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May 3, 2017

The Honorable Lee Beyer  
Senate Co-Chair, Joint Committee on Transportation Preservation and Modernization  
900 Court St NE, S-411,  
Salem, OR, 97301

The Honorable Brian Boquist  
Senate Vice Co-Chair, Joint Committee on Transportation Preservation and Modernization  
900 Court St NE, S-311,  
Salem, OR, 97301

Dear Co-Chair and Vice Co-Chair:

Thank you for inviting us to Salem to discuss the proposed transportation funding package. It is clear that the joint committee has done thorough work that seeks to address the multitude of challenges facing Oregon’s transportation system.

At the request of the legislature, we provided recommendations regarding the size and elements of a transportation package that attempts to balance Oregon’s vast needs with the ability and willingness of the motoring public to pay increased taxes. As we compared our recommendations to your proposed plan we noted that it suggests a sizable increase in taxation scope and method. As drafted, it accelerates the entirety of our six year recommendation into the first year and then more than doubles that amount over the course of ten years.

Another component to your plan is an excise tax on the sale of new vehicles, which is an interesting idea for a new revenue source. Our view is that the revenue generated by such a tax falls within the purview of the Highway Fund under Article IX of the Oregon Constitution requiring such revenues to be used for Oregon’s roads, highways, bridges and roadside safety rest areas. We realize that your proposal is a blending of the elements developed during the work group process and are hopeful that in your deliberations moving forward the group will see the benefit of reducing the overall size of the package to help prevent a referral.

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The success of the transportation funding package is dependent upon the enactment of the accountability measures developed by the joint committee. The accountability provisions reflect good policy and should be enacted regardless of whether a funding package is passed. Enacting the accountability measures first provides the voting public a clear indication that the funds from any package will have increased oversight. We again assert the need to have the Secretary of State engage in an audit of the Department of Transportation regarding those elements that were removed from the scope of work prior to the final administrative review of the Department. It is of the utmost importance that the public be confident that decisions made by the Department of Transportation regarding the use of funds are transparent and follow procedures with clearly identified decision makers and accountability measures.

Our organization is steadfastly focused on maintaining cost responsibility and protecting the Highway Trust Fund. It is our hope that the legislature will ultimately develop a transportation funding proposal that we can support. Please let us know how we can best be of assistance to you and the members of the Joint Committee on Transportation Preservation and Modernization. Thank you again for your diligent efforts and for including us in the process.

Sincerely,

A handwritten signature in blue ink, appearing to read "Timothy J. Mory". The signature is fluid and cursive, with a long, sweeping tail on the final letter.