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On Behalf Of:

Committee: Joint Special Session Committee On Transportation
Funding

Measure, Appointment or Topic: HB3991

Subject: Oregonians See through It — Demand Accountability before Vote

Dear Joint Interim Committee Members on Transportation Funding:

Monday's public hearing on Governor Kotek's transportation proposal (LC2) was a master class in controlled optics. The testimony roster was stacked with pre-cleared voices—agency heads, union reps, and insiders who echoed support for a plan that recycles the same broken framework from HB 2025. Meanwhile, rural communities, fiscal watchdogs, and equity advocates were sidelined or silenced.

And Governor Kotek? Absent.

Oregonians are wise to these tactics. We've seen this playbook before - rush the vote, limit dissent, and call it consensus. But we know exactly what's up her sleeve—another round of regressive taxes, vague promises of reform, and no structural accountability for ODOT's failures.

LC2 proposes:

- A 6-cent gas tax hike
- Increased vehicle fees
- Payroll tax expansion
- A recycled pay-per-mile scheme
- No clear plan for long-term equity or oversight

Meanwhile, enforcement of existing laws is collapsing. According to DMV estimates, over 65,000 vehicles in Multnomah County alone are driving with expired registrations; some lapsed for up to five years. That's 11% of all vehicles in the county—and enforcement is virtually nonexistent. The state isn't even collecting the revenue it's already owed, yet it's asking working families to pay more.

Let's be clear: law-abiding citizens are being asked to shoulder the cost of a system that rewards noncompliance—and subsidize the very constituencies that helped elect this administration. The burden is falling hardest on rural drivers, small businesses, and working families who play by the rules while others skate by.

This isn't a fix. It's a patch job with a price tag—and the communities footing the bill weren't even given a fair seat at the table.

Before Friday's vote, we urge you to:

- Demand written testimony or direct appearance from Governor Kotek
- Call out the imbalance in public input
- Push for clarity on long-term impacts and rural equity under the 50-30-20 formula
- Reject any funding package that lacks transparency and structural reform

Oregonians are paying attention. Let's make sure our voices are heard before decisions are locked in.

Enforce First, Tax Second

District-Level Revenue Potential from Non-renewed Vehicle Registrations

Executive Insight

Oregon leaves tens of millions uncollected each year from drivers who ignore existing registration laws. HB3402 proposes new surcharges that disproportionately impact compliant rural and low-income drivers—while ignoring enforcement failures.

District Revenue Comparison – Senate District 23 (Portland Metro)

Estimated non-renewed vehicles: 12,000

Conservative enforcement revenue: \$2.65 million

Aggressive enforcement revenue: \$7.15 million

HB3402 surcharge impact (2-year cycle): ~\$1.4 million

“District 23 could generate 5× more revenue by enforcing existing laws than by penalizing compliant residents under HB3402.”

Additional District Snapshots

SD 5 (Coastal/Rural)

- Est. non-renewed vehicles: 6,500
- Conservative revenue: \$1.44 million
- Aggressive revenue: \$3.87 million
- HB3402 impact: \$780,000

SD 15 (Washington County)

- Est. non-renewed vehicles: 10,000
- Conservative revenue: \$2.21 million
- Aggressive revenue: \$5.96 million
- HB3402 impact: \$1.2 million

SD 27 (Central Oregon)

- Est. non-renewed vehicles: 4,000
- Conservative revenue: \$884,000
- Aggressive revenue: \$2.38 million
- HB3402 impact: \$480,000

Policy Contrast

HB3402:

- Adds surcharges to compliant drivers
- Regressive impact on rural and low-income communities
- Rewards scofflaws

Enforcement Strategy:

- Targets noncompliance
- Generates revenue without new taxes
- Restores fairness

In Conclusion

“Before asking compliant Oregonians to pay more, the state should collect from those who’ve ignored the law for years. HB3402 punishes the responsible while letting scofflaws off the hook.”