



August 26, 2025

To Co-Chairs Fahey and Wagner and members of the Joint Interim Committee on Transportation Funding:

The leadership of the Emerald Valley Electric Vehicle Association (EVEVA) is supportive of finding new revenue to fund necessary maintenance and repair of Oregon's roads, bridges, bicycle paths, transit services, and other essential transportation infrastructure, however we have deep concerns with the Road Usage Charge (RUC) as structured in the Governor's draft bill. We raised similar concerns about HB2025 during the regular legislative session. We believe that setting the per mile Road Usage Charge to 5% of the per-gallon gas tax is unfair to EV and hybrid-vehicle owners and contrary to state interests in vehicle electrification, and that 2.5% would be a better and more fair number.

EVEVA is a community of several hundred electric vehicle owners and enthusiasts residing in Lane, Lincoln, Benton, Linn, and Douglas Counties. Consistent with the goals of the state and of some of our local cities and counties, we educate consumers about the benefits of electric transportation and serve as peer resources for those who would like to drive electric but have questions before making such a significant purchase. Many of those we talk with are interested because they are concerned about climate change or air pollution and associated impacts on health. Others are motivated by financial savings from lower maintenance and fueling costs. Just a few are aware of the economic benefits to the state of spending our fuel money on electricity produced locally instead of shipping those dollars to states and countries that produce and refine oil.

Unsurprisingly, almost everyone we talk with is concerned with the overall cost of owning and operating electric vehicles, particularly with federal tax credits ending on September 30 of this year and the fickleness and unpredictability of the state rebates. If Oregon wants to sustain momentum toward electrifying transportation, it needs to continue signaling to potential EV adopters that there are financial benefits to doing so even without strong tax credits and rebates to advertise.

The combination of RUC and registration fees in the Governor's bill signals the exact opposite. The proposed RUC rate means that electric vehicles would pay the same in total charges, taxes, and fees as a gas-powered car getting only 22 miles per gallon, despite the many benefits electric vehicles provide to the state and its citizens. More efficient gas-only cars (30-40mpg) would pay as much as \$80/year less than an EV when driving an Oregon average of 12,000 miles per year. It is worse for EV owners in rural communities who drive more than average. Why are EVs treated like cars getting a poor 22 miles per gallon?

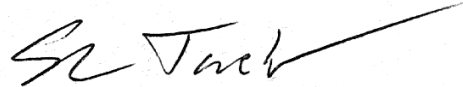
Most obviously problematic is the fact that owners of hybrid or plug-in hybrid vehicles will end up paying considerably more than owners of gas- or diesel-powered vehicles that get the SAME gas mileage. For example, at 40 mpg for 12,000 miles per year, the conventional car would pay \$288 in total taxes and fees while the driver of a hybrid, like a Toyota Prius, would pay \$361. Penalizing vehicle owners based solely on the car's drive train is patently unfair and counterproductive, particularly since a plug-in hybrid will be running on electricity-only for part of the time and thus avoiding purchasing oil and emitting air pollutants and greenhouse gases.

Really, the RUC needs more thought before setting a specific rate so that the legislature has time to consider the value brought to the state by vehicle electrification and work out the obvious inequities. Since the RUC doesn't go into effect for two years, we believe that at this juncture the legislature should adopt the RUC as policy, but commit to a study to determine the appropriate rate with the goal of having a recommendation in time for implementation in 2027. If there must be a RUC rate set in this special session, we believe 2.5% of the gas tax rate would be fairer and would better reflect both the comparative benefits of EVs to the state and the incentives needed to encourage EV adoption in Oregon.

Sincerely,

Phil Barnhart, President (Eugene)

Shawn Tucker, Vice President (Albany)



Chris Chandler, Secretary (Newport)

Charlie Loeb (Eugene)

Kurt Willcox (Eugene)



Inquiries or responses to contact@eveva.org