

Senate Joint Resolution 8

Sponsored by Senator SCHRADER (Presession filed.)

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**.

Proposes revision of Oregon Constitution to create Oregon Reserve Fund. Requires deposit into fund of moneys that would otherwise be refunded to taxpayers under "kicker" law, unless amount in reserve fund reaches specified amount. Specifies conditions under which moneys in reserve fund may be used.

Refers proposed revision to people for their approval or rejection at next primary election.

JOINT RESOLUTION

Be It Resolved by the Legislative Assembly of the State of Oregon, two-thirds of all the members of each house concurring:

PARAGRAPH 1. The Constitution of the State of Oregon is revised by creating new sections 2a, 14a and 14b to be added to and made a part of Article IX, such sections to read:

SECTION 2a. (1) The Oregon Reserve Fund is created. The following moneys shall be deposited into the fund:

(a) Moneys described in section 14a of this Article; and

(b) Any other moneys the Legislative Assembly determines shall be deposited into the Oregon Reserve Fund.

(2) The Legislative Assembly may establish the Oregon Reserve Fund as an account in the General Fund. If the reserve fund is established as an account in the General Fund, moneys in the reserve fund may not be included in calculations of the revenues received by the General Fund for purposes of section 14 or 14a of this Article.

(3) Moneys in the Oregon Reserve Fund may be invested as provided by law and are not subject to the limitations of section 6, Article XI of this Constitution. The Legislative Assembly may provide that earnings on moneys in the Oregon Reserve Fund be deposited into the General Fund to be available for general governmental expenses. Earnings on moneys in the Oregon Reserve Fund are not revenues received by the General Fund for purposes of section 14 or 14a of this Article.

(4) The Legislative Assembly may appropriate any portion of the principal of the Oregon Reserve Fund if:

(a) The proposed appropriation is approved by three-fifths of the members serving in each house of the Legislative Assembly and the Legislative Assembly finds one of the following:

(A) That the last quarterly economic and revenue forecast presented in the current biennium estimates that revenues available to the General Fund for the next biennium will be at least three percent less than appropriations from the General Fund for the current biennium, as determined as of the date the forecast is presented;

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

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 (C) That a quarterly economic and revenue forecast estimates that General Fund reven-
2 ues for the biennium in which the forecast is made will be at least two percent below the
3 amount estimated in the last quarterly economic and revenue forecast presented prior to the
4 end of the regular legislative session in which the budget for the current biennium was
5 adopted; or

6 (b) The proposed appropriation is approved by three-fifths of the members serving in each
7 house of the Legislative Assembly and the Governor declares an emergency.

8 (5) The Legislative Assembly may prescribe the procedures to be used and identify the
9 persons required to make the forecasts described in subsection (4) of this section.

10 **SECTION 14a.** (1) Notwithstanding section 14 of this Article, revenues that would be re-
11 turned to corporate income and excise taxpayers under subsection (3) of section 14 of this
12 Article and revenues that would be returned to personal income taxpayers under subsection
13 (4) of section 14 of this Article shall be deposited into the Oregon Reserve Fund created
14 pursuant to section 2a of this Article if, at the time of the determination that revenues
15 would be returned to taxpayers, the amount in the reserve fund is less than 10 percent of
16 the revenues received by the General Fund in the prior biennium.

17 (2) If a deposit into the reserve fund is required under this section, the deposit shall be
18 made as soon as is practicable after the determination of actual collection of revenues re-
19 quired by subsection (2) of section 14 of this Article has been made. The Legislative Assembly
20 may enact laws establishing the timing of and mechanisms for deposits required by this
21 section.

22 (3) If a deposit into the reserve fund is not required because the determination of actual
23 collection of revenues required by subsection (2) of section 14 of this Article shows that the
24 amount in the reserve fund equals at least 10 percent of the revenues received by the Gen-
25 eral Fund in the prior biennium, revenues described in subsection (1) of this section shall be
26 returned to taxpayers as provided in section 14 of this Article.

27 **SECTION 14b.** The provisions of section 14a of this Article first apply to revenues that
28 would be returned to taxpayers under section 14 of this Article during the biennium begin-
29 ning July 1, 2009.

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31 **PARAGRAPH 2.** The revision proposed by this resolution shall be submitted to the people
32 for their approval or rejection at the next primary election.
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