

Submitter: Keith Marshall

On Behalf Of:

Committee: Joint Interim Committee On Transportation
Funding

Measure, Appointment or
Topic: LC 2

Honorable Members of the Oregon Legislature,

I am writing to express my strong opposition to Governor Kotek's transportation tax proposal currently before you in this special session. As an Oregon resident, I urge you to vote NO on this unnecessary and burdensome tax increase package.

The Proposal is Fiscally Irresponsible

This proposal would impose significant new financial burdens on Oregon families who are already struggling with rising costs of living:

- 6-cent gas tax increase (from 40¢ to 46¢ per gallon) - adding approximately \$90 million annually in costs
- \$42 increase in vehicle registration fees (bringing total to \$85)
- \$139 increase in vehicle title fees (bringing total to \$216)
- Doubling the payroll tax for public transit (from 0.1% to 0.2%)
- Additional EV fees and mandatory enrollment in pay-per-mile programs

Combined, this package would extract \$5.7 billion from Oregon taxpayers over the next decade - money that families need for housing, healthcare, and basic necessities.

Oregonians Are Already Overtaxed

Oregon families face some of the highest tax burdens in the nation. We pay high income taxes, property taxes, and now face even more increases. Adding hundreds of dollars in annual transportation costs per household is simply unaffordable when families are struggling with inflation and economic uncertainty.

Voters Already Rejected This Approach

The regular legislative session clearly demonstrated that there is no public support for massive transportation tax increases. The original \$11.6 billion package died because it was recognized as too expensive and wasteful. A scaled-back version also failed to pass. Even the last-minute 3-cent gas tax proposal couldn't garner support. The people of Oregon, through their elected representatives, have repeatedly rejected this approach.

Better Alternatives Exist

Rather than automatically reaching for taxpayers' wallets, the Legislature should:

- Use existing emergency fund reserves as suggested by House

Republicans to prevent ODOT layoffs

- Conduct a thorough audit of ODOT's budget increases - the agency's budget grew 60% over the past decade from \$3.81 billion to \$6.12 billion
- Eliminate wasteful spending and focus on core maintenance functions
- Reallocate existing state revenue instead of creating new taxes

ODOT Lacks Accountability

Before asking taxpayers for more money, ODOT must demonstrate responsible stewardship of existing funds. The agency has a troubling track record of cost overruns on major projects and budget management issues that deserve scrutiny before any tax increases are considered.

Conclusion

This special session represents an end-run around the will of the people and the regular legislative process. Oregon families cannot afford another tax increase. I urge you to reject this proposal and instead pursue fiscally responsible alternatives that prioritize existing resources and accountability over new taxes.

Please vote NO on Governor Kotek's transportation tax package.

Thank you for your consideration.

Respectfully submitted,

Keith Marshall

COO

Hurley Financial Group Inc.