



June 26, 2025

Opposition Testimony on HB 2025 A with the -28 Amendment

Submitted by: Deanna Palm, President & CEO, Washington County Chamber of Commerce

Submitted to: Joint Committee on Transportation Reinvestment

Co-Chairs Senator Pham, Representative McLain, and Members of the Committee:

Thank you for the opportunity to submit testimony on HB 2025A with the -28 Amendment. The Washington County Chamber of Commerce represents over 800 businesses that support more than 90,000 jobs in one of Oregon's most economically vital regions.

We support the goal of investing in a modern, reliable transportation system that moves people and goods safely and efficiently. However, we must oppose this legislation in its current form due to the overall cost burden it imposes on working families and businesses, as well as a lack of sufficient accountability to ensure results.

Areas of Support

We appreciate the inclusion of several important provisions in this proposal. *These components are positive steps toward a more sustainable funding framework.* They include:

- Strengthened oversight and reporting requirements for the Oregon Department of Transportation
- Retention of the 50-30-20 funding formula to preserve local allocations
- A phased increase in the gas tax, which provides a user-based revenue source
- Road usage charges for electric vehicles to promote equity in infrastructure funding
- An emphasis on system maintenance, modernization, and safety

Outstanding Concerns

- Despite these provisions, significant concerns remain that prevent our support. These include:
- A threefold increase in the statewide payroll tax for transit that disproportionately impacts workers, including many who do not benefit from transit access

- Mandated participation of commercial fleets in the road usage charge program, without sufficient analysis or stakeholder input, creating financial and administrative burdens on freight and logistics sectors
- Stacked transaction taxes on vehicle purchases, including a 2.25 percent transfer tax on vehicles over ten thousand dollars, which will increase costs for households and small businesses
- The absence of action to correct the long-acknowledged overpayment imbalance between light and heavy vehicles, an issue of constitutional significance that must be addressed

Recommendation

While we recognize the urgent need to address transportation infrastructure funding, this proposal is not the solution Oregon needs. We believe a more prudent and transparent approach would be to pause this process and return in the 2026 session with a reset proposal. That proposal should be rooted in bipartisan cooperation, fiscal responsibility, and meaningful stakeholder engagement.

Oregon businesses and workers are ready to support a commonsense plan that focuses on core system needs and delivers measurable outcomes. Unfortunately, HB 2025A with the -28 Amendment does not meet that standard.

Thank you for your continued service and commitment to Oregon's economy and communities.

Respectfully yours,



Deanna Palm

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