

June 26, 2025

TO: Joint Committee on Transportation Reinvestment

FR: Sharla Moffett and Duke Shepard, Oregon Business & Industry

RE: HB 2025A-23

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

OBI is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. In addition to being the statewide chamber of commerce, OBI is the state affiliate for the National Association of Manufacturers and the National Retail Federation. Our 1,600 member companies, approximately 75% of which are small businesses, employ more than 250,000 Oregonians.

To be clear, OBI supports and understands the need to continually invest in reliable, modern and effective transportation infrastructure. This is necessary to safely and efficiently move goods and people throughout the state and region.

With that in mind, the current version of HB 2025 is not something we could support, nor is the -A28 amendment. The -28 remains a multibillion package over ten years, with dramatic increases on taxes paid by Oregonians—individuals and businesses, and not nearly enough confidence-building accountability to ensure those taxpayers will get what they are promised, let alone owed from a prior package.

We believe a more defensible and reasonable course of action at this time would be to step back and reset this process for the 2026 session.

At the beginning of the session, OBI was hopeful we would see a "back to basics" bill (leadership's own language) that delivered on essentials like addressing ODOT's acute operations and maintenance budgetary challenges, making good on

the project commitments from the 2017 package, and fixing the cost allocation imbalance between light and heavy vehicles. We expected to support a variety of revenue increases coupled with clear outcomes and accountability. We anticipated a robust and inclusive process with a detailed examination of costs, impacts, results and trade-offs. That was not what we saw.

Though marginally scaled down from the massive current bill, the -A28 amendment still exceeds what OBI considers "back to basics", such as the inclusion of many new and expanded programs that require funding going forward. It is simultaneously deficient in that it fails to address the historic overpayment by heavy vehicles. We know that the legislature is aware of its obligation to follow Oregon's Constitution, yet rectifying the widely acknowledged freight vehicle overpayment issue has been omitted from the bill.

OBI is also concerned with the accuracy of the updated weight mile tax tables. We see increases in weight mile taxes that don't make sense given data provided earlier in the session. Those data showed the gas tax would need to be increased by 9 cents just to achieve parity with heavy vehicles. The numbers presented do not align; at this point, we can only speculate why.

Our interest in a collaborative, transparency process to determine appropriate investments in transportation infrastructure remains. That process, though, takes longer than the few weeks, then days, and now hours in which the committee is trying to conclude its work. We urge you to work with stakeholders and the public in the interim and come back with a bill in 2026 that thoughtfully addresses the challenges at hand and is the result of negotiations with all transportation stakeholders.

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