



NO ON HOUSE BILL 3362 | ANOTHER COST INCREASE FOR AG AND NATURAL RESOURCES

Our organizations proudly represent Oregon's agriculture and natural resource industries in every county across the state. We write today to express our opposition to House Bill 3362, which would impose an excise tax on retail tire sales. The proposed tax would place an undue financial burden on Oregon's hardworking families, particularly those in sectors who rely on essential equipment to sustain their livelihoods.

Farmers, ranchers, and woodland owners consistently rely on high-quality tires for their equipment and trucks—essential for transporting goods, accessing markets, and maintaining daily operations. The demand for tires is substantial, covering trucks, tractors, trailers, pickups, and other machinery critical to running a successful operation in these industries. In fact, the number of tires required by farms, nurseries, and other agricultural businesses far exceeds that of most other sectors.

Reliable and affordable access to inputs such as tires is vital to our members. However, HB 3362 would introduce yet another financial hardship, increasing the cost of doing business and disproportionately affecting Oregon's agriculture and natural resource communities.

We acknowledge the importance of infrastructure maintenance and environmental stewardship, but this tax proposal does not align with equitable funding principles. Transportation-related taxes, such as fuel and vehicle fees, should be dedicated to road and bridge infrastructure. Redirecting revenue from a tire tax to rail transit, tire pollution mitigation, and wildlife crossings is inconsistent with this principle and does not directly benefit those required to pay the tax.

Oregon's Highway Trust Fund should not be spent on projects unrelated to road infrastructure. The continual stacking of new taxes creates an untenable financial strain, making it increasingly difficult for farmers, ranchers, and other natural resource industries to remain viable.

Additionally, we urge the legislature to prioritize tax votes that contribute to comprehensive transportation funding solutions rather than imposing isolated sales taxes that increase costs without addressing broader infrastructure needs. Our local communities are struggling with deteriorating roads and insufficient funding for basic transportation needs. Rather than implementing a new tax, we encourage the legislature to focus on completing transportation funding efforts that provide direct and meaningful benefits to Oregonians.

HB 3362 represents yet another tax increase that our industries and communities cannot afford. For these reasons, we urge you to vote NO on HB 3362 and to seek alternative solutions that support both infrastructure improvements and Oregon's economic stability.

Thank you.

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