

Submitter: Brett Kacalek

On Behalf Of:

Committee: Joint Committee On Transportation Reinvestment

Measure, Appointment or Topic: HB2025

Opposition Testimony for HB 2025

Submitted to the Oregon House Transportation Committee

By Brett Kacalek — Mulino, OR

Chair, Vice-Chair, and Members of the Committee,

Thank you for the opportunity to provide testimony in opposition to HB 2025.

I am writing today not as a partisan voice but as a working-class Oregonian deeply concerned about the cumulative financial burden that HB 2025 would impose on families across our state. While I support the goal of maintaining and improving our transportation infrastructure, this bill represents a sweeping and unsustainable series of tax and fee hikes that disproportionately affect low- and middle-income residents.

1. Excessive Cost Burden on Families

According to publicly circulated summaries, HB 2025 introduces or increases over 20 taxes and fees, collectively projected to extract at least \$1 billion annually from Oregon families. Examples include:

A 37.5% gas tax increase — with additional automatic increases tied to inflation after 2029.

A new road usage charge (RUC), amounting to a per-mile tax on top of the existing gas tax.

A 136% increase in car title fees, and a 163% hike in registration fees.

A 380% increase in the payroll transit tax, reducing take-home pay for already stretched workers.

For a family with two working adults, two vehicles, and children reaching driving age, the compounding of these new and increased costs is staggering. This is especially punitive in rural and suburban areas where public transportation is not a viable alternative.

2. Recession and Inflation Context

We are living through a time of significant economic uncertainty. Inflation remains a top concern for most households, and Oregon has seen rising costs for housing,

food, and basic services. Adding additional state-imposed financial burdens under these conditions is not only economically tone-deaf—it risks worsening inequality and driving more families into financial precarity.

3. Disincentivizing Compliance and Economic Participation

The dramatic increases in fees for licensing, vehicle testing, and endorsements may discourage legal compliance and vehicle ownership, especially among lower-income drivers, young people, and small business owners. For instance:

New driver's license cost jumps 72% to \$108.

Motorcycle registration rises 156% to \$118.

Farm endorsement increases 235% to \$87.

Such steep fees will have ripple effects, including reducing mobility, increasing underground driving, and penalizing those who rely on vehicles for work or essential travel.

4. Lack of Transparency and Accountability

If Oregon needs revenue for infrastructure, there should be a clear, public audit of existing funds and an equitable, transparent plan for how new revenue will be spent. HB 2025, as currently constructed, lacks both. The bill's complexity and volume of fees raise legitimate concerns about mismanagement, inefficiencies, and unintended consequences.

5. Alternative Approaches

Instead of disproportionately targeting everyday families:

Reassess and reallocate existing transportation revenue streams more efficiently.

Prioritize spending on critical infrastructure projects.

Increase accountability measures for existing ODOT programs before layering on new revenue demands.

Conclusion

I urge the committee to vote NO on HB 2025. This bill, in its current form, is an overreach that unfairly burdens working Oregonians during a time of rising costs and economic instability. There are smarter, fairer, and more sustainable ways to fund our transportation future—without placing such a heavy burden on the very people we're supposed to serve.

Respectfully submitted,

Brett Kacalek
Mulino, OR