

House Bill 2075

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Interim 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**.

Increases cigarette tax and continuously appropriates moneys from increase to Department of Transportation for transportation services for elderly individuals and individuals with disabilities.

Applies to cigarette tax reporting periods beginning on or after effective date of Act.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to funding of transportation services through cigarette tax revenue; creating new provisions;
3 provisions; amending ORS 323.030 and 323.455; prescribing an effective date; and providing for revenue
4 raising that requires approval by a three-fifths majority.

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

6 **SECTION 1.** ORS 323.030 is amended to read:

7 323.030. (1) Every distributor shall pay a tax upon distributions of cigarettes at the rate of [29]
8 **30.5** mills for the distribution of each cigarette in this state.

9 (2) The taxes imposed by ORS 323.005 to 323.482 are in lieu of all other state, county or municipal
10 taxes on the sale or use of cigarettes.

11 (3) Any cigarette with respect to which a tax has been prepaid under ORS 323.068 or has otherwise
12 once been imposed under ORS 323.005 to 323.482 is not subject upon a subsequent distribution
13 to the taxes imposed by ORS 323.005 to 323.482.

14 **SECTION 2.** ORS 323.455 is amended to read:

15 323.455. (1) All moneys received by the Department of Revenue from the tax imposed by ORS
16 323.030 (1) shall be paid over to the State Treasurer to be held in a suspense account established
17 under ORS 293.445. After the payment of refunds, [89.65] **85.25** percent shall be credited to the
18 General Fund, [3.45] **3.28** percent is appropriated to the cities of this state, [3.45] **3.28** percent is
19 appropriated to the counties of this state and [3.45] **8.19** percent is continuously appropriated to the
20 Department of Transportation for the purpose of financing and improving transportation services for
21 elderly individuals and individuals with disabilities as provided in ORS 391.800 to 391.830.

22 (2) The moneys so appropriated to cities and counties shall be paid on a monthly basis within
23 35 days after the end of the month for which a distribution is made. Each city shall receive such
24 share of the money appropriated to all cities as its population, as determined under ORS 190.510 to
25 190.590 last preceding such apportionment, bears to the total population of the cities of the state,
26 and each county shall receive such share of the money as its population, determined under ORS
27 190.510 to 190.590 last preceding such apportionment, bears to the total population of the state.

28 (3) The moneys appropriated to the Department of Transportation under subsection (1) of this
29 section shall be distributed and transferred to the Elderly and Disabled Special Transportation Fund
30 established by ORS 391.800 at the same time as the cigarette tax moneys are distributed to cities

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 and counties under this section.

2 (4) Of the moneys credited to the General Fund under this section 51.92 percent shall be dedi-
3 cated to funding the maintenance and expansion of the number of persons eligible for medical as-
4 sistance under the Oregon Health Plan, or to funding the maintenance of the benefits available
5 under the Oregon Health Plan, or both, and 5.77 percent shall be credited to the Tobacco Use Re-
6 duction Account established under ORS 431.832.

7 **SECTION 3. The amendments to ORS 323.030 and 323.455 by sections 1 and 2 of this 2009**
8 **Act apply to cigarette tax reporting periods beginning on or after the effective date of this**
9 **2009 Act.**

10 **SECTION 4. This 2009 Act takes effect on the 91st day after the date on which the reg-**
11 **ular session of the Seventy-fifth Legislative Assembly adjourns sine die.**

12