

2007 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SJR 4

STATUS: C-Engrossed

SUBJECT: Amending Constitution to impose certain tobacco taxes and dedicate use of revenues. Referring to a special election.

GOVERNMENT UNIT AFFECTED: Secretary of State

PREPARED BY: Adrienne Sexton

REVIEWED BY: Daron Hill

DATE: June 14, 2007

EXPENDITURES: See Comments.

REVENUES: See Comments.

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended 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: The measure would refer for voter approval or rejection at a special election, the date of which is not specified, a proposed amendment to the Oregon Constitution to establish a tobacco tax. Revenues generated by the tax would be dedicated for certain health-related purposes.

For purposes of this fiscal impact statement, the Legislative Fiscal Office assumes that the special election would be held in November, 2007. The Secretary of State projects a total cost of \$1.6 to \$1.8 million General Fund for a special election based on similar elections in 2002 and 2003, adjusted for inflation. The fiscal impact includes \$250,000 to publish the state voters' pamphlet, some of which would be off-set with General Fund revenue from the filing of arguments in support and opposition to the measure(s) appearing on the ballot.

The costs for counties to print, distribute and count ballots are anticipated to be \$1.4 to \$1.6 million. Expenses of a statewide special election are reimbursed by the state to the counties. Final costs of a special election are affected by: 1) whether counties or local jurisdictions place measures or candidates on the ballot, and 2) the complexity or controversy of the issue, which affects the size of the voters' pamphlet as more arguments in support and opposition are filed.

The Legislative Fiscal Office assumes that the Secretary will seek a General Fund appropriation from the Emergency Board or the Legislative Assembly in session when the actual election costs are known. This is generally two months after the election results are certified.

The administrative expenditure impact of SJR 4-C resulting from adoption by a vote of the people will need be presented in a companion measure (as yet unidentified) establishing the ballot title, explanatory statement and the fiscal impact statement describing expenditure and revenue effects.