

March 6, 2025

AGC Testimony Re: HB 3362

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

Associated General Contractors – Oregon Columbia Chapter represents a broad cross-section of the commercial construction industry, including open shop and union, rural and urban, highway and vertical contractors. Most of our members are small, homegrown businesses, doing business throughout Oregon and southwest Washington state.

AGC supports finding new ways to fund Oregon’s critical funding needs in the State Highway Fund for operations, maintenance, capital projects and other needs identified by the Department of Transportation. However, we cannot support this concept as it creates a new tax which has been written in a way that circumvents the requirement for the revenues raised by the new tax to be dedicated to the State Highway Fund.

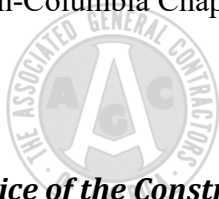
We understand that the -1 Amendment excludes larger commercial vehicle tires from the tax and would like to clarify that the language in the base bill expressly states that a ‘taxable tire’ means a “new or newly refurbished tire designed for use on a motor vehicle for travel on public highways.” As we understand this language, this bill would exclude the tax on tires for non-road construction vehicles, which makes sense given that these vehicles are not meant to be used on the highway system and these tires can often cost much more than tires for light-duty cars and trucks.

I want to reaffirm that AGC is ready and willing to work with the committee to find new, reliable funding models for Oregon’s large funding shortfall. Our membership opposes the policy set forth in HB 3362 because it creates a new tax on tires that does not go to the State Highway Fund while we are currently struggling to fund Oregon’s most critical transportation needs.

If a tax on tires is considered as one of Oregon’s methods of raising revenue, AGC requests that the committee includes it in its larger conversation around meeting the state’s larger transportation funding deficit.

Sincerely,

Tanner Lloyd
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Associated General Contractors, Oregon-Columbia Chapter



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