

Submitter: Julie Niles-Fry
On Behalf Of:
Committee: Joint Committee On Transportation
Measure, Appointment or Topic: HB3362

Dear Chair and Members of the Committee,

My name is Julie Niles-Fry, a resident of Rogue River, Oregon, and I am writing to express my OPPOSITION to House Bill 3362, which proposes a 4% excise tax on the retail sale of new and used tires.

While I understand your intent is to fund initiatives such as rail transit improvements, tire pollution mitigation, and wildlife passage infrastructure, I have major concerns about the bill's potential impact on Oregon's residents, particularly those in low- and middle-income brackets.

Financial Impact on Low- and Middle-Income Residents:
Implementing a 4% excise tax on tires would disproportionately affect individuals and families who rely on personal vehicles for daily transportation. For many, especially those in rural areas with limited access to public transit, driving is a necessity. An additional tax on tires would increase the financial burden on these households, many of whom are already facing economic challenges.

According to the bill, the revenue generated from this tax would be allocated as follows:

75% to the Tire Pollution and Rail Transit Fund.
25% to the Wildlife-Vehicle Collision Reduction Fund.

While you may feel these are commendable initiatives, it is important to note that the proposed allocations do not directly address the maintenance and improvement of our road infrastructure. Given that the tax is levied on a product essential for road use, it would be more equitable for the funds to be directed toward road maintenance and safety projects that directly benefit the taxpayers contributing to this excise tax.

Regarding economic considerations, Oregon's economy relies heavily on small businesses and industries that depend on affordable transportation. An increase in operational costs due to higher tire prices could lead to increased prices for goods and services, thereby directly affecting the consumer and the overall cost of living in our state.

While the objectives of HB3362 aim to address environmental and infrastructural concerns, the method of funding through a tire excise tax places undue financial strain on a significant portion of Oregon's population. I urge the committee drop this

bill and not disproportionately impact low- and middle-income residents.

Thank you for considering my testimony.

Sincerely,

Julie Niles-Fry

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