

**McMinnville Area Chamber of Commerce**  
**August 27, 2025**



Dear Speaker Fahey, President Wagner, and Members of the Committee:

On behalf of the McMinnville Area Chamber of Commerce and the business community we represent, I am writing to respectfully express our opposition to **Legislative Concept 2 (LC 2)** in its current form.

The McMinnville Area Chamber represents employers of all sizes who provide jobs, services, and critical tax revenue that sustain our local economy and

community. While we recognize the urgent need for sustainable funding to maintain and improve Oregon's transportation infrastructure, LC 2 raises significant concerns for our members and the workers they employ.

**Our specific concerns include:**

- **Additional Burden on Workers and Employers:** LC 2 proposes doubling the statewide payroll tax for transit from 0.1% to 0.2%. Oregon workers already face one of the highest state income tax rates in the nation. Additional taxes—particularly during a period of high costs for families—would make Oregon even more unaffordable and further strain employers who are already struggling with workforce recruitment and retention.
- **Large Increases in Fees and Taxes:** The measure raises the gas tax from 40¢ to 46¢ per gallon, increases registration fees for passenger vehicles from \$43 to \$85 annually, and nearly triples vehicle title fees from \$77 to \$216. For businesses that rely on vehicle fleets, these increases represent a substantial new cost of doing business.
- **Lack of Guarantee for Maintenance and Preservation:** Unlike past transportation packages, LC 2 does not require new revenue to be dedicated to highway maintenance and preservation, allowing funds to be reallocated for other purposes. Without this safeguard, businesses and taxpayers cannot be assured these new costs will address Oregon's most pressing infrastructure needs.
- **Concerns About Accountability:** While LC 2 adds some audit provisions, there remains widespread concern about ODOT's ability to responsibly manage additional funds. Trust must be restored through demonstrated accountability before new revenue streams are approved.

We believe in investing in Oregon's transportation system—particularly in maintenance and preservation of roads that support commerce, tourism, and daily life in communities like McMinnville. However, LC 2 adds substantial new costs without the necessary safeguards, priorities, and assurances that these dollars will actually improve the system that businesses and workers rely upon every day.

For these reasons, the McMinnville Area Chamber of Commerce respectfully urges the Legislature to reject LC 2 in its current form and instead work toward a funding solution that ensures accountability, prioritizes road and bridge maintenance, and balances the economic realities facing Oregon's workers and employers.

Thank you for your consideration.

Respectfully,

John Olson

President/CEO | McMinnville Area Chamber of Commerce