

Dave Kern
163 NW Scenic Heights Drive
Bend, OR 97703
DaveKern1776@outlook.com

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Dear Oregon Legislators,

I am writing to express my concerns about new tax proposals, particularly House Bill 3991, and their potential to exacerbate challenges faced by underserved communities, perpetuate government waste, worsen Oregon's poor rankings in business development, education, and drug issues, and fuel distrust amid allegations of corruption. Additionally, the departure of several Oregon-based businesses underscores the urgency of addressing these issues to prevent further economic decline.

****Impact on Underserved Communities****

House Bill 3991 imposes new transportation-related taxes and fees, including a mandatory per-mile road usage charge for electric and hybrid vehicles, with an option to pay an annual fee instead. These measures, while aimed at funding infrastructure, risk disproportionately burdening low-income and rural communities, where electric vehicle use is increasing but public transit remains limited. The per-mile charge could raise costs for underserved families reliant on vehicles for work and essential services. As an EV owner, my purchase decision was influenced by a desire to align with the State's desire to reduce carbon emissions. The decision to incur the higher cost associated with EV purchase included the offset in reduced fuel cost. This is clearly a case of "bait and switch" by the State of Oregon!

Measure 118's corporate tax hike could create budget shortfalls exceeding \$1 billion, threatening funding for schools and healthcare critical to vulnerable populations. I urge you to assess these taxes' regressive impacts and prioritize equitable solutions.

****Government Waste****

Reports of inefficiency, particularly at the Oregon Department of Transportation (ODOT), heighten skepticism about new taxes. HB 3991's mandate for ODOT performance audits by the Division of Audits is a positive step, but it highlights existing waste, as critics like Don McIntire noted during Oregon's tax revolt. The \$11.7 billion transportation package (House Bill 2025) faced criticism for sidelining local priorities, indicating misaligned spending. Before implementing HB 3991's taxes, please eliminate inefficiencies and ensure transparent, accountable use of funds.

****Poor Rankings in Business Development, Education, and Drug Issues****

Oregon's systemic challenges undermine the case for new taxes. In business development, Oregon ranks 36th nationally (Forbes, 2024) due to high taxes and regulatory burdens, deterring job creation in underserved areas. In education, the state's four-year graduation rate for Pacific Islander students was only 69.8% in 2022, compared to 80.6% statewide, with chronic absenteeism a persistent issue. On drug issues, Measure 110 has been linked to a 40% rise in opioid-related deaths since 2020 (Oregon Health Authority, 2023). HB 3991's revenues must fund targeted solutions to these rankings rather than add economic strain.

****Concerns About Corruption****

Allegations of corruption erode trust in tax proposals. The 2023 Republican-led walkout, driven by disputes over legislative transparency, and the failure of campaign finance reform in 2022 highlight governance issues. HB 3991's provision for the Governor to appoint the ODOT director raises concerns about centralized control without robust oversight. Ongoing Oregon Government Ethics Commission studies into ethics violations suggest accountability gaps. Please prioritize anti-corruption reforms to ensure public funds, including those from HB 3991, are managed transparently.

****Oregon-Based Businesses That Have Left****

The departure of prominent Oregon-based businesses signals a troubling trend, driven by high taxes, regulations, and declining quality of life. Notable examples include:

- ****Dutch Bros Coffee****: Oregon's second-most-valuable company (\$11.8 billion) relocated its corporate headquarters from Grants Pass to Phoenix, Arizona, citing challenges like inadequate childcare and a business-unfriendly environment. <https://www.dailymail.co.uk/news/article-14805945/oregon-dutch-bros-moves-headquarters-arizona.html>)
- ****Jeld-Wen****: This door manufacturer moved its corporate headquarters from Klamath Falls to North Carolina after a change in ownership and closed its Chiloquin factory, resulting in 128 job losses. <https://www.wweek.com/news/business/2025/06/13/the-departure-of-oregon-companies-speaks-to-a-bigger-problem-for-the-state/>)
- ****REI****: Closed its Pearl District co-op in Portland due to economic pressures and rising crime. <https://www.wweek.com/news/business/2025/06/13/the-departure-of-oregon-companies-speaks-to-a-bigger-problem-for-the-state/>)

- **Adobe**: Abandoned its Southwest 1st Avenue location in Portland, contributing to the city's 35% office vacancy rate. [\(https://www.wweek.com/news/business/2025/06/13/the-departure-of-oregon-companies-speaks-to-a-bigger-problem-for-the-state/\)](https://www.wweek.com/news/business/2025/06/13/the-departure-of-oregon-companies-speaks-to-a-bigger-problem-for-the-state/)
- **Keen Footwear**: Shuttered its Swan Island factory in Portland, further reducing local manufacturing jobs. [\(https://www.wweek.com/news/business/2025/06/13/the-departure-of-oregon-companies-speaks-to-a-bigger-problem-for-the-state/\)](https://www.wweek.com/news/business/2025/06/13/the-departure-of-oregon-companies-speaks-to-a-bigger-problem-for-the-state/)
- **Avelo Airlines**: Ceased operations in Oregon to focus on East Coast markets, ending its "wine-country-to-wine-country" flight. [\(https://oregonbusiness.com/\)](https://oregonbusiness.com/)
- **Next Adventure**: This outdoor gear retailer closed all its Oregon locations, marking another loss for Portland's retail sector. <https://www.dailymail.co.uk/news/article-14805945/oregon-dutch-bros-moves-headquarters-arizona.html>

A January 2025 University of Oregon report noted that Oregon businesses are routinely recruited to expand elsewhere, costing thousands of potential jobs and billions in investments. High taxes and poor services drive these exits, undermining economic stability. [\(https://www.wweek.com/news/business/2025/06/13/the-departure-of-oregon-companies-speaks-to-a-bigger-problem-for-the-state/\)](https://www.wweek.com/news/business/2025/06/13/the-departure-of-oregon-companies-speaks-to-a-bigger-problem-for-the-state/)

Call to Action

I respectfully request that you reject HB3991 and focus your efforts on cutting waste, fraud and abuse from Oregon's budget!

Sincerely,

Dave Kern