

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
75th Oregon Legislative Assembly
2009 Regular Session
Legislative Revenue Office

Bill Number: HB 2001 B
Area: Transportation
Economist: Mazen Malik
Date: 5/22/2009

Measure Description:

Authorizes issuance of \$100 million in lottery bonds to be deposited into the Multimodal Transportation Fund for grants and loans for non-highway transportation projects, including five rural airports and to each of 5 transportation regions. Defines "medium speed electric vehicle," and requires department to adopt minimum safety standards for medium speed electric vehicles and low speed vehicles. Directs Oregon Transportation Commission to determine the amount of federal transportation funds usable for non-highway projects and to annually reserve \$24 million of such funds. Permits counties to enact vehicle registration fees without submitting ordinance to voters. Allows the building of weight restricted bridges over the Willamette River. Imposes moratorium on passage and enforcement of local motor vehicle fuel taxes until January 2, 2014. Increases vehicle title fees, vehicle registration fees, on 10/1/09. Motor fuel taxes, weight-mile taxes, flat fees, Road Use Assessment Fee. Heavy vehicle registration fees, trip permit fees, replacement registration plate fees and customized registration plate fees, and ID cards fees.

Revenue Impact: (impacts in millions)

	2009-10	2010-11	2009-11 Biennium	2011-13 Biennium	2013-15 Biennium
Highway Fund	\$ 79.541	\$ 210.9	\$290.48	\$ 601.3	\$625.97
Local Government	\$ 30.3	\$ 91.97	\$ 122.24	\$ 273.64	\$ 285.98
State Other Funds	\$ 49.3	\$ 118.97	\$ 168.24	\$ 327.64	\$ 339,985
ID cards (ED Transit)	\$0.569	\$ 0.847	\$ 0.416	\$ 1.70	\$ 1.77
Custom Plates (Rail)	\$ 1.589	\$ 2.45	\$ 4.032	\$ 5.12	\$ 5.37
Lottery Bonds (connect)	\$112.8				

Impact Explanation:

Increase details of the different fees and taxes:

Effective October 2009: Passenger vehicles registration fees to \$43, mopeds and motorcycles to \$24. Title fees to \$77, Salvage titles to \$27, Permit fee for vehicles to \$30, and 10 day permit to \$15. ID fees and Custom Plates are also increased.

January/1/ 2010 Heavy vehicle registrations tables go into effect with an increase of 103%, but only ½ the increase for farm vehicles and no increase for charitable organizations. That will create tax expenditure for these tow classes for a total of \$1.13 million a year. Temporary permits for heavy go to \$43.

Weight mile tables A and B are increased 24.5% starting October 1, 2010. Fuel tax increases 6 cents on 1/1/2011.

The \$100 million for connect Oregon program will specify airports and other transportation hub activities.

The transportation user fees and taxes coming to the state (ODOT) distribute according to the following schedule. A \$27 million go directly to the state before the 50-30-20 split with cities and counties occurs. \$2 million a month to long-range plan, and \$3 million a year to rest areas.

	2009-10	2010-11	2009-11 Biennium	2011-13 Biennium	2013-15 Biennium
State Other Funds	\$ 49.3	\$ 118.97	\$ 168.24	\$ 327.64	\$ 339,985
ODOT Long Range Plan	\$16	\$24	\$40	\$48	\$48
Rest Areas	\$ 3	\$ 3	\$ 6	\$ 6	\$ 6
Preservation Maint, & safety	\$ 20.6	\$ 39.8	\$ 60,34	\$ 90.3	\$ 94.4
Modernization	\$ 9.7	\$ 18.8	\$ 28.54	\$ 43.098	\$ 45.04
Bond Program		\$ 33.35	\$ 33.35	\$ 140.24	\$ 146.57

Up to 1/1/2011 the distribution of state money after the set asides is 68% to Preservation, Safety and maintenance. The rest (32%) go to the Modernization program. After 1/1/2001, the split is 33% to Preservation, Safety and maintenance, 16% to the Modernization program, and the rest (51%) are directed towards the bonding program and projects specified in the bill. Before the bonding program takes effect, some money will be used in the other categories (wedge money).

Id fee revenue will be going to the elderly and disabled transportation, and costume plate fee to rail transportation.

In addition, of the existing break from the weight mile tax, the bill offers the new reduced registration fee to farm vehicles and charitable trucks in the following amounts.

	2009-10	2010-11	2009-11 Biennium	2011-13 Biennium	2013-15 Biennium
Farm	\$ 0.77	\$ 1,0	\$ 0.996	\$ 0.989	\$ 0.982
Charitable	\$ 0.095	\$ 0.13	\$ 0.135	\$ 0.139	\$ 0.146

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy objective of the Farm vehicles tax expenditure: Help support the valuable social and economic role provided by Farming operations, and to recognize their partial or seasonal use of the transportation system.

The policy objective of the charitable vehicles tax expenditure: Help support services provided by charitable organizations that fulfill a socially desirable function.