

Chris Dudley
Candidate for Governor of Oregon
February 9, 2026

Members of the Oregon State Legislature
900 Court Street NE
Salem, OR 97301

Re: Opposition to SB 1599 — Moving the Gas Tax Referendum to May 2026

Dear Chair Jama and Members of the Joint Committee on Referendum 2026-302:

I write in firm opposition to Senate Bill 1599, which would move the transportation tax referendum from the November 2026 general election to the May 2026 primary. This proposal undermines voter participation and weakens public accountability on a major tax decision.

In 2025, the Legislature attempted to impose a large transportation tax increase through House Bill 2025. That effort failed. After public opposition and threats of layoffs at ODOT, the Governor called a special session in September, and the Legislature passed a gas tax package that increased costs for working Oregonians who must drive to support their families.

More than 250,000 Oregonians organized to refer that tax to the ballot on a petition sheet that made clear this would be a November general election vote. They deserve the fullest right of the referendum as intended by the Oregon Constitution, and they have earned a November election as a vested right for their efforts.

Rather than respecting the constitutional referendum process, SB 1599 seeks to move the vote to a low-turnout primary election in hopes of advancing a tax voters are otherwise sure to reject. That is not democratic governance.

This effort to manipulate the timing of the vote is not accidental. It is driven by the Legislature's own record on transportation funding — a record that has left Oregonians skeptical and unwilling to accept yet another gas tax increase without accountability. That skepticism is well-founded, as shown below in the following points:

I. Oregon Has Already Broken Public Trust on Transportation Funding

In 2017, the Legislature passed House Bill 2017, promising more than \$5.3 billion for roads, bridges, and safety improvements. It raised gas taxes by .10 cents a gallon, giving Oregon one of the highest state gas taxes in the nation. Nearly eight years later:

- Many promised projects remain incomplete or dramatically over budget.
- ODOT acknowledged a \$1 billion accounting error in the 2023–25 budget cycle.
- Persistent delays and cost overruns have eroded public confidence.

Oregonians referred the 2025 gas tax package because they do not trust the state to manage existing funds responsibly — not because they oppose infrastructure investment.

II. Oregonians Are Already Paying More at the Pump

Oregon regularly ranks among the states with the highest gasoline prices (currently 4th highest in the nation), often well above national averages. These costs fall hardest on working families and rural residents who rely on personal vehicles for employment, school, and basic services. The gas tax only increase the crippling financial burden on these families, a clear reason why many Oregonians strongly reject these rising costs.

III. Hidden Carbon Compliance Costs Function as a Shadow Gas Tax

Beyond the gas tax itself, drivers pay significant hidden regulatory costs that do not fund roads:

- The Clean Fuels Program added approximately 9.8¢ per gallon of gasoline and 11.17¢ per gallon of diesel in 2023.
- The Climate Protection Program (“Cap at the Rack”) adds an estimated 10–30¢ per gallon.

Together, these programs now rival or exceed the state gas tax, costing Oregonians an estimated \$1.5 million dollars per day — with revenues flowing largely to out-of-state refineries, not Oregon infrastructure.

IV. Vehicle Emissions Testing Is Outdated and Inefficient

Over 96% of vehicles tested pass emissions standards, yet drivers continue to pay \$20–\$25 per test. Washington ended this program in 2020. Eliminating Oregon’s program would save drivers in the four testing counties approximately \$14 million annually, with no negative impact on air quality or transportation outcomes. **This is another instance where Oregon’s government fails to audit its own policies before implementing a costly new tax.**

Accountability Requires Broad Voter Participation

There is a better path forward to solve our transportation challenges while giving voters an opportunity to be genuinely heard.

Major tax decisions should be made when voter participation is highest. Moving this referendum to a May primary suppresses turnout and weakens public oversight. Oregonians deserve a full and fair vote in November.

Reform Before Revenue

Before asking families to pay more, the state should:

1. Conduct a full audit and reform of ODOT’s budgeting and project management.

2. Complete current projects with existing budget before raising new revenue.
3. Make carbon and regulatory costs transparent, end unnecessary programs, and redirect savings to road maintenance and back to drivers.
4. Sunset programs whose costs exceed their benefits, including outdated emissions testing.
5. Require performance audits tied to measurable outcomes across all transportation and environmental fee programs, including the vehicle weight mileage tax, DMV registration fees, and other programs that put hidden costs into our everyday living.

Meaningful reform could improve infrastructure while reducing costs — without raising taxes.

Oregonians deserve an accountable government and respect for the referendum process. SB 1599 does neither. As of the time I am submitting this testimony, thousands of Oregonians have already weighed in with written opposition. They deserve to be fully heard, not just rushed through a sham process.

If SB 1599 is signed into law, I will lend my fullest support to the referendum petitioners to stop SB 1599 in court. I urge the Legislature to reject this bill and allow voters to decide in the November general election, when participation is at its highest and most representative of the will of the people.

Respectfully submitted,

Chris Dudley
Candidate for Governor, State of Oregon