INFORMATIONAL MEETING-HWY COST ALLOCATION STUDY

BILL INTRODUCTION

TAPE 66 A

HOUSE REVENUE COMMITTEE

MARCH 4, 2005 1:00 PM STATE CAPITOL BUILDING

Members Present:

Rep. Vicki Berger, Acting Chair

Rep. Larry Galizio

Rep. Betty Komp

Rep. Andy Olson

Rep. Chuck Riley

Members Excused:

Rep. Tom Butler

Rep. Mark Hass

Rep. Brian Boquist

Rep. Sal Esquivel

Witnesses Present:	Tom Potiowsky, State Economist, Office of Economic Analysis
	Carl Batten, ECONorthwest

Staff Present: Mazen Malik, Economist Kristi Bowman, Committee Assistant

TAPE 66, SIDE A

002 Acting Chair Berger Calls meeting to order at 1:35 p.m.

005 Mazen Malik Introduces presentation on Highway Cost Allocation Study (HCAS).

INFORMATIONAL MEETING – HIGHWAY COST ALLOCATION

024	Tom Potiowsky	Begins slide presentation (Exhibit 1). Slide: History of HCAS
026	Potiowsky	Slide: Members of the Study Review Team
039	Potiowsky	Slide: Study Review Team Purposes
044	Carl Batten	Slide: What is Highway Cost Allocation?
058	Batten	Slide: How Oregon Does HCAS (2 slides)

096	Batten	Slide: Allocation of Bonded Expenditures - graph
110	Batten	Slide: How Oregon Does HCAS (2 slides)
140	Batten	Slide: Current Issues
180	Batten	Slide: Results of 2005 Study (3 slides)
224	Batten	Slide: Results of 2005 Study
240	Batten	Slide: Recommendations
265	Rep. Olson	Asks how are annual miles determined.
270	Batten	ODOT calculates revenue miles in their forecast reports. Batten describes the methods used by ODOT to calculate mileage on light (under 8,000 pounds) and heavy vehicles (over 8,000 pounds).
288	Rep. Olson	Asks why the 8,000 pound number is used.

		Responds that the distinction is between cars and trucks. That number has been used for many years in various revenue studies and reports.
312	Rep. Olson	Asks about vehicles who overpay. Do they receive any type of adjustment?
314	Batten	Responds that "what they owe exceeds the costs they impose."
323	Acting Chair Berger	Discusses with Malik about adjusting Table B concerning the heaviest vehicles.
325	Mazen Malik	Responds that the Constitution requires the legislature needs to review the heavy and light allocations and see if they are proportionate. The study says that this split is all right and there is no need for a change. There is no constitutional responsibility to refine adjustments within the class of heaviest vehicles.
364	Rep. Galizio	Asks how the allocation compares to previous studies.
380	Malik	Responds that this information can be found on page 6-5, Exhibit 6-2 of the HCAS booklet (Exhibit 2).

Clarifies that the legislature could reallocate amounts within the heavy category, but it is not required by the state constitution. The constitutional requirement is to have the study done every two years.

425 Acting Chair Berger Adjourns meeting at 2:00 p.m.

Tape Log Submitted by:

Reviewed by:

Kristi Bowman, Committee Assistant

Kim Taylor James, Committee Coordinator

Exhibit Summary:

- 1. 1. Slide Presentation: Highway Cost Allocation Study, Batten, 5 pp., 03/04/05
- 2. 2. Report: Highway Cost Allocation Study 2005-2007 Biennium, ECONorthwest, 65 pp., 03/04/05