

House Bill 3617

Sponsored by Representative HUNT, Senator COURTNEY

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Abolishes Office of Economic Analysis in Oregon Department of Administrative Services. Transfers responsibility for certain revenue estimates to Legislative Revenue Officer. Transfers responsibility for preparation of economic forecasts to institution of higher education designated by Governor. Transfers responsibility for preparation of corrections population estimates, including Oregon Youth Authority population estimates, to Portland State University Population Research Center.

Directs Oregon Department of Administrative Services to prepare revenue estimates for purposes of preparation of Governor's budget and calculation of kicker.

Sets January 1, 2012, operative date.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to state finance; creating new provisions; amending ORS 118.525, 173.820, 173.850, 184.351,
3 195.034, 291.349, 291.357, 314.840, 314.865, 412.094 and 813.602; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. (1) The Office of Economic Analysis in the Oregon Department of Adminis-**
6 **trative Services is abolished.**

7 **(2) The duties, functions and powers of the Oregon Department of Administrative Ser-**
8 **vices and the Office of Economic Analysis relating to the preparation of certain revenue es-**
9 **timates are imposed upon, transferred to and vested in the Legislative Revenue Officer as**
10 **provided in section 2 of this 2011 Act.**

11 **(3) The duties, functions and powers of the Oregon Department of Administrative Ser-**
12 **vices and the Office of Economic Analysis relating to the preparation of economic forecasts**
13 **are imposed upon, transferred to and vested in an institution of higher education as provided**
14 **in section 3 of this 2011 Act.**

15 **(4) The duties, functions and powers of the Oregon Department of Administrative Ser-**
16 **vices and the Office of Economic Analysis relating to the preparation of corrections popu-**
17 **lation forecasts and Oregon Youth Authority population forecasts are imposed upon,**
18 **transferred to and vested in the Portland State University Population Research Center as**
19 **provided in ORS 184.351, as amended by section 6 of this 2011 Act.**

20 **SECTION 2. (1) In addition to the quarterly estimates prepared by the Oregon Depart-**
21 **ment of Administrative Services under ORS 291.342, the Legislative Revenue Officer, with the**
22 **assistance of the Legislative Fiscal Officer, the Department of Revenue and the Oregon De-**
23 **partment of Administrative Services, shall for each calendar quarter of the year ascertain**
24 **by computation and estimate the total amount of revenue available for state purposes for the**
25 **current fiscal year, as well as the amount of revenue received quarterly, cumulated**
26 **throughout the biennium.**

27 **(2) During a regular session of the Legislative Assembly held in an odd-numbered year,**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 as specified in ORS 171.010, the Legislative Revenue Officer shall also estimate the total an-
 2 ticipated revenues available for purposes of enacting the legislatively adopted budget, as de-
 3 fined in ORS 291.002, for the next biennium.

4 (3) The Legislative Revenue Officer shall use the economic forecasts described in section
 5 3 of this 2011 Act as the basis for the revenue forecasts required under this section and shall
 6 report the estimates of revenues to the Emergency Board, or if the Legislative Assembly is
 7 in session, to the Joint Committee on Ways and Means.

8 (4) For purposes of enacting the legislatively adopted budget as defined in ORS 291.002,
 9 the Legislative Assembly shall use the estimates of revenues prepared by the Legislative
 10 Revenue Officer under subsections (1) and (2) of this section.

11 (5) In carrying out the duties imposed under subsections (1) to (3) of this section, the
 12 Legislative Revenue Officer shall issue quarterly a statement setting forth the methodology
 13 and assumptions used in making the estimates of revenues. Nothing in this subsection re-
 14 quires the statement to set forth procedures used or methods used to determine either the
 15 methodology or the assumptions.

16 (6)(a) Except as provided in paragraph (b) of this subsection, an estimate of revenues or
 17 revenue forecast required under any provision of the Oregon Constitution or any provision
 18 of law other than this section shall be considered to be an estimate or forecast prepared by
 19 the Legislative Revenue Officer.

20 (b) An estimate of revenues or revenue forecast required under section 14, Article IX of
 21 the Oregon Constitution, or ORS 291.216 or 291.349 shall be considered to be an estimate or
 22 forecast prepared by the Oregon Department of Administrative Services under ORS 291.342
 23 or 291.348 or other authority.

24 **SECTION 3.** (1) An institution of higher education, listed in ORS 352.002 and designated
 25 by the Governor, shall prepare a quarterly economic forecast. The forecast shall include:

- 26 (a) An international economic review and forecast;
- 27 (b) A national economic review and forecast;
- 28 (c) A review and forecast of economic conditions in the western region of the United
 29 States; and
- 30 (d) An Oregon economic review and forecast.

31 (2) The economic model assumptions and results of the forecast shall be reviewed by an
 32 Economic Advisory Committee established by the Director of the Oregon Department of
 33 Administrative Services and by a Council of Economic Advisors appointed by the Governor.

34 (3) The institution of higher education designated by the Governor to prepare the fore-
 35 cast may enter into a contract with a public or private entity for purposes of preparing the
 36 national economic review and forecast.

37 **SECTION 4.** ORS 173.820 is amended to read:

38 173.820. (1) Pursuant to the policies and directions of the appointing authority, the Legislative
 39 Revenue Officer shall:

- 40 (a) Upon written request of a member of the Legislative Assembly or any committee thereof,
 41 prepare or assist in the preparation of studies and reports and provide information and research
 42 assistance on matters relating to taxation and to the revenue of this state and to any other relevant
 43 matters.
- 44 (b) Ascertain facts concerning revenues and make estimates concerning state revenues.
- 45 (c) Ascertain facts and make recommendations to the Legislative Assembly concerning the

1 Governor's tax expenditure report.

2 (d) Prepare analyses of and recommendations on the fiscal impact of all revenue measures re-
 3 ported out of committees of the Legislative Assembly and of all other measures reported out of
 4 committees of the Legislative Assembly that affect the revenue of this state.

5 (e) Perform such duties as may be directed by joint or concurrent resolution of the Legislative
 6 Assembly.

7 (f) Adopt rules relating to the submission, processing and priorities of requests. Rules adopted
 8 under this paragraph shall be in conformance with any applicable rule of the House of Represen-
 9 tatives or the Senate. Requests made by joint or concurrent resolution of the Legislative Assembly
 10 shall be given priority over other requests received or initiated by the Legislative Revenue Officer.
 11 Rules adopted under this paragraph shall be reviewed and approved by the appointing authority
 12 prior to their adoption.

13 (g) Seek the advice and assistance of political subdivisions of this state, governmental agencies
 14 and any interested persons, associations or organizations in the performance of the duties of the
 15 Legislative Revenue Officer.

16 **(h) Prepare revenue estimates as described in section 2 of this 2011 Act.**

17 [(h)] (i) Perform such other duties as may be prescribed by law.

18 (2) Pursuant to the policies and directions of the appointing authority, the Legislative Revenue
 19 Officer may enter into contracts to carry out the functions of the Legislative Revenue Officer.

20 **SECTION 5.** ORS 173.850 is amended to read:

21 173.850. (1) Subject to subsection (2) of this section, when requested to do so, the Department
 22 of Revenue shall:

23 (a) Advise and assist the Legislative Revenue Officer[,] **and the** staff and employees **of the**
 24 **Legislative Revenue Officer** with respect to the duties imposed upon the Legislative Revenue Of-
 25 ficer by ORS 173.800 to 173.850 **or section 2 of this 2011 Act** or any resolution of the Legislative
 26 Assembly;

27 (b) [*Disclose and give access*] **Make available** to the Legislative Revenue Officer, **and to** staff
 28 and employees of the Legislative Revenue Officer, [*to*] tax and revenue information, including the
 29 information described in ORS 308.290 and 314.835, and other information the Legislative Revenue
 30 Officer considers necessary and appropriate to the efficient performance of duties under ORS 173.800
 31 to 173.850 **or section 2 of this 2011 Act** or any resolution of the Legislative Assembly; and

32 (c) Assist in the compilation, assimilation and integration of such information.

33 (2)(a) The department shall [*disclose and give access*] **make available** to the Legislative Revenue
 34 Officer or any authorized representatives [*to*] the information described in ORS 314.835 only if the
 35 request for the information is made in writing, specifies the purposes for which the request is made
 36 or information **is** required, and is signed by the Legislative Revenue Officer or an authorized rep-
 37 resentative. The form for request for information made under this paragraph shall be prescribed by
 38 the Legislative Revenue Officer and approved by the Director of the Department of Revenue.

39 (b) The department shall keep on file the request for information made pursuant to this sub-
 40 section. The requests constitute a public record within the meaning of ORS 192.410 to 192.505. ORS
 41 314.835 and 314.840 (3) relating to the confidentiality of tax information apply to the Legislative
 42 Revenue Officer[,] **and to** authorized representatives, staff and employees of the Legislative Revenue
 43 Officer.

44 (c) As used in this subsection, "authorized representative" means a person [*who, after consulta-*
 45 *tion with the Director of the Department of Revenue,*] the Legislative Revenue Officer, **after consul-**

1 **tation with the Director of the Department of Revenue**, has certified as an authorized
2 representative. A copy of the certificate shall be filed with the department.

3 (3) Reports, estimates and analyses of the Legislative Revenue Officer based upon the informa-
4 tion described in ORS 308.290 and 314.835 obtained under this section shall be classified in such a
5 manner as to prevent the identification of particular reports and returns and the items thereof.

6 **SECTION 6.** ORS 184.351 is amended to read:

7 184.351. (1) The [*Oregon Department of Administrative Services*] **Portland State University**
8 **Population Research Center** shall issue state corrections population forecasts including, but not
9 limited to, expected populations of prisons and jails and community corrections caseloads, to be used
10 by:

11 (a) The Department of Corrections in preparing budget requests;

12 (b) The Oregon Criminal Justice Commission in considering amendments to sentencing guide-
13 lines; and

14 (c) Any other state agency concerned with the effect of offender populations or policy develop-
15 ments on budgeting, **including but not limited to the Oregon Youth Authority.**

16 (2) The [*Oregon Department of Administrative Services*] **Portland State University Population**
17 **Research Center** shall issue state corrections population forecasts on April 1 and October 1 of each
18 year **and shall issue Oregon Youth Authority population forecasts on April 15 and October**
19 **15 of each year.**

20 **SECTION 7.** ORS 291.349 is amended to read:

21 291.349. (1) As soon as practicable after adjournment sine die of the **odd-numbered year** regu-
22 lar session of the Legislative Assembly, the Oregon Department of Administrative Services shall
23 report to the Emergency Board the estimate **of General Fund and State Lottery Fund revenues**,
24 as of July 1 of the first year of the biennium, [*of General Fund and State Lottery Fund revenues*] that
25 will be received by the state during that biennium. The Oregon Department of Administrative Ser-
26 vices shall base its estimate on the last forecast [*given to the Legislative Assembly*] **made by the**
27 **department** before adjournment sine die of the **odd-numbered year** regular session [*on which the*
28 *printed, adopted budget prepared in the Oregon Department of Administrative Services is based*], ad-
29 justed only insofar as necessary to reflect changes in laws adopted at that session. The report shall
30 contain the estimated revenues from corporate income and excise taxes separately from the esti-
31 mated revenues from other General Fund sources. The Oregon Department of Administrative Ser-
32 vices may revise the estimate if necessary following adjournment sine die of any special or
33 emergency session of the Legislative Assembly but any revision does not affect the basis of the
34 computation described in subsection (3) or (4) of this section.

35 (2) As soon as practicable after the end of the biennium, the Oregon Department of Adminis-
36 trative Services shall report to the Emergency Board, or the Legislative Assembly if it is in session,
37 the amount of General Fund revenues collected as of the last June 30 of the preceding biennium.
38 The report shall contain the collections from corporate income and excise taxes separately from
39 collections from other sources.

40 (3) If the revenues received from the corporate income and excise taxes during the biennium
41 exceed the amounts estimated to be received from such taxes for the biennium, as estimated after
42 adjournment sine die of the **odd-numbered year** regular session, by two percent or more, the total
43 amount of that excess shall be credited to corporate income and excise taxpayers in a percentage
44 amount of prior year corporate excise and income tax liability as determined under subsection (5)
45 of this section. However, no credit shall be allowed against tax liability imposed by ORS 317.090.

1 (4) If the revenues received from General Fund revenue sources, exclusive of those described in
 2 subsection (3) of this section, during the biennium exceed the amounts estimated to be received from
 3 such sources for the biennium, as estimated after adjournment sine die of the **odd-numbered year**
 4 regular session, by two percent or more, there shall be refunded from personal income tax revenues
 5 an amount equal to the total amount of that excess, reduced by the cost certified by the Department
 6 of Revenue under ORS 291.351 as being allocable to payments described under this subsection. The
 7 excess amount to be refunded shall be paid to personal income taxpayers in a percentage amount
 8 of prior year personal income tax liability as determined under subsection (6) of this section.

9 (5)(a) If there is an excess to be credited under subsection (3) of this section, on or before Oc-
 10 tober 1, following the end of each biennium, the Oregon Department of Administrative Services shall
 11 determine and certify to the Department of Revenue the percentage amount of credit for purposes
 12 of subsection (3) of this section. The percentage amount determined shall be a percentage amount
 13 to the nearest one-tenth of a percent that will distribute the excess to be credited to corporate ex-
 14 cise and income taxpayers.

15 (b) The percentage amount shall equal the amount distributed under subsection (3) of this sec-
 16 tion divided by the estimated total corporate income and excise tax liability for all corporate income
 17 and excise taxpayers for tax years beginning in the calendar year immediately preceding the calen-
 18 dar year in which the excess is determined.

19 (c) The amount of the surplus credit is determined by multiplying the percentage amount de-
 20 termined under paragraph (b) of this subsection by the total amount of a corporate income or excise
 21 taxpayer's tax liability for the tax year beginning in the calendar year immediately preceding the
 22 calendar year in which the excess is determined in order to calculate the amount to be credited to
 23 the taxpayer.

24 (d) The credit shall be determined based on the tax liability as shown on the return of the tax-
 25 payer or as corrected by the Department of Revenue.

26 (e) The credit shall be computed after the allowance of a credit provided under ORS 316.082,
 27 316.131 or 316.292, but before the allowance of any other credit or offset against tax liability allowed
 28 or allowable under any provision of law of this state, and before the application of estimated tax
 29 payments, withholding or other advance tax payments.

30 (f) If a credit applied against tax liability as described in paragraph (e) of this subsection re-
 31 duces tax liability to zero and an amount of the credit remains unused, the remaining unused amount
 32 shall be carried forward and applied against tax liability as prescribed in paragraph (e) of this sub-
 33 section in the succeeding tax year. Following application of the credit against tax liability in a
 34 succeeding tax year, any amount continuing to remain unused shall be carried forward and applied
 35 against tax liability in a succeeding tax year until all remaining amounts of unused credit are offset
 36 against tax liability.

37 (g) Notwithstanding paragraph (e) of this subsection, if an excess is credited under subsection
 38 (3) of this section for a tax year and an unused credit amount from a prior tax year is carried for-
 39 ward to the tax year as prescribed under paragraph (f) of this subsection, the amount of the
 40 carryforward credit shall be applied against tax liability prior to applying the new credit.

41 (h) The Department of Revenue may prescribe by rule the manner of calculating and claiming
 42 a credit if the filing status of a corporation changes between the tax year described in paragraph
 43 (b) of this subsection and the succeeding tax year.

44 (6)(a) If there is an excess to be refunded under subsection (4) of this section, on or before
 45 September 15, following the end of each biennium, the Oregon Department of Administrative Ser-

1 vices shall determine and certify to the Department of Revenue the percentage amount of refund
 2 payment for purposes of subsection (4) of this section. The percentage amount so determined shall
 3 be a percentage amount to the nearest one-hundredth of a percent that will distribute the excess to
 4 be refunded to personal income taxpayers under subsection (4) of this section. The percentage
 5 amount shall equal the amount distributed under subsection (4) of this section divided by the esti-
 6 mated total personal income tax liability for all personal income taxpayers for tax years beginning
 7 in the calendar year immediately preceding the calendar year in which the excess is determined.

8 (b) The Department of Revenue shall multiply the percentage amount determined under para-
 9 graph (a) of this subsection by the total amount of a personal income taxpayer's tax liability for the
 10 tax year beginning in the calendar year immediately preceding the calendar year in which the ex-
 11 cess is determined in order to calculate the amount of the refund to be made to the taxpayer. For
 12 purposes of this paragraph, the taxpayer's tax liability is the amount as shown on the return of the
 13 taxpayer or as corrected by the Department of Revenue, and is determined:

14 (A) After the allowance of a credit provided under ORS 316.082, 316.131 or 316.292;

15 (B) Before the allowance of any other credit or offset against tax liability allowed or allowable
 16 on the return for the tax year; and

17 (C) Before the application of estimated tax payments, withholding or other advance tax pay-
 18 ments.

19 (c) The refund described under this subsection shall be mailed by the Department of Revenue
 20 to personal income taxpayers eligible for the payment on or before December 15 following the end
 21 of the biennium for which the payment described under this subsection is being made.

22 (d) Notwithstanding paragraph (c) of this subsection, the Department of Revenue shall mail the
 23 refund at the earliest date of practicable convenience in the case of a return:

24 (A) For a tax year beginning in the calendar year immediately preceding the calendar year in
 25 which the excess is determined for which refund is being made; and

26 (B) That is first filed on or after August 15 after the end of the biennium.

27 (7) No refund shall be made to a taxpayer if, after making the calculation described under sub-
 28 section (6) of this section, the amount calculated is less than \$1.

29 (8) For purposes of ORS chapters 305 and 314 to 318, refunds issued under subsection (6) of this
 30 section are refunds of an overpayment of tax imposed under ORS chapter 316, but do not bear in-
 31 terest.

32 **SECTION 8.** ORS 291.357 is amended to read:

33 291.357. (1) As used in this section, "general governmental purposes" means:

34 (a) Those activities defined as governmental activities under the accounting standards
 35 promulgated by the Governmental Accounting Standards Board of the Financial Accounting Foun-
 36 dation that are in effect on August 10, 2001; and

37 (b) Post-secondary educational activities that are partially funded by student tuition and fees.

38 (2) Each biennium, state governmental appropriations for general governmental purposes shall
 39 be no greater than eight percent of projected personal income in Oregon for the same biennium.
 40 Projected personal income shall be based on the United States Department of Commerce projections
 41 used by the [Oregon Department of Administrative Services] **Legislative Revenue Officer** in the last
 42 [forecast] **quarterly revenue estimate** given to the Legislative Assembly before adjournment sine
 43 die of the **odd-numbered year** regular session on which the [printed,] **legislatively** adopted
 44 budget, **as defined in ORS 291.002**, is based.

45 (3) For purposes of this section, the following are considered to be appropriations:

1 (a) An authorization, given by law, to expend moneys in a biennium;

2 (b) A limitation, imposed by law, on the expenditure in a biennium of moneys that are contin-
3 uously appropriated; and

4 (c) An estimate of amounts of moneys that are continuously appropriated that will be spent in
5 a biennium without limitation.

6 (4) The following appropriations are not subject to the limitation on appropriations contained
7 in this section:

8 (a) Appropriations for the construction or acquisition of assets that are financed by state bonds,
9 certificates of participation or other forms of borrowing.

10 (b) Appropriations of moneys received directly or indirectly from the federal government.

11 (c) Appropriations for fee remission programs of the Oregon University System.

12 (d) Appropriations of moneys voluntarily donated to a state agency.

13 (e) Appropriations of moneys from revenue increases or new revenue sources if the increases
14 or sources result from approval of a measure by the people at an election held on or after August
15 10, 2001.

16 (f) Appropriations to fund new programs or to increase funding for existing programs if the need
17 for new or increased funding results from approval of a measure by the people at an election held
18 on or after August 10, 2001.

19 (5) The limitation on appropriations established by this section may be exceeded for a biennium
20 if the Governor declares an emergency and three-fifths of the members serving in each house of the
21 Legislative Assembly affirmatively vote to exceed the limitation for the biennium.

22 **SECTION 9.** ORS 314.840 is amended to read:

23 314.840. (1) The Department of Revenue may:

24 (a) Furnish any taxpayer, representative authorized to represent the taxpayer under ORS 305.230
25 or person designated by the taxpayer under ORS 305.193, upon request of the taxpayer, represen-
26 tative or designee, with a copy of the taxpayer's income tax return filed with the department for
27 any year, or with a copy of any report filed by the taxpayer in connection with the return, or with
28 any other information the department considers necessary.

29 (b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

30 (c) Publish statistics so classified as to prevent the identification of income or any particulars
31 contained in any report or return.

32 (d) Disclose a taxpayer's name, address, telephone number, refund amount, amount due, Social
33 Security number, employer identification number or other taxpayer identification number to the ex-
34 tent necessary in connection with collection activities or the processing and mailing of correspond-
35 ence or of forms for any report, return or claim required in the administration of ORS 310.630 to
36 310.706, any local tax under ORS 305.620, or any law imposing a tax upon or measured by net in-
37 come.

38 (2) The Department of **Revenue** also may disclose and give access to information described in
39 ORS 314.835 [to]:

40 (a) **To** the Governor of the State of Oregon or the authorized representative of the Governor[:]
41 [(A)] with respect to an individual who is designated as being under consideration for appoint-
42 ment or reappointment to an office or for employment in the office of the Governor. The information
43 disclosed shall be confined to whether the individual:

44 [(i)] **(A)** Has filed returns with respect to the taxes imposed by ORS chapter 316 for those of
45 not more than the three immediately preceding years for which the individual was required to file

1 an Oregon individual income tax return.

2 [(ii)] (B) Has failed to pay any tax within 30 days from the date of mailing of a deficiency notice
3 or otherwise respond to a deficiency notice within 30 days of its mailing.

4 [(iii)] (C) Has been assessed any penalty under the Oregon personal income tax laws and the
5 nature of the penalty.

6 [(iv)] (D) Has been or is under investigation for possible criminal offenses under the Oregon
7 personal income tax laws. Information disclosed pursuant to this paragraph shall be used only for
8 the purpose of making the appointment, reappointment or decision to employ or not to employ the
9 individual in the office of the Governor.

10 [(B)] (b) For use by **the Legislative Revenue Officer, by** an officer or employee of **the Leg-**
11 **islative Revenue Officer or** the Oregon Department of Administrative Services **who is** duly au-
12 **thorized or employed to prepare revenue estimates, or by** a person contracting with **the Legislative**
13 **Revenue Officer or** the Oregon Department of Administrative Services to prepare revenue esti-
14 **mates, in the preparation of revenue estimates required under section 2 of this 2011 Act, required**
15 **for the Governor’s budget under ORS 291.201 to 291.226, or required for submission to the Emer-**
16 **gency Board, or if the Legislative Assembly is in session, to the Joint Committee on Ways and**
17 **Means, and to the Legislative Revenue Officer under ORS 291.342, 291.348 and 291.445. The De-**
18 **partment of Revenue shall disclose and give access to the information described in ORS 314.835 for**
19 **the purposes of this [subparagraph] paragraph only if:**

20 [(i)] (A) The request for information is made in writing, specifies the purposes for which the
21 request is made and is signed by an authorized representative of **the Legislative Revenue Officer**
22 **or** the Oregon Department of Administrative Services. The form for request for information shall
23 be prescribed by the Oregon Department of Administrative Services and approved by the Director
24 of the Department of Revenue.

25 [(ii)] (B) The officer, employee or person receiving the information does not remove from the
26 premises of the Department of Revenue any materials that would reveal the identity of a personal
27 or corporate taxpayer.

28 [(b)] (c) **To** the Commissioner of Internal Revenue or authorized representative, for tax admin-
29 **istration and compliance purposes only.**

30 [(c)] (d) For **purposes of** tax administration and compliance [*purposes*], **to** the proper officer or
31 authorized representative of any of the following entities that has or is governed by a provision of
32 law that meets the requirements of any applicable provision of the Internal Revenue Code as to
33 confidentiality:

34 (A) A state;

35 (B) A city, county or other political subdivision of a state;

36 (C) The District of Columbia; or

37 (D) An association established exclusively to provide services to federal, state or local taxing
38 authorities.

39 [(d)] (e) **To** the Multistate Tax Commission or its authorized representatives, for tax adminis-
40 **tration and compliance purposes only. The Multistate Tax Commission may make the information**
41 **available to the Commissioner of Internal Revenue or the proper officer or authorized representative**
42 **of any governmental entity described in and meeting the qualifications of paragraph [(c)] (d) of this**
43 **subsection.**

44 [(e)] (f) **To** the Attorney General, assistants and employees in the Department of Justice, or
45 other legal representative of the State of Oregon, to the extent the Department **of Revenue** deems

1 disclosure or access necessary for the performance of the duties of advising or representing the
2 Department of Revenue pursuant to ORS 180.010 to 180.240 and the tax laws of this state.

3 [(f)] (g) To employees of the State of Oregon, other than of the Department of Revenue or De-
4 partment of Justice, to the extent the Department of Revenue deems disclosure or access necessary
5 for such employees to perform their duties under contracts or agreements between the department
6 and any other department, agency or subdivision of the State of Oregon, in the department's ad-
7 ministration of the tax laws.

8 [(g)] (h) To other persons, partnerships, corporations and other legal entities, and their em-
9 ployees, to the extent the Department of Revenue deems disclosure or access necessary for the
10 performance of such others' duties under contracts or agreements between the department and such
11 legal entities, in the department's administration of the tax laws.

12 [(h)] (i) To the Legislative Revenue Officer or authorized representatives upon compliance with
13 ORS 173.850. [Such] The officer or representative [shall] may not remove from the premises of the
14 Department of Revenue any materials that would reveal the identity of any taxpayer or any other
15 person.

16 [(i)] (j) To the Department of Consumer and Business Services, to the extent [the] that depart-
17 ment requires such information to determine whether it is appropriate to adjust those workers'
18 compensation benefits the amount of which is based pursuant to ORS chapter 656 on the amount
19 of wages or earned income received by an individual.

20 [(j)] (k) To any agency of the State of Oregon, or any person, or any officer or employee of such
21 agency or person to whom disclosure or access is given by state law and not otherwise referred to
22 in this section, including but not limited to:

23 (A) The Secretary of State as Auditor of Public Accounts under section 2, Article VI of the
24 Oregon Constitution;

25 (B) The Department of Human Services pursuant to ORS 314.860 and 412.094;

26 (C) The Division of Child Support of the Department of Justice and district attorney regarding
27 cases for which they are providing support enforcement services under ORS 25.080;

28 (D) The State Board of Tax Practitioners, pursuant to ORS 673.710; and

29 (E) The Oregon Board of Accountancy, pursuant to ORS 673.415.

30 [(k)] (L) To the Director of the Department of Consumer and Business Services to determine
31 that a person complies with ORS chapter 656 and the Director of the Employment Department to
32 determine that a person complies with ORS chapter 657, the following employer information:

33 (A) Identification numbers.

34 (B) Names and addresses.

35 (C) Inception date as employer.

36 (D) Nature of business.

37 (E) Entity changes.

38 (F) Date of last payroll.

39 [(L)] (m) To the Director of Human Services to determine that a person has the ability to pay
40 for care that includes services provided by the Eastern Oregon Training Center or the Department
41 of Human Services to collect any unpaid cost of care as provided by ORS chapter 179.

42 [(m)] (n) To the Director of the Oregon Health Authority to determine that a person has the
43 ability to pay for care that includes services provided by the Blue Mountain Recovery Center or the
44 Oregon State Hospital or the Oregon Health Authority to collect any unpaid cost of care as pro-
45 vided by ORS chapter 179.

1 [(n)] **(o)** To employees of the Employment Department to the extent the Department of Revenue
 2 deems disclosure or access to information on a combined tax report filed under ORS 316.168 is
 3 necessary to performance of their duties in administering the tax imposed by ORS chapter 657.

4 [(o)] **(p)** To the State Fire Marshal to assist the State Fire Marshal in carrying out duties,
 5 functions and powers under ORS 453.307 to 453.414, the employer or agent name, address, telephone
 6 number and standard industrial classification, if available.

7 [(p)] **(q)** To employees of the Department of State Lands for the purposes of identifying, locating
 8 and publishing lists of taxpayers entitled to unclaimed refunds as required by the provisions of
 9 chapter 694, Oregon Laws 1993. The information shall be limited to the taxpayer's name, address
 10 and the refund amount.

11 [(q)] **(r)** In addition to the disclosure allowed under ORS 305.225, to state or local law enforce-
 12 ment agencies to assist in the investigation or prosecution of the following criminal activities:

13 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
 14 to the stolen document, the name, address and taxpayer identification number of the payee, the
 15 amount of the check and the date printed on the check.

16 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
 17 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
 18 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
 19 dress and taxpayer identification number of the payee, the amount of the check, the date printed
 20 on the check and the altered name and address.

21 [(r)] **(s)** To the United States Postal Inspection Service or a federal law enforcement agency,
 22 including but not limited to the United States Department of Justice, to assist in the investigation
 23 of the following criminal activities:

24 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
 25 to the stolen document, the name, address and taxpayer identification number of the payee, the
 26 amount of the check and the date printed on the check.

27 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
 28 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
 29 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
 30 dress and taxpayer identification number of the payee, the amount of the check, the date printed
 31 on the check and the altered name and address.

32 [(s)] **(t)** To the United States Financial Management Service, for purposes of facilitating the
 33 reciprocal offsets described in ORS 305.612.

34 [(t)] **(u)** To a municipal corporation of this state for purposes of assisting the municipal corpo-
 35 ration in the administration of a tax of the municipal corporation that is imposed on or measured
 36 by income, wages or net earnings from self-employment. Any disclosure under this paragraph may
 37 be made only pursuant to a written agreement between the Department of Revenue and the munic-
 38 ipal corporation that ensures the confidentiality of the information disclosed.

39 [(u)] **(v)** To a consumer reporting agency, to the extent necessary to carry out the purposes of
 40 ORS 314.843.

41 (3)(a) Each officer or employee of the Department of Revenue and each person described or
 42 referred to in subsection (2)(a), **(b), (f) to (L) or (o) to (r)** [(e) to (k) or (n) to (q)] of this section to
 43 whom disclosure or access to the tax information is given under subsection (2) of this section or any
 44 other provision of state law, prior to beginning employment or the performance of duties involving
 45 such disclosure or access, shall be advised in writing of the provisions of ORS 314.835 and 314.991,

1 relating to penalties for the violation of ORS 314.835, and shall as a condition of employment or
 2 performance of duties execute a certificate for the department, in a form prescribed by the depart-
 3 ment, stating in substance that the person has read these provisions of law, that the person has had
 4 them explained and that the person is aware of the penalties for the violation of ORS 314.835.

5 (b) The disclosure authorized in subsection [(2)(r)] **(2)(s)** of this section shall be made only after
 6 a written agreement has been entered into between the Department of Revenue and the person de-
 7 scribed in subsection [(2)(r)] **(2)(s)** of this section to whom disclosure or access to the tax informa-
 8 tion is given, providing that:

9 (A) Any information described in ORS 314.835 that is received by the person pursuant to sub-
 10 section [(2)(r)] **(2)(s)** of this section is confidential information that may not be disclosed, except to
 11 the extent necessary to investigate or prosecute the criminal activities described in subsection
 12 [(2)(r)] **(2)(s)** of this section;

13 (B) The information shall be protected as confidential under applicable federal and state laws;
 14 and

15 (C) The United States Postal Inspection Service or the federal law enforcement agency shall
 16 give notice to the Department of Revenue of any request received under the federal Freedom of In-
 17 formation Act, 5 U.S.C. 552, or other federal law relating to the disclosure of information.

18 (4) The Department of Revenue may recover the costs of furnishing the information described
 19 in subsection [(2)(k) to (m) and (o) to (q)] **(2)(L) to (n) and (p) to (r)** of this section from the re-
 20 spective agencies.

21 **SECTION 10.** ORS 118.525 is amended to read:

22 118.525. (1) It shall be unlawful for the Department of Revenue or any of its officers or em-
 23 ployees to divulge or make known in any manner any particulars disclosed in any return or sup-
 24 porting data required under this chapter. Except for executors or beneficiaries and their authorized
 25 representatives, it shall be unlawful for any person or entity who has acquired information pursuant
 26 to subsections (3) and (4) of this section to divulge or make known such information for any purpose
 27 other than that specified in the provisions of law authorizing the use or disclosure. No subpoena or
 28 judicial order shall be issued compelling the department, or its officers or employees, or persons
 29 described in subsections (3) and (4) of this section, to divulge or make known any particulars dis-
 30 closed in any such return or supporting data except where the liability for inheritance taxes is to
 31 be adjudicated by the Oregon Tax Court. Nothing in this section shall prohibit the publication of
 32 statistics so classified as to prevent the identification of particulars in any return or supporting data
 33 covered by this section.

34 (2) As used in this section:

35 (a) "Officer," "employee" or "person" includes an authorized representative of the officer, em-
 36 ployee or person, or former officer, employee or person, or an authorized representative of such
 37 former officer, employee or person.

38 (b) "Particulars" includes, but is not limited to, a taxpayer's name, address, telephone number,
 39 Social Security number and the amount of refund claimed by or granted to a taxpayer.

40 (3) Notwithstanding subsection (1) of this section, the department may permit, for tax purposes
 41 only, the Commissioner of Internal Revenue or authorized representatives, or an officer or employee
 42 of any state or the District of Columbia which has a provision of law which meets the requirements
 43 of any applicable provision of the Internal Revenue Code as to confidentiality to inspect any return
 44 or supporting data referred to in subsection (1) of this section. The department may disclose to the
 45 executor or beneficiary of any estate, or an authorized representative thereof, any information or

1 particulars otherwise made confidential by this section, if the department determines that the execu-
2 tor or beneficiary has a material interest which will be affected by such information or particulars.

3 (4) The department may disclose a taxpayer's name, address, telephone number, Social Security
4 number, refund amount or tax due to the extent necessary in connection with collection activities
5 or the processing or mailing of returns, correspondence or forms with respect to the tax imposed
6 under this chapter.

7 (5) The department also may disclose and give access to information described in subsection (1)
8 of this section to those persons, agencies or entities, described in ORS 314.840 [(2)(e), (f), (g) and
9 (h)] **(2)(f), (g), (h) and (i)** to the extent authorized by said paragraphs; and to any agency of the
10 State of Oregon or any person, or any officer or employee of such agency or person to whom dis-
11 closure or access is given by state law and not otherwise referred to in this section, including but
12 not limited to the Secretary of State and the officers and employees thereof, for the uses and pur-
13 poses described in ORS 297.060.

14 (6) Each officer or employee of the department and each person described or referred to in
15 subsection (5) of this section to whom disclosure or access to tax information is given, prior to be-
16 ginning employment or the performance of duties involving such disclosure or access, shall be ad-
17 vised in writing of the provisions of subsection (1) of this section and ORS 118.990 (3), and shall as
18 a condition of employment or performance of duties execute a certificate for the department, stating
19 in substance that the person has read these provisions of law, that the person has had them ex-
20 plained and that the person is aware of the penalties for the violation of subsection (1) of this sec-
21 tion.

22 **SECTION 11.** ORS 314.865 is amended to read:

23 314.865. A person granted access to information described in ORS 314.835 under ORS 314.840
24 [(2)(a)(B)] **(2)(b)** for the purpose of preparing revenue estimates shall not knowingly or intentionally
25 use the information disclosed or the information to which access is given for any purpose if the ef-
26 fect of the use is private pecuniary benefit for the person or for a member of the person's household.

27 **SECTION 12.** ORS 412.094 is amended to read:

28 412.094. (1) All state, county and city agencies, officers and employees shall cooperate in the
29 location of parents who have abandoned or deserted, or are failing to support, children receiving
30 or applying to receive public assistance and shall on request supply the Department of Human Ser-
31 vices, the Division of Child Support of the Department of Justice or the district attorney of any
32 county in the state with all information on hand relative to the location, income and property of
33 such parents, including information disclosed to the Division of Child Support under ORS 314.840
34 [(2)(j)] **(2)(k)**. The granting of aid to the applicant shall not be delayed or contingent upon receipt
35 of the answer to such requests by the Department of Human Services, the Division of Child Support
36 or the district attorney. The Department of Human Services shall use such information only for the
37 purposes of administration of public assistance to such children, and the district attorney and the
38 Division of Child Support shall use such information only for the purpose of enforcing the liability
39 of such parents to support such children, and neither shall use the information or disclose it for any
40 other purpose. Any person who violates this prohibition against disclosure, upon conviction, is
41 punishable as provided in ORS 314.991 (2).

42 (2) The Department of Human Services shall cooperate with the Division of Child Support or the
43 district attorney prosecuting or considering the prosecution of such parent for nonsupport and shall
44 report to the Division of Child Support or the district attorney all information contained in the case
45 record which concerns the question of nonsupport and the suitability of prosecution as a method of

1 obtaining support for the child in each case.

2 **SECTION 13.** ORS 195.034 is amended to read:

3 195.034. (1) If the coordinating body under ORS 195.025 (1) has adopted, within 10 years before
 4 a city initiates an evaluation or amendment of the city's urban growth boundary, a population
 5 forecast as required by ORS 195.036 that no longer provides a 20-year forecast for an urban area,
 6 a city may propose a revised 20-year forecast for its urban area by extending the coordinating body's
 7 current urban area forecast to a 20-year period using the same growth trend for the urban area
 8 assumed in the coordinating body's current adopted forecast.

9 (2) If the coordinating body has not adopted a forecast as required by ORS 195.036 or if the
 10 current forecast was adopted more than 10 years before the city initiates an evaluation or amend-
 11 ment of the city's urban growth boundary, a city may propose a 20-year forecast for its urban area
 12 by:

13 (a) Basing the proposed forecast on the population forecast prepared by [*the Office of Economic*
 14 *Analysis*] **the Portland State University Population Research Center** for the county for a 20-year
 15 period that commences when the city initiates the evaluation or amendment of the city's urban
 16 growth boundary; and

17 (b) Assuming that the urban area's share for the forecasted county population determined in
 18 paragraph (a) of this subsection will be the same as the urban area's current share of the county
 19 population based on the most recent certified population estimates from **the** Portland State Univer-
 20 sity **Population Research Center** and the most recent data for the urban area published by the
 21 United States Census Bureau.

22 (3)(a) If the coordinating body does not take action on the city's proposed forecast for the urban
 23 area under subsection (1) or (2) of this section within six months after the city's written request for
 24 adoption of the forecast, the city may adopt the extended forecast if:

25 (A) The city provides notice to the other local governments in the county; and

26 (B) The city includes the adopted forecast in the comprehensive plan, or a document included
 27 in the plan by reference, in compliance with the applicable requirements of ORS 197.610 to 197.650.

28 (b) If the extended forecast is adopted under paragraph (a) of this subsection consistent with the
 29 requirements of subsection (1) or (2) of this section:

30 (A) The forecast is deemed to satisfy the requirements of a statewide land use planning goal
 31 relating to urbanization to establish a coordinated 20-year population forecast for the urban area;
 32 and

33 (B) The city may rely on the population forecast as an appropriate basis upon which the city
 34 and county may conduct the evaluation or amendment of the city's urban growth boundary.

35 (4) The process for establishing a population forecast provided in this section is in addition to
 36 and not in lieu of a process established by goal and rule of the Land Conservation and Development
 37 Commission.

38 **SECTION 14.** ORS 813.602 is amended to read:

39 813.602. (1) When a person is convicted of driving while under the influence of intoxicants in
 40 violation of ORS 813.010 or of a municipal ordinance, the Department of Transportation, in addition
 41 to any other requirement, shall require that an approved ignition interlock device be installed and
 42 used in any vehicle operated by the person:

43 (a) Before the person is eligible for a hardship permit. The requirement is a condition of the
 44 hardship permit for the duration of the hardship permit.

45 (b) For a first conviction, for one year after the ending date of the suspension or revocation

1 caused by the conviction. Violation of the condition imposed under this paragraph is a Class A
 2 traffic violation.

3 (c) For a second or subsequent conviction, for two years after the ending date of the suspension
 4 or revocation caused by the conviction. Violation of the condition imposed under this paragraph is
 5 a Class A traffic violation.

6 (2) If the court determines that approved ignition interlock devices are reasonably available, the
 7 court may require as a condition of a driving while under the influence of intoxicants diversion
 8 agreement that an approved ignition interlock device be installed in any vehicle operated by the
 9 person. Courts may not exercise authority under this subsection during any period the courts have
 10 notice from the [*Office of Economic Analysis of the*] Oregon Department of Administrative Services
 11 that there are not sufficient moneys in the Intoxicated Driver Program Fund to pay the costs under
 12 subsection (4) of this section. The [*Office of Economic Analysis of the*] Oregon Department of Ad-
 13 ministrative Services may not issue any notice under this subsection if federal funds are available
 14 to pay the cost of the interlock devices for indigents and costs of analysis of the use of interlock
 15 devices.

16 (3) Except as provided in subsection (4) of this section, if an ignition interlock system is ordered
 17 or required under subsection (1) or (2) of this section, the person so ordered or required shall pay
 18 to the provider the reasonable costs of leasing, installing and maintaining the device. A payment
 19 schedule may be established for the person by the Department **of Transportation**.

20 (4) The Department **of Transportation** may waive, in whole or in part, or defer the defendant's
 21 responsibility to pay all or part of the costs under subsection (3) of this section if the defendant
 22 meets the criteria for indigence established for waiving or deferring such costs under subsection (5)
 23 of this section. If the defendant's responsibility for costs is waived, then notwithstanding ORS
 24 813.270, the costs described in subsection (3) of this section must be paid from the Intoxicated Driver
 25 Program Fund.

26 (5) The department, by rule, shall establish criteria and procedures it will use for qualification
 27 to waive or defer costs described under subsection (3) of this section for indigence. The criteria must
 28 be consistent with the standards for indigence adopted by the federal government for purposes of
 29 the Supplemental Nutrition Assistance Program.

30 (6) At the end of the suspension or revocation resulting from the conviction, the department
 31 shall suspend the driving privileges or right to apply for driving privileges of a person who has not
 32 submitted proof to the department that an ignition interlock device has been installed or who
 33 tampers with an ignition interlock device after it has been installed. If the suspension is for failing
 34 to submit proof of installation, the suspension continues until the department receives proof that the
 35 ignition interlock device has been installed or until one year after the ending date of the suspension
 36 resulting from the first conviction or two years after the ending date of the suspension resulting
 37 from a second or subsequent conviction, whichever comes first. If the suspension is for tampering
 38 with an ignition interlock device, the suspension continues until one year after the ending date of
 39 the suspension resulting from the first conviction or two years after the ending date of the suspen-
 40 sion resulting from a second or subsequent conviction. A person whose driving privileges or right
 41 to apply for privileges is suspended under this subsection is entitled to administrative review, as
 42 described in ORS 809.440, of the action.

43 (7) The department shall adopt rules permitting medical exemptions from the requirements of
 44 installation and use of an ignition interlock device under subsection (1) of this section.

45 **SECTION 15. (1) The Director of the Oregon Department of Administrative Services**

1 shall:

2 (a) Deliver to the Oregon University System all records and property within the juris-
3 diction of the director that relate to the duties, functions and powers transferred by section
4 1 of this 2011 Act; and

5 (b) Deliver to the Portland State University Population Research Center all records and
6 property within the jurisdiction of the director that relate to the duties, functions and pow-
7 ers transferred by section 1 of this 2011 Act.

8 (2) The Governor shall resolve any dispute between the Oregon Department of Adminis-
9 trative Services and the Oregon University System or the Portland State University Popu-
10 lation Research Center relating to transfers of records or property under this section, and
11 the Governor's decision is final.

12 **SECTION 16.** (1) The unexpended balances of amounts authorized to be expended by the
13 Oregon Department of Administrative Services for the biennium beginning July 1, 2011, from
14 revenues dedicated, continuously appropriated, appropriated or otherwise made available for
15 the purpose of administering and enforcing the duties, functions and powers transferred by
16 section 1 of this 2011 Act are transferred to and are available for expenditure by the Oregon
17 University System and the Portland State University Population Research Center for the
18 biennium beginning July 1, 2011, for the purpose of administering and enforcing the duties,
19 functions and powers transferred by section 1 of this 2011 Act.

20 (2) The expenditure classifications, if any, established by Acts authorizing or limiting
21 expenditures by the Oregon Department of Administrative Services remain applicable to
22 expenditures by the Oregon University System and the Portland State University Population
23 Research Center under this section.

24 **SECTION 17.** The transfer of duties, functions and powers by section 1 of this 2011 Act
25 does not affect any action, proceeding or prosecution involving or with respect to such du-
26 ties, functions and powers begun before and pending at the time of the transfer, except that
27 the Oregon University System or the Portland State University Population Research Center
28 is substituted for the Oregon Department of Administrative Services in the action, proceed-
29 ing or prosecution.

30 **SECTION 18.** (1) Nothing in this 2011 Act relieves a person of a liability, duty or obli-
31 gation accruing under or with respect to the duties, functions and powers transferred by
32 section 1 of this 2011 Act. The Oregon University System or the Portland State University
33 Population Research Center may undertake the collection or enforcement of any such li-
34 ability, duty or obligation.

35 (2) The rights and obligations of the Oregon Department of Administrative Services le-
36 gally incurred under contracts, leases and business transactions executed, entered into or
37 begun before the operative date of section 1 of this 2011 Act accruing under or with respect
38 to the duties, functions and powers transferred by section 1 of this 2011 Act are transferred
39 to the Oregon University System or the Portland State University Population Research
40 Center. For the purpose of succession to these rights and obligations, the Oregon University
41 System or the Portland State University Population Research Center is a continuation of the
42 Oregon Department of Administrative Services and not a new authority.

43 **SECTION 19.** Notwithstanding the transfer of duties, functions and powers by section 1
44 of this 2011 Act, the rules of the Oregon Department of Administrative Services with respect
45 to such duties, functions or powers that are in effect on the operative date of section 1 of

1 this 2011 Act continue in effect until superseded or repealed by rules of the Oregon Univer-
2 sity System or Portland State University. References in such rules of the Oregon Depart-
3 ment of Administrative Services to the department or an officer or employee of the
4 department are considered to be references to the Oregon University System or an officer
5 or employee of the system or to Portland State University.

6 **SECTION 20.** Whenever, in any uncodified law or resolution of the Legislative Assembly
7 or in any rule, document, record or proceeding authorized by the Legislative Assembly, in
8 the context of the duties, functions and powers transferred by section 1 of this 2011 Act,
9 reference is made to the Oregon Department of Administrative Services, or an officer or
10 employee of the department, whose duties, functions or powers are transferred by section 1
11 of this 2011 Act, the reference is considered to be a reference to the Oregon University
12 System or an officer or employee of the system, or to the Portland State University Popu-
13 lation Research Center, who by this 2011 Act is charged with carrying out such duties,
14 functions and powers.

15 **SECTION 21.** (1) Sections 1 to 3 of this 2011 Act and the amendments to ORS 118.525,
16 173.820, 173.850, 184.351, 195.034, 291.349, 291.357, 314.840, 314.865, 412.094 and 813.602 by
17 sections 4 to 14 of this 2011 Act become operative on January 1, 2012, and apply to estimates
18 of revenues and economic forecasts required on or after January 1, 2012.

19 (2) The Governor, the Oregon Department of Administrative Services, the Legislative
20 Revenue Officer, the Department of Revenue, the Oregon University System and the
21 Portland State University Population Research Center may take any action prior to January
22 1, 2012, that is necessary to allow the Governor, Oregon Department of Administrative Ser-
23 vices, the Legislative Revenue Officer, the Department of Revenue, the Oregon University
24 System and the Portland State University Population Research Center to exercise, on and
25 after January 1, 2012, all the duties, functions and powers conferred on the Governor, Oregon
26 Department of Administrative Services, the Legislative Revenue Officer, the Department of
27 Revenue, the Oregon University System and the Portland State University Population Re-
28 search Center by sections 1 to 3 of this 2011 Act and the amendments to ORS 118.525, 173.820,
29 173.850, 184.351, 195.034, 291.349, 291.357, 314.840, 314.865, 412.094 and 813.602 by sections 4 to
30 14 of this 2011 Act.

31 **SECTION 22.** This 2011 Act being necessary for the immediate preservation of the public
32 peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect
33 on its passage.

34