

Cliff Richardson  
Molalla, OR  
cliff.richardson.1976@gmail.com

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Joint Committee On Transportation  
Oregon State Legislature  
900 Court St. NE  
Salem, OR 97301

**Subject: Opposition to House Bill 3362 – Tire Excise Tax**

Joint Committee On Transportation,

I want to share my strong opposition to House Bill 3362, which proposes a 4% excise tax on retail tire sales in Oregon. I understand the need for infrastructure improvements, wildlife conservation, and pollution mitigation, but this measure unfairly adds to the financial burden on consumers and businesses while failing to ensure effective and accountable use of funds.

**Key Concerns:**

1. **Increased Costs for Consumers and Businesses:**
  - This tax disproportionately affects working-class families, small businesses, and commercial transportation operators who rely on affordable vehicle maintenance.
  - Oregon residents already face high living costs, and adding another tax will only exacerbate financial strain, especially for rural and low-income communities.
2. **Impact on the Transportation and Retail Industries:**
  - The tire industry, including local retailers, will face additional regulatory burdens, potentially increasing prices and reducing competitiveness.
  - The commercial transportation sector, including trucking, agriculture, and delivery services, will experience higher operational costs, ultimately affecting supply chain efficiency and consumer prices.
3. **Lack of Transparency and Accountability:**
  - HB 3362 establishes new funds (Tire Pollution and Rail Transit Fund & Wildlife-Vehicle Collision Reduction Fund) without clear metrics of effectiveness, spending oversight, or assurance of tangible results.
  - Past legislative measures have created specialized funds that failed to deliver promised benefits, leading to wasteful spending and mismanagement.
4. **Unfair Burden on Rural Communities:**
  - Residents in rural areas rely more on personal vehicles for transportation due to limited public transit options. This tax penalizes those who have no alternative transportation methods.
  - Additionally, the allocation of revenue prioritizes rail transit over rural infrastructure needs, creating an imbalance in benefits.

## **Alternative Solutions:**

Rather than imposing another regressive tax, I encourage the legislature to explore alternative funding methods that do not place an undue burden on working Oregonians, such as:

- Redirecting existing transportation and environmental funds toward these initiatives.
- Partnering with private sector stakeholders for investment in pollution mitigation programs.
- Implementing targeted incentives rather than broad taxation to address pollution and wildlife safety.

I urge you to oppose HB 3362 and seek a more balanced approach to achieving Oregon's environmental and infrastructure goals without **unfairly taxing residents**. I appreciate your time and consideration. I look forward to your response.

Sincerely,

Cliff Richardson  
Molalla, OR  
cliff.richardson.1976@gmail.com