## REVENUE IMPACT OF PROPOSED LEGISLATION

Seventy-Seventh Oregon Legislative Assembly 2013 Regular Session Legislative Revenue Office Bill Number: HJR 9

Revenue Area: Highway Fund Economist: Mazen Malik Date: 03/29/2013

Only Impacts on Original or Engrossed Versions are Considered Official

## **Measure Description:**

Proposes amendment to Oregon Constitution to allow revenue from taxes on motor vehicle fuel and ownership, operation or use of motor vehicles to be used for transportation projects that will prevent or reduce pollution and congestion created by use of motor vehicles.

## **Revenue Impact:**

The impacts of this measure are indeterminate and will result if it is passed by the voters. The revenues generated from the different classes of vehicles might have to be adjusted, which might result in increases or decreases of revenue.

## **Impact Explanation:**

Highway revenues are generated from fuel taxes, vehicle fees, and driver licenses. They are dedicated to highway/road construction and maintenance by the state, counties and cities. Highway fees are paid by heavy vehicles including trucks and light vehicles including cars. The constitution requires the revenues to be fair and proportional. Allowing the highway fund to be used for uses other than the current dedications, might alter the proportion that the taxes and fees are based on, resulting in increases or decreases relative to those new uses and their impacts on the cost allocation ratios.

Creates, Extends, or Expands Tax Expenditure: Yes  $\square$  No  $\boxtimes$ 

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