

PRELIMINARY STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

Fiscal: May have fiscal impact, but no statement yet issued

Revenue: May have revenue impact, but no statement yet issued

Action Date:

Action:

Meeting Dates: 03/25, 04/01

Prepared By: Paul Warner, Legislative Revenue Officer

WHAT THE MEASURE DOES:

Directs Department of Revenue to distribute funds previously transferred to the Shared Services Fund. Modifies distribution of income tax revenue estimated from wages associated with Strategic Investment Program projects. Extends allocation of identified income tax revenue from 2019 to 2029. Modifies implementation of sunset by making agreements for eligible projects reached prior to the sunset date eligible for payments for the life of the project.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

-5 Amendment directs Department of Revenue to directly allocate income tax revenue associated with Strategic Investment Project wages. Modifies distribution for a county receiving more than \$5 million (currently Washington County), reducing share to local tax districts to 40% of the allocated revenue. The remaining revenue for this county is distributed as follows: 30% to the State School Fund, 15% to the Higher Education Coordinating Commission Oregon State University extension programs and 15% to the Department of Education for expansion of career and technical education programs.

BACKGROUND:

The Shared Service Fund was established by the 2007 Legislature with the passage of SB 954. Allocations to the fund are based on 50% of the estimated personal income tax collections from the wages of workers associated with eligible Strategic Investment program projects.