

# Senate Bill 637

Sponsored by Senator BONHAM (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: This Act says that fees from programs to reduce greenhouse gases from motor vehicle fuel must go to the State Highway Fund. (Flesch Readability Score: 69.1).

Requires state agencies that administer programs to reduce greenhouse gas emissions from the combustion of motor vehicle fuel to deposit fees, assessments or other charges imposed pursuant to the program in the State Highway Fund.

Directs the Governor to include in the Governor's budget an estimate of the amounts to be transferred in the coming biennium and recommendations for alternative revenue sources.

## A BILL FOR AN ACT

1  
2 Relating to the transfer to the State Highway Fund of charges imposed to reduce greenhouse gas  
3 emissions from the use of motor vehicle fuel; creating new provisions; and amending ORS  
4 291.216.

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

6 **SECTION 1. (1) As used in this section:**

7 (a) **"Greenhouse gas" has the meaning given that term in ORS 468A.210.**

8 (b) **"Motor vehicle" has the meaning given that term in ORS 801.360.**

9 (c) **"Motor vehicle fuel" means gasoline, diesel or any other liquid product used to power  
10 a motor vehicle upon the highways of this state.**

11 (2) **Notwithstanding any other provision of law, any fee, assessment or other charge im-  
12 posed by state statute or administrative rule pursuant to a program to reduce the amount  
13 of greenhouse gas emissions produced by the combustion of motor vehicle fuel shall be ded-  
14 icated for highway purposes and transferred by the agency that collected the fee, assessment  
15 or other charge to the State Highway Fund established under ORS 366.505.**

16 (3) **An agency required to transfer amounts under subsection (2) of this section shall  
17 make the required transfers each calendar quarter.**

18 (4) **The Governor shall include in the Governor's budget an estimate of the amount re-  
19 quired to be transferred under this section in the coming biennium and make recommen-  
20 dations for whether the amount transferred by each agency should be wholly or partially  
21 replaced with revenue from any other source.**

22 **SECTION 2. ORS 291.216 is amended to read:**

23 291.216. (1) The Governor's budget shall include a budget message prepared by the Governor,  
24 including recommendations of the Governor with reference to the fiscal policy of the state govern-  
25 ment for the coming biennium, describing the important features of the budget, embracing a general  
26 budget summary setting forth the aggregate figures of the budget so as to show a balanced relation  
27 between the total proposed expenditures and the total anticipated income, with the basis and factors  
28 on which the estimates are made, the amount to be borrowed, and other means of financing the es-

**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     timated expenditures for the ensuing biennium, compared with the corresponding figures for at least  
2     the last completed biennium and the current biennium.

3     (2) The Governor's budget shall be supported by explanatory schedules or statements, classifying  
4     the expenditures reported in the budget, both past and proposed, by organization units, objects and  
5     funds, and the income by organization units, sources and funds, and the proposed amount of new  
6     borrowing as well as proposed new tax or revenue sources, including a single comprehensive list  
7     of all proposed increases in fees, licenses and assessments assumed in the budget.

8     (3) The Governor's budget shall be submitted for all dedicated funds, as well as the state Gen-  
9     eral Fund, and shall include the estimated amounts of federal and other aids or grants to state  
10    agencies or activities provided for any purpose whatever, together with estimated expenditures  
11    therefrom.

12    (4) The Governor's budget shall embrace the detailed estimates of expenditures and revenues.  
13    It shall include:

14    (a) Statements of the bonded indebtedness of the state government, showing the actual amount  
15    of the debt service for at least the past biennium, and the estimated amount for the current  
16    biennium and the ensuing biennium, the debt authorized and unissued, the condition of the sinking  
17    funds and the borrowing capacity.

18    (b) The Governor's recommendations concerning tax expenditures identified under ORS 291.214.

19    (c) Any statements relative to the financial plan which the Governor may consider desirable or  
20    which may be required by the Legislative Assembly.

21    (5) The Governor's budget shall use the estimated revenues under ORS 291.342 for the fiscal  
22    year in which the budget is submitted as the basis for total anticipated income under subsection (1)  
23    of this section, subject to adjustment as may be necessary to reflect accurately projections for the  
24    next biennium.

25    (6)(a) The Governor's budget shall present information regarding the expenses of the state in the  
26    following categories:

27    (A) Personnel expenses, including compensation and benefits for state employees, but excluding  
28    costs of services contracted out and temporary service costs.

29    (B) Supplies, equipment and the costs of services contracted out.

30    (C) Special payments.

31    (D) Capital construction.

32    (E) Capital outlay.

33    (F) Debt service.

34    (b) For each category described in paragraph (a) of this subsection, the budget shall show actual  
35    expenditures for the prior biennium and estimated expenditures for the current biennium.

36    (c) As supplemental information to the budget, the Governor shall include an estimate of the  
37    projected costs of continuing currently authorized programs in the next biennium. The estimate shall  
38    include, but is not limited to the projected costs of:

39    (A) Removing one-time expenditures;

40    (B) Program phase-ins and phase-outs;

41    (C) Personnel expenses compared to existing compensation plan agreements, including position  
42    vacancy experience calculations;

43    (D) Inflation for services, supplies and medical costs;

44    (E) Transfers between state funds or accounts;

45    (F) Mandated caseload changes; and

- 1 (G) Debt service for previously issued debt.
- 2 (d) The budget shall show the total increase in the cost of salaries and benefits for all state
- 3 positions.
- 4 (7) The Governor's budget shall include:
- 5 (a) The total number of positions and full-time equivalent positions included in the budget.
- 6 (b) The average vacancy rate in the present biennium.
- 7 (c) The number of permanent, full-time equivalent vacancies as of July 1 of even-numbered years.
- 8 (8) The Governor's budget shall include computations showing budget figures as a percentage
- 9 of the total General Fund, federal fund, fee or other source category, as may be appropriate.
- 10 (9) The Governor's budget shall include, in a format that provides side-by-side comparison with
- 11 the State Debt Policy Advisory Commission report of net debt capacity, a six-year forecast, by debt
- 12 type and repayment source, of:
- 13 (a) That portion of the capital construction program required to be reported by ORS 291.224 that
- 14 will be financed by debt issuance.
- 15 (b) The acquisition of equipment or technology in excess of \$500,000 that will be financed by
- 16 debt issuance.
- 17 (c) Other state agency debt issuance for grant or loan purposes.
- 18 (10) The Governor's budget shall include the outcomes-based budgeting information required by
- 19 ORS 291.217 (2) and (3).
- 20 (11) The Governor's budget shall include recommendations regarding available funds that could
- 21 be used to make lump sum payments to the Public Employees Retirement System under ORS 238.229.
- 22 (12) The Governor's budget shall include a narrative summarizing the racial impact statements
- 23 required under ORS 291.206.
- 24 **(13) The Governor's budget shall include the estimate and recommendations required by**
- 25 **section 1 of this 2025 Act.**

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