

House Bill 3050

Sponsored by COMMITTEE ON REVENUE

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**.

Requires General Fund revenue forecast made after adjournment of Legislative Assembly to include adjustment for prior differences between estimated and actual revenues. Clarifies requirement for quarterly reports and estimates. Requires that difference between actual amount of General Fund revenues collected and amount of estimate that is basis of legislatively adopted budget be deposited in reserve fund. Provides exceptions.

A BILL FOR AN ACT

1
2 Relating to state financial administration; creating new provisions; amending ORS 291.200, 291.216,
3 291.261, 291.349, 311.662 and 314.840; and repealing ORS 291.342.

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

5 **SECTION 1.** ORS 291.349 is amended to read:

6 291.349. (1)(a) As soon as practicable after adjournment sine die of the regular session of the
7 Legislative Assembly, **the Governor shall require** the Oregon Department of Administrative Ser-
8 vices [*shall*] **to** report to the Emergency Board the estimate as of July 1 of the first year of the
9 biennium of General Fund and State Lottery Fund revenues that will be received by the state during
10 that biennium.

11 (b) The [*Oregon Department of Administrative Services*] **department** shall [*base its*] **calculate**
12 **the estimate required by paragraph (a) of this subsection by starting with** [*on*] the last forecast
13 given to the Legislative Assembly before adjournment sine die of the regular session on which the
14 printed, adopted budget prepared in the [*Oregon Department of Administrative Services*] **department**
15 is based, [*adjusted only insofar as necessary*] **and adjusting that number:**

16 (A) To reflect changes in laws adopted at that session; **and**

17 (B) **By adding an amount equal to the average of the differences between the estimates**
18 **under this subsection for prior biennia and the actual amounts of revenues reported under**
19 **subsection (2) of this section for those prior biennia.**

20 (c) The report shall contain the estimated revenues from corporate income and excise taxes
21 separately from the estimated revenues from other General Fund sources.

22 (d) The [*Oregon Department of Administrative Services*] **department** may revise the estimate
23 **required by paragraph (a) of this subsection** if necessary following adjournment sine die of any
24 special or emergency session of the Legislative Assembly but any revision does not affect the basis
25 of the computation described in subsection (3) or (4) of this section.

26 (2) As soon as practicable after the end of the biennium, the Oregon Department of Adminis-
27 trative Services shall report to the Emergency Board, or the Legislative Assembly if it is in session,
28 the amount of General Fund revenues collected as of the last June 30 of the preceding biennium.
29 The report shall contain the collections from corporate income and excise taxes separately from
30 collections from other sources.

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 (3) If the revenues received from the corporate income and excise taxes during the biennium
2 exceed the amounts estimated to be received from such taxes for the biennium, as estimated after
3 adjournment sine die of the regular session, by two percent or more, the total amount of that excess
4 shall be credited to corporate income and excise taxpayers in a percentage amount of corporate
5 excise and income tax liability as determined under subsection (5) of this section. However, no credit
6 shall be allowed against tax liability imposed by ORS 317.090.

7 (4) If the revenues received from General Fund revenue sources, exclusive of those described in
8 subsection (3) of this section, during the biennium exceed the amounts estimated to be received from
9 such sources for the biennium, as estimated after adjournment sine die of the regular session, by two
10 percent or more, there shall be refunded from personal income tax revenues an amount equal to the
11 total amount of that excess, reduced by the cost certified by the Department of Revenue under ORS
12 291.351 as being allocable to payments described under this subsection. The excess amount to be
13 refunded shall be paid to personal income taxpayers in a percentage amount of prior year personal
14 income tax liability as determined under subsection (6) of this section.

15 (5) If there is an excess to be credited under subsection (3) of this section, on or before October
16 1, following the end of each biennium, the Oregon Department of Administrative Services shall de-
17 termine and certify to the Department of Revenue the percentage amount of credit for purposes of
18 subsection (3) of this section. The percentage amount determined shall be a percentage amount to
19 the nearest one-tenth of a percent that will distribute the excess to be credited to corporate excise
20 and income taxpayers for taxable years beginning in the calendar year during which the excess is
21 determined. The credit shall be computed after the allowance of any other credit or offset against
22 tax liability allowed or allowable under any provision of law of this state, and before the application
23 of estimated tax payments, withholding or other advance tax payments.

24 (6)(a) If there is an excess to be refunded under subsection (4) of this section, on or before
25 September 15, following the end of each biennium, the Oregon Department of Administrative Ser-
26 vices shall determine and certify to the Department of Revenue the percentage amount of refund
27 payment for purposes of subsection (4) of this section. The percentage amount so determined shall
28 be a percentage amount to the nearest one-hundredth of a percent that will distribute the excess to
29 be refunded to personal income taxpayers under subsection (4) of this section. The percentage
30 amount shall equal the amount distributed under subsection (4) of this section divided by the esti-
31 mated total personal income tax liability for all personal income taxpayers for tax years beginning
32 in the calendar year immediately preceding the calendar year in which the excess is determined.

33 (b) The Department of Revenue shall multiply the percentage amount determined under para-
34 graph (a) of this subsection by the total amount of a personal income taxpayer's tax liability for the
35 tax year beginning in the calendar year immediately preceding the calendar year in which the ex-
36 cess is determined in order to calculate the amount of the refund to be made to the taxpayer.

37 (c) The refund described under this subsection shall be subject to the rules allowing setoff of
38 refunds or sums due debtors of this state under ORS 293.250.

39 (d) The refund described under this subsection shall be mailed by the Department of Revenue
40 to personal income taxpayers eligible for the payment on or before December 1 following the end
41 of the biennium for which the payment described under this subsection is being made.

42 (e) Notwithstanding paragraph (d) of this subsection, the Department of Revenue shall mail the
43 refund at the earliest date of practicable convenience in the case of a return:

44 (A) For a tax year beginning in the calendar year immediately preceding the calendar year in
45 which the excess is determined for which refund is being made; and

1 (B) That is first filed on or after August 15 after the end of the biennium.

2 (7) No refund shall be made to a taxpayer if, after making the calculation described under sub-
 3 section (6) of this section, the amount calculated is less than \$1.

4 **SECTION 2. (1) Not later than two months following the end of each calendar quarter,**
 5 **the Oregon Department of Administrative Services, with the assistance of the Department**
 6 **of Revenue, shall produce an economic and revenue report consisting of:**

7 (a) A statement of revenues received from the Oregon State Lottery and from General
 8 Fund revenue sources in the prior calendar quarter;

9 (b) A cumulative statement of revenues received from the Oregon State Lottery and from
 10 General Fund revenue sources in the current fiscal year and in the current biennium; and

11 (c) An estimate of the total amount of revenues that will be received from the Oregon
 12 State Lottery and the total amount that will be received from General Fund revenue sources
 13 in the current fiscal year, in the current biennium and in the two succeeding biennia.

14 (2) The Oregon Department of Administrative Services shall present the report required
 15 by this section to the Legislative Revenue Officer and the Legislative Fiscal Officer and to
 16 the Emergency Board or, if the Legislative Assembly is in session, to the Joint Committee
 17 on Ways and Means.

18 (3) In carrying out its duties under this section, the department shall issue quarterly a
 19 statement setting forth the methodology and assumptions used in making the revenue re-
 20 ports. Nothing in this subsection requires the statement to set forth procedures used or
 21 methods used to determine either the methodology or the assumptions.

22 **SECTION 3. (1) Except as provided in subsection (2) of this section, any difference be-**
 23 **tween the actual amount of General Fund revenues collected for a biennium, as determined**
 24 **by the Oregon Department of Administrative Services under ORS 291.349 (2), and the amount**
 25 **estimated in the last economic and revenue report given to the Legislative Assembly under**
 26 **section 2 of this 2007 Act before adjournment sine die of a regular session, shall be deposited**
 27 **into an emergency reserve fund.**

28 (2) If there is no emergency reserve fund, or if the fund has reached constitutional or
 29 statutory limits on the amount of moneys that may be in the fund, the moneys described in
 30 subsection (1) of this section shall be deposited into the Education Stability Fund established
 31 in ORS 348.696. If the Education Stability Fund has reached the constitutional limit on the
 32 amount of moneys that may be in the fund, the moneys described in subsection (1) of this
 33 section shall become part of the General Fund available for general governmental purposes.

34 **SECTION 4.** ORS 291.200 is amended to read:

35 291.200. (1) It is the intent of the Legislative Assembly to require the Governor, in the prepa-
 36 ration of the biennial budget, to state as precisely as possible what programs the Governor recom-
 37 mends be approved for funding under estimated revenues under [ORS 291.342] **section 2 of this 2007**
 38 **Act.** If estimated revenues are inadequate, the Legislative Assembly intends that it be advised by
 39 the Governor as precisely as possible how the Legislative Assembly might proceed to raise the ad-
 40 ditional funds. It is also the intent of the Legislative Assembly, in the event that the additional
 41 funding is not possible, to be informed by the Governor precisely what programs or portions thereof
 42 the Governor recommends be reduced accordingly. Finally, if the Governor chooses to recommend
 43 additional new programs or program enhancements, the Legislative Assembly intends that the Gov-
 44 ernor specify how the additional funding might be achieved. The Legislative Assembly believes that
 45 the state government must allocate its resources for effective and efficient delivery of public ser-

1 vices by:

- 2 (a) Clearly identifying desired results;
- 3 (b) Setting priorities;
- 4 (c) Assigning accountability; and
- 5 (d) Measuring, reporting and evaluating outcomes to determine future allocation.

6 (2) To achieve the intentions of subsection (1) of this section, it is the budget policy of this state
 7 to create and administer programs and services designed to attain societal outcomes such as the
 8 Oregon benchmarks and to promote the efficient and measured use of resources.

9 (3) To effect the policy stated in subsection (2) of this section, state government shall:

- 10 (a) Allocate resources to achieve desired outcomes;
- 11 (b) Express program outcomes in measurable terms;
- 12 (c) Measure progress toward desired outcomes;
- 13 (d) Encourage savings;
- 14 (e) Promote investments that reduce or avoid future costs;
- 15 (f) Plan for the short term and long term using consistent assumptions for major demographic
 16 and other trends; and
- 17 (g) Require accountability at all levels for meeting program outcomes.

18 **SECTION 5.** ORS 291.216 is amended to read:

19 291.216. (1) Not later than November 10 of each even-numbered year the Governor shall cause
 20 the budget report to be compiled and prepared for printing.

21 (2) The budget report shall include a budget message prepared by the Governor, including rec-
 22 ommendations of the Governor with reference to the fiscal policy of the state government for the
 23 coming biennium, describing the important features of the budget plan, embracing a general budget
 24 summary setting forth the aggregate figures of the budget report so as to show a balanced relation
 25 between the total proposed expenditures and the total anticipated income, with the basis and factors
 26 on which the estimates are made, the amount to be borrowed, and other means of financing the es-
 27 timated expenditures for the ensuing biennium, compared with the corresponding figures for at least
 28 the last completed biennium and the current biennium.

29 (3) The budget plan shall be supported by explanatory schedules or statements, classifying the
 30 expenditures reported therein, both past and proposed, by organization units, objects and funds, and
 31 the income by organization units, sources and funds, and the proposed amount of new borrowing as
 32 well as proposed new tax or revenue sources, including a single comprehensive list of all proposed
 33 increases in fees, licenses and assessments assumed in the budget plan.

34 (4) The budget plan shall be submitted for all dedicated funds, as well as the state General Fund,
 35 and shall include the estimated amounts of federal and other aids or grants to state agencies or
 36 activities provided for any purpose whatever, together with estimated expenditures therefrom.

37 (5) The budget report shall embrace the detailed estimates of expenditures and revenues. It shall
 38 include statements of the bonded indebtedness of the state government, showing the actual amount
 39 of the debt service for at least the past biennium, and the estimated amount for the current
 40 biennium and the ensuing biennium, the debt authorized and unissued, the condition of the sinking
 41 funds and the borrowing capacity. It shall contain the Governor's recommendations concerning tax
 42 expenditures identified under ORS 291.214. It shall also contain any statements relative to the fi-
 43 nancial plan which the Governor may deem desirable or which may be required by the legislature.

44 (6) The budget plan shall use the estimated revenues under [ORS 291.342] **section 2 of this 2007**
 45 **Act** for the fiscal year in which the plan is submitted as the basis for total anticipated income under

1 subsection (2) of this section, subject to such adjustment as may be necessary to reflect accurately
 2 projections for the next biennium.

3 (7) As supplemental information to the budget report, the Governor shall publish an existing
 4 level tentative budget plan for the two fiscal years for which the budget report is required. This
 5 summary budget shall reflect only existing revenues estimated under subsection (6) of this section;
 6 subject to such adjustment as may be necessary to reflect accurately projections for the next
 7 biennium. The supplemental information to the budget report shall be submitted at the same time
 8 as the budget report.

9 (8)(a) The budget report shall present information regarding the expenses of the state in the
 10 following categories:

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

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

14 (C) Capital construction.

15 (D) Capital outlay.

16 (E) Debt service.

17 (b) For each category described in paragraph (a) of this subsection, the report shall show actual
 18 expenditures to date.

19 (c) For each category described in paragraph (a) of this subsection, the report shall show:

20 (A) The amount of merit increases for the existing workforce.

21 (B) Increases for the cost of replacement and repair of supplies and equipment.

22 (C) Increases for the costs of new construction or major remodeling.

23 (D) Increases for the cost of inflation.

24 (d) The report shall show the total increase in the cost of salaries and benefits for all state
 25 positions.

26 (9) The budget report shall include:

27 (a) The total number of positions included in the budget.

28 (b) The average vacancy rate in the present biennium.

29 (c) The number of permanent, full-time equivalent vacancies, excluding academics, as of July 1
 30 of even-numbered years.

31 (10) The budget report shall include computations showing budget figures as a percentage of the
 32 total General Fund, federal fund, fee or other source category, as may be appropriate.

33 (11) The budget report shall include, in a format that provides side-by-side comparison with the
 34 State Debt Policy Advisory Commission report of net debt capacity, a six-year forecast, by debt type
 35 and repayment source, of:

36 (a) That portion of the capital construction program required to be reported by ORS 291.224 that
 37 will be financed by debt issuance.

38 (b) The acquisition of equipment or technology in excess of \$500,000 that will be financed by
 39 debt issuance.

40 (c) Other state agency debt issuance for grant or loan purposes.

41 (12) As supplemental information to the budget report, the Governor shall prepare an alternative
 42 budget plan for the two fiscal years for which the budget report is required and shall provide the
 43 alternative budget plan to the President of the Senate, the Speaker of the House of Representatives
 44 and the majority and minority leaders in the Senate and the House of Representatives. The alter-
 45 native budget plan shall establish funding for each state agency's programs and activities at 90

1 percent of the appropriations requested for the state agency in the budget report, excluding appro-
 2 priations that are not made to fund recurring activities. For each state agency, the Governor shall
 3 describe the 10 percent reduction in appropriated moneys in terms of the activities or programs that
 4 the agency will not undertake. The activities or programs that are not undertaken as a result of the
 5 reductions in appropriated moneys made in the alternative budget plan shall be ranked in order of
 6 importance and priority on the basis of lowest cost for benefit obtained.

7 **SECTION 6.** ORS 291.261 is amended to read:

8 291.261. (1) Notwithstanding the legislative policy and intent declared in ORS 291.232, if the
 9 Oregon Department of Administrative Services declares at any time during a biennium that there
 10 is a projected deficit in that biennium, the department may, with the approval of the Governor and
 11 in order to prevent the deficit, reduce the amount allotted to state agencies under ORS 291.234 to
 12 291.260 from the General Fund in the manner provided in subsection (2) of this section.

13 (2)(a) In reducing allotments under this section, the department and the Governor shall follow
 14 legislative funding priorities as expressed in statutes and in the legislatively adopted or approved
 15 budget for the biennium. Unless statutes or the legislatively adopted or approved budget indicate
 16 otherwise, the department and the Governor shall assume that all General Fund appropriations have
 17 the same priority and shall reduce allotments of General Fund moneys for each state agency re-
 18 ceiving General Fund moneys by the same percentage.

19 (b) The department and the Governor may not reduce allotments under this section by a total
 20 amount that exceeds the amount necessary to bring the total estimated General Fund ending balance
 21 to zero.

22 (3) For purposes of this section, the department may declare that there is a projected deficit if
 23 a quarterly estimate made as provided in [ORS 291.342] **section 2 of this 2007 Act** indicates that
 24 the projected balance in the General Fund at the end of the biennium will be less than zero.

25 **SECTION 7.** ORS 311.662 is amended to read:

26 311.662. The validity of any certification, levy, apportionment or collection made pursuant to
 27 ORS [291.342,] 291.445, 311.375, 311.657 or 311.658 shall not be dependent upon nor be affected by
 28 the validity or regularity of any proceeding or procedural activity relating thereto. Any certification
 29 required by ORS 291.445 and any transcript pursuant to ORS 311.657 shall contain recitals that they
 30 are issued pursuant to ORS [291.342,] 291.445, 311.375, 311.657 and 311.658 and such recitals shall
 31 be conclusive evidence of their validity and of the regularity of their issuance.

32 **SECTION 8.** ORS 314.840 is amended to read:

33 314.840. (1) The Department of Revenue may:

34 (a) Furnish any taxpayer, representative authorized to represent the taxpayer under ORS 305.230
 35 or person designated by the taxpayer under ORS 305.193, upon request of the taxpayer, represen-
 36 tative or designee, with a copy of the taxpayer's income tax return filed with the department for
 37 any year, or with a copy of any report filed by the taxpayer in connection with the return, or with
 38 any other information the department considers necessary.

39 (b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

40 (c) Publish statistics so classified as to prevent the identification of income or any particulars
 41 contained in any report or return.

42 (d) Disclose a taxpayer's name, address, telephone number, refund amount, amount due, Social
 43 Security number, employer identification number or other taxpayer identification number to the ex-
 44 tent necessary in connection with collection activities or the processing and mailing of correspond-
 45 ence or of forms for any report, return or claim required in the administration of ORS 310.630 to

1 310.706, any local tax under ORS 305.620, or any law imposing a tax upon or measured by net in-
 2 come.

3 (2) The department also may disclose and give access to information described in ORS 314.835
 4 to:

5 (a) The Governor of the State of Oregon or the authorized representative of the Governor:

6 (A) With respect to an individual who is designated as being under consideration for appoint-
 7 ment or reappointment to an office or for employment in the office of the Governor. The information
 8 disclosed shall be confined to whether the individual:

9 (i) Has filed returns with respect to the taxes imposed by ORS chapter 316 for those of not more
 10 than the three immediately preceding years for which the individual was required to file an Oregon
 11 individual income tax return.

12 (ii) Has failed to pay any tax within 30 days from the date of mailing of a deficiency notice or
 13 otherwise respond to a deficiency notice within 30 days of its mailing.

14 (iii) Has been assessed any penalty under the Oregon personal income tax laws and the nature
 15 of the penalty.

16 (iv) Has been or is under investigation for possible criminal offenses under the Oregon personal
 17 income tax laws. Information disclosed pursuant to this paragraph shall be used only for the purpose
 18 of making the appointment, reappointment or decision to employ or not to employ the individual in
 19 the office of the Governor.

20 (B) For use by an officer or employee of the Oregon Department of Administrative Services duly
 21 authorized or employed to prepare revenue estimates, or a person contracting with the Oregon De-
 22 partment of Administrative Services to prepare revenue estimates, in the preparation of revenue
 23 estimates required for the Governor's budget under ORS 291.201 to 291.226, or required for sub-
 24 mission to the Emergency Board, or if the Legislative Assembly is in session, to the Joint Committee
 25 on Ways and Means, and to the Legislative Revenue Officer under ORS [291.342,] 291.348 and
 26 291.445 **and section 2 of this 2007 Act**. The Department of Revenue shall disclose and give access
 27 to the information described in ORS 314.835 for the purposes of this subparagraph only if:

28 (i) The request for information is made in writing, specifies the purposes for which the request
 29 is made and is signed by an authorized representative of the Oregon Department of Administrative
 30 Services. The form for request for information shall be prescribed by the Oregon Department of
 31 Administrative Services and approved by the Director of the Department of Revenue.

32 (ii) The officer, employee or person receiving the information does not remove from the premises
 33 of the Department of Revenue any materials that would reveal the identity of a personal or corpo-
 34 rate taxpayer.

35 (b) The Commissioner of Internal Revenue or authorized representative, for tax purposes only.

36 (c) The proper officer of any state or the District of Columbia, or their authorized represen-
 37 tatives, for tax purposes only, if such state or district has a provision of law which meets the re-
 38 quirements of any applicable provision of the Internal Revenue Code as to confidentiality.

39 (d) The Multistate Tax Commission or its authorized representatives, for tax purposes only.
 40 However, the Multistate Tax Commission may make such information available to the Commissioner
 41 of Internal Revenue or the proper officer of any state or the District of Columbia, or their author-
 42 ized representatives, for tax purposes only, if the state or district has a provision of law which meets
 43 the requirements of any applicable provision of the Internal Revenue Code as to confidentiality.

44 (e) The Attorney General, assistants and employees in the Department of Justice, or other legal
 45 representative of the State of Oregon, to the extent the department deems disclosure or access

1 necessary for the performance of the duties of advising or representing the department pursuant to
 2 ORS 180.010 to 180.240 and the tax laws of this state.

3 (f) Employees of the State of Oregon, other than of the Department of Revenue or Department
 4 of Justice, to the extent the department deems disclosure or access necessary for such employees
 5 to perform their duties under contracts or agreements between the department and any other de-
 6 partment, agency or subdivision of the State of Oregon, in the department's administration of the
 7 tax laws.

8 (g) Other persons, partnerships, corporations and other legal entities, and their employees, to
 9 the extent the department deems disclosure or access necessary for the performance of such others'
 10 duties under contracts or agreements between the department and such legal entities, in the de-
 11 partment's administration of the tax laws.

12 (h) The Legislative Revenue Officer or authorized representatives upon compliance with ORS
 13 173.850. Such officer or representative shall not remove from the premises of the department any
 14 materials that would reveal the identity of any taxpayer or any other person.

15 (i) The Department of Consumer and Business Services, to the extent the department requires
 16 such information to determine whether it is appropriate to adjust those workers' compensation
 17 benefits the amount of which is based pursuant to ORS chapter 656 on the amount of wages or
 18 earned income received by an individual.

19 (j) Any agency of the State of Oregon, or any person, or any officer or employee of such agency
 20 or person to whom disclosure or access is given by state law and not otherwise referred to in this
 21 section, including but not limited to the Secretary of State as Auditor of Public Accounts under
 22 section 2, Article VI of the Oregon Constitution; the Department of Human Services pursuant to
 23 ORS 314.860 and 418.135; the Division of Child Support of the Department of Justice and district
 24 attorney regarding cases for which they are providing support enforcement services under ORS
 25 25.080; the State Board of Tax Practitioners, pursuant to ORS 673.710; and the Oregon Board of
 26 Accountancy, pursuant to ORS 673.415.

27 (k) The Director of the Department of Consumer and Business Services to determine that a
 28 person complies with ORS chapter 656 and the Director of the Employment Department to determine
 29 that a person complies with ORS chapter 657, the following employer information:

- 30 (A) Identification numbers.
- 31 (B) Names and addresses.
- 32 (C) Inception date as employer.
- 33 (D) Nature of business.
- 34 (E) Entity changes.
- 35 (F) Date of last payroll.

36 (L) The Director of Human Services to determine that a person has the ability to pay for care
 37 that includes services provided by the state institutions as described in ORS 179.321 or the Depart-
 38 ment of Human Services or to collect any unpaid cost of care as provided by ORS chapter 179.

39 (m) Employees of the Employment Department to the extent the Department of Revenue deems
 40 disclosure or access to information on a combined tax report filed under ORS 316.168 is necessary
 41 to performance of their duties in administering the tax imposed by ORS chapter 657.

42 (n) The State Fire Marshal to assist the State Fire Marshal in carrying out duties, functions and
 43 powers under ORS 453.307 to 453.414, the employer or agent name, address, telephone number and
 44 standard industrial classification, if available.

45 (o) Employees of the Department of State Lands for the purposes of identifying, locating and

1 publishing lists of taxpayers entitled to unclaimed refunds as required by the provisions of chapter
 2 694, Oregon Laws 1993. The information shall be limited to the taxpayer's name, address and the
 3 refund amount.

4 (p) In addition to the disclosure allowed under ORS 305.225, state or local law enforcement
 5 agencies to assist in the investigation or prosecution of the following criminal activities:

6 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
 7 to the stolen document, the name, address and taxpayer identification number of the payee, the
 8 amount of the check and the date printed on the check.

9 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
 10 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
 11 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
 12 dress and taxpayer identification number of the payee, the amount of the check, the date printed
 13 on the check and the altered name and address.

14 (q) The United States Postal Inspection Service or a federal law enforcement agency, including
 15 but not limited to the United States Department of Justice, to assist in the investigation of the fol-
 16 lowing criminal activities:

17 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
 18 to the stolen document, the name, address and taxpayer identification number of the payee, the
 19 amount of the check and the date printed on the check.

20 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
 21 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
 22 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
 23 dress and taxpayer identification number of the payee, the amount of the check, the date printed
 24 on the check and the altered name and address.

25 (r) The United States Financial Management Service, for purposes of facilitating the reciprocal
 26 offsets described in ORS 305.612.

27 (s) A municipal corporation of this state for purposes of assisting the municipal corporation in
 28 the administration of a tax of the municipal corporation that is imposed on or measured by income,
 29 wages or net earnings from self-employment. Any disclosure under this paragraph may be made only
 30 pursuant to a written agreement between the Department of Revenue and the municipal corporation
 31 that ensures the confidentiality of the information disclosed.

32 (3)(a) Each officer or employee of the department and each person described or referred to in
 33 subsection (2)(a), (e) to (k) or (m) to (p) of this section to whom disclosure or access to the tax in-
 34 formation is given under subsection (2) of this section or any other provision of state law, prior to
 35 beginning employment or the performance of duties involving such disclosure or access, shall be
 36 advised in writing of the provisions of ORS 314.835 and 314.991, relating to penalties for the vio-
 37 lation of ORS 314.835, and shall as a condition of employment or performance of duties execute a
 38 certificate for the department, in a form prescribed by the department, stating in substance that the
 39 person has read these provisions of law, that the person has had them explained and that the person
 40 is aware of the penalties for the violation of ORS 314.835.

41 (b) The disclosure authorized in subsection (2)(q) of this section shall be made only after a
 42 written agreement has been entered into between the Department of Revenue and the person de-
 43 scribed in subsection (2)(q) of this section to whom disclosure or access to the tax information is
 44 given, providing that:

45 (A) Any information described in ORS 314.835 that is received by the person pursuant to sub-

1 section (2)(q) of this section is confidential information that may not be disclosed, except to the ex-
2 tent necessary to investigate or prosecute the criminal activities described in subsection (2)(q) of
3 this section;

4 (B) The information shall be protected as confidential under applicable federal and state laws;
5 and

6 (C) The United States Postal Inspection Service or the federal law enforcement agency shall
7 give notice to the Department of Revenue of any request received under the federal Freedom of In-
8 formation Act, 5 U.S.C. 552, or other federal law relating to the disclosure of information.

9 (4) The Department of Revenue may recover the costs of furnishing the information described
10 in subsection (2)(k), (L) and (n) to (p) of this section from the respective agencies.

11 **SECTION 9. ORS 291.342 is repealed.**

12
