

## FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 754 - 3

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session  
Legislative Fiscal Office

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Prepared by: John Terpening  
Reviewed by: Laurie Byerly, Paul Siebert  
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### Measure Description:

Establishes Oregon Universities Stability Fund and Universities Capital Improvement and Maintenance Subaccount.

### Government Unit(s) Affected:

Department of Revenue, Oregon University System

**Summary of Expenditure Impact:** See Analysis

**Summary of Revenue Impact:** See Revenue Impact Statement

### Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

### Analysis:

The measure establishes the Higher Education Stability Subaccount (HES) within the Emergency Reserve Fund. Moneys in the subaccount may be appropriated only for purposes that will benefit higher education institutions authorized by law to receive state aid.

The measure establishes the Higher Education Capital Improvement and Maintenance Subaccount (HECIM) within the Higher Education Stability Subaccount. The measure allows for the deposit of moneys into the Maintenance Subaccount under certain conditions.

The measure stipulates that in order for the Legislature to utilize funds in the Subaccount, it must pass a bill that is approved by three-fifths of the members of each house and find that one of three economic/revenue forecast triggers are met.

The measure stipulates that if corporate income and excise tax revenue exceed estimates by 2% or more, then the surplus is transferred to the HES subaccount. The measure stipulates that if personal income tax revenue exceeds estimates by 2% or more, then 50% of the surplus is transferred to the Emergency Reserve Fund and the other 50% returned to personal income tax payers. The measure takes effect only upon approval of Senate Joint Resolution 26 (2011) at the next regular general election.

The fiscal impact is indeterminate. The amount of moneys that may be available for deposit into the subaccounts, and the certain economic conditions required for appropriation of those moneys are unknown.

The Department of Revenue anticipates a minimal fiscal impact savings from the repeal of the corporate income and excise tax credit.