



Associated Oregon Loggers, Inc.

PO Box 12339, Salem, Oregon 97309 • www.oregonloggers.org
Office: (503) 364-1330 • aol@oregonloggers.org
A Trusted Partner for Oregon's Forest Operators

June 11, 2025

The Honorable Senator Chris Gorsek and Representative Susan McLain
Joint Committee on Transportation Reinvestment
Oregon State Capitol
900 Court St NE; Salem, OR 97301

Subject: Oppose — HB 2025, Leadership Transportation Funding Bill

Dear Co-Chairs Gorsek and McLain, and Joint Committee Members:

I am writing to offer comment concerning the proposed HB 2025, Leadership Transportation Funding Bill (LC 4777, 6/9/25).

Please accept these comments on behalf of Associated Oregon Loggers, Inc. (AOL), representing over 900 member businesses and approximately 20,000 people working in Oregon's rural forest contract sector statewide. Our trade association provides voice and business services to these small forest enterprises that manage, own, grow, construct, maintain, protect, and transport materials and workers from forest to market. We represent interests of the forest contract trades businesses that conduct reforestation, firefighting, thinning, harvesting, roading, construction, aggregate, improvement, vegetation release, utility clearing, and trucking.

Oregon's public roads and highways are a vital foundation for this state's forest business productivity and its transportation necessary to access and manage 30 million acres of forestland and to sustain Oregon's top-three traded good industry: our forest sector.

- **We oppose the proposed HB 2025, Leadership Transportation Funding Bill (LC 4777)**
 - *The overreaching Leadership Bill's (LC 4777) costs would irreparably damage our transportation-based forest sector and the rural communities where we live and prosper.*
 - *Leadership Bill (LC 4777) would harmfully stifle the future economic development, growth, and innovation necessary to foster Oregon's forest sector success in a competitive North American marketplace for renewable forest products.*
 - *Leadership Bill (LC 4777) would perpetuate the costly inefficiencies and lacking accountability within Oregon's transportation funding, ODOT, and infrastructure.*
- **Alternatively, we support the Republican Transportation Funding Plan (LC 4934), which would preserve core ODOT operations and maintenance functions critical in rural Oregon. This proposal would stabilize ODOT without inflating Oregonian cost of living.**

Fiscal Impacts and Costs to Oregonians are Undisclosed

- The Legislative Concept fails to disclose its proposed new, deep and broad higher costs and administrative burdens on the many different sectors of businesses and all Oregonians. Forcing an estimated annual \$1 billion impact onto Oregonians during the last moments of the Legislative Session without sufficient engagement is unfair, harmful, and lacks transparency.



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- The total amount of revenue to be raised by new tax hikes is uncertain—but NOT trivial, presumably exceeding \$1 billion annually.

Fiscal Impacts and Costs to Commercial Truckers are Undisclosed

- The Legislative Concept fails to disclose its proposed new, deep and broad higher costs and administrative burdens on commercial truckers, because it omits the amount and requirements of restructured weight-mile taxation.
- The total amount of tax and administrative burden borne by commercial truckers by this proposed tax hike bill is uncertain.

Higher Taxation and Excessive Spending on Non-Essential Programs is Unproductive

- Proposed increases in spending and new taxation to support non-essential and unaffordable programs that fail to directly contribute to highway safety, commerce, and capacity growth of highway infrastructure, such as excessive spending on items of unfounded value in a statewide perspective—wildlife crossings, curb ramps on rural highways, EV subsidies, EV charging, clean truck rules, pedestrians, bicycles, transit, passenger rail, and others.
- We're *not* confident that economic growth, rural commerce, industry, and community issues are being effectively balanced among all competing interests currently-viewed from a myopic urban-only lens.
- Insufficient funding priority to address longstanding concerns over crumbling roads, weakened bridges, and capacity growth for overcrowded roadways.

HB 2025 Fails to Grow Commerce, Population and Transportation Capacity

- Our transportation priorities should be focused on growth opportunities for commerce, rather than adding more policies that limit business, employment, and transportation of goods-services-people.
- State and local road access is vital to growing safe and sustainable transportation for commerce, tourism, workforce, and public services—especially for rural communities and industries.
- Oregon's aging highway transportation system is increasingly an obstacle to efficient rural forest and farm commerce. Too many highways are dis-maintained, unsafe, under-performing, over-capacity, and antiquated. We must improve our state and local highway transportation system to foster Oregon leadership, grow business investment here, and compete in an uncompromising global economy.
- Codify transportation's role in growing Oregon's economy. Oregon society and commerce can best thrive through growth into new and contemporary access to global markets, ports, products, services logistics, and technologies. Such critical growth and sustainability cannot prosper under the burden of a deteriorating and inaccessible transportation system.



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- Integral to managing half of Oregon's landscape—its rural forestlands— is heavy trucking and highway transportation access from rural forests to manufacturing centers, ports, communities, workforce, and out-of-state markets. Safe highways and trucking are essential to Oregon's top-3 traded good economy—the forest sector.

We Must Implement Efficiency Recommendations from the Consulting Firm Report

1. Organizational And Structural:

Short-term:

- Reform the urban mobility office into the major projects group
- Redefine reporting structures for the group
- Transfer the Alternate Delivery Team under the Major Projects Group
- Expand the Role of the Chief Engineer to Include Project Delivery Influence

Long-term:

- Staff the Major Projects Group with Key Technical Expertise
- Assign CAU Contracting Support to the Major Projects Group
- Clarify Roles Between Regional Teams and Major Projects Group
- Formalize a Project Transition Protocol between the Major Projects Group and Regional Teams
- Designate Regional Liaisons to the Major Projects Group
- Create a Collaborative Policy Review Structure with Regions

2. Project Pre-Planning and Pre-Development:

Short-term:

- Codify Project Readiness Thresholds Prior to Funding Commitments
- Establish a Risk-Based Prioritization Framework for Scoping Investments
- Shorten the Timeline Between Project Programming and Construction

Long-term:

- Integrate Cost Estimating and Scheduling into Early Planning Activities
- Invest in Site Investigations and Early Scoping Activities

3. Delegated Authority and Decision-Making:

Short-term:

- Clarify and Document Decision-Making Authority at All Levels
- Shift to a Risk-based Approval Model for Project Decisions
- Institutionalize a Project-Specific RACI Model for Major Projects
- Establish Change Order Escalation Triggers
- Use Experienced Consultants to Supplement Internal Staff Where Needed

Long-term:

- Delegate Routine Approvals (such as low-risk design changes) to Project Teams
- Establish Clearer Project-Level Accountability for Delivery Outcomes
- Train Staff on Delegated Decision Protocols

4. Contract Management and Administration:

Short-term:

- Standardize Contract Templates and Terms and Conditions
- Establish Consistent Payment Processing Timelines

Long-term:

- Streamline Contracting and Amendment



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- Processes through Dedicated CAU Resources
- Develop Dispute Resolution Procedures that are Proactive and Tiered

5. **Workforce Development and Capacity Building:**

Short-term:

- Strengthen Blended Teams (Consultants + DOT) with Knowledge-Sharing Expectations
- Implement Urban Pay Differential Policies

Long-term:

- Establish Project Management Training and Credentialing (PMI-PMP)
- Institutionalize a Career Pathway for Project Managers and Technical Staff

6. **Data, Systems, and Financial Tools:**

Short-term:

- Replace the Legacy Accounting COBOL-based Forecasting Model with a Modern, Integrated Financial System
- Standardize Parametric Cost Estimating for Major Projects at Conceptual Phase
- Establish a Centralized Major Project Dashboard for Transparency and Consistency

Long-term:

- Implement and Standardize a Document Control System for Major Projects

7. **Legislative Engagement and Transparency:**

Short-term:

- Standardize Contract Templates and Terms and Conditions
- Establish Consistent Payment Processing Timelines

Long-term:

- Streamline Contracting and Amendment Processes through Dedicated CAU Resources
- Develop Dispute Resolution Procedures that are Proactive and Tiered

Conclusion

We oppose the proposed HB 2025, Leadership Transportation Funding Bill. We support finding transportation solutions together with the Legislature, which would be fair and sustainable for growing ALL-Oregon business, workers, trucking, ports, and a safe transportation system. Respecting and advancing the productivity of small-business forest communities will provide a more abundant economy, when Oregon's rural forests and farms are part of the transportation solution.

Finally, forest sector working families, forest truckers, and rural businesses cannot prosper or grow under the burdens of Oregon's higher taxation and fees, an inefficient ODOT, existing deteriorating highways, excessive urban-centric spending, and disproportionate vehicle taxation barriers. We can do better for our ALL-Oregon robust and growing economy.

Thank you for the opportunity to comment about our rural forest community transportation.

Sincerely,

Rex Storm, Certified Forester, Executive Vice President, Associated Oregon Loggers, Inc.