

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
Seventy-Eighth Oregon Legislative  
Assembly  
2015 Regular Session  
Legislative Revenue Office

Bill Number: HB 2070 - 1  
Revenue Area: State/Local Finance  
Economist: Paul Warner  
Date: 5-15-15

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

**Measure Description:** Directs Department of Revenue to distribute funds previously transferred to the Shared Services Fund. Modifies calculation of estimated wages associated with eligible Strategic Investment Program projects. Limits income tax calculation to wages generated by newly created jobs. Caps allocation to individual county at \$10 million per biennium. Extends allocation of SIP related income tax revenue to January 1, 2025.

**Revenue Impact (in \$Millions):**

Fund	2015-17	2017-19	2019-21
General Fund	+\$76.3	+\$38.0	-\$28.6
SIP Income tax revenue Allocated	-\$76.3	-\$38.0	+\$28.6

Department of Revenue Allocation (in millions)

Allocation	2015-17	2017-19	2019-21
Washington County Tax Districts	\$10	\$10	\$10
All Other Local Tax Districts	\$0.7	\$1.0	\$1.2
State School Fund	\$7.9	\$14.6	\$17.5

**Impact Explanation:** Revenue projections based on March 2015 revenue forecast through the 2018-19 fiscal year. Projections of income from newly created jobs are based on 2012-13 data. Under current law, revenue impact drops to zero in 2018-19 fiscal year and beyond. Strategic Investment Program wage income assumed to grow 6% annually to account for modest job growth and wage growth. However, a major new Strategic Investment Program agreement that generates significant newly created jobs has the potential to push the General Fund revenue impact well beyond the current impact estimate.

**Creates, Extends, or Expands Tax Expenditure:** Yes  No