

**A-Engrossed**  
**Senate Bill 817**

Ordered by the Senate June 19  
Including Senate Amendments dated June 19

Sponsored by COMMITTEE ON FINANCE AND 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.

Requires interest on moneys in General Fund to be deposited into [*reserve fund*] **Oregon Rainy Day Fund. Redirects interest received on deposits of state funds from General Fund to Oregon Rainy Day Fund.**

**A BILL FOR AN ACT**

1  
2 Relating to a reserve fund; creating new provisions; and amending ORS 293.140 and 295.125 and  
3 sections 1 and 6, chapter 5, Oregon Laws 2007 (Enrolled House Bill 2707).

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

5 **SECTION 1.** ORS 293.140 is amended to read:

6 293.140. Except as otherwise provided by law, all interest received on deposits of state funds  
7 shall accrue to and become a part of the [*General Fund*] **Oregon Rainy Day Fund established by**  
8 **section 1, chapter 5, Oregon Laws 2007 (Enrolled House Bill 2707).**

9 **SECTION 2.** Section 1, chapter 5, Oregon Laws 2007 (Enrolled House Bill 2707), is amended to  
10 read:

11 **Sec. 1.** (1) The Oregon Rainy Day Fund is established as an account in the General Fund.

12 (2) The Legislative Assembly may appropriate moneys from the Oregon Rainy Day Fund only if  
13 the appropriation is approved by three-fifths of the members serving in each house of the Legislative  
14 Assembly and the Legislative Assembly finds one of the following:

15 (a) That the last quarterly economic and revenue forecast for a biennium indicates that moneys  
16 available to the General Fund for the next biennium will be at least three percent less than appro-  
17 priations from the General Fund for the current biennium;

18 (b) That there has been a decline for two or more consecutive quarters in the last 12 months  
19 in seasonally adjusted nonfarm payroll employment; or

20 (c) That a quarterly economic and revenue forecast projects that revenues in the General Fund  
21 in the current biennium will be at least two percent below what the revenues were projected to be  
22 in the revenue forecast on which the legislatively adopted budget for the current biennium was  
23 based.

24 [*(3) Once each month, the Oregon Department of Administrative Services shall calculate the amount*  
25 *of General Fund interest that is attributable to moneys in the Oregon Rainy Day Fund. Except as*  
26 *otherwise provided in section 6 of this 2007 Act, the department shall transfer the amount calculated*  
27 *under this subsection to the Oregon Rainy Day Fund.*]

28 [(4)] **(3)** The Legislative Assembly may not appropriate for any one biennium more than two-

**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 thirds of the amount that is in the Oregon Rainy Day Fund at the beginning of that biennium. If the  
2 appropriation is for a biennium that has not yet begun, the Legislative Assembly may use as the  
3 base the most recent estimate of the amount that will be in the Oregon Rainy Day Fund at the be-  
4 ginning of the biennium for which the appropriation is made.

5 [(5)] (4) As used in this section, “legislatively adopted budget” has the meaning given that term  
6 in ORS 291.002.

7 **SECTION 3.** Section 6, chapter 5, Oregon Laws 2007 (Enrolled House Bill 2707), is amended to  
8 read:

9 “**Sec. 6.** (1) If the moneys in the Oregon Rainy Day Fund established by section 1, **chapter 5,**  
10 **Oregon Laws 2007 (Enrolled House Bill 2707)**, [of this 2007 Act] just prior to the time of a transfer  
11 scheduled under section [1 (3) or] 4, **chapter 5, Oregon Laws 2007 (Enrolled House Bill 2707)**,  
12 [of this 2007 Act] equal at least 7-1/2 percent of the amount of General Fund revenues collected  
13 during the prior biennium, moneys that would otherwise be transferred to the Oregon Rainy Day  
14 Fund shall be deposited in the General Fund.

15 (2) If the moneys in the Oregon Rainy Day Fund just prior to the time of a transfer scheduled  
16 under section [1 (3) or] 4, **chapter 5, Oregon Laws 2007 (Enrolled House Bill 2707)**, [of this 2007  
17 Act] do not equal at least 7-1/2 percent of the amount of General Fund revenues collected during the  
18 prior biennium, the transfer to the Oregon Rainy Day Fund shall be made regardless of whether that  
19 transfer increases the amount in the Oregon Rainy Day Fund to at least 7-1/2 percent of the amount  
20 of General Fund revenues collected during the prior biennium.

21 **SECTION 4.** ORS 295.125 is amended to read:

22 295.125. (1)(a) The State Treasurer may deposit moneys not required to meet current demands  
23 for a term not to exceed two years at such interest rates and upon such conditions as to with-  
24 drawals of such moneys as may be agreed upon between the State Treasurer and any depository  
25 bank or banks in the state.

26 (b) All interest received on deposits of moneys under this subsection shall accrue to and become  
27 a part of the [General Fund] **Oregon Rainy Day Fund** as required by ORS 293.140.

28 (2)(a) The State Treasurer may deposit moneys of any of the funds mentioned in ORS 293.701 (2),  
29 except moneys deposited under subsection (1) of this section, at such interest rates and upon such  
30 conditions as to withdrawals of such moneys as may be agreed upon between the State Treasurer  
31 and any depository bank or banks in the state.

32 (b) Notwithstanding ORS 293.140, all interest received on deposits of moneys under this sub-  
33 section shall accrue to and become a part of the fund the moneys of which were deposited.

34 (3) The State Treasurer may retain on hand in the state vault or in a depository, the sum the  
35 treasurer considers necessary as a reserve for the purpose of paying the current obligations and  
36 appropriations of the state.

37 **SECTION 5.** The amendments to ORS 293.140 and 295.125 and sections 1 and 6, chapter  
38 5, Oregon Laws 2007 (Enrolled House Bill 2707), by sections 1 to 4 of this 2007 Act first apply  
39 to the biennium beginning July 1, 2009.

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