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Dear Speaker Fahey, President Wagner and members of the Joint Transportation Funding Committee,

The Oregon State Chamber of Commerce (OSCC) opposes LC 2 in its current form as it would would add yet additional income tax burden to Oregon workers.

The OSCC represents 89 chambers of commerce statewide. These chambers represent local business communities from every corner of the state who are the backbone of their local communities and provide the goods, services, jobs, taxes and philanthropy that fuel our economy.

OSCC historically supports revenue-raising transportation packages to support highway maintenance - and especially the 50% revenue allocation for local road improvements - but LC 2 unfortunately takes the extra step of adding additional income tax on Oregon workers for transit.

Quite simply, Oregon is already too expensive and working Oregonians are already overtaxed. In addition to paying among the highest personal income tax rates in the country (8.75%), Oregon workers also pay an additional 0.6% on wages for the Paid Leave Oregon program, and an additional 0.1% for statewide transit funding.

The LC 2 transportation funding proposal contemplates doubling the transit tax to 0.2% just eight years after the tax was initially passed. There is no end in sight for how high can and will be raised.

In addition to this, it is obvious that ODOT has not earned the trust of Oregonians to steward all of this additional tax revenue.

Oregon is quickly moving into a high tax / low service state that is over-burdening to our local businesses and our workers. The average worker now pays a 9.45% income tax to the state, and with LC 2, that percentage will increase to 9.55%. LC 2 will add yet more income tax for little tangible benefit to the vast majority of our workers.

We continue to hope that the Oregon legislature will show some recognition for the economic realities of its residents.

Respectfully.

JL Wilson

Legislative Counsel for OSCC

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