

lune 26, 2025

NFIB.com

To: The Joint Committee on Transportation Reinvestment

From: Anthony K. Smith, National Federation of Independent Business

Re: NFIB Written Testimony in Opposition to HB 2025-A28

## Co-Chairs Pham & McLain, Vice-Chairs Starr & Boshart Davis, and Members of the Committee:

On behalf of Oregon's small business members of the National Federation of Independent Business, I would like to express NFIB's opposition to HB 2025 and the -A28 amendments, which is estimated to raise an additional **\$11.7 billion in taxes and fees over the next 10 years** to pay for transportation infrastructure in Oregon.

NFIB is the Voice of Small Business. We are a nonprofit, nonpartisan, member-driven organization that advocates on behalf of America's small and independent business owners – both in Washington, D.C. and in all 50 state capitals. NFIB represents thousands of small businesses across the state in every industry sector, many being the smallest of small businesses, with about 90% of our members in Oregon having fewer than 25 employees and 70% having fewer than 10 employees. Together, our members provide jobs for tens of thousands of Oregonians.

As we frequently do, we surveyed our Oregon membership to determine whether or not they would support the Transportation ReInvestment Package (TRIP) as presented in the introduced version of HB 2025. We specifically asked whether Oregon should "adopt new taxes & fees and increase existing taxes & fees to fund transportation infrastructure." The response was clear, with over 90% of respondents opposing the package. At the time, it was estimated that HB 2025 would bring in at least \$1 billion in new revenue each year. The -A28 amendments exceed that initial approximation.

Our survey results here in Oregon corroborate NFIB's most recent quadrennial <u>Small Business Problems and Priorities</u> report, which was published in August 2024. Out of 75 small business issues, the "Cost of Natural Gas, Propane, Gasoline, Diesel, Fuel Oil" was the 6<sup>th</sup> most severe problem cited by small business owners, moving up from its 19<sup>th</sup> place ranking in 2020. Nearly a quarter (24%) reported it as a critical concern. Conversely, "Traffic, Highways, Roads, Bridges" was ranked 48<sup>th</sup> in 2024, moving little from its 47<sup>th</sup> ranking four years prior.

For small businesses, the cost pressures of transportation fuel far outweigh challenges relating to transportation infrastructure. The 12-cent per gallon gas tax increase proposed by HB 2025-A28 would add to that pressure significantly and make Oregon's fuel tax one of the highest in the country, not to mention the various other taxes and fees proposed by the bill, including the proposed tripling of the current statewide payroll tax.

While the state may have a desire to generate more revenue to pay for new and existing projects and programs, the passage of HB 2025-A28 would shift the burden of distinguishing between needs and wants from state policymakers to Oregon families – and small businesses that use vehicles as an essential part of their business operations.

As Oregon businesses face rising costs, economic uncertainty, and ongoing labor market challenges, we ask legislators to oppose policies that could further negatively impact Oregon's small businesses.

NFIB respectfully asks you to oppose HB 2025 and the -A28 amendments.

Thank you for your time and consideration,

Anthony K. Smith

NFIB Oregon State Director