

27th September 2024

- The Honorable Tina Kotek
- Oregon Legislature
- The Honorable Members of the Joint Committee on Transportation

I want to thank the Joint Committee on Transportation for taking public comments on the proposed budget increase.

As I understand it, the Governor is seeking a \$4 billion increase in the Oregon budget for ODOT, which would be funded by asking Oregonians to contribute more from their pockets. I urge this committee to engage in sincere reflection on behalf of the Oregonians you represent.

While the public at large may not fully grasp the impact of the various taxes proposed to fund this increase, I must emphasize that passing a budget over an uninformed tax base, even by a legislative majority, is not necessarily responsible governance. I acknowledge the hard work of the intelligent and imaginative people behind this proposal, but it is important to question whether such increase is justifiable.

Government agencies often tend over time to continually expand services, and while this may not stem from ill intentions, it raises the question: will it ever be enough? Is it fair to keep increasing the financial burden on taxpayers simply because more services are requested? For instance, the Oregon Health Plan currently covers 1.4 million people in a state of 4.2 million. Those of us not covered are already paying to support one-third of the population for this service.

Currently, many Oregon families face significant financial challenges. The average middle-class income has not kept pace with the cost of living, which has increased by 25-40% over the last three years, primarily due to rising cost of housing and general inflation. In May, KATU News reported that Oregon is now one of 22 states where a six-figure income is required to purchase a median-priced home. Just four years ago, this required income was \$88,000, but it has now risen to \$129,000—a \$41,000 increase. Meanwhile, household incomes have not risen to match this increase, and those who do qualify for a home are met with higher payments due to increased interest rates, which are partly driven by government overspending.

For those unable to afford homes, rent prices have skyrocketed by at least 10%. Additionally, KOIN news reported in August that PGE has raised power rates by 43% since 2021, and KPTV news noted in early 2024 that families are struggling to afford groceries. Are you aware of these financial realities?

It feels as though we as taxpayers are being asked to meet ever-increasing demands with fewer resources, reminiscent of the biblical story of Pharaoh asking for more bricks while withholding the necessary straw (Exodus 5). Just because the legislature believes

it can continue to extract money from taxpayers does not mean that we, the taxpayers, are capable of bearing this burden.

I urge the legislature to collaborate with the Governor on a new initiative that demonstrates ingenuity comparable to the likes of Elon Musk with Twitter, aimed at conducting an in-depth efficiency review across all government sectors. Form a task force driven by genuine commitment rather than performative actions to explore what could be accomplished to achieve the needful if we worked within our current means. Oregonians would be inspired to see their legislature reconnect with the realities facing its people.

In closing, after reviewing materials prepared by ODOT for this committee, I noted one of the stated challenges: the increased presence of camping, litter, and graffiti on state-owned properties. This clearly refers to the impact of homelessness and drug addiction, issues that disproportionately affect blue states. It's time to transcend political agendas and ask ourselves honestly: where are we headed, and what are we doing on one hand to attract these problems and on the other what should we do address these types of costly strains on state resources?

My sincere thanks for consideration of my testimony.

Troy Smith – Sisters Oregon

References:

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