

Dear Co-Chairs Gorsek and McLain, Co-Vice Chairs Starr and Boshart Davis, and Members of the Joint Committee on Transportation Reinvestment,

My name is Mark Turner, owner of Turner Logging, Inc., located in Banks in Washington County. I am writing to express my very strong opposition to HB 2025 for the following reasons:

**RE: Diesel Fuel Tax**

The Current **State Fuel Tax** (currently called a “Use Fuel”) for diesel is \$0.40/gallon. The new tax will be \$0.50/gallon (from a current State Fuel Tax of \$0.40/gallon) with a classification/name change to “motor vehicle fuel tax”. This increase in state fuel tax will result in a 25% (\$0.10) increase in state fuel tax.

Our company has 6 employees, 5 of whom are provided with heavy-duty pickup trucks that carry heavy loads and are used on poorly-maintained logging roads in all types of weather conditions, typically requiring the use of 4-wheel-drive. Mileage in these crew trucks typically average 8-10 miles per gallon of diesel. We also use several “heavy motor vehicles” including a dump truck, log truck, and heavy-haul trailer truck. The increased State Fuel Tax would cause an **additional \$2,000 in vehicle operating expenses** over current plans.

**RE: Trip Permits for heavy motor vehicles**

Current **Trip Permits** for heavy motor vehicles, depending on whether it is for a single vehicle or a single account, is 5 passes or 35 passes per year each for 10 days. After several readings of the full content of HB2025, I am unable to tell if there are plans to reduce the number of permits allowed or the duration of individual trip permits. If there are plans to reduce the number of permits allowed and particularly, if there are plans to reduce the number of days for each permit, these reductions would have a serious impact on my business. We work in all types of weather from hot, dry sunny days to rain, sleet, ice, and snow. I have to forecast weather conditions for several days in advance of moving equipment or preparing to build roads. During winter months particularly, it is difficult to anticipate what weather conditions will be. By having a trip permit usable for up to 10 days, I can choose the most amenable weather conditions to ensure safe transportation of large, heavy equipment and materials. Shorter trip permits would force us to make these moves in less optimal conditions possibly jeopardizing safety mandates.

**RE: Employee Payroll Tax for Transit**

Current **Transit Payroll Tax** rate is 0.1%. Over the next 4 years, this bill increases the Transit Payroll Tax rate to 0.3%. This rate in no way reflects anticipated inflation rates for the same time period and will definitely result in additional costs to being an employer in the State of Oregon.

As an example of how this affects even a small employer, our current Transit Payroll Tax is about \$600/year. In 2026, this would increase to almost \$1,000. By 2030, we would be paying close to an **additional \$2,000 (a 233% increase) over our current rate** for the Transit Payroll Tax.

### **RE: Licensing & Vehicle & Fees**

Currently, a **Learner Driving Permit** is \$30 but this Bill will increase that to \$111, an increase of 270% (\$81). A regular **Driver's License** will increase from \$64 to \$100, an increase of 56% (\$36) and **renewal of license** will increase from \$54 to \$74, an increase of 37% (\$23). Significant increases in licensing for drivers are very problematic because it discourages people with low to modest incomes from adhering to licensing requirements. This is especially true for younger people who need to learn to drive, which is considered a life skill for Americans. When we raise the financial barrier to learning how to drive (with proper permitting) by 270% in one year, we increase the chances that individuals don't learn how to drive which can result in serious problems and limitations to access to jobs later in life.

The same situation exists for Title & Registration for Vehicles. Currently, **NEW TITLE FEE** is \$77, but will increase to \$182 next year. This increase is 136% (\$105) more than the prior year. The **Registration Fee** is \$43 but will increase to \$113 next year. This increase is 163% (\$70) more than the prior year. These extreme increases will cause additional financial hardships for individuals of moderate and low income.

These increases in **Driver Licensing** as well as **New Title Fees** and **Vehicle Registration Fees** will hit lower income individuals and families as well as rural residents more extremely. As a percentage of income, low-income and moderate-income families will be disproportionately affected. It will also affect rural customers disproportionately because we do not have access to mass public transportation nor do we benefit from the more densely packed neighborhoods of urban Portland where easier access to all amenities is possible through public transportation, biking, or walking. **All of these increases in the cost of licensing drivers are exorbitant and need to be reduced.**

### **RE: New Tax on Vehicle Transfers**

Call it what you will, this is a NEW tax on sales where none existed before. As if buying a new vehicle or even a used vehicle isn't a huge hit to a family's financial strength, now, a new tax of 1% (if used vehicle) or 2% (if new vehicle) will be added to the cost of purchasing a car. For example, my wife's Toyota Rav4 Hybrid cost \$37,984. With the 2% Tax on transfers, we would have owed an additional \$758.

"Death by a thousand cuts" is a saying that feels like we are living. With the new fees and taxes in HB2025, the additional costs are astronomical. My company would be hit very hard by these changes. **A quick estimate for 2026 would be an increase of \$7000 just in this one expense category** (\$2000 for State Fuel Tax, \$2000 for Transit Payroll Tax, \$1,000 in Registration Fees,

\$1,900 in Sales Tax/Vehicle Transfer Tax). We are a small business. We have absorbed the Corporate Tax added to our gross revenues. We have absorbed multiple and endless regulatory changes. We were a once-prosperous company, paying a living wage to almost 20 employees. Today, we have 6 employees and the massive burden of regulation and taxes forces us to have one employee who does nothing but ensure that we adhere to all regulations. Our employees haven't received a pay raise in 3 years and the two owners haven't had a pay increase since 2028. An additional \$7,000 a year in vehicle costs could be our breaking point.

I urge you to re-look at what these costs mean to Oregon's companies, individuals, and families, especially in rural areas and in equipment/vehicle-heavy industries. The cost increases anticipated in just the few details that I mentioned above are prohibitive and will result in changes to our standards of living and possible loss of jobs.

Thank you for your consideration,  
Mark Turner,  
President, Turner Logging, Inc.  
Banks, Oregon