



May 20, 2011

**TO: House Committee on Revenue**

**FROM: John Phillips, Department of Revenue  
503-945-8342**

**SUBJECT: SB 954**

I am required to be on a mandatory furlough day Friday May 20<sup>th</sup> so I will not be able to appear and speak to SB 954. In lieu of that I offer this brief letter of explanation.

This is a housekeeping bill. It addresses a timing issue for the transfer of monies that occur on a quarterly basis between the county treasurer and the Department of Revenue. In most cases there is no issue however for certain months of the year the combination of holidays and weekends present a timing dilemma for this transfer. All parties affected agree on the solution.

The solution is to move the transfer to the department by the county treasurers from the "10<sup>th</sup> day of the month" to the "10<sup>th</sup> working day of the month". In turn, then, the department redistributes those deposits back to the counties under the CAFFA formula (County Assistance Function Funding Account). The redistribution date is changed in Section 1 from the "25<sup>th</sup>" of the month to the "28<sup>th</sup>" of the month.

This subtle change will provide a meaningful time period following the end of the fiscal quarter to accomplish the necessary transfers required by law.

Thank you for your consideration of SB 954.