

BUSINESS

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Central Oregon | New business

Setting up shop in a pandemic



Stacia Guzzo, CEO and founder of SmartyPits, and Brian Vernon, vice president of sales and business development, make a batch of product at the company's Bend facility on Feb. 25. Ryan Brennecke/The Bulletin

BY SUZANNE ROIG
The Bulletin

When SmartyPits outgrew its home in Tehachapi, California, the company started looking around for a new home.

There were few expansion opportunities in the small mountain town in Southern California for the personal products company. When the company's chief financial officer, a remote worker living in Bend, suggested maybe the company should relocate to Central Oregon, Stacia Guzzo, founder and CEO, thought about that.

A quick trip up to Bend and rounds of talks with economic development officers and real estate agents, and Guzzo was sold. Bend

has a strong labor pool. Bend has great outdoors. And Bend is not isolated, even though it's not along the interstate.

"I had been looking to move personally for a while," said Guzzo. "But when I came to Bend and saw how supportive the community is of entrepreneurship, I realized it would be an improvement."

SmartyPits, an aluminum-free deodorant that is 100% hand-made in its 2,400-square-foot Bend warehouse, is among a handful of new businesses that have relocated or expanded to Central Oregon. Despite being in the clutches of a pandemic, Central Oregon is attractive to young new businesses that are businesses are building warehouses, providing jobs and diversifying the economy.

See *SmartyPits* / C8



Stacia Guzzo, CEO and founder of SmartyPits, makes a batch of product while working at the company's Bend facility on Feb. 25.

The case for tax-per-mile instead of per gallon of gas

As usually is the case, technology far outpaces the abilities of governments and municipalities to keep up. Gas taxes account for over 40% of Oregon's transportation budget and two factors are contributing to the decline in tax collections, the increasing number of electric vehicles and the dramatic improvements in mileage-per-gallon

EDGE OF TECH

By Preston Callicott



(mpg). As internal combustion engine (ICE) vehicles continue to be displaced by EVs, and ICE cars approach 45 to 50 mpg, taxing entities need to reformulate a new way to tax ve-

hicles which use our transportation infrastructure, for both EVs and ICE.

Full disclosure, I own a Tesla Model Y EV. It gets charged in my garage by plugging in overnight when the rates are at their lowest. It gets the equivalent of over 125 miles per gallon. Even if it was an ICE car that guzzled gas instead of an EV, it's still a huge increase in miles-per-gal-

lon which generates a lot less gas tax for the same usage. The best solution proposed so far is a vehicle miles traveled (VMT) tax of some form, which treats all vehicles the same, regardless of fuel source.

Oregon has been experimenting with a VMT tax with 5,000 volunteers, and Washington state is about to implement its version, possibly

in the current session. The challenge is determining the best way to track the mileage to achieve high adoption and compliance.

The gas tax has always been a pay-as-you-use revenue source, which penalizes those who have low-mpg ICE cars, travel farther, or make more trips. The VMT will be a similar tax, with potentially more

options for incentives and possibly some taxing strategies to even the playing field.

The average licensed Oregon driver drove over 14,000 miles in 2019 (before COVID-19). The current Oregon gas tax totals 54.4 cents per gallon (36 cents state, 18.4 cents federal). The national gas mileage average is 25 mpg.

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