2007 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION

Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SJR 3 STATUS: A-Engrossed

SUBJECT: Amending Constitution to eliminate corporate surplus "kicker" refund. Referring to May

15, 2007 special election.

GOVERNMENT UNIT AFFECTED: Oregon Secretary of State

PREPARED BY: Adrienne Sexton

REVIEWED BY: Daron Hill **DATE:** February 21, 2007

2007-09 2009-11

EXPENDITURES: See Comments.

REVENUES: See Comments.

GOVERNOR'S BUDGET: This bill is not included in the Governor's budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: This measure would refer for voter approval a proposed Constitutional amendment to eliminate the refund of excess corporate income and excise tax revenues when the amount collected exceeds an estimate by two or more percent. The referral would be on the ballot at a special election held May 15, 2007.

The fiscal impact to the Secretary of State's office is the state's portion of costs incurred for an election date on which local governments already hold an election. The Secretary has estimated election costs of \$600,000 and voters' pamphlet costs of \$235,000. This is based on a 24 page voters' pamphlet, with 40 arguments submitted. General Fund revenue of \$20,000 would be generated by 40 arguments.

SB 549, which sets the statewide special election on May 15, will include a supplemental General Fund appropriation of \$835,000 for the Secretary's 2005-07 budget. It also contains the ballot title, explanatory statement, and financial impact statement for SJR 3 (Ballot Measure 49).