

Joint Committee On Carbon Reduction  
Co-Chairs Senator Dembrow and Representative Power  
Joint Committee Hearing on HB 2020  
February 22, 2019

Chairman Dembrow and Chairman Power, as well as members of the Committee, I appreciate the opportunity to submit testimony before you today. My name is Jennifer King; I reside in Eugene and am employed as an account executive with a local insurance brokerage company. I am here today to express my concerns about HB 2020.

I provide insurance services to a number of companies throughout the state of Oregon. One particular segment that is near and dear to my heart is the trucking industry. I serve on the Oregon Trucking Associations Board of Directors as the President of the Safety Management Council. Trucking in Oregon is made up of many different sized companies. I represent many of those smaller companies; the companies that consist of second or third generation owners working in the office with their spouse and a son or daughter dispatching or working in the shop. Those companies aren't here today because they are fixing a truck to get Joe back on the road so he can earn the money for groceries, kids' school supplies and rising medical copays. They aren't here because they are processing payroll to those 40 families that rely on them to stay in business. They are the backbone of the community supporting local schools, booster clubs and the local t-ball team. Those small fleets that work tirelessly day in and day out to make ends meet and to continue the operation of a family owned business. I see first-hand some of their struggles and listen to many of their issues relating to the challenges that face small businesses today. Trucking companies in general are hard hit by numerous regulatory as well as market factors which have greatly increased their costs. This, coupled with a tremendous driver shortage makes the struggle to maintain a healthy, profitable small business even more of a challenge.

Trucking companies in Oregon are even harder hit in the fact that a trucking company in Oregon pays the highest highway use taxes in the nation; a number that hovers near \$30,000 per year per truck. That compares with number 2, California at a distant \$23,000

per truck annually. As I am sure you all know the Oregon trucking industry as a whole supported HB 2017 which raised their weight-mile tax by an incredible 53% over an 8 year period. These families and communities simply cannot afford to shoulder any more.

I think we can all agree that carbon reduction is important for society as a whole. But the trucking industry cannot afford to shoulder anymore expense. Most agree that if this bill becomes law it would increase the cost of fuel by at least \$.16 per gallon. Perhaps now is the time to look differently at how Oregon taxes trucks. We should replace the problematic weight-mile system with a diesel fuel tax. However, this tax would have to be revenue neutral and directed to the Highway Trust Fund. The other advantage to a fuel tax would be that it incentivizes investment in newer, cleaner technology.

In conclusion I simply want to say that small Oregon trucking companies, family farms, small businesses and families in general can't afford to pay more. If this bill passes and the ultimate result is higher fuel costs without being revenue neutral to trucking companies and other small business, these costs will be passed on to all residents of Oregon.

Thank you and I appreciate your time and attention to this matter.

Respectfully,

Jennifer King