

**Testimony to the Joint Committee on Transportation Reinvestment
re: HB 2025**

June 14, 2025

**Kristopher Fortin Grijalva, Transportation Program Director
Oregon Environmental Council**

Founded in 1968, the Oregon Environmental Council (OEC) is a nonprofit, nonpartisan, membership-based organization. We advance equitable, innovative, and collaborative solutions to Oregon's environmental challenges for today and future generations.

Re: HB 2025, More Needed to Meet State Climate Goals

Dear Co-chairs Gorsek and McLain, Vice Chairs Starr and Boshart Davis, and members of the committee,

My name is Kristopher Fortin Grijalva, transportation program director at Oregon Environmental Council. I'd first like to offer our appreciation to the members of the Committee for their work in developing this year's transportation package, taking meetings with stakeholders and working collaboratively to create a shared vision for our transportation future.

But what does this future look like for meeting our state's climate pollution reduction goals? It's mixed. On one end, we are grateful and excited to see historic investments in public transportation and dedicated funding for pedestrian and bicyclist safety programs. Investing in public transportation through the Statewide Transportation Improvement Program and active transportation through Safe Routes to School, Great Streets and Jurisdictional Transfer benefits our youth, seniors, people with disabilities, and it is a key tool in helping us to reduce greenhouse gas emissions and get us closer to reaching our state's climate goals in the long term. The bill's proposed revenue shifts a greater share of costs off lower-income Oregonians. These are genuine victories for safety, equity, and climate, and they must remain intact as you finalize the legislation.

Unfortunately, the bill taken as a whole won't do enough and in time to avoid climate catastrophe. The TRIP bill fails to invest in off-street multi-use paths and clean, electric vehicles or charging infrastructure, and simultaneously imposes punishing new fees that specifically target electric vehicle owners. Transportation accounts for the majority of the carbon emission and pollution in the state and our current trajectory, even with the best this package has to offer, won't get us to our state's climate pollution reduction goals. We're already seeing the results of our inaction with regular extreme weather events including heat waves throughout the state. Making our communities more walkable and bikeable is absolutely a climate solution for the long term, and electrification is the climate solution for now.

To elaborate on the provisions that would penalize drivers who choose cleaner cars, an analysis with key partners have identified the areas below of continued concern. It is also my understanding that legislative staff are working to propose amendments to the base bill to help clarify the following concerns:

Provision	Why it matters
Road-usage charge set 25 MPG with Growth to 30MPG by 2028	An EV would pay the same per-mile cost as a 20 mpg gasoline car, erasing the operating-cost advantage that federal policy is designed to create. The federal average MPG is close to 24 MPG, and the Oregon average is closer to 30 MPG. Therefore setting the MPG so low gives a cost advantage to

	any gas powered car EVs, and undercuts maintenance funding.
\$110 extra EV registration fee	The surcharge sticks around even after EVs start paying per-mile fees, effectively charging them twice until 2031. Low- and middle-income families considering used EVs will notice—and may walk away. It is my understanding that these provisions will be clarified in future amendments.
Plug-in hybrids risk double payment	Because PHEV owners would owe both per-mile fees and gas taxes without a clear reconciliation mechanism, the state could over-collect and create confusion.
Commercial Delivery Fee	As written, this would punish EV adoption for delivery vehicles. From the language in the bill, it appears that this is attempting to be a VMT delivery fee, and a Medium Duty Road Use Charge. The reality is it is neither. The commercial RUC should apply to all vehicle fuel types, including diesel and propane. In addition, or alternatively, the state could institute a medium duty RUC to capture vehicles under 26,000 lbs that do not pay gas tax or WMT. The current language will harm fragile momentum in a targeted way.

If these areas remain unchanged, these provisions would reverse course on the state's own goals to reduce greenhouse gasses and climate pollution through electrification. Many of these elements, like the RUC, could be groundbreaking when implemented, but careful consideration is needed to ensure it enhances EV adoption, not penalizes it. EV drivers should pay their fair share, but some provisions as written in the base bill are strikingly unfair.

Earlier this session the Committee postponed Oregon's Advanced Clean Truck (ACT) standard to 2027. That decision bought time for industry, but it also pushed back mandatory zero-emission truck sales and prolonged exposure to diesel soot. Freight corridors—often low-income or rural—will feel the strain in higher asthma rates, heart disease, and avoidable health costs that researchers peg at nearly \$1 billion statewide over the next decade. Meanwhile manufacturers of charging equipment, electric buses, and supply-chain components wait for a clear demand signal. Absent near-term funding support for truck and bus rebates and charging infrastructure, Oregon's clean-tech economy will lag its neighbors and we will miss interim climate targets.

We need revenue we can rely on. The cleanest path to close these gaps is the forthcoming dash-A amendment: a 4 % sales tax on new vehicles priced above \$75,000. Fewer than six percent of vehicles sold in Oregon clear that bar, so working families are unaffected. Every dollar raised would flow outside the highway fund to purposes the package currently overlooks:

- Roughly one-third for Oregon Community Paths, letting communities build safe trails and multi-use connectors wherever the right-of-way ends. This is money used by local governments for projects, and is oversubscribed 4:1.
- Two thirds go into electrification programs that increase investments in clean trucks and buses, public and rural charging networks, e-bike incentive programs, and programs that help slash climate pollution overnight.

The concept has broad grass-roots backing of Move Oregon Forward. Adding it to HB 2025 would align luxury consumption with investments that benefit every Oregonian—cleaner air, safer streets, and a more resilient climate. Oregonians want demonstrably progressive tax wins in this package, beyond just the investments the package achieves.

Recommended adjustments before passage

1. Adopt the 4 % luxury-vehicle tax amendment and dedicate proceeds as outlined above, and fund unmet needs in community trails and paths, and electrification in this package.
2. Reset the EV road-usage charge to a 25 MPG equivalent, matching the national MPG average, and consider raising it to 30 MPG in 2028.
3. Repeal the EV registration surcharge immediately instead of in 2031 to avoid double payment.
4. Expand the Commercial Delivery Fee to all vehicle fuel types, and or, create a medium duty RUC, but the current commercial delivery fee will absolutely penalize a profitable use of electric trucks in a hyper targeted way.
5. Create a straightforward credit for PHEV owners who already pay fuel taxes when they enroll in the mileage fee.

HB 2025 is poised to become a landmark transportation package—one that can cut fatalities, keep buses rolling, and launch a cleaner freight future. With the targeted changes above, the Committee can ensure every dollar moves Oregon toward its safety, equity, and climate goals without overburdening families or businesses. Oregon is known as a national leader on the environment with a history of action through programs like clean fuels, and forward thinking land use. This package grows this legacy through a clear commitment to safety, transit, and rail, that help people have options other than driving. And with the right changes to this transportation package – specifically rapid acceleration towards an electrification and clean truck, bus, and car future – we can continue to lead in this space.

We look forward to the next two weeks on finding a path to make this a climate forward package.

Sincerely,

Kristopher Fortin Grijalva
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WORKING TO INCORPORATE

No funding for Buses & Commercial Trucks Rebates

- NEED \$25M per year for clean truck incentives (OR MHD Zero Emission Rebate Program)
- NEED \$10M per year for public/private MHD charging (Oregon Zero Emission Fueling Grant)
- NEED \$10M per year public/rural passenger vehicle charging (Oregon Community Charging Rebate Program)
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Hurts the Oregon Clean Vehicle Rebate program

Penalizes Clean EVs with Extra Fees (Page 160)

ONLY Penalizes Commercial EV Delivery Trucks – NOT Gas-Powered Delivery Vehicles

Road Usage Charge is TOO COSTLY Compared to Gas Tax

We need to make it easier, and not harder

We need to adopt a rule for a greenhouse gas planning standard similar to CO and Minnesota.

We are encouraged with the progress of the transportation bill, and we look forward to the next three weeks on finding a path to make this

Also when half the stuff is like...trucks and school buses it's like...those things aren't going away!! So it'd be nice if they weren't polluting!!

In sum, **the TRIP bill would make it more expensive for Oregonians to drive electric than fossil fueled vehicles in Oregon.** Worse still, this proposal follows months of legislative debate that resulted in a two-year delay in enforcing Oregon's Advanced Clean Trucks rule. This is exactly the opposite of what we should be doing as a state in 2025.

With just weeks remaining in session, **now is the time to urge legislators to course correct and deliver a transportation package that accelerates clean transportation solutions—not delays them.** We hope you will join us in Salem this Thursday and encourage your members, partners, and networks to attend as well!

OEC offer sharp criticism; Next three weeks

