

IMPACT STATEMENT

Legislation title: Amend the Heavy Vehicle Use Tax Code to remove the four-year revenue target (Ordinance; amend Code Section 7.02.500)

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Purpose of proposed legislation and background information:

The Heavy Vehicle Use Tax (HVT) was enacted to raise \$2.5 million per year over the four years of the HVT. Based on estimates made prior to the implementation of the HVT, an initial rate of 2.8% (of the taxpayer's Oregon Weight-Mile Tax) was expected to raise \$10 million over the four years of the HVT. The actual HVT collections are now projected to come in below the initial projections. In order for the revenue target to be met, the HVT rate would need to increase significantly for the final two years of the HVT. The proposed legislation will allow the HVT to remain at the 2.8% rate over the final two years of the tax.

Financial and budgetary impacts:

The proposed legislation will not directly impact the City budget. The list of PBOT projects that were expected to be funded by the HVT funds will need to be revisited to reflect the reduction in estimated HVT collections.

Community impacts and community involvement:

The Portland Freight Committee has been involved in the identification of the need for the proposed legislation and the Fixing Our Streets Oversight Committee has been involved in addressing the impacts of the proposed legislation. There are no foreseeable substantial community impacts that would result from the proposed legislation.

100% Renewable Goal:

N/A

Budgetary Impact Worksheet

Does this action change appropriations?

- YES:** Please complete the information below.
- NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

Impact Statement for Requested Council Action
