

Senate Bill 656

Sponsored by Senators MORSE, BURDICK, MONROE, Representatives BARNHART, BRUUN, ESQUIVEL, READ

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**.

Directs Secretary of State to add to caption of ballot title for certain initiated state measures phrase regarding fiscal impact designated by financial estimate committee.

A BILL FOR AN ACT

1
2 Relating to elections; creating new provisions; and amending ORS 250.035, 250.125, 250.127, 250.131
3 and 251.185.

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

5 **SECTION 1.** ORS 250.125 is amended to read:

6 250.125. (1) When a state measure involves expenditure of public moneys by the state, reduction
7 of expenditure of public moneys by the state, reduction of state revenues or raising of funds by the
8 state by imposing any tax or incurring any indebtedness, the financial estimate committee created
9 under this section shall estimate:

10 (a) The amount of direct expenditure, direct reduction of expenditure, direct reduction in state
11 revenues, direct tax revenue or indebtedness and interest that will be required to meet the pro-
12 visions of the measure if it is enacted; and

13 (b) The aggregate amount of direct expenditure, direct reduction of expenditure, direct reduction
14 in revenues, direct tax revenue or indebtedness and interest that will be required by any city,
15 county or district to meet the provisions of the measure if it is enacted.

16 (2) For a state measure for which an estimate is required to be prepared under subsection (1)
17 of this section, the financial estimate committee may also estimate the amount of direct expenditure,
18 direct reduction of expenditure, direct reduction in revenues, direct tax revenue or indebtedness and
19 interest that will result for the state or any city, county or district if the measure is not enacted.
20 The financial estimate committee may make an estimate under this subsection if the Legislative
21 Assembly has enacted a law that will apply only if the measure for which the estimate is prepared
22 is not enacted.

23 (3) For a state measure for which an estimate is required to be prepared under subsection (1)
24 of this section, the financial estimate committee shall consult with the Legislative Revenue Officer
25 to determine if the measure has potentially significant indirect economic or fiscal effects. If the
26 committee determines that the indirect economic or fiscal effects of the measure are significant and
27 can be estimated, the Legislative Revenue Officer shall prepare on behalf of the committee an im-
28 partial estimate of the indirect economic or fiscal effects of the measure. The Legislative Revenue
29 Officer shall use the best available economic models and data to produce the estimate. The financial
30 estimate committee shall incorporate relevant parts of the estimate prepared by the Legislative Re-
31 venue Officer into the estimate prepared by the committee under subsection (1) of this section.

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 (4) Except as provided in subsection (5) of this section, the estimates described in subsections
 2 (1) and (2) of this section shall be printed in the voters' pamphlet and on the ballot. The estimates
 3 shall be impartial, simple and understandable and shall include the following information:

4 (a) A statement of the amount of financial effect on state or local government expenditures, re-
 5 venues or indebtedness, expressed as a specific amount or as a range of amounts;

6 (b) A statement of any recurring annual amount of financial effect on state or local government
 7 expenditures, revenues or indebtedness;

8 (c) A description of the most likely financial effect or effects of the adoption of the measure; and

9 (d) If an estimate is made under subsection (2) of this section, a description of the most likely
 10 financial effect or effects if the measure is not enacted.

11 (5) If the financial estimate committee determines that the measure will have no financial effect
 12 on state or local government expenditures, revenues or indebtedness or that the financial effect on
 13 state or local government expenditures, revenues or indebtedness will not exceed \$100,000, the
 14 committee shall prepare and file with the Secretary of State a statement declaring that the measure
 15 will have no financial effect or that the financial effect will not exceed \$100,000. The statement shall
 16 be printed in the voters' pamphlet and on the ballot.

17 **(6)(a) For a state measure for which an estimate is required to be prepared under sub-**
 18 **section (1) of this section, the financial estimate committee shall submit to the Secretary**
 19 **of State one of the following phrases that most accurately reflects the fiscal impact of the**
 20 **measure:**

21 **(A) "Fiscal impact with no identified source of funding";**

22 **(B) "Fiscal impact with identified source of funding";**

23 **(C) "Fiscal impact greater than identified source of funding";**

24 **(D) "Fiscal impact not to exceed \$100,000"; or**

25 **(E) "No fiscal impact."**

26 **(b) The Secretary of State shall add the phrase submitted by the financial estimate**
 27 **committee as part of the caption of the ballot title as the caption appears in the voters'**
 28 **pamphlet and on the ballot.**

29 [(6)] (7) In addition to the estimates described in subsections (1) and (2) of this section, if the
 30 financial estimate committee considers it necessary, the committee may prepare and file with the
 31 Secretary of State an impartial, simple and understandable statement explaining the financial effects
 32 of the measure. The statement may not exceed 500 words. The statement shall be printed in the
 33 voters' pamphlet with the measure to which it relates.

34 [(7)] (8) The Legislative Administration Committee shall provide any administrative staff assist-
 35 ance required by the financial estimate committee to facilitate the work of the financial estimate
 36 committee under this section or ORS 250.127.

37 [(8)] (9) The financial estimate committee is created, consisting of the Secretary of State, the
 38 State Treasurer, the Director of the Oregon Department of Administrative Services, the Director
 39 of the Department of Revenue and a representative of a city, county or district with expertise in
 40 local government finance. The representative of a city, county or district shall be selected by the
 41 four other members of the financial estimate committee and shall serve for a term of two years that
 42 begins on March 1 of the odd-numbered year.

43 **SECTION 2.** ORS 250.035 is amended to read:

44 250.035. (1) The ballot title of any measure, other than a state measure, to be initiated or re-
 45 ferred shall consist of:

1 (a) A caption of not more than 10 words which reasonably identifies the subject of the measure;

2 (b) A question of not more than 20 words which plainly phrases the chief purpose of the measure
3 so that an affirmative response to the question corresponds to an affirmative vote on the measure;
4 and

5 (c) A concise and impartial statement of not more than 175 words summarizing the measure and
6 its major effect.

7 (2) The ballot title of any state measure to be initiated or referred shall consist of:

8 (a) A caption of not more than 15 words that reasonably identifies the subject matter of the
9 state measure, **including any phrase added by the Secretary of State under ORS 250.125. The**
10 **phrase shall not be counted for purposes of the 15-word caption limit.** The caption of an initi-
11 ative or referendum amendment to the Constitution shall begin with the phrase, "Amends Constitu-
12 tion," which shall not be counted for purposes of the 15-word caption limit;

13 (b) A simple and understandable statement of not more than 25 words that describes the result
14 if the state measure is approved. The statement required by this paragraph shall include either the
15 phrase, "I vote" or "vote yes," or a substantially similar phrase, which may be placed at any point
16 within the statement;

17 (c) A simple and understandable statement of not more than 25 words that describes the result
18 if the state measure is rejected. The statement required by this paragraph shall not describe ex-
19 isting statutory or constitutional provisions in a way that would lead an average elector to believe
20 incorrectly that one of those provisions would be repealed by approval of the state measure, if ap-
21 proval would not have that result. Any thing or action described both in the statement required by
22 paragraph (b) of this subsection and in the statement required by this paragraph shall be described
23 using the same terms in both statements, to the extent practical. Any different terms must be terms
24 that an average elector would understand to refer to the same thing or action. The statement shall
25 include either the phrase, "I vote" or "vote no," or a substantially similar phrase, which may be
26 placed at any point within the statement; and

27 (d) A concise and impartial statement of not more than 125 words summarizing the state meas-
28 ure and its major effect.

29 (3) The statements required by subsection (2)(b) and (c) of this section shall be written so that,
30 to the extent practicable, the language of the two statements is parallel.

31 (4) The statement required by subsection (2)(b) of this section shall be written so that an affir-
32 mative response to the statement corresponds to an affirmative vote on the state measure.

33 (5) The statement required by subsection (2)(c) of this section shall be written so that an affir-
34 mative response to the statement corresponds to a negative vote on the state measure.

35 (6) To avoid confusion, a ballot title shall not resemble any title previously filed for a measure
36 to be submitted at that election.

37 (7) In the statements required by subsection (2)(b), (c) and (d) of this section, reasonable dis-
38 cretion shall be allowed in the use of articles and conjunctions, but the statements shall not omit
39 articles and conjunctions that are necessary to avoid confusion to or misunderstanding by an aver-
40 age elector.

41 **SECTION 3.** ORS 250.127 is amended to read:

42 250.127. (1) Not later than the 99th day before a special election held on the date of a primary
43 election or any general election at which any state measure is to be submitted to the people, the
44 financial estimate committee created under ORS 250.125 shall prepare and file with the Secretary
45 of State the estimates **and phrase** described in ORS 250.125 and, if the committee considers it nec-

1 essary, a statement explaining the financial effects of the measure as described in ORS 250.125
2 [(6)] (7). The financial estimate committee may begin preparation of the estimates, **phrase** and
3 statement on the date that a petition is accepted for verification of signatures under ORS 250.105
4 or the date that a measure referred by the Legislative Assembly is filed with the Secretary of State,
5 whichever is applicable.

6 (2) Not later than the 95th day before the election, the Secretary of State shall hold a hearing
7 in Salem upon reasonable statewide notice to receive suggested changes to the estimates, **phrase**
8 or statement or to receive other information. At the hearing any person may submit suggested
9 changes or other information orally or in writing. Written suggestions or other information also may
10 be submitted at any time before the hearing.

11 (3) The financial estimate committee shall consider suggestions and any other information sub-
12 mitted under subsection (2) of this section, and may file revised estimates or a revised statement
13 **or phrase** with the Secretary of State not later than the 90th day before the election.

14 (4) Except as provided in subsection (5) of this section, the original estimates, **phrase** and
15 statement and any revised estimates, **phrase** or statement shall be approved by a majority of the
16 members of the financial estimate committee. If a member does not concur, the estimates, **phrase**
17 or statement shall show only that the member dissents. The Secretary of State shall certify final
18 estimates, **a final phrase** and a final statement not later than the 90th day before the election at
19 which the measure is to be voted upon. All estimates, **phrases** and statements prepared under ORS
20 250.125 and this section shall be made available to the public.

21 (5) If a majority of the members of the financial estimate committee do not approve the esti-
22 mates, **phrase** or statement, the Secretary of State alone shall prepare, file and certify the
23 estimates, **phrase** or statement not later than the 88th day before the election at which the measure
24 is to be voted upon with the data upon which the estimates, **phrase** or statement is based.

25 (6) The support or opposition of any member of the financial estimate committee to the original
26 or revised estimates, **phrase** or statement shall be indicated in the minutes of any meeting of the
27 committee. Meetings of the financial estimate committee shall be open to the public. Designees of
28 the members of the financial estimate committee may attend any meetings of the committee in the
29 place of the members, but the designees may not vote to approve or oppose any [*estimates*] **estimate,**
30 **phrase** or statement.

31 (7) A failure to prepare, file or certify estimates, **a phrase** or a statement under ORS 250.125,
32 this section or ORS 250.131 does not prevent the inclusion of the measure in the voters' pamphlet
33 or placement of the measure on the ballot.

34 (8) If the estimates **and phrase** are not delivered to the county clerk by the 61st day before the
35 election, the county clerk may proceed with the printing of ballots. The county clerk is not required
36 to reprint ballots to include the estimates **or phrase** or to provide supplemental information that
37 includes the estimates **or phrase**.

38 **SECTION 4.** ORS 250.131 is amended to read:

39 250.131. (1) Any person alleging that an estimate, **phrase** or statement described in ORS 250.125
40 was prepared, filed or certified in violation of the procedures specified in ORS 250.125 or 250.127
41 may petition the Supreme Court seeking that the required procedures be followed and stating the
42 reasons the estimate, **phrase** or statement filed with the court does not satisfy the required proce-
43 dures. A petition is not allowed concerning the contents of the estimate, **phrase** or statement or
44 whether an estimate, **phrase** or statement should be prepared.

45 (2) If the petition is filed not later than the 85th day before the election at which the measure

1 is to be voted upon, the court shall review the procedures under which the estimate, **phrase** or
2 statement was prepared, filed and certified, hear arguments and determine whether the procedures
3 required under ORS 250.125 and 250.127 were satisfied. The review by the Supreme Court shall be
4 conducted expeditiously to ensure the orderly and timely conduct of the election at which the
5 measure is to be submitted to the electors.

6 (3) If the court determines that the procedures described in ORS 250.125 and 250.127 were not
7 satisfied, the court shall order the preparation of a second estimate, **phrase** or statement, to be
8 prepared, filed and certified as provided in ORS 250.125 and 250.127 except that:

9 (a) The financial estimate committee created under ORS 250.125 shall prepare and file with the
10 Secretary of State an estimate, **phrase** or statement not later than two days following the decision
11 of the court;

12 (b) A hearing shall be held within two days after the estimate, **phrase** or statement is filed; and

13 (c) An estimate, **phrase** or statement shall be certified not later than seven days after the de-
14 cision of the court. The procedures under which the second estimate, **phrase** or statement is filed
15 and certified may not be appealed.

16 **SECTION 5.** ORS 251.185 is amended to read:

17 251.185. (1) The Secretary of State shall have printed in the voters' pamphlet for a general
18 election or any special election a copy of the title and text of each state measure to be submitted
19 to the people at the election for which the pamphlet was prepared. Each measure shall be printed
20 in the pamphlet with:

21 (a) The number and ballot title of the measure;

22 (b) The financial estimates, **phrase** and any statement prepared for the measure under ORS
23 250.125;

24 (c) The explanatory statement prepared for the measure; and

25 (d) Arguments relating to the measure and filed with the Secretary of State.

26 (2) A county measure or measure of a metropolitan service district organized under ORS chapter
27 268, and ballot title, explanatory statement and arguments relating to the measure, filed by the
28 county or metropolitan service district under ORS 251.285 shall be included in the voters' pamphlet
29 described in subsection (1) of this section if required under ORS 251.067.

30 **SECTION 6. The amendments to ORS 250.035, 250.125, 250.127, 250.131 and 251.185 by**
31 **sections 1 to 5 of this 2009 Act apply to measures considered by the financial estimate com-**
32 **mittee on or after the effective date of this 2009 Act.**

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