

House Bill 2900

Sponsored by Representative WINGARD; Representatives BENTZ, FREEMAN, HUFFMAN, KENNEMER, SPRENGER, THOMPSON, WEIDNER

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**.

Modifies circumstances under which moneys in Oregon Rainy Day Fund may be appropriated.

Requires that after first revenue forecast following adjournment sine die of regular legislative session, specified percentage of projected General Fund revenues be transferred to Oregon Rainy Day Fund.

Establishes Education Capital Construction Account. Specifies that moneys in account be used only for capital construction projects for public education. Requires, for biennia beginning on or after July 1, 2009, that if sum of moneys in Oregon Rainy Day Fund and moneys in Education Stability Fund equals 10 percent of General Fund revenues projected for biennium, moneys that would otherwise be transferred to Oregon Rainy Day Fund be transferred to Education Capital Construction Account.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to a reserve fund; creating new provisions; amending ORS 293.144 and 293.146; repealing
3 ORS 293.148; and declaring an emergency.

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

5 **SECTION 1.** ORS 293.144 is amended to read:

6 293.144. (1) The Oregon Rainy Day Fund is established as an account in the General Fund.

7 (2) The Legislative Assembly may appropriate moneys from the Oregon Rainy Day Fund only if
8 the appropriation is approved by [*three-fifths*] **two-thirds** of the members serving in each house of
9 the Legislative Assembly and **the Governor declares an emergency**. [*the Legislative Assembly*
10 *finds one of the following:*]

11 [*(a) That the last quarterly economic and revenue forecast for a biennium indicates that moneys*
12 *available to the General Fund for the next biennium will be at least three percent less than appropri-*
13 *ations from the General Fund for the current biennium;*]

14 [*(b) That there has been a decline for two or more consecutive quarters in the last 12 months in*
15 *seasonally adjusted nonfarm payroll employment; or*]

16 [*(c) That a quarterly economic and revenue forecast projects that revenues in the General Fund in*
17 *the current biennium will be at least two percent below what the revenues were projected to be in the*
18 *revenue forecast on which the legislatively adopted budget for the current biennium was based.*]

19 [(3) *Once each month, the Oregon Department of Administrative Services shall calculate the amount*
20 *of General Fund interest that is attributable to moneys in the Oregon Rainy Day Fund. Except as*
21 *otherwise provided in ORS 293.148, the department shall transfer the amount calculated under this*
22 *subsection to the Oregon Rainy Day Fund.*]

23 [(4)] **(3)** [*The Legislative Assembly may not appropriate for any one biennium more than two-thirds*
24 *of the amount that is in the Oregon Rainy Day Fund at the beginning of that biennium. If the appro-*
25 *priation is for a biennium that has not yet begun, the Legislative Assembly may use as the base the*

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 *most recent estimate of the amount that will be in the Oregon Rainy Day Fund at the beginning of the*
 2 *biennium for which the appropriation is made.] **The Legislative Assembly may not appropriate***
 3 **more than two-thirds of the amount in the Oregon Rainy Day Fund for any one biennium.**

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

6 **SECTION 2.** ORS 293.146 is amended to read:

7 293.146. [(1) *As used in this section:*]

8 [(a) *“Ending balance” means the difference between the amount of General Fund revenues collected*
 9 *during a biennium and the amount of General Fund appropriations for the biennium.*]

10 [(b) *“General Fund appropriations” means the amount of moneys appropriated from the General*
 11 *Fund for a biennium in the legislatively approved budget for the biennium, minus the amount of any*
 12 *General Fund appropriation balances for that biennium that revert to the General Fund under ORS*
 13 *293.190.*]

14 [(c) *“Legislatively approved budget” has the meaning given that term in ORS 291.002.*]

15 [(2) *Except as provided in ORS 293.148, as soon as possible after the ending balance for a*
 16 *biennium is determined, an amount equal to one percent of the amount of General Fund appropriations*
 17 *for that biennium shall be transferred to the Oregon Rainy Day Fund established by ORS 293.144. If*
 18 *the ending balance does not equal or exceed one percent of the amount of General Fund appropriations,*
 19 *an amount equal to the ending balance shall be transferred to the Oregon Rainy Day Fund.*]

20 **As soon as possible after the first revenue forecast following adjournment sine die of a**
 21 **regular session of the Legislative Assembly, an amount equal to one percent of the projected**
 22 **amount of General Fund revenues for the biennium beginning July 1 of the year the regular**
 23 **session started shall be transferred to the Oregon Rainy Day Fund established in ORS**
 24 **293.144.**

25 **SECTION 3.** Notwithstanding ORS 293.146, if the sum of moneys in the Oregon Rainy Day
 26 **Fund and moneys in the Education Stability Fund equals 10 percent of the projected amount**
 27 **of General Fund revenues described in ORS 293.146, moneys that would otherwise be trans-**
 28 **ferred to the Oregon Rainy Day Fund shall be transferred to the Education Capital Con-**
 29 **struction Account established in section 5 of this 2009 Act.**

30 **SECTION 4.** The amendments to ORS 293.146 by section 2 of this 2009 Act apply to
 31 **biennia beginning on or after July 1, 2009.**

32 **SECTION 5.** The Education Capital Construction Account is established as an account in
 33 **the General Fund. The account shall consist of moneys transferred to the account under**
 34 **section 3 of this 2009 Act. Moneys in the account may be used only for capital construction**
 35 **projects for public education.**

36 **SECTION 6.** Sections 3 and 5 of this 2009 Act, the amendments to ORS 293.144 and 293.146
 37 **by sections 1 and 2 of this 2009 Act and the repeal of ORS 293.148 by section 7 of this 2009**
 38 **Act apply to:**

39 **(1) Appropriations made from the Oregon Rainy Day Fund on or after the effective date**
 40 **of this 2009 Act; and**

41 **(2) Transfers of amounts required to be made on or after the effective date of this 2009**
 42 **Act.**

43 **SECTION 7.** ORS 293.148 is repealed.

44 **SECTION 8.** This 2009 Act being necessary for the immediate preservation of the public
 45 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**

1 **on its passage.**

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