4% tax on tires would add substantial costs to operations that rely on specialized forestry equipment and long-haul transportation. Unlike urban businesses, forest operators do not have alternative transportation options—tires are an essential, unavoidable cost of doing business. For tires that can cost up to \$4500 per tire, 4% is a substantial additional cost.

The impact of this tax will be particularly severe on rural businesses and communities. Unlike urban commuters, forest operators and rural Oregonians travel long distances to access job sites, deliver materials, and support their families. These additional costs will reduce the profitability of small, family-owned logging businesses, limit reinvestment in equipment and employees, and ultimately threaten jobs in rural Oregon.

## Lack of Benefit to Critical Infrastructure

The revenue generated by this tax would be directed toward rail transit, tire pollution mitigation, and wildlife passage projects—none of which directly benefit the industries or communities that would bear the financial burden of the tax. Logging businesses rely on well-maintained highways, bridges, and rural roads to move timber and forest products safely and efficiently. Yet, HB 3362 does not allocate any funds to maintaining or improving the infrastructure that supports Oregon's natural resource economy.

## Conclusion

Oregon's forest sector plays a critical role in the state's economy, providing thousands of jobs and ensuring responsible, sustainable management of Oregon's forests. HB 3362 places an undue financial burden on logging businesses, rural contractors, and the communities they support. Associated Oregon Loggers urges this committee to reject HB 3362 and consider more balanced solutions that do not unfairly penalize Oregon's natural resource industries.

Thank you for your time and consideration.

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A Trusted Partner for Oregon's Forest Operators