

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

MEASURE NUMBER: HB 2749 **STATUS:** A-Engrossed
SUBJECT: Increases amusement device tax
GOVERNMENT UNIT AFFECTED: Department of Revenue and Department of Community Colleges and Workforce Development
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REVIEWED BY: Steve Bender
DATE: June 18, 2009

	<u>2009-2011</u>		<u>2011-2013</u>
EXPENDITURES:			
Department of Community Colleges and Workforce Development			
Special Payments - Other Funds	\$ 122,730	\$	245,460
REVENUES:			
Department of Community Colleges and Workforce Development			
Tax Increase Revenues - Other Funds	\$ 122,730	\$	245,460

EFFECTIVE DATE: January 1, 2010, operative July 1, 2010

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.

COMMENTS: The bill increases the supplemental amusement device tax from \$10 to \$20 to fund the Oregon Youth Conservation Corps; stipulates that the increase applies to tax years beginning on or after July 1, 2010; directs the Department of Community Colleges and Workforce Development to pay the expenses of the state and local programs of the Oregon Youth Conservation Corps; and, specifies that moneys may only be distributed to the Oregon Youth conservation Corps if it develops and implements an outreach plan to recruit and retain participants. The corps is directed to report to the Seventy-fifth Legislative Assembly not later than February 1, 2010.

The Department of Community Colleges and Workforce Development (CCWD) anticipates receiving an additional \$122,730 in Other Funds revenues in the 2009-11 biennium, and twice this amount in subsequent biennia, for the Oregon Youth Conservation Corps. Youth corps members work on community stewardship projects such as construction of trails, boat docks and disability access ramps, and restoration or preservation of wetlands, stream banks and historical and cultural sites. Assuming the Oregon Youth Conservation Corps will meet the requirement to develop and implement an outreach plan, CCWD will require additional expenditure limitation to enable the Department to use the additional revenues that will be generated by the bill to fund additional projects.

The Department of Revenue anticipates a minimal fiscal impact associated with this bill that can be absorbed with existing resources.