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76th Legislative Assembly
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SJR 26
Constitutional Revision

Key Elements:

- Establishes mandatory saving. Allocates projected revenue growth into 3 components.
 - First segment of growth is allocated to maintain budget. It is equal to the sum of population growth and inflation over the 2 prior years.
 - The next segment is mandatory savings equal to 3% of revenue growth above that necessary to cover population growth and inflation.
 - The final segment is additional revenue available for budgeting. It is equal to the difference between projected revenue growth and the first 2 segments.
- Places the Oregon Rainy Day Fund in the Constitution
 - Retains current triggers for accessing fund.
 - Defines revenue sources for fund:
 - Ending balance up to 1% of appropriations in prior biennium.
 - Transfers up to 3% of unappropriated revenue if actual revenue equals or exceeds projected revenue used to calculate Growth Index.
 - Allocates 50% of excess revenue as determined by the 2% personal kicker calculation.
 - Retains interest earned from balances in the Oregon Rainy Day Fund.
 - Caps fund at 12% of General Fund revenue collected in the prior biennium.
 - Limits withdrawals to 2/3 of fund beginning balance in any one biennium.
 - Directs revenue to General Fund when cap reached.

- Establishes Oregon Universities Stability Fund
 - Uses same triggers as Rainy Day Fund.
 - Directs surplus corporate income tax revenue as determined by the 2% corporate kicker calculation into the fund.
 - Retains interest earned from balances in the fund.
 - Limits allocations from fund to purposes that benefit higher education institutions or activities.
 - Limits withdrawals to 2/3 of beginning fund balance for any one biennium.
 - Caps fund at 15% of General Fund appropriations to the Oregon Universities System in the prior biennium.
 - Establishes Universities Capital Improvement and Maintenance Subaccount within fund. Allocates revenue to subaccount when revenue exceeds cap.

- Changes to Kicker Provisions
 - Allocates 50% of personal kicker calculation to Rainy Day Fund until cap is reached. Restores full kicker refund when cap is reached.
 - Directs excess revenue as determined by corporate kicker calculation to Oregon Universities Stability Fund.

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