

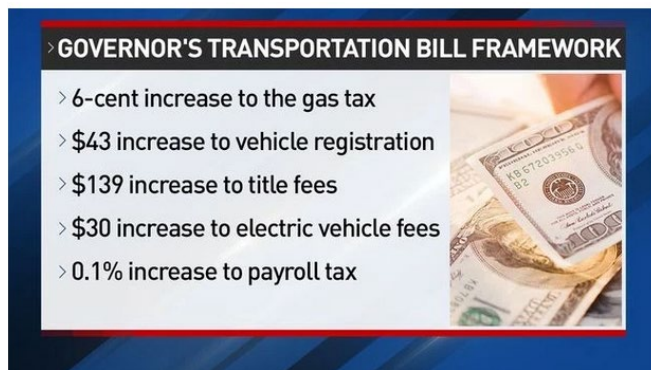
August 23, 2025

TO: Joint Interim Committee On Transportation Funding – 8/25/2025 3:00 PM

FROM: Kim Stott, Tigard, OR

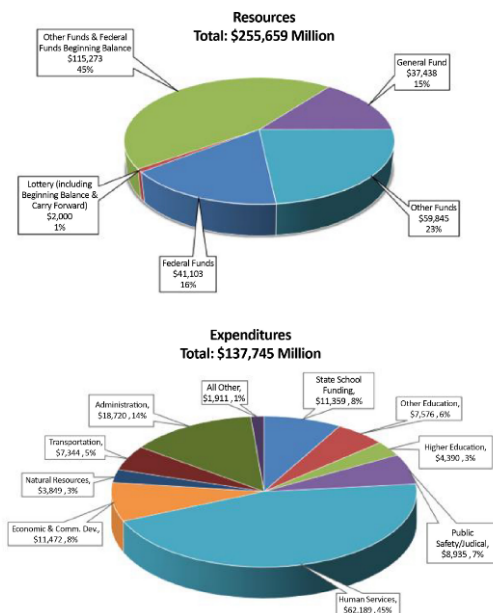
Statement of Opposition to Governor Kotek's proposed new tax and fee framework to cover ODT shortfalls.

I am opposed to the Governor's Proposal for increased taxes and fees since significant funding is allocated to State Administration, Health Benefits for illegals, and Education without expectations of excellence.



The Governor revealed the new potential tax and fee increases included in the framework of her bill in a media availability on Tuesday.

#### 2025-27 ALL FUNDS BUDGET



***Being a sanctuary state and controlled by Democrats is costing Oregonians greatly and will continue to do so under Governor Kotek and the Democrat majority legislature.***


***For every tax dollar not paid to the Federal Government, the State of Oregon will raise taxes and fees to scoop it up.***

Governor Kotek is doubling general fund contribution from one biennial budget to the next.


What actions have been taken by the Kotek administration to reduce expenses as 14% of the budget is allocated to Administration?

How can so much of the budget (17% total) be allocated to Education Funding when the results are so dismal and without an expectation of excellence linked to the funding?


Human Services expenses represent 45% of the Expenditures budget. Oregon's Hispanic population has grown rapidly. The Hispanic or Latino ethnic group increased from 112,707 in 1990 to an estimate of 631,563 in 2023 accounting for 14.9 percent of the population. In July 2023, coverage of the Healthier Oregon program was expanded to include all income-eligible individuals regardless of age or immigration status. Those illegals previously on the Citizenship Waived Medical (CWM) were automatically enrolled in the Healthier Oregon program. If there is a loss in Federal funding due to the State refusing to cooperate with federal authorities, Oregon taxpayers face significant financial challenges.


Yes, undocumented immigrants in Oregon can be enrolled in a state-funded program that provides full health benefits, equivalent to the state's Medicaid program. This program is called Healthier Oregon. 

#### How Oregon expanded coverage

- **Initial program:** For years, undocumented immigrants in Oregon were limited to emergency-only Medicaid coverage, also known as Citizenship Waived Medical (CWM).
- **HB 3352:** In 2021, the Oregon Legislature passed House Bill 3352, which established the "Cover All People" program, also known as Healthier Oregon.
- **Phased-in expansion:**
  - **July 2022:** The first phase of Healthier Oregon expanded coverage to undocumented residents ages 19–25 and 55 and older who met income requirements.
  - **July 2023:** The program was expanded to include all income-eligible individuals, regardless of age or immigration status. At this point, people who were on CWM were automatically enrolled in the full Healthier Oregon program. 

#### Key facts about the program

- **Full benefits:** Healthier Oregon provides the same benefits as the regular Oregon Health Plan (OHP), which includes medical, dental, and mental health care, prescriptions, and hospital care.
- **State-funded:** Coverage for undocumented immigrants is paid for with state funds, not federal Medicaid dollars.
- **Income-based:** To qualify, individuals must meet the same low-income and other eligibility criteria as those on the Oregon Health Plan.
- **Public charge:** Enrollment in Healthier Oregon benefits does not negatively affect an individual's immigration status under the public charge rule. 

The Healthier Oregon program is the state's implementation of the Oregon Health Plan (Medicaid), which is Oregon's largest health and human services program. While specific budget allocations for "Healthier Oregon" aren't detailed, the program is a major component of the Oregon Health Authority's budget. For the 2025–27 biennium, the Governor's budget proposes **\$39.6 billion** in total funds for the Oregon Health Authority. 

#### Oregon Health Plan (Healthier Oregon) in the State Budget


##### The Program:

The Oregon Health Plan, also known as Healthier Oregon, provides health coverage to over one million low-income Oregonians. 

##### Budgetary Significance:

It's the primary driver of the state's human services spending. 

##### Budget Allocation:

The 2025–27 Governor's Budget allocates \$39.6 billion in total funds to the Oregon Health Authority (OHA), which oversees the program. 

##### Funding Sources:

The Oregon Health Plan is funded through a combination of state funds and significant federal dollars. 



The graphic above indicates a 2010 view of the financial impacts of illegals on State expenses and on taxpayers. More recently, the economic impact of undocumented immigrants in Oregon is substantially greater.

#### Costs to the State

- Federation for American Immigration Reform (FAIR):** In a 2023 report, the anti-immigration group FAIR estimated that undocumented immigrants cost Oregon taxpayers \$1.47 billion. This calculation includes expenses for education, law enforcement, and other public assistance, though critics argue this type of analysis inflates the costs by including the expenses for US-born children of undocumented immigrants.
- Housing asylum seekers:** In 2024, Oregon spent \$29 million on a program to house asylum seekers, which was subsequently shut down.
- Health care:** According to a May 2025 article in *The Lund Report*, some estimate the annual cost of undocumented immigrant health care in Oregon to be \$750 million.
- Deportation legal services:** Oregon allocated \$15 million over three years to a program offering legal representation for immigrants facing deportation.

Governor Kotek will argue the benefits of illegals by touting the taxes they pay, the contributions to revenues, etc. – BUT – illegals are a drain and will continue to be a bigger drain as long as State benefits are provided based on income and employers are willing to hire illegals “off the regular payroll” or “under the table” without consequence. She is also banking on continuing Federal funding which is not fiscally responsible with the current Trump administration.

The impacts of illegals getting full healthcare benefits (which have created a huge burden on the healthcare system and causes the rest of us to have extended waits for care), being given driver’s licenses (which impacts safety and insurance rates for all), being allowed to vote (whether by accident or by design), and the State’s laziness in cleaning up voter rolls (until it is sued to do so) are anecdotal but relevant to the quality of life for Oregon citizens.

In closing, Governor Kotek and the Democrat controlled legislature need to alter the path of tax and spend practices and revisit the insane expansion of sanctuary status and reliefs.

Start reducing the size of government to save expenses rather than increasing taxes and fees. Focus on making it easier for businesses to be successful in the cities and State. Start getting illegals out of the welfare-Medicaid system and out of the State. Work with law enforcement to remove the gangs, paid-destructive protestors, and criminals that have an ever-growing presence and stronghold in our cities and whose presence hurts businesses.

Spend more money on State hospitals to get the current street population significantly brain-damaged by drugs or unable to obtain housing due to sex offender status off the streets of our cities.

Don’t follow the losing paths of California and Washington where the businesses and those who can afford to decide to vacate costly, yet decaying states.

Respectfully,

Kim Stott