



Siskiyou Transportation, Inc.



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Oregon House Committee on Energy and Environment
RE: HB 2674
March 2, 2021

Chair Marsh, as well as members of the Committee, my name is Mark Gibson; I would first like to thank you for the opportunity to offer testimony on HB 2674.

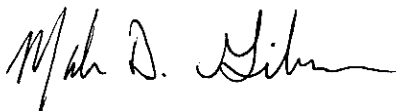
I have served in past years as Chairman of the Board for the Oregon Trucking Associations and currently continue to provide services to that organization. Today I testify on behalf of the companies I own and operate. I am currently President and CEO of Siskiyou Transportation, Inc. and Timberland Helicopters, Inc. Both small businesses located in Ashland, Oregon. We have been in business since 1981. We employ an average of 25 full-time employees and depending on the season operate 14-18 trucks. Our companies provide trucking; primarily logging and chips, as well as helicopter services to various governmental agencies, public utilities, and private companies throughout the western United States. Small business challenges are many and can be large at times, while the profit margins are small.

When I first saw HB 2674 I saw a bill to simply study an area of concern that is important to everyone in our state, business owners, environmental activists, health professionals and yes, even truckers. We all want clean air and ultimately a clean environment. I think a study is one of the more beneficial ways to make forward progression with minimal unintended consequences. However, after seeing the 49-page -1 Amendment I am compelled to speak out. The litany of taxes proposed is particularly troubling. Especially at a time when we need to help our economy recover. While many in transportation have

maintained a more even flow throughout Covid, there is still a segment that has in fact been forced out of business due to changes, manufacturing shutdowns, and other business challenges. For some time, Oregon has been and will continue to be the most expensive state in the nation for highway user taxes and fees on the trucking industry. 2020 data from the American Transportation Research Institute shows Oregon in first place at an average of \$31,414 for a 5-axle tractor-semitrailer truck while California ranks second at \$24,560 – a significant cost difference! We now contend with CAT taxes, attempts to uncouple from the Federal tax code, and proposals to mandate more expensive diesel fuel supplies. We are in year four of an agreed upon increase in weight mile tax from HB 2017. We have increased costs due to Covid OSHA requirements. Now HB 2674 would increase the cost of tires for trucks. Tires that cost an average of \$600 per tire and have a useful life of 20,000 miles to over 100,000 miles depending upon application, that kind of annual mileage for a truck is by no means high. HB 2674 would increase the cost of a new, more efficient, less polluting truck by .5% and 2% if we choose to lease. 2% here and 3% there, plus the tax increases that all businesses contend with continually moving upwards all adds up to a very anti-business climate. Please reconsider such a tax plan.

I would like to thank you for the opportunity to submitted testimony against HB 2674 and hope that you will please stop HB 2674 from moving forward based on the issues I have raised.

Thank you,

A handwritten signature in black ink, appearing to read "Mark D. Gibson". The signature is fluid and cursive, with the first name "Mark" and last name "Gibson" clearly distinguishable.

Mark D. Gibson
President