

I am writing to express my strong opposition to House Bill (HB) 2025, a proposed transportation funding package that imposes significant new taxes and fees on Oregonians. While I recognize the need for infrastructure improvements, this bill's approach is deeply flawed and places an undue burden on working families, businesses, and communities already grappling with a high cost of living.

First, HB 2025 introduces nearly 20 new taxes and fees, including a 12-cent increase in the gas tax, a 350% increase in car sales taxes, and a tripling of certain payroll taxes. By 2034, these measures are projected to cost Oregon households an average of over \$1,140 annually, totaling more than \$2 billion per year statewide. In a time when families are struggling with inflation and rising costs

for essentials, such a massive tax hike is unsustainable and inequitable.

Second, the process behind HB 2025 lacks transparency and public input. Reports indicate the bill was developed in a secretive committee, limiting opportunities for Oregonians to weigh in on its far-reaching impacts. This undermines public trust and raises concerns about whether the bill truly reflects the needs and priorities of our communities. Public sentiment, as reflected in recent surveys, shows that only 3% of Oregon voters consider roads a top concern, suggesting a disconnect between this proposal and the public's priorities.

Third, HB 2025 risks severe economic consequences. The proposed tax

increases could drive businesses out of Oregon, reducing jobs and tax revenue. Oregon is already ranked the third least business-friendly state in the nation, and adding these financial burdens could further erode our economic competitiveness. Small businesses, in particular, may struggle to absorb higher payroll and vehicle-related taxes, potentially leading to layoffs or closures.

Finally, past transportation funding packages have promised better roads, safer bridges, and reduced congestion but often failed to deliver proportional benefits. Without clear accountability measures and a focus on cost-effective solutions, HB 2025 risks repeating these failures while burdening Oregonians with unprecedented costs.

I urge the committee to reject HB 2025 and instead pursue transparent, equitable, and fiscally responsible solutions that prioritize Oregonians' economic well-being. Thank you for considering my testimony and for your service to our state.

Sincerely,

Chad Houston

Pendleton, Oregon

