

## **Written Testimony in Opposition to House Bill 2025**

To the Honorable Members of the Oregon Legislative Assembly,

I am submitting this written testimony to express my strong opposition to House Bill 2025 (A-Engrossed). This legislation, which modifies diesel taxation, increases vehicle-related taxes, and mandates a per-mile road usage charge, presents significant challenges to Oregonians financial well-being, privacy, and equitable treatment. Although its purpose is to fund transportation infrastructure, the burdens it imposes far outweigh its potential benefits. I respectfully request that the Legislative Assembly reject this bill for the reasons detailed below.

### **1 Financial Burden on Oregonians**

House Bill 2025 increases diesel fuel taxes by aligning them with gasoline taxes and introduces additional fees on various vehicles, including cars, trucks, and buses. Diesel fuel is a critical resource for Oregon's trucking and transit sectors. Raising its cost will elevate transportation expenses, which will ultimately be passed on to consumers, increasing the price of essential goods and services such as groceries, fuel, and public transportation. Small businesses and rural households, already under economic strain, will face disproportionate hardship. Furthermore, the mandatory per-mile road usage charge, even with an optional flat-fee alternative, adds an additional layer of financial pressure, particularly for individuals dependent on driving for employment or essential travel.

### **2 Privacy Implications**

The transition to a mandatory per-mile road usage charge introduces substantial privacy concerns. Oregon's voluntary OReGO program has shown that such systems often rely on vehicle tracking devices. Extending this requirement statewide could enable government monitoring of citizens' movements, constituting an unacceptable violation of personal privacy. Oregonians should not be compelled to relinquish their privacy rights to use public roads, and this bill does not sufficiently address these critical issues.

### **3 Inequity in Impact**

This legislation disproportionately affects rural and low-income residents. Rural Oregonians, lacking access to robust public transit, must drive greater distances for necessities such as healthcare and employment, resulting in higher costs under a per-mile system. Similarly, low-income individuals, who may not have the means to purchase fuel-efficient vehicles, will face a heavier tax burden compared to wealthier urban residents with access to electric vehicles or transit alternatives. This creates an unfair tax framework that penalizes those least equipped to bear additional costs.

### **4 Administrative Challenges**

Implementing a mandatory per-mile charge will entail significant administrative complexity and expense. The state will need to deploy and maintain tracking systems, verify mileage data, and

ensure compliance costs that may offset the revenue generated. Additionally, there is no assurance that this intricate system will reliably fund transportation projects. Should driving behaviors shift or enforcement falter, Oregon could face both increased taxes and worsening infrastructure.

## **5 Response to Proponents Claims**

Supporters of HB 2025 contend that these measures are essential to sustain transportation infrastructure and ensure equitable taxation based on road usage. However, equity should not come at the cost of privacy violations or disproportionate harm to vulnerable populations. Oregon's infrastructure needs can be met through more effective allocation of current resources, federal funding, or alternative revenue streams that avoid such extensive drawbacks. While the bill includes audit provisions for accountability, these do not sufficiently address its broader negative consequences.

## **6 Conclusion**

House Bill 2025 imposes unacceptable financial, privacy, and equity costs on Oregonians without guaranteeing meaningful improvements to transportation infrastructure. I respectfully urge the Legislative Assembly to reject this legislation and explore alternative funding solutions that prioritize fairness, privacy, and economic relief for all residents. Oregon deserves a transportation funding strategy that upholds these values.

Sincerely,  
Jon Beaty