

Submitter: Barbara Kahl  
On Behalf Of: All Oregonians  
Committee: Joint Special Session Committee On Transportation  
Funding  
Measure, Appointment or Topic: HB3991

Reallocate \$823.4M of DEI budget to road maintenance. House Bill 3991 fails to address the Oregon Department of Transportation's (ODOT) chronic mismanagement. This bill burdens working Oregonians with unaffordable costs, lacks a critical forensic audit to tackle billions in waste, and enables a power grab by Governor Tina Kotek, risking further corruption. It prioritizes revenue over accountability, making it a flawed and unacceptable policy for Oregon taxpayers. Unaffordable Costs for Oregonians. HB 3991 significantly raises transportation-related taxes and fees, hitting households and businesses already strained by inflation and high living costs. Key increases include: Fuel Taxes: The motor vehicle fuel tax jumps from 34 cents to 46 cents per gallon (a 35% hike), as does the use fuel tax for motor vehicles (ORS 319.020, 319.530). This adds roughly \$12 per 100 gallons, impacting commuters, rural residents, and small businesses reliant on driving. Registration Fees: Biennial vehicle registration fees nearly double—passenger vehicles rise from \$43 to \$85 (+98%), utility/light trailers from \$63 to \$105, and mopeds/motorcycles from \$44 to \$86 (ORS 803.420). Heavy vehicle fees also increase significantly (e.g., \$464 for 8,001-10,000 lbs, up to \$1,295 for 104,001-105,500 lbs).

Title Fees: Standard title issuance, transfer, replacement fees triple from \$77 to \$216 (+181%) for most vehicles (ORS 803.090), adding a hefty cost to vehicle ownership. Per-Mile Road Usage Charge: A new mandatory charge for electric and hybrid vehicles (phased to all subject vehicles) is set at 2.3 cents per mile (5% of the 46-cent fuel tax) or a \$340 annual flat fee alternative. This could add hundreds annually for EV owners, with no cap on future expansions. Statewide Transit Tax: The payroll tax doubles from 0.1% to 0.2% (ORS 320.550), increasing costs for employers and self-employed individuals. These hikes could cost families hundreds more per year. For example, a household with two vehicles driving 12,000 miles annually faces an extra \$100-\$200 in fuel taxes alone, plus doubled registration and title fees. Rural Oregonians, who drive longer distances, are hit hardest, as are low-income households with limited alternatives to driving. Public sentiment, as seen in opposition to similar proposals like HB 2025 (projected to raise \$800 million in 2025-27), shows strong resistance to gas tax increases, with polls indicating 61% of voters oppose such measures. Oregon's gas tax is already among the highest nationally, and further increases exacerbate affordability concerns without guaranteed improvements to roads or services.

No Forensic Audit: Perpetuating ODOT's Billions in Waste. HB 3991 mandates biennial performance audits by the Division of Audits and a one-time operational review by the Legislative Policy and Research Director (repealed Jan. 2, 2027), but

crucially omits an independent forensic audit to scrutinize ODOT's finances. This is a glaring oversight given ODOT's history of mismanagement:

**Massive Errors:** In 2024, state audits uncovered \$1.8 billion in accounting errors across agencies, with ODOT alone overestimating revenue by \$1.1 billion—nearly 19% of its \$5.9 billion biennial budget. **Cost Overruns:** Projects from the 2017 transportation package ballooned billions over budget due to poor planning and inaccurate databases. ODOT remains non-compliant with federal reporting requirements, with unchecked errors persisting. **Federal Funding Loss:** ODOT's mismanagement led to a \$1 billion federal funding "blunder," depriving Oregon of critical infrastructure dollars. Internal audits, like those proposed, have consistently failed to curb waste. Channeling 50% of new revenues directly to ODOT rewards inefficiency. Taxpayers deserve a forensic audit. Cancel NGO support of illegal aliens and cartels by unwilling citizens. \$2.3M recently to house TGA via an NGO. Kotek is out of control. JUST SAY NO, we citizens are very close to removing Oregon's Government