

A-Engrossed
Senate Bill 5520

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

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Budget and Management Division, Oregon Department of Administrative Services)

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.

Appropriates moneys from General Fund **and Oregon Rainy Day Fund** to Department of Education for State School Fund. **Creates formula by which Oregon Department of Administrative Services calculates amount of certain appropriations from funds.**

Limits biennial expenditures by Department of Education of lottery funds allocated to department for State School Fund.

Limits biennial expenditures by department from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by department.

Authorizes certain expenditures from State School Fund.

Establishes maximum amount department may spend from State School Fund each fiscal year of biennium.

Appropriates moneys from General Fund to department **and Emergency Board** for Local Option Equalization Grants Account.

Declares emergency, effective July 1, 2009.

A BILL FOR AN ACT

1
2 Relating to financial administration of the Department of Education; appropriating money; limiting
3 expenditures; and declaring an emergency.

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

5 **SECTION 1. In addition to and not in lieu of any other appropriation, there is appropri-**
6 **ated to the Department of Education, for the biennium beginning July 1, 2009, out of the**
7 **General Fund, the amount of \$5,257,495,645 for the State School Fund.**

8 **SECTION 2. Notwithstanding any other law limiting expenditures, the amount of**
9 **\$539,063,144 is established for the biennium beginning July 1, 2009, as the maximum limit for**
10 **payment of expenses from lottery moneys allocated from the Administrative Services Eco-**
11 **nomic Development Fund to the Department of Education for the State School Fund.**

12 **SECTION 3. Notwithstanding any other law limiting expenditures, the amount of**
13 **\$3,637,214 is established for the biennium beginning July 1, 2009, as the maximum limit for**
14 **payment of expenses by the Department of Education from fees, moneys or other revenues,**
15 **including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or**
16 **received by the Department of Education for the State School Fund.**

17 **SECTION 4. Notwithstanding ORS 327.008, for the biennium beginning July 1, 2009, the**
18 **Department of Education may:**

19 (1) **Not expend any moneys from the State School Fund for the administration of ORS**
20 **326.133 and 326.136.**

Note: For budget, see 2009-2011 Biennial Budget

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 (2) Expend up to \$1,800,598 from the State School Fund for the purposes of the Oregon
2 Virtual School District.

3 **SECTION 5.** (1) The Department of Education may not spend more than \$2,940,096,041
4 from the State School Fund for the fiscal year beginning July 1, 2009.

5 (2) The Department of Education may not spend more than \$3,060,099,962 from the State
6 School Fund for the fiscal year beginning July 1, 2010.

7 **SECTION 6.** In addition to and not in lieu of any other appropriation, there is appropri-
8 ated to the Department of Education, for the biennium beginning July 1, 2009, out of the
9 General Fund, the amount of \$1,400,000 for the Local Option Equalization Grants Account.

10 **SECTION 7.** (1) In addition to and not in lieu of any other appropriation, there is appro-
11 priated to the Emergency Board, for the biennium beginning July 1, 2009, out of the General
12 Fund, the amount of \$900,000, to be allocated to Department of Education for the Local Op-
13 tion Equalization Grants Account created by ORS 327.339.

14 (2) If any of the moneys appropriated by subsection (1) of this section are not allocated
15 by the Emergency Board prior to December 1, 2010, the moneys remaining on that date be-
16 come available for any purpose for which the Emergency Board lawfully may allocate funds.

17 **SECTION 8.** Notwithstanding any condition or limitation described in ORS 293.144 and in
18 addition to and not in lieu of any other appropriation, there is appropriated to the Depart-
19 ment of Education, for the biennium beginning July 1, 2009, out of the Oregon Rainy Day
20 Fund, the amount determined as provided by section 10 of this 2009 Act, for the State School
21 Fund.

22 **SECTION 9.** In addition to and not in lieu of any other appropriation, there is appropri-
23 ated to the Department of Education, for the biennium beginning July 1, 2009, out of the
24 General Fund, the amount determined as provided by section 10 of this 2009 Act, for the
25 State School Fund.

26 **SECTION 10.** (1) As part of the quarterly revenue estimate scheduled to be released in
27 June 2010, the Oregon Department of Administrative Services shall calculate the sum of:

28 (a) The projected ending balance of the General Fund for the biennium beginning July 1,
29 2009;

30 (b) The balance available in the Oregon Rainy Day Fund on the day of the estimate; and

31 (c) The balance in the Education Stability Fund on the day of the estimate.

32 (2) Subject to the limitations described in subsection (3) of this section, of the amount
33 calculated under subsection (1) of this section that exceeds \$100,000,000:

34 (a) All moneys in the Oregon Rainy Day Fund are available to satisfy the appropriation
35 made under section 8 of this 2009 Act; and

36 (b) All unappropriated moneys in the General Fund are available to satisfy the appropri-
37 ation made under section 9 of this 2009 Act.

38 (3)(a) The appropriations made under sections 8 and 9 of this 2009 Act are not operative
39 unless the sum calculated under subsection (1) of this section exceeds \$100,000,000.

40 (b) The total amount appropriated under sections 8 and 9 of this 2009 Act may not reduce
41 the amount calculated under subsection (1) of this section to below \$100,000,000.

42 (c) The total amount appropriated under sections 8 and 9 of this 2009 Act may not exceed
43 \$200,000,000.

44 (d) The first moneys used to satisfy the appropriations described in sections 8 and 9 of
45 this 2009 Act must come from the Oregon Rainy Day Fund. The total balance of the Oregon

1 **Rainy Day Fund must be appropriated as provided by section 8 of this 2009 Act before any**
2 **moneys may be appropriated from the General Fund as provided by section 9 of this 2009 Act.**

3 **SECTION 11. If the conditions specified in section 10 of this 2009 Act are met, sections**
4 **8 and 9 of this 2009 Act become operative on June 1, 2010.**

5 **SECTION 12. This 2009 Act being necessary for the immediate preservation of the public**
6 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**
7 **July 1, 2009.**

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