

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2524 - A

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

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Measure Description:

Extends sunsets for tax credits for use of alternative fuel vehicles and for construction or installation of fueling stations for alternative fuel vehicles.

Government Unit(s) Affected:

Department of Revenue(DOR), Department of Energy, Department of Transportation

Summary of Fiscal Impact:

Please see analysis

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:

The Department of Energy received no fueling station applications and two alternative fuel vehicle conversion applications for tax credit certification in 2010. The processing of these applications was completed using the same administrative staff and resources as the Residential Energy Tax Credit (RETC) program that is scheduled to sunset January 1, 2012. The DOE expects the number of certification applications to increase in the next few years due to the commercial availability of electric vehicles. The DOE may require the addition of a part time position funded equally by Federal and Other Funds totaling \$54,744 should the tax credit be extended and the volume of applications expand significantly. The amended measure prevents further certification by the DOE should the number of plug-in electric vehicles exceed 5.5% of all motor vehicles registered in Oregon. The timeline to achieve this limit is unknown and therefore not included in the estimated cost of the measure. There is no fiscal impact to the Department of Revenue and a minimal fiscal impact to the Department of Transportation from the extension of the tax credit program.