

Joint Committee on Ways and Means

Carrier – House: Rep. Gilman
Carrier – Senate: Sen. Verger

Revenue: No revenue impact

Fiscal: No fiscal impact

Action: Do Pass the A-Engrossed Measure

Vote: 19 – 2 – 0

House – Yeas: D. Edwards, Galizio, Hanna, Jenson, Nathanson, Nolan, Shields
– Nays: Garrard, Morgan
– Exc:

Senate – Yeas: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson, Schrader, Verger, Westlund, Whitsett, Winters
– Nays:
– Exc:

Prepared By: Susie Jordan, Legislative Fiscal Office

Meeting Date: 5/4/07

WHAT THE MEASURE DOES: Directs fees collected from the issuance of custom vehicle registration plates to be allocated to the Oregon passenger rail program. The measure reinstates authority to collect custom license plate fees upon renewal.

ISSUES DISCUSSED:

- No fiscal Impact
- Need for stable source of revenue for Passenger Rail Operation
- Revenue generated by custom license plates; not part of State Highway Fund
- Current use of revenue for litter patrol activities; will continue as allowed use of State Highway Fund
- Unintended removal of authority to collect custom plate fee upon renewal

EFFECT OF COMMITTEE AMENDMENT: No Amendment.

BACKGROUND: The fee for custom license plates is \$25 for each year of the vehicle's registration period. Since vehicle owners are not required to have custom plates, but rather choose to do so, the fees are not part of the constitutionally dedicated State Highway Fund. The fees generate about \$4.3 million each biennium. Currently, fees from custom license plates are used to pay for litter patrol activities on highways. Litter patrol activities are an allowed use of the State Highway Fund.

Oregon sponsors two daily round-trip passenger trains between Eugene and Portland. In addition to Eugene and Portland, the Amtrak Cascades trains stop in Albany, Salem and Oregon City and then continues on to Seattle and Vancouver B.C. Oregon spends approximately \$9 million of state General Fund each biennium to support the train service. The state of Washington pays for most other trips between Portland and Vancouver, BC and Amtrak pays the remainder. HB 2982-A partially funds Oregon's sponsorship of the Amtrak Cascades trains between Eugene and Portland and results in \$4.3 million of General Fund no longer needed towards funding passenger rail service and would be free for other uses.

The Oregon Department of Transportation's authority to collect the fee at registration renewal was inadvertently removed in the 1999 legislative session. Renewal fees generate about 67 percent of the custom plate fee revenue. HB 2982-A reinstates the department's ability to collect custom license.