

# House Bill 2190

Sponsored by Representative RESCHKE (Pre-session filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act changes the way the money from the CAT is used. (Flesch Readability Score: 95.9).

Modifies the disposition of revenues received under the corporate activity tax. Maintains two-thirds of the revenues for use for education through the Fund for Student Success and directs one-third to the State Highway Fund.

Applies to moneys received by the Department of Revenue on or after January 1, 2026.

Takes effect on the 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to revenues derived from the corporate activity tax; creating new provisions; amending  
3 ORS 317A.155 and 366.505; and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 317A.155 is amended to read:

6 317A.155. (1) Except as otherwise provided by law, all moneys received by the Department of  
7 Revenue under ORS 317A.100 to 317A.158 shall be deposited in the State Treasury and credited to  
8 a suspense account established under ORS 293.445 separate and distinct from the General Fund. The  
9 department may pay expenses for the administration, collection and enforcement of the tax imposed  
10 under ORS 317A.100 to 317A.158 out of moneys received from the corporate activity tax imposed  
11 under ORS 317A.116. Refunds, including refunds of erroneous overpayments or refunds of other  
12 moneys received in which the department has no legal interest, shall be paid out of the suspense  
13 account.

14 (2) After payment of refunds, the net revenue shall be transferred **as follows:**

15 (a) **Two-thirds** to the Fund for Student Success established under ORS 327.001.

16 (b) **One-third to the State Highway Fund established in ORS 366.505.**

17 (3) A working balance of unreceipted revenue from the tax imposed under ORS 317A.100 to  
18 317A.158 may be retained by the department for the payment of refunds, but such working balance  
19 may not at the close of any fiscal year exceed the amount of \$500,000.

20 [(3)] (4) There are continuously appropriated to the department amounts necessary to pay the  
21 administrative expenses of the department in administering, collecting and enforcing the corporate  
22 activity tax imposed under ORS 317A.116.

23 **SECTION 2.** ORS 366.505 is amended to read:

24 366.505. (1) The State Highway Fund shall consist of:

25 (a) All moneys and revenues derived under and by virtue of the sale of bonds, the sale of which  
26 is authorized by law and the proceeds thereof to be dedicated to highway purposes.

27 (b) All moneys and revenues accruing from the licensing of motor vehicles, operators and  
28 chauffeurs.

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (c) Moneys and revenues derived from any tax levied upon gasoline, distillate, liberty fuel or  
2 other volatile and inflammable liquid fuels, except moneys and revenues described in ORS 184.642  
3 (2)(a) that become part of the Department of Transportation Operating Fund.

4 (d) Moneys and revenues derived from the road usage charges imposed under ORS 319.885.

5 (e) Moneys and revenues derived from the use tax imposed under ORS 320.410.

6 (f) Moneys and revenues derived from or made available by the federal government for road  
7 construction, maintenance or betterment purposes.

8 **(g) Moneys transferred to the fund under ORS 317A.155.**

9 [(g)] **(h)** All moneys and revenues received from all other sources which by law are allocated  
10 or dedicated for highway purposes.

11 (2) The State Highway Fund shall be deemed and held as a trust fund, separate and distinct from  
12 the General Fund, and may be used only for the purposes authorized by law and is continually ap-  
13 propriated for such purposes.

14 (3) Moneys in the State Highway Fund may be invested as provided in ORS 293.701 to 293.857.  
15 All interest earnings on any of the funds designated in subsection (1) of this section shall be placed  
16 to the credit of the highway fund.

17 **SECTION 3. The amendments to ORS 317A.155 and 366.505 by sections 1 and 2 of this 2025**  
18 **Act apply to moneys received by the Department of Revenue on or after January 1, 2026.**

19 **SECTION 4. This 2025 Act takes effect on the 91st day after the date on which the 2025**  
20 **regular session of the Eighty-third Legislative Assembly adjourns sine die.**

21