

REVENUE: Possible revenue impact

FISCAL:

Action:

Vote:

Yeas:

Nays:

Exc.:

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Meeting Dates: 2/21, 4/6, 4/20, 5/4

WHAT THE BILL DOES: Amends constitution. Establishes Emergency Reserve Fund. Specifies triggers for accessing fund. Retains interest earnings on fund balances within fund. Limits withdrawals from fund in any one biennium to 2/3 of the fund's beginning balance. Caps fund at 14% of General Fund revenue in the prior biennium. Specifies that full transferral of revenue to fund takes place as long as fund balance is below 14% cap when calculation is made even if transfer puts balance above cap. Maintains calculation of 2% surplus corporate revenue but redirects revenue to Emergency Reserve Fund including statutorily created subaccounts. Maintains calculation of 2% surplus kicker for non-corporate General Fund revenue. If 2% trigger is exceeded allocates 50% of revenue above forecast to personal income taxpayers and 50% to Emergency Reserve Fund. If Emergency Reserve Fund is at or above 14% cap when kicker calculation is made, allocates entire amount of revenue above forecast to personal income taxpayers. First applies to surplus revenue calculations following 2011-13 biennium. Submits amendment to voters at next general election.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENTS: -2 replaces bill.

BACKGROUND: Oregon's 2% surplus kicker was put into statute in 1979. Voters placed the kicker in the constitution in 2000.