

77TH OREGON LEGISLATIVE ASSEMBLY
2013 REGULAR SESSION
STAFF MEASURE SUMMARY
SENATE FINANCE AND REVENUE COMMITTEE

MEASURE: SB 306-4
CARRIER:

DRAFT

REVENUE: No Revenue Impact

FISCAL:

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: Warner, Economist

Meeting Dates: April 24, 2013

WHAT THE BILL DOES: Directs Legislative Revenue Officer to submit a report to the Clean Air Task Force. Specifies contents of report. Requires Legislative Revenue Officer to complete report by November 1, 2013. Allows Legislative Revenue Officer to contract with third parties as necessary to prepare report and recommendations. Establishes Task Force on Clean Air Revenue. Specifies members of task force. Directs task force to report findings and make recommendations to Legislature no later than December 1, 2014. Directs Legislative Revenue Officer to staff task force.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENTS: Amendment replaces bill.

BACKGROUND: The concept of a tax on harmful emissions has been examined at both the theoretical and empirical level in the economics literature for many years. Harmful carbon emissions are an example of a negative externality—a cost to society of particular actions that are not factored into market prices. Taxation of negative externalities is one way to build these costs into market decisions.

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