



**Taxpayers Association of Oregon**

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# 2026 Gas Tax Impact Report -- How it hits everyday people

By Jason Williams



Last fall, the Taxpayers Association of Oregon asked our supporters how a gas tax increase would impact their families. This come sin light of the pending \$4.3 billion gas tax, DMV fee increases and wage tax hike with HB 3991 which is now on the ballot.

We forget that gas taxes impact all kinds of people.

Gas taxes impact farmers, truckers, the poor, small shops, Uber drivers, delivery drivers, seniors on fixed income, soccer moms going to soccer and the unemployed going to job interviews.

Here are some of the responses people offered on how the gas tax would impact them:

*"I'm currently commuting 70 miles one direction for work. I've been looking for work closer but haven't had any luck. I already spend between \$300-400 every single month driving back and forth for work. Unfortunately, if I moved down there, I would end up paying more due to the cost of rent where I work. This gas tax would cause me to not be able to pay the bills that I'm already struggling to pay. I would end up living in my car if this tax is put into effect. I have 3 cats. There isn't enough room in my car for all of us. And I can't afford to go out and get an electric car. Not to mention that I'm already so far behind on my electricity that the thought of making that bill larger is painful. This bill would absolutely destroy me."*

-- Woman from Roseburg

*"My husband and I live on 5 acres outside of Eugene, Oregon and there is no water therefore we have to go to town each week for water, I am also a senior with a disability. We rely on my husband's truck in order to like I said, bring our water to our property, this huge gas hike will impact us greatly. We already live paycheck to paycheck and the rise of gas prices will indeed hit us hard."*

-- Couple from Eugene

*"I'm 81 years old, and I do not have any savings or investments to help with my retirement expenses. To have that big a jump in taxes would sink me even more in debt than I am right now. I owe over \$30,000, not counting my home. My income does not reach my expenses."*

-- Senior from Oregon City

*"I have a 4-year-old, and definitely disagree with the proposed bill."*

-- Rural man from Clackamas County

These stories compel us to find ways to fund transportation without escalating taxes that hurt the financially fragile.

We have featured many ways the Oregon Department of Transportation has not handled our tax dollars wisely.

Here is a short list:

- **\$134 million to build bridge that forbids cars.** Our transportation dollars are being spent on non-road projects like Portland's new \$134 million Tillicum Bridge, which allows only bikes and buses to use. Observers say the bridge sits empty most of the time.
- **Brand-new \$19 million bridge also forbids cars.** Portland's new Blumenauer Bridge built in 2022 at a cost of \$19 million in tax dollars is available only for foot traffic. It was named after Oregon Congressman Earl Blumenauer who was still in office when it was completed (which is a frowned upon political activity).
- **Highway project cost \$60 million per mile:** The Highway 20 Eddyville Project exceeded its budget by \$200 million, costing taxpayers \$350 million. That breaks down to nearly \$60 million per mile. *(OPB 10/11/2016)*
- **Oregon City bridge \$72 million over budget.** The cost of the I-205 Abernathy Bridge Project jumped from \$662 million to \$815 million. *(KGW, 12/11/24)*
- **\$200 million for an I-5 Columbia River bridge never built:** This project involved significant expenditure on planning and studies for a new bridge between Portland, Ore., and Vancouver, Wash., which ultimately was never built. The costs associated with this project included more than \$200 million in studies, planning, and preliminary work without resulting in any tangible infrastructure. Then-Governor John Kitzhaber's former top campaign staffer was awarded a major contract for this project that went nowhere. *(Oregonian, 7/4/13)*
- **Replacement of Columbia River Interstate Bridge soared 160%!** After spending \$200 million to study the I-5 bridge that was never built, the politicians 10 years later decided to try again. The cost a decade later rose from \$2.8 billion (if they had built it ) to more than \$7.5 billion today. For that exorbitant cost, taxpayers will see no added road capacity—meaning it will not reduce traffic by a single vehicle for spending \$7.5 billion. The Interstate Bridge Replacement (IRB) is the new name for the failed Columbia River Crossing (CRC). *(The Columbian 4/23/13, Clark County Today, 6/18/24)*
- **10% of DMV offices were closed.** Nearly 10% of Department of Motor Vehicles (DMV) offices were closed for the summer of 2022 due to the DMVs' failure to hire workers to staff the offices. *(Corvallis Gazette, 5/26/22)*
- **Three ODOT employees sentenced in \$6 million theft scheme.** A long-running theft and reselling scheme by three former ODOT employees and one spouse cost taxpayers an estimated \$5 million to \$6 million over nearly two decades. No one noticed for nearly 20 years as the employees ordered millions of dollars of extra inventory and took the items home to resell them online. They were charged with theft, computer crime and official misconduct. *(KPTV, 1/6/23)*
- **DMV computer crash.** In 2020, Oregon DMV computers crashed, stranding 18,000 people in just a single hour. It crashed again in 2023, 2024 *(KOIN 6/21/23/KTVZ 4/24/24)*
- **DMV data breach leaks personal information of 3.5 million Oregonians.** 'A data leak compromised the personal data of more than 90% of Oregonians by leaking birthdates, home addresses and even heights, weights, and eye color. The DMV was harshly criticized for waiting a few days announcing the breach, which prevented people from promptly protecting themselves from ID theft. *(Oregon Capital Chronicle, 6/15/23, Baker City Herald 7/24/24)*

When you compare these two stories, one that shows hurting people and the other showing a government agency with spending problems and you realize that they are most connected. The more wasteful the agency is the more people they hurt.