

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
80th Oregon Legislative Assembly
2019 Regular Session
Legislative Revenue Office

Bill Number: HB 2209 - A
Revenue Area: Rail Fees
Economist: Mazen Malik
Date: 04-04-2019

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

Measure Description:

Requires railroads that own or operate high hazard train routes to have oil spill contingency plans that have been approved by Department of Environmental Quality.

Revenue Impact:

		2019-21	2021-23	2023-25
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GRF all Classes	0.05%	\$ 550,737	\$ 766,637	\$ 803,092
Car Load Fee	\$20	\$ 488,000	\$ 500,200	\$ 512,705
Collection Costs	DOR	\$ (236,000)	\$ (50,000)	\$ (50,000)
Total		\$ 802,737	\$ 1,216,837	\$ 1,265,797
Transfers to Funds				
High Hazard Train Route Oil Spill Preparedness Fund	DEQ	\$ 550,737	\$ 766,637	\$ 803,092
Oil and Hazardous Material Transportation by Rail Fund	Fire Marshal	\$ 252,000	\$ 450,200	\$ 462,705

Impact Explanation:

The measure establishes an annual fee of 0.05% of gross operating revenues of railroads that are required to submit contingency plan for high hazard train route. Directs revenues to High Hazard Train Route Oil Spill Preparedness Fund. It also establishes a fee of up to \$20 on each railroad oil tank car entering state from outside and on each car loaded with oil within the state. Directs Department of Environmental Quality (DEQ), and State Fire Marshal to establish exact amount of fee, by rule, as necessary to fund programs out, and Oil and Hazardous Material Transportation by Rail Fund.

Both fees start on 1/1/2020, and sunset on 1/2/2027. Any remaining moneys in Funds that are unexpended shall be refunded to payors without interest.

The minimum Gross Revenue as of Calendar Year 2017 to be a Class I is \$463,860,000, Class II is \$37,100 000, and a: Class III is less than \$37,100 000.

The forecast of revenue is based on GRF actuals growing by 2.5% for the first 3 years then 2.35%.

Car loads are expected to start at 16,000 car loads on 2020, growing by 2.5% a year.

Creates, Extends, or Expands Tax Expenditure: Yes No

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