

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
Seventy-Sixth Oregon Legislative
Assembly
2012 Regular Session
Legislative Revenue Office

Bill Number: HB 4040 - B
Revenue Area: State Finance
Economist: Paul Warner
Date: 2-29-12

Measure Description

Establishes Oregon Growth Board and Oregon Growth Fund. Sunsets board and fund January 2, 2014 if certain conditions are not met. Modifies investment policy for Oregon Growth Account. Maintains current law whereby allocation of Education Stability Fund revenue flowing to the Oregon Growth Account is increased back to 10% following 4 years in which a 5% allocation was applied. The 10% allocation is restored July 1, 2013.

The measure also has implications for future revenue and tax policy development by giving the Oregon Growth Board the responsibility of making recommendations to the Legislature on corporate tax expenditures that potentially encourage private investment activity.

Revenue Impact (in \$Millions): Indeterminate

Impact Explanation:

Revenue impact depends on what effect restructuring has on investment earnings from Education Stability Fund balances. Currently these investment earnings are used for bond repayment through the Oregon Education Fund and support for needs based scholarships through the State Scholarship Fund.

Creates, Extends, or Expands Tax Expenditure: Yes No