

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2322

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

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Measure Description:

Prohibits Governor and Oregon Department of Administrative Services from reducing allotments to Department of Revenue when Oregon Department of Administrative Services declares projected deficit in biennium.

Government Unit(s) Affected:

Department of Administrative Services (DAS), Office of the Governor, Department of Revenue(DOR)

Expenditure Impact:

See Analysis

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:

HB 2322 amends statutes allowing the Department of Administrative services, in conjunction with the Governor, to reduce General Fund allotments to state agencies to prevent a General Fund deficit. The change exempts the Department of Revenue (DOR) from an allotment reduction.

The proposed legislation has no direct fiscal impact. However, should a General Fund reduction be required due to a projected deficit, DOR's share of that reduction would have to be spread among the non-exempt agencies in order to achieve the reduction in total General Fund expenditures required to eliminate the projected deficit. This policy change would impact the state's current budgeting process and should be reviewed by the Joint Committee on Ways and Means.