

House Bill 3259

Sponsored by COMMITTEE ON REVENUE

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires interim committees of Legislative Assembly having principal jurisdiction over state expenditures to review tax expenditures and prepare written findings and recommendations.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to periodic review of tax expenditures; and prescribing an effective date.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) At least once every six years, the interim committees of the Senate and**
5 **House of Representatives that have principal jurisdiction over state expenditures shall review**
6 **each tax expenditure that has been enacted and is in effect. The review shall consider:**

7 (a) **The purpose of the tax expenditure;**

8 (b) **The effectiveness of the tax expenditure in achieving the purpose of the tax expendi-**
9 **ture;**

10 (c) **The efficiency of the tax expenditure in achieving the purpose of the tax expenditure**
11 **in comparison to alternative expenditures that might achieve the intended purpose; and**

12 (d) **The revenue impact of the tax expenditure over at least six years.**

13 (2) **The committees shall jointly prepare a written report setting forth committee**
14 **findings following review and recommendations on whether the tax expenditures should**
15 **continue in effect. The report may set forth Senate and House committee findings or rec-**
16 **ommendations separately or as joint findings and recommendations.**

17 (3) **The committees shall prepare the report on or before December 15 of each even-**
18 **numbered year.**

19 (4) **As used in sections 1 and 2 of this 2007 Act, "tax expenditure" has the meaning given**
20 **that term in ORS 291.201.**

21 **SECTION 2. The Legislative Fiscal Officer and the Legislative Revenue Officer shall**
22 **jointly:**

23 (1) **On or before October 1, 2007, identify a group of tax expenditures that collectively**
24 **generate one-third of the total projected revenue impact of all tax expenditures in effect on**
25 **that date and submit those tax expenditures for review under section 1 of this 2007 Act.**

26 (2) **On or before October 1, 2009, identify a group of tax expenditures that collectively**
27 **generate one-half of the total projected revenue impact of all tax expenditures in effect on**
28 **that date and that were not reviewed under section 1 of this 2007 Act during the biennium**
29 **beginning July 1, 2007, and submit those tax expenditures for review under section 1 of this**
30 **2007 Act.**

31 (3) **On or before October 1, 2011, identify all tax expenditures in effect on that date that**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 were not previously reviewed under section 1 of this 2007 Act and submit those tax expen-
2 ditures for review under section 1 of this 2007 Act.

3 SECTION 3. This 2007 Act takes effect on the 91st day after the date on which the reg-
4 ular session of the Seventy-fourth Legislative Assembly adjourns sine die.

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