



February 18, 2022

To: Oregon State Legislators

The state of Washington is in the process of passing a transportation package that taxes Oregon transportation fuels exported from Washington to Oregon at the rate of 6 cents per gallon. This tax is estimated to cost Oregonians \$129 million per year. It would be equivalent to a 15% increase in Oregon's current gas tax, and it is equivalent to 60% of the amount passed by the Oregon Legislature in 2017 for the transportation package (10 cents per gallon). It is significant and results in no benefit to the very people who will bear the cost.

A new tax without an in-state revenue recipient is not only unconstitutional, but also unprecedented. Any Oregonian who uses fuel to drive a car or heat a home would be affected, and the tax would hit Oregonians regressively, meaning those Oregonians who depend on fuel to conduct their daily lives would be disproportionately impacted.

Fuel taxes in Oregon are already among the highest in the nation. But these existing taxes, which were implemented by Oregon lawmakers for Oregonians, help fund our own transportation infrastructure. The proposed Washington export tax imposes new fuel taxes on Oregon and fails to provide any benefit to the Oregonians who are being taxed.

Washington legislators claim that these taxes will go toward environmental protection yet fail to acknowledge that Oregon has been a leader in implementing significant statewide programs to address climate change, including adopting a Clean Fuel Program years before Washington, adding an Advanced Clean Trucks requirement, and mandating 10% ethanol in gasoline and 5% biofuels in diesel. Oregonians are already paying to reduce their own emissions.

We also know that this tax and the legal challenge that will follow will delay Oregon's ability to partner with the state of Washington on the critical interstate bridge infrastructure, which we have finally begun working together to accomplish after many decades of work. This proposal – and the negative impact it will have on our ability to work on this vital transportation infrastructure – will come with a major cost to both states and our citizens.

Simply put, this proposal represents taxation without representation. Washingtonians do not have the right or authority to impose a sizeable new tax on Oregonians, whom they do not represent.

As supporters of the 2017 transportation package, we urge you to reject this unconstitutional and unfair tax and communicate your opposition immediately and directly to Washington legislators. The passage of this legislation will lead to many years of litigation and uncertainty, further hindering Oregon's ability to raise revenue to fund future transportation infrastructure needs. There is a better and a more equitable way for Washington to fund its transportation projects than on the backs of unrepresented Oregonians.

Please help us protect Oregonians from a blatantly unfair and unconstitutional overreach by the state of Washington.