

**2009 Regular Legislative Session**  
**FISCAL ANALYSIS OF PROPOSED LEGISLATION**  
**Prepared by the Oregon Legislative Fiscal Office**

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**MEASURE NUMBER:** HB 2014

**STATUS:** A Engrossed

**SUBJECT:** Authorizes the Department of Consumer and Business Services to collect a school construction tax on construction permits issued by the department, and authorizes the establishment of a fee of 0.25 percent of tax revenue for costs related to the tax collection.

**GOVERNMENT UNIT AFFECTED:** Department of Consumer and Business Services

**PREPARED BY:** Robin LaMonte

**REVIEWED BY:** Susie Jordan

**DATE:** April 28, 2009

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	<u>2009-2011</u>	<u>2011-2013</u>
<b>EXPENDITURES:</b> See Analysis		

**REVENUES:**

See Analysis

**EFFECTIVE DATE:** The bill takes effect on the 91<sup>st</sup> day following adjournment sine die.

**LOCAL GOVERNMENT MANDATE:** This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**ANALYSIS:** HB 2014 requires the Department of Consumer and Business Services (DCBS) to collect the construction tax imposed by a school district on any building permit issued by DCBS. The bill identifies categories of construction that would be exempt from the tax, and authorizes DCBS to retain a percentage of the tax for administrative costs.

The fiscal impact of this bill is indeterminate. DCBS was authorized in 2007 to begin work on a statewide electronic system for building permits, and has contracted for this project. DCBS is unable to determine if this system can be modified to accommodate the requirements of this bill. If modifications require a change to the contract, there could be a cost of \$50,000 to \$100,000. DCBS would recoup any costs from retention of a portion of the tax.