



June 13, 2025

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

RE: HB 2025; Relating to Transportation

Dear Co-Chairs Gorsek and McInain, Co-Vice Chairs Starr and Davis, and members of the Joint Committee,

On behalf of Sierra Club Oregon and our more than 55,000 members and supporters across the state, thank you for the opportunity to provide comments on HB 2025, the Transportation Legislative Package. We recognize and appreciate the extensive work undertaken by the committee to respond to Oregon's long-term transportation funding challenges and the effort to incorporate elements of safety, equity, and climate resilience into this package.

The package offers promising investments in key programs like Safe Routes to School, Great Streets, and Oregon's public transportation and passenger rail systems. These investments will help address critical safety needs, prevent harmful service cuts, and keep people connected to their jobs, schools, and essential services. Combined with a modernization of the state's revenue structure, these are meaningful steps toward a more accessible, sustainable, and equitable transportation system.

This approach aligns with Sierra Club Oregon's vision for a just transition for Oregon. One that moves our state away from polluting infrastructure and toward a clean energy economy that centers frontline communities. This means expanding transportation access for everyone, especially the one-third of Oregonians who don't or can't drive, while reducing greenhouse gas emissions and improving air quality for all.

But while the package takes important strides forward, it still includes gaps and opportunities for improvement that would make sure Oregon's climate goals and public health priorities are met. Dedicated funding for off-street multi-use paths and electrification, two of the fastest and most effective tools we have to cut emissions and provide Oregonians with real alternatives to fossil-fueled travel, needs to be prioritized. Investments in trail networks, protected bike lanes, public EV charging, clean heavy-duty vehicle infrastructure, and e-bike incentives are essential components of a just transportation future. Their absence jeopardizes the package's ability to truly deliver for all Oregonians.

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We also share concerns raised by community and industry partners about provisions in the base bill that may penalize electric vehicle drivers. The road usage charge (RUC) baseline currently proposed would effectively eliminate operating cost advantages for EVs compared to gas-powered vehicles. Compounded with the \$110 additional registration fee for EVs, and the unclear treatment of plug-in hybrids, risk double-charging drivers and deterring EV adoption. Additionally, the commercial delivery fee as currently written appears to target electric trucks while exempting gas and diesel vehicles. Without adjustments these provisions would stall momentum toward electrification and conflict with Oregon's climate goals.

We urge the Committee to adopt the following changes before final passage:

1. Include dedicated funding for Oregon Community Paths and electrification programs, including EV rebates, medium- and heavy-duty vehicle electrification, and rural and public charging infrastructure.
2. Adjust the road usage charge to better reflect the national average MPG baseline and avoid overcharging EV and hybrid drivers.
3. Repeal the EV registration surcharge sooner, to prevent duplicative fees.
4. Restructure the commercial delivery fee to apply equitably across all vehicle fuel types or create a separate medium-duty RUC mechanism.
5. Create a simple reconciliation process for plug-in hybrid drivers already paying gas taxes.

We support the proposed 4% luxury vehicle tax as a sensible and progressive revenue source to close remaining gaps. With proceeds dedicated to community trails and electrification programs, this measure helps align luxury consumption with clean transportation investments that benefit all Oregonians.

HB 2025 has the potential to become a truly landmark transportation package. With targeted adjustments to better serve climate, equity, and safety goals, we believe it can set Oregon on a path toward a cleaner transportation future.

Thank you again for your service and commitment to building a better transportation system for our state.

Respectfully submitted,

Emily Bowes, Policy Strategist

A handwritten signature in black ink that reads "Emily Bowes". The signature is fluid and cursive, with a long horizontal line extending from the end.

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