

Senate Joint Resolution 40

Sponsored by Senator BOQUIST; Senators ATKINSON, FERRIOLI, GEORGE, GIROD, KRUSE, MORSE, STARR, TELFER, WHITSETT

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 establish Oregon Other Funds Reserve Fund. Transfers amounts from dedicated or continuously appropriated Other Funds accounts or funds to reserve fund. Transfers interest from reserve fund to State School Fund. Specifies circumstances under which amounts transferred to reserve fund may be modified or appropriated.

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

JOINT RESOLUTION

1
2 **Be It Resolved by the Legislative Assembly of the State of Oregon:**

3 **PARAGRAPH 1.** The Constitution of the State of Oregon is amended by creating a new section
4 15 to be added to and made a part of Article IX, such section to read:

5 **SECTION 15. (1) As used in this section, "state agency" means every state officer, board,**
6 **commission, department, institution, branch or agency of state government, the costs of**
7 **which are paid wholly or in part from funds held in the State Treasury.**

8 **(2) The Oregon Other Funds Reserve Fund is established in the State Treasury, separate**
9 **and distinct from the General Fund. Except as provided in subsection (6) of this section,**
10 **interest earned by the Oregon Other Funds Reserve Fund shall be credited to the fund.**

11 **(3) Subject to action by the Legislative Assembly or the Emergency Board under sub-**
12 **section (4) of this section, on July 1 of each odd-numbered year, or other date specified by**
13 **law, each state agency administering a statutory fund or account identified by law for pur-**
14 **poses of this section that includes fees, moneys or other revenues, including Miscellaneous**
15 **Receipts, but excluding lottery funds and federal funds, collected or received by the state**
16 **agency that are dedicated or continuously appropriated by statute to the agency for the uses**
17 **and purposes of the agency, shall transfer from the fund or account to the Oregon Other**
18 **Funds Reserve Fund an amount equal to the ending balance of the fund or account, minus**
19 **12.5 percent of the amount the agency is authorized by the Legislative Assembly to spend**
20 **from the fund or account for the biennium beginning on July 1 of that year or for another**
21 **budgeting period prescribed by law.**

22 **(4) The Legislative Assembly by a vote of three-fifths of all members serving in each**
23 **house of the Legislative Assembly or the Emergency Board by a vote of three-fifths of all**
24 **members serving on the board may:**

25 **(a) For the biennium beginning on July 1 of that year, or for another budgeting period**
26 **prescribed by law, authorize a state agency to retain, in a fund or account described in sub-**
27 **section (3) of this section, an amount exceeding 12.5 percent of the amount the agency is**
28 **authorized by the Legislative Assembly to spend from the fund or account for the biennium,**

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 or for another budgeting period prescribed by law, but that does not exceed 25 percent of the
2 amount the agency is authorized by the Legislative Assembly to spend from the fund or ac-
3 count for the biennium, or for another budgeting period prescribed by law; or

4 (b) Not more than once for each state agency in each biennium, or for another budgeting
5 period prescribed by law, transfer any amount to the state agency from the Oregon Other
6 Funds Reserve Fund.

7 (5) Subsections (3) and (4) of this section do not apply to:

8 (a) Funds or accounts that receive moneys appropriated from the General Fund;

9 (b) Funds or accounts established by this Constitution or whose expenditures are limited
10 or otherwise directed by provisions of this Constitution;

11 (c) Federal funds or lottery funds deposited in any fund or account that includes dedi-
12 cated or continuously appropriated moneys; or

13 (d) Dedicated or continuously appropriated moneys in a fund or account described in
14 subsection (3) of this section that are authorized by law to be expended without limitation.

15 (6)(a) On July 1 of each calendar year, the State Treasurer shall calculate the amount
16 of interest that is attributable to moneys in the Oregon Other Funds Reserve Fund as of that
17 date. The State Treasurer shall transfer the amount calculated under this subsection from
18 the reserve fund to the State School Fund created by law.

19 (b) The State Treasurer shall maintain a record of the amounts each state agency
20 transfers to the reserve fund.

21 (7) The Legislative Assembly may appropriate moneys from the Oregon Other Funds
22 Reserve Fund if the appropriation is approved by three-fifths of the members serving in each
23 house of the Legislative Assembly.

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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.