

# Senate Joint Resolution 26

Sponsored by Senator STARR, Representatives C EDWARDS, D EDWARDS; Senators ATKINSON, FERRIOLI, GEORGE, GIROD, KRUSE, MORSE, NELSON, TELFER, WHITSETT, Representatives BERGER, CAMERON, ESQUIVEL, GARRARD, GARRETT, HANNA, HUFFMAN, JENSON, KENNEMER, KRIEGER, RICHARDSON, SCHAUFLER, THATCHER, THOMPSON, WEIDNER, WHISNANT

## 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 amendment to Oregon Constitution to create Oregon Budget Reserve Fund. Specifies sources of fund and conditions under which moneys in fund may be spent.

Refers proposed amendment to people for their approval or rejection at next regular general election.

## JOINT RESOLUTION

**Be It Resolved by the Legislative Assembly of the State of Oregon:**

**PARAGRAPH 1.** The Constitution of the State of Oregon is amended by creating a new section 2a to be added to and made a part of Article IX, such section to read:

**SECTION 2a. (1) The Oregon Budget Reserve Fund is established. The fund consists of:**

**(a) Moneys deposited into the fund in accordance with this section; and**

**(b) Any other moneys deposited into the fund in accordance with law.**

**(2) In budgeting for a biennium that begins on July 1 of the year of a regular legislative session, the Legislative Assembly shall leave unappropriated three percent of the amount of General Fund revenues estimated to be available for the biennium. The Legislative Assembly shall use the estimate of General Fund revenues contained in the last quarterly economic and revenue forecast presented prior to the end of the regular legislative session. For purposes of this section, the quarterly economic and revenue forecast is the forecast made for purposes of subsection (6) of section 4, Article XV of this Constitution.**

**(3) When the actual amount of General Fund revenues collected has been determined for a biennium:**

**(a) If the actual amount equals or exceeds the amount of the estimate used to determine the amount left unappropriated for that biennium under subsection (2) of this section, the three percent of estimated General Fund revenues that was left unappropriated for that biennium under subsection (2) of this section shall be deposited into the Oregon Budget Reserve Fund.**

**(b) If the actual amount is less than the amount of the estimate used to determine the amount left unappropriated for that biennium under subsection (2) of this section, but not less than 97 percent of the estimated amount, the amount by which the actual revenues exceed 97 percent of the estimated revenues shall be deposited into the Oregon Budget Reserve Fund.**

**(4) The Legislative Assembly may by law appropriate in any one biennium up to two-thirds of the principal of the Oregon Budget Reserve Fund if:**

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

3       (A) That the last quarterly economic and revenue forecast presented prior to the end of  
4 the regular legislative session estimates that General Fund revenues for the biennium that  
5 begins on July 1 of the year of the regular legislative session will be at least three percent  
6 less than the amount of appropriations made from the General Fund for the biennium that  
7 ends on June 30 of the year of the regular legislative session, as determined as of the date  
8 the forecast is presented;

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

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

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

18       (5) Earnings on moneys in the Oregon Budget Reserve Fund shall be deposited into the  
19 fund and become part of the principal of the fund.

20       (6) For purposes of this section, moneys in the Oregon Budget Reserve Fund that are  
21 appropriated under subsection (4) of this section are not General Fund revenues.

22       (7) The Legislative Assembly shall first apply subsection (2) of this section to the budget  
23 developed for the biennium beginning July 1, 2011.

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25       **PARAGRAPH 2.** The amendment proposed by this resolution shall be submitted to the  
26 people for their approval or rejection at the next regular general election held throughout  
27 this state.