

# OREGON Fuels Association Report



**Krista Williams**  
OFA Executive Director



## Spring Update from Oregon Fuels Association: Reflecting on the 2026 Legislative Session



*As spring blooms across Oregon*, the Oregon Fuels Association takes a moment to reflect on the recently concluded 2026 Legislative Session and provide our members with key insights into the policies and priorities shaping our industry. This year's short session, which wrapped up without significant disruption compared to the longer 2025 session, offered a mix of challenges and opportunities for the fuels sector. Our lobbyists, Danelle Romain and Mike Freese, have compiled a comprehensive update on the legislative outcomes and their implications for our members. Additionally, I am thrilled to share highlights from our successful trip to the *WPMAEXPO* in Las Vegas. Below, we summarize the key legislative takeaways, recap the Expo, and look ahead to the issues on the horizon.

### Legislative Session Overview: Stability with Limited Economic Focus

The 2026 short session concluded with minimal interruptions, despite brief one-day Republican floor boycotts in both the House and Senate. Democrats successfully advanced most of their priorities, including disconnecting from portions of the federal tax code, balancing the state budget (including the Oregon Department of Transportation's funding), moving a controversial transportation tax referral to the May primary, securing a potential renovation package for the Moda Center to keep the Trail Blazers in Portland, and passing a modest economic development bill tied to Governor Kotek's "Prosperity Agenda."

However, despite growing recognition of Oregon's struggling business climate — consistently ranked near the bottom nationally — and an unemployment rate above the national average, the session produced little in the way of meaningful economic reforms. Discussions on tax and regulatory challenges were largely deferred to future sessions. Additionally, Democrats positioned Oregon in opposition to potential Trump Administration policies through bills reinforcing sanctuary laws, expanding anti-discrimination and privacy protections, and limiting state cooperation with certain federal actions.

A significant fiscal challenge looms as state budget writers project a \$5.5 billion gap in the \$40 billion 2027–2029 biennium budget. This gap, combined with ongoing concerns about economic competitiveness, sets the stage for contentious debates over spending cuts and potential tax increases in the coming year. Grassroots efforts to refer tax packages to voters, such as the transportation tax, could further complicate lawmakers' plans.

### Key Legislative Outcomes for the Fuels Industry

OFA closely monitored several bills and issues impacting our members during the session. Here's a breakdown of the most relevant developments:

#### • Transportation Funding and Gas Taxes:

**SB 1599 (Passed):** This bill moves the referendum on the controversial gas tax and transportation fee increases from the November 2026 general election to the May 19, 2026, primary. Supporters argue this accelerates resolution of transportation funding shortfalls, while critics, backed by over 250,000 petition signers, claim it undermines voter intent and may reduce turnout. Two lawsuits challenging the date change are pending, signaling a potential court battle.

# FUELING OREGON

**HB 4007 Amendment (Failed):** A proposal to eliminate the requirement for voter approval of local gas taxes was introduced but ultimately dropped due to swift opposition and media attention orchestrated by OFA and our allies. We remain vigilant, as similar ideas may resurface in future sessions.

**ODOT Budget Adjustments:** Facing a \$200 million shortfall in its 2025–27 biennial budget due to declining transportation revenues, the Legislature and Governor stabilized ODOT through temporary fund shifts from programs like Safe Routes to Schools to core operations. Longer-term funding debates continue.

## • Tax Policy:

**SB 1507 (Passed):** This bill disconnects Oregon from federal tax conformity, curtailing Section 179 bonus depreciation and limiting deductions like car-loan interest, raising approximately \$300 million in near-term revenue. This move increases taxes on businesses and consumers while discouraging investment. Referral efforts led by Representative Ed Diehl are expected to start soon after the Governor’s anticipated signature.

## • Climate and Energy Policies:

**SB 1541 Climate Superfund (Failed):** A proposal to recover climate change-related costs from oil and gas producers passed out of committee but died in Ways and Means, failing to advance before adjournment.

### CEI Hub and Fuel Storage Bills:

**HB 4032 (Failed):** A bill to evaluate emergency fuel storage sites for supply resilience was not funded and died at adjournment.

**HB 4100 (Passed):** This requires bulk oil and liquid fuel terminal operators to obtain financial responsibility certificates from DEQ and establishes state preemption over local requirements, a critical win for consistency in fuel terminal regulation.

**HB 4129 (No Hearing):** A proposal to cap greenhouse gas reductions under the Low Carbon Fuel Standard at 10% below 2010 levels and prohibit local restrictions on fossil fuel terminal storage capacity did not receive a hearing but is expected to resurface in 2027.

## • Economic Development and Labor:

**HB 4084 (Passed):** Establishes a Joint Permitting Council to streamline approvals for economic projects, aiming to boost transparency and investment in Oregon.

**HB 4102 (Passed):** Enhances DEQ’s “receipts” authority, allowing private companies to expedite permits via third-party consultants, a bipartisan win for reducing delays.

**HB 4147 Shame List (Failed):** A proposal to list businesses whose employees use Oregon Health Plan subsidies, with associated fees, died before adjournment but signals future debates over business taxes.

**HB 4089 Wage Theft (Passed):** Narrowed to focus on construction, this bill criminalizes certain wage theft practices, a concerning trend in employment law.

## Highlights from the WPMAEXPO in Las Vegas



*I had another great year* at the WPMAEXPO. Julia Landauer, a Motorsports Racing Driver, spoke at the ladies luncheon, while Tim Tebow delivered the keynote at the Business Session, highlighting the power of perseverance and passion. His personal stories of success

resonated with the audience, serving as a reminder that dedication can yield remarkable results. Beyond his achievements, Tebow’s commitment



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to The Tim Tebow Foundation stood out as an inspiring example of using one’s platform for good. His focus on giving back and making a difference highlighted the profound connection between personal greatness and community impact.

Additionally, the *WPMAEXPO* exhibit floor was a fantastic opportunity to catch up with members and sponsors from all over, fostering meaningful connections, sharing insights, and strengthening the sense of community within the industry.



professional development, networking, and family-friendly fun. Don’t miss out on this incredible opportunity to connect, learn, and celebrate with the OFA community — mark your calendars and join us in Sunriver!



## ANNUAL CONFERENCE

# SCHEDULE OF EVENTS

## July 12-14, 2026

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**SUNDAY - JULY 12**

2 – 4 p.m. .... **OFA BOARD Meeting**  
*Fireside Room*

4 – 6:30 p.m. .... **REGISTRATION Open**  
*Great Hall Gallery*

4:30 – 6:30 p.m. .... **PAC TASTING RECEPTION**  
*Beer, Spirits & Wine*  
(Separate ticketed item) *Heritage*

6:30 p.m. .... **SUNDAY DINNER**  
*Mt Bachelor Lawn*  
generously provided by  **Northwest Pump**  
PETROLEUM & INDUSTRIAL

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**MONDAY - JULY 13**

8 a.m. – 12 p.m. .... **REGISTRATION Open**  
*Great Hall Gallery*

8 a.m. .... **BREAKFAST**  
*Great Hall*

8:30 a.m. – 12 p.m. .... **BUSINESS SESSION**  
*Great Hall*

12 p.m. .... **LUNCH**  
*Mt Bachelor Lawn*

1 p.m. .... **TRAP SHOOT**  
*Redmond Rod and Gun*

1 – 4 p.m. .... **Family Pool Party**  
*Cove Aquatic Center*

4 – 7 p.m. .... **REGISTRATION Open**  
*Great Hall Gallery*

6 p.m. .... **RECEPTION**  
*Great Hall*

6:30 p.m. .... **DINNER & LIVE AUCTION**  
followed by lite networking fun  
*Great Hall*

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**TUESDAY - JULY 14**

9:00 a.m. .... **GOLF TOURNAMENT**  
Golf Check-in starts at 8:00 a.m.  
Shotgun start, four-person scramble  
Boxed Lunch included  
*Meadows Golf Course*

*Schedule subject to change*

## Upcoming OFA Events

*The OFA Annual Conference*, set for July 12-14th in Sunriver, OR is shaping up to be another great event! We’re thrilled to have Greg “Boss” Wooldridge, the only three-time Blue Angels Leader in history, as our keynote speaker. His unique perspective on leadership and teamwork is sure to inspire and energize attendees. The agenda is packed with exciting activities, including a PAC Reception, Trap Shooting, a Family Pool Party, a Golf Tournament, and a Live Auction. This conference offers the perfect blend of

