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August 9, 2024

The Honorable Senator Chris Gorsek and Representative Susan McLain
Joint Committee on Transportation
Oregon State Capitol
900 Court St NE; Room 453; Salem, OR 97301 Email: JCT.exhibits@oregonlegislature.gov

Subject: Comments— 12-Stop Transportation Safety and Sustainability Outreach Tour

Dear Co-Chairs Gorsek and McLain, and Joint Committee Members:

I testified, and shared many of these written comments, at three hearings during the Transportation Joint Committee's 12-Stop Transportation Safety and Sustainability Outreach Tour, most recently in Coos Bay August 7, 2024.

The purpose of my remarks is to introduce the 1,000 rural small businesses for whom I represent. I offer our initial priorities and concerns, as the beginning of our discussion about rural transportation issues over the next ten months. Together, we must craft solutions to the urgent challenges and opportunities facing Oregon's aging transportation system, across both rural and urban settings.

Please accept these comments on behalf of Associated Oregon Loggers, Inc. (AOL), representing nearly 1,000 member businesses working across Oregon. Our trade association provides voice and business services to small forest enterprises that manage, grow, construct, maintain, protect, <u>and transport</u> materials and workers from forest to market. Highways and trucking are foundational to our work; not just for moving wood fiber—but also transporting crews, heavy equipment, aggregate, construction materials, supplies, fuel, water, reforestation assets, and firefighting resources.

Our recommended priorities and strategies offered at this time, are focused on addressing the many transportation challenges for which urgent solutions are necessary. We share with you our aim for delivering a safe, accessible and reliable transportation system. However, we're <u>not</u> confident that economic growth, rural commerce, industry, and community issues are being effectively balanced among all competing interests currently-viewed from a myopic urban-only lens.

#### Growth of Commerce, Population and Transportation

Integral to managing half of Oregon's landscape—its rural forestlands— is heavy trucking and highway transportation access from rural forests to manufacturing centers, ports, communities, workforce, and out-of-state markets. Safe highways and trucking are essential to Oregon's top-3 traded good economy—the forest sector.

State and local road access is vital to growing safe and sustainable transportation for commerce, tourism, workforce, and public services—especially for rural communities and industries.

In July, an Indiana battery company planning to build a factory out-competed Oregon for a \$1.2 billion federal loan. This disheartening decision to invest in another state underscores a critical issue we must urgently address: the failure of too many costly Oregon policies that smother investment here and push business growth elsewhere. Adding to this concern is Oregon's alarming stagnant growth and population decline. Recent data indicates more people are leaving Oregon than are moving here. This population decline is a stark indicator that our policies are pushing-away business and workers.



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Our transportation priorities should be focused on growth opportunities for commerce, rather than adding more policies that limit business, employment, and transportation of goods-services-people.

Oregon's aging highway transportation system is increasingly an obstacle to efficient rural forest and farm commerce. Too many highways are dis-maintained, unsafe, under-performing, over-capacity, and antiquated. We must improve our state and local highway transportation system to foster Oregon leadership, grow business investment here, and compete in an uncompromising global economy.

### Rebalance Priorities to Include Rural Forest, Farm and Tourism Community

We are concerned that current state directions for transportation policy for rural—non-metropolitan—Oregon are unnecessarily counter-productive, unsafe and inefficient to sustain a healthy all-Oregon society, commerce, and governance. Under outdated funding, the existing transportation policy and swelling project backlogs are being misallocated by the Legislature, Oregon Transportation Commission, Department of Transportation, and current strategies.

Current state transportation policy that's misallocated to focus on metropolitan Oregon is today increasingly implemented at the expense of the rural Oregon community. This misallocated focus indirectly discriminates against rural society—including its commerce, livelihoods, self-sufficiency, safety, education, and industry. Current transportation policy misallocation bias now threatens the sustainability of our all-Oregon economy and society. The state's transportation network, both rural and metro, is the necessary fabric that weaves together our all-Oregon success.

#### **Our Forest To Market Priorities**

- A. <u>Upgrade of Oregon bridges on all highway arterials</u>, including rural highways that access forest and farm to markets. Rapidly-deteriorating bridges increasingly obstruct safe and efficient freight and overdimensional vehicles necessary for rural business to access markets, communities and producing forests and farms.
- B. <u>Identify and implement greater efficiencies in Oregon Dept. of Transportation administrative practices, implementation, and project funding, which would improve transportation accomplishments from less spending per unit. Emulate private-sector construction business practices.</u>
- C. <u>Remedy key transportation bottlenecks.</u> Construct or reconstruct chokepoints on all highway arterials, especially rural highways that access key manufacturing and distribution centers.
- D. <u>Grow capacity and safety with construction</u>. State of Oregon must improve declining highway performance and safety hazards-- by improving system capacity and upgrade system safety through added capacity construction additions for current use and projected future demands.
- E. <u>Improve on current maintenance pace</u>, which now lags to now-cause deteriorating Oregon highways, bridges, public safety, and commerce efficiency. The state is not investing enough, nor smartly allocating resources, to maintain the current highway system.
- F. <u>Maintain function and safety.</u> We agree with policy of the State of Oregon to maintain highway performance and improve safety by improving system efficiency and management. Where we may differ is that 'growth' must be an included purpose of Oregon highway performance.
- G. <u>Improve access to key manufacturing and distribution centers</u>. Currently, because of antiquated highways, many dispersed Oregon communities and rural commerce centers are isolated from vital transportation networks and markets.



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#### **Recommended Strategies**

- 1. Funding solutions suggested; a combination of redirections, including:
  - a) Disproportionate overcharging of heavy motor carriers for road use under the state's weightmile tax, must be addressed. The Oregon Constitution requires action to address this disparity. Remedy overpayment by heavy vehicles. All light vehicles should be responsible for proportionate user fee.
  - b) Weight-mile tax replacement, with a more efficient taxation proven by other states and vetted by motor carriers
  - c) ODOT must determine and implement efficiency improvements
  - d) Private road commercial vehicle use should not endure full taxation of heavy vehicles. Non-public transport is significant for rural business in forest/farm commercial heavy vehicles.
  - e) Market-based solutions are better than government mandates
  - f) Supporting local government road systems is essential to ALL-Oregon commerce growth
  - g) Allocate highway funds strictly to highway priorities
- 2. <u>Collaborate with and respect private sector and rural commerce voices</u>, during modernization of transportation policy and funding.
- 3. <u>Capacity growth and maintenance must be tandem goals for highway transportation, to foster Oregon commerce, as we compete in a global economy.</u>
- 4. <u>Reform all-Oregon funding strategies</u>, to balance toward a contemporary and projected all-Oregon highway transportation system, including rural Oregon commerce and communities.
- 5. <u>Adopt contemporary transportation and funding solutions</u>, those proven by other states or nations. Avoid complicacy or continued stifling or inefficient norms where better options occur.
- 6. <u>Codify transportation's role in growing Oregon's economy</u>. Oregon society and commerce can best thrive through growth into new and contemporary access to global markets, ports, products, services logistics, and technologies. Such critical growth and sustainability cannot prosper under the burden of a deteriorating and inaccessible transportation system.
- 7. Acknowledge realistic availability and market-based evolution of technologies. Idle the pace of state initiatives and mandates that direct conversion of diesel and gasoline transportation power to unavailable alternative energies. Existing technologies and economies are currently insufficient to sustain current government-driven pace.
- 8. <u>Highway bottlenecks in safety, overdimensional, and bridge capacity must be a priority to remedy.</u>

#### Conclusion

We support finding solutions together with the Legislature, which would be fair and sustainable for growing ALL-Oregon business, workers, trucking, ports, and a safe transportation system.

We admire that heavy vehicles, commuting workers, rural communities, tourism, and small businesses are integral to managing half of Oregon's landscape – its rural forestlands. Safe highways and trucking are essential to Oregon's top-3 traded good economy—the forest sector.



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I look forward to continuing our discussion about rural transportation issues over the next ten months—as we develop a transportation funding and policy legislative package. Together, I am confident we can identify bipartisan solutions to the urgent challenges and opportunities facing Oregon's aging transportation system, across both rural and urban settings.

Our AOL lobby team is readying to craft transportation solutions:

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Respecting and advancing the productivity of small-business forest communities will provide a more abundant economy, when Oregon's rural forests and farms are part of the transportation solution.

Finally, forest sector working families, forest truckers, and rural businesses cannot prosper or grow under the burdens of Oregon's existing deteriorating highways and disproportionate vehicle taxation. We can do better for our ALL-Oregon robust and growing economy.

Thank you for the opportunity to comment about our rural forest community transportation strategies.

Sincerely,

Rex Storm, Certified Forester

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Executive Vice President; Associated Oregon Loggers, Inc.