

**Marie Dodds**

Director of Government & Public Affairs  
AAA Oregon/Idaho  
600 SW Market St., Portland, OR 97201



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**To: Members of the Joint-Transportation Committee**

**From: Marie Dodds  
AAA Oregon/Idaho**

**Date: February 15, 2024**

**Re: Testimony re HB 4165, SB 1519 & SB 1543- Highway Cost Responsibility**

**Co-Chair McLain, Co-Chair Gorsek, and Members of the Committee,**

For the record, my name is Marie Dodds, and I am here today on behalf of AAA Oregon/Idaho to offer testimony on HB 4165, SB 1519 & SB 1543. With over 750,000 members statewide, we advocate for a well-maintained and adequately funded Oregon transportation system that ensures cost responsibility among road users. These three measures aim to address the disparity in cost burden between light and heavy vehicles revealed in recent Highway Cost Allocation Studies (HCAS). Presently, these studies reveal a substantial overpayment by heavy vehicles.

Since 1937, Oregon has utilized a highway cost allocation study to assessing road user responsibility via a cost-occasioned approach. This quantifies costs for each user class and estimates future payments based on existing tax rates. Equitable ratios compare these figures to evaluate tax fairness. The analysis spans a prospective period, projecting costs and revenues for the next biennium. Cost allocation considers vehicle characteristics, shared costs among users, and unique expenses tied to specific vehicle classes. While complex, the study represents a validated and time-tested approach that road users are committed to and trust. The current imbalance in taxation between light and heavy vehicles can be attributed to several potential factors that include increased vehicle fuel efficiency, growing electric vehicle adoption and changes in the focus of transportation project funding. When cost responsibility is out of balance, the Oregon Constitution requires the Oregon legislature to take action to address the disparity.

Thank you for your consideration.