Submitter: Rob Galyen

On Behalf Of:

Committee: Joint Committee On Transportation Reinvestment

Measure, Appointment or Topic: HB2025

Rob Galye 2741 NW Hwy 26 Madras, OR 97741 sanoriaseed@gmail.com June 26,2025

To: Joint Committee on Transportation Reinvestment Oregon State Legislature 900 Court Street NE Salem, OR 97301

Re: Opposition to HB?2025 – Transportation Funding and Road Usage Fee Proposal

Dear Chair McLain, Chair Gorsek, and members of the Committee:

I respectfully submit this letter to express my strong opposition to House Bill 2025, which would enact the largest tax increase in Oregon's history by raising nearly \$14.6?billion in transportation revenues over the next decade. While I firmly support investment in our roads and infrastructure, I believe HB?2025 advances a harmful and inequitable approach for the following reasons:

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- 1. Excessive Tax Burden on Ordinary Oregonians
- The gas tax would jump from \$0.40 to \$0.55 per gallon—an immediate 10-cent hike—with another 5-cent increase in 2028.
- Registration and title fees would more than double (e.g., from \$43 to \$113 for passenger vehicles).
- A new sales "transfer tax" would add 2% on new car sales and 1% on used car sales over \$10,000.

These steep increases disproportionately burden rural and working-class families—especially low-income households reliant on older vehicles and who drive longer distances for work or essential services.

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2. Unfair Targeting of Electric Vehicle (EV) Drivers

HB?2025 mandates EV drivers either pay a \$340 annual flat fee or a per-mile road usage charge, despite these drivers already paying higher registration fees and contributing through sales taxes. In rural Oregon, EV infrastructure is scarce—making per-mile fees both impractical and punitive. The flat fee also lacks fairness for low-mileage EV drivers.

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3. Economic Risk Amid High Inflation

Oregon families are still grappling with the effects of inflation. Imposing massive tax hikes now—on fuel, auto purchases, titles, and registrations—will undermine consumer purchasing power and could slow our economic recovery. Even some Democrats have voiced concern that these "massive, massive tax increases… [are] dangerous to our economy".

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4. Governance and Accountability Concerns

While proponents note HB?2025 would fund performance audits and alter ODOT's governance, it also centralizes control. The governor would gain authority to appoint the Director of Transportation—shifting power away from the Oregon Transportation Commission. This increased politicization could diminish transparency, regional representation, and ensure long-term stability for local priorities.

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5. Better Alternatives Exist

Rather than broad-based taxation, we urge lawmakers to consider more targeted, flexible solutions, such as:

- Mileage-Based User Fees that adaptively charge based on actual road use, avoiding blanket penalties.
 - Phased Fee Structures tied to vehicle age, usage, and income level.
- Increased transparency and cost-control at ODOT, ensuring that every dollar is efficiently allocated before further burdening taxpayers.

These steps could deliver infrastructure funding without the sweeping financial burden imposed by HB?2025.

In Summary

Investing in infrastructure remains vital, but HB?2025 places an undue burden on working families, unfairly targets EV owners, raises economic concerns amid inflation, and concentrates powerful new governance authority. I urge you to oppose this bill in its current form and pursue a more measured, fair, and accountable approach to preserving and improving Oregon's transportation systems.

Thank you for your service and consideration.

Respectfully, Rob Galyen Madras, OR