
MEMORANDUM

Legislative Fiscal Office
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To: Natural Resources Subcommittee

From: Paul Siebert, Legislative Fiscal Office
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Date: June 20, 2013

Subject: SB 306-A
Work Session Recommendations

SB 306-A requires the Legislative Revenue Office to prepare a report on the feasibility of imposing a clean air fee or tax on a statewide basis. The bill requires the Legislative Revenue Officer to provide a preliminary report to the Legislature no later than December 1, 2013 and final report no later than November 15, 2014. The bill also authorizes the Legislative Revenue Officer to contract with third parties to prepare the report.

The –A14 amendment, the original staff measure summary, revenue impact statement, and fiscal impact statement are available on the Oregon Legislative Information System (OLIS). The measure history is also available on OLIS.

The measure has a \$200,000 to \$300,000 fiscal impact to the Legislative Revenue Office to complete the study.

Amendment

There is a –A14 amendment to the measure adds a \$200,000 General Fund appropriation to the Legislative Revenue Office to complete the study.

Motion #1: Move the –A14 amendment to SB 306.

Measure to Full

LFO recommends the measure be moved to the full Committee on Joint Ways and Means, as amended.

Motion #1: Move SB 306 to the full committee with a “do pass” recommendation, as ammended.

Assignment of Carriers

Full:_____

2nd Chamber:_____

SB 306-A14
(LC 1713)
6/21/13 (TR/sct/ps)

**PROPOSED AMENDMENTS TO A-ENGROSSED
SENATE BILL 306**

1 On page 1 of the printed A-engrossed bill, line 2, after “finance;” insert
2 “appropriating money;”.

3 On page 2, after line 21, insert:

4 **“SECTION 3. There is appropriated to the Legislative Revenue Of-**
5 **ficer, for the biennium beginning July 1, 2013, out of the General Fund,**
6 **the amount of \$200,000 for the purpose of carrying out the provisions**
7 **of section 2 of this 2013 Act.”.**

8 In line 22, delete “3” and insert “4”.

9

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

**MEASURE: SB 306-A
CARRIER:**

REVENUE: No Revenue Impact

FISCAL: Fiscal Impact Statement Issued

Action: Do Pass with Amendments and Requesting Referral to Ways and Means (Printed A-Engrossed).

Vote: 3-1-1

Yeas: Hass, Rosenbaum, Burdick

Nays: George

Exc.: Ferrioli

Prepared By: Paul Warner, Economist

Meeting Dates: 3/22, 4/24, 5/29, 5/30

WHAT THE BILL DOES: Directs Legislative Revenue Officer to prepare report for the Legislature on the feasibility of imposing a clean air fee or tax on a statewide basis. Specifies content of the report. Requires Legislative Revenue Officer to provide preliminary report to the Legislature no later than December 1, 2013 and final report no later than November 15, 2014. Authorizes Legislative Revenue Officer to contract with third parties if necessary to prepare the report.

ISSUES DISCUSSED:

- British Columbia experience.
- Oregon's current energy structure.
- Structure of Oregon's economy.
- Elements of Oregon's current revenue system.
- Need for innovative approach to state environmental and revenue issues.
- Collaborative efforts of the Oregon Business Association and the Oregon Environmental Council.

EFFECT OF COMMITTEE AMENDMENTS:

Replaces the bill.

BACKGROUND: On March 22, 2013, the Senate Finance and Revenue Committee received an informational briefing on the implications of imposing a tax on carbon emissions. The presentation included the Environment Minister from British Columbia describing the impact of a carbon tax imposed at the provincial level and a preliminary analysis from the Northwest Regional Economic Research Center on the economic implications of imposing a carbon emissions tax at the state level.

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FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 306 - A

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Matt Stayner
Reviewed by: John Borden, Doug Wilson
Date: 5/30/13

Measure Description:

Requires the Legislative Revenue Officer to prepare a report related to the feasibility of imposing a clean air fee or tax statewide as a new revenue option

Government Unit(s) Affected:

Legislative Revenue Office (LRO)

Summary of Expenditure 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 fiscal impact of the bill is indeterminate. The Legislative Revenue Office (LRO) anticipates that it would contract with a third party to complete the report with an estimated General Fund cost of between \$200,000 and \$300,000. A more refined cost estimate will be prepared as the details and specifications of the report are known.

**REVENUE IMPACT OF
PROPOSED LEGISLATION**

**Seventy-Seventh Oregon
Legislative Assembly
2013 Regular Session
Legislative Revenue Office**

Bill Number: SB 306 - A

Date: 5/30/2013

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NOTICE OF NO REVENUE IMPACT

The Legislative Revenue Office has reviewed the proposed legislation and determined that it has No Impact on state or local revenues analyzed by this office.

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