

FISCAL IMPACT OF PROPOSED LEGISLATION

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

Measure: HB 3425 - A

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

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Measure Description:

Establishes, if State of Oregon adopts cap and trade program, credit available to certain households for purpose of mitigating carbon price indirectly paid by households through purchase of motor vehicle fuel to propel motor vehicles on public highways.

Government Unit(s) Affected:

Department of Revenue (DOR), Oregon Department of Transportation (ODOT), Secretary of State

Analysis:

This fiscal impact statement is for the purpose of transmitting the measure from the Joint Committee on Carbon Reduction to the House Committee on Revenue.

The legislation dictates that no later than November 30 of each year, beginning in the year that a cap and trade program becomes operative, the Department of Transportation (ODOT), in consultation with the state agency charged with implementing the program, must prepare an annual estimate for each county which will include the following: median household vehicle miles traveled; median gallons of fuel used by a vehicle when traveling the median miles traveled; and a per-gallon carbon price. Using the estimates, ODOT is directed to develop a schedule of the annual credit amounts available to eligible households and notify the Department of Revenue (DOR), no later than August 15 of each year, the credit amounts available to eligible households. The DOR must provide a means on the personal tax return for an individual to apply for the credit, and DOR may reject or approve an application for a credit. Credits are paid from the Climate Action Reimbursement Fund which will receive a transfer of 30% of the monies deposited in the Transportation Decarbonization Investments Account. The bill does not take effect unless HB 2020 (2019) becomes law.

A more complete fiscal analysis on the measure will be prepared as the measure is considered in the House Committee on Revenue.

Further Analysis Required