

HCR 42 STAFF MEASURE SUMMARY**Carrier:** Rep. Marsh**House Committee On Rules**

Action Date: 06/24/25
Action: Be Adopted.
Vote: 4-3-0-0
Yeas: 4 - Bowman, Kropf, Pham H, Valderrama
Nays: 3 - Boshart Davis, Drazan, Elmer
Fiscal: No fiscal impact
Revenue: No revenue impact
Prepared By: Melissa Leoni, LPRO Analyst
Meeting Dates: 6/24

WHAT THE MEASURE DOES:

The measure resolves that, when new funding sources, including but not limited to a cap-and-invest program, are enacted and operative, it is the intent of the Legislative Assembly to reduce or phase out: the increases to the privilege tax and the privilege use tax made by the amendments to ORS 320.405 and 320.410 in chapter (blank), Oregon Laws 2025 (Enrolled House Bill 2025); the increase to the tax on wages for transit made by the amendments to ORS 320.550 in chapter (blank), Oregon Laws 2025 (Enrolled House Bill 2025); and the transfer tax and the transfer use tax imposed under sections 83 and 84, chapter (blank), Oregon Laws 2025 (Enrolled House Bill 2025).

ISSUES DISCUSSED:

- Purpose and need for the resolution
- Specified taxes and amounts and allowed uses in House Bill 2025 (2025)
- Whether the new funding sources would go to transportation or other uses

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

House Bill 2025 A is the transportation funding and policy package for the 2025 session. It includes increases to not only the fuel taxes, but also to fees for services and documents produced by ODOT; increases to the employee payroll tax that provides funding for transit services statewide; increases to the privilege tax; and a new vehicle transfer tax to provide continued funding for electric vehicle rebates and charging infrastructure, completion of the legacy highway projects still awaiting funding, and safety projects statewide through the Great Streets and Safe Routes to Schools programs. It also transfers the authority to appoint the director of the Oregon Department of Transportation to the Governor (with Senate approval), enhances ODOT audit requirements, and directs a number of studies to be completed.