

REVENUE IMPACT OF PROPOSED LEGISLATION

74th Oregon Legislative Assembly
2007 Regular Session
Legislative Revenue Office

Bill Number:	HB 2269-B
Revenue Area:	Transportation
Economist:	Mazen Malik
Date:	06-22-2007

Measure Description:

Sets fees for issuance of motor vehicle registration plates by determining actual cost of manufacturing and rounding up to the next highest half-dollar, then adding \$10 for a single plate and \$20 for each pair of plates. Sends \$1 and \$2 from the total plate fees to cities and counties. Establishes the relief congestion program funded by bonds based on the revenue to be raised from the plate fees.

Revenue Impact:

In Millions	2007-09 Biennium	2009-11 Biennium	2011-13 Biennium
Plate fees (State)	\$13.31	\$18.14	\$18.72
Counties	\$0.89	\$1.21	\$1.25
Cities	\$0.59	\$0.81	\$0.83
Bond proceeds	\$106.00	\$0.00	
Debt Reserves	\$10.60	\$0.00	
Debt service Payments	(\$9.04)	(\$18.08)	(\$18.08)
Total	\$122.35	\$2.07	\$2.71

Impact Explanation:

The number of plates that is issued every year is about ½ million. The costs of issuing the plates will determine the rate of recovery by rule. Additional \$1 per plate will be collected and sent to the cities and counties at 40 % and 60% split. The counties divide the money based on number of vehicle registrations, and cities based on population proportions. Moneys collected from the \$10 and \$20 fee will be used to bond up to \$200 million, which (considering the current revenue, duration and current interest rate forecast) will be about \$116 in congestion relief projects (including debt reserve). Money in the first biennium that is not used for payments (\$8.5 million) can be placed in reserves to pay for amounts that will catch up with the cost. The reserve, which is about 10% of the amount of the bonds, will be used at the end of the payment time, and issuance costs are estimated to be about \$2.5 million. The increase in plate fees is paid by 96% light vehicles, however, the current overpayments by the heavy vehicles allows for no increase in the heavy vehicle fees.

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