

Senate Bill 298

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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**.

Requires interest on moneys in General Fund to be deposited into Oregon Rainy Day Fund. Modifies amount transferred to Oregon Rainy Day Fund each biennium to one percent of amount of General Fund appropriations for that biennium, less amount of interest deposited during biennium.

A BILL FOR AN ACT

1
2 Relating to Oregon Rainy Day Fund; creating new provisions; amending ORS 240.131, 293.140,
3 293.144, 293.146, 293.148, 293.293, 351.506 and 541.576.

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

5 **SECTION 1.** ORS 293.140 is amended to read:

6 293.140. Except as otherwise provided by law, all interest received on deposits of state funds
7 shall accrue to and become a part of the [*General Fund*] **Oregon Rainy Day Fund established by**
8 **ORS 293.144.**

9 **SECTION 2.** ORS 293.144 is amended to read:

10 293.144. (1) The Oregon Rainy Day Fund is established as an account in the General Fund.

11 (2) The Legislative Assembly may appropriate moneys from the Oregon Rainy Day Fund only if
12 the appropriation is approved by three-fifths of the members serving in each house of the Legislative
13 Assembly and the Legislative Assembly finds one of the following:

14 (a) That the last quarterly economic and revenue forecast for a biennium indicates that moneys
15 available to the General Fund for the next biennium will be at least three percent less than appro-
16 priations from the General Fund for the current biennium;

17 (b) That there has been a decline for two or more consecutive quarters in the last 12 months
18 in seasonally adjusted nonfarm payroll employment; or

19 (c) That a quarterly economic and revenue forecast projects that revenues in the General Fund
20 in the current biennium will be at least two percent below what the revenues were projected to be
21 in the revenue forecast on which the legislatively adopted budget for the current biennium was
22 based.

23 [(3) *Once each month, the Oregon Department of Administrative Services shall calculate the amount*
24 *of General Fund interest that is attributable to moneys in the Oregon Rainy Day Fund. Except as*
25 *otherwise provided in ORS 293.148, the department shall transfer the amount calculated under this*
26 *subsection to the Oregon Rainy Day Fund.*]

27 [(4)] (3) The Legislative Assembly may not appropriate for any one biennium more than two-
28 thirds of the amount that is in the Oregon Rainy Day Fund at the beginning of that biennium. If the
29 appropriation is for a biennium that has not yet begun, the Legislative Assembly may use as the
30 base the most recent estimate of the amount that will be in the Oregon Rainy Day Fund at the be-

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 ginning of the biennium for which the appropriation is made.

2 [(5)] (4) As used in this section, “legislatively adopted budget” has the meaning given that term
3 in ORS 291.002.

4 **SECTION 3.** ORS 293.146 is amended to read:

5 293.146. (1) As used in this section:

6 (a) “Ending balance” means the difference between the amount of General Fund revenues col-
7 lected during a biennium and the amount of General Fund appropriations for the biennium.

8 (b) “General Fund appropriations” means the amount of moneys appropriated from the General
9 Fund for a biennium in the legislatively approved budget for the biennium, minus the amount of any
10 General Fund appropriation balances for that biennium that revert to the General Fund under ORS
11 293.190.

12 (c) “Legislatively approved budget” has the meaning given that term in ORS 291.002.

13 (2) Except as provided in ORS 293.148, as soon as possible after the ending balance for a
14 biennium is determined, an amount equal to one percent of the amount of General Fund appropri-
15 ations for that biennium, **less the amount of interest deposited in the Oregon Rainy Day Fund**
16 **during the biennium under ORS 293.140**, shall be transferred to the Oregon Rainy Day Fund es-
17 tablished by ORS 293.144. If the ending balance does not equal or exceed one percent of the amount
18 of General Fund appropriations, **less the amount of interest deposited in the Oregon Rainy Day**
19 **Fund during the biennium under ORS 293.140**, an amount equal to the ending balance shall be
20 transferred to the Oregon Rainy Day Fund.

21 **SECTION 4.** ORS 293.148 is amended to read:

22 293.148. (1) If the moneys in the Oregon Rainy Day Fund established by ORS 293.144 just prior
23 to the time of a transfer scheduled under ORS [293.144 (3) or] 293.146 equal at least 7-1/2 percent
24 of the amount of General Fund revenues collected during the prior biennium, moneys that would
25 otherwise be transferred to the Oregon Rainy Day Fund **under ORS 293.146** shall be deposited in
26 the General Fund.

27 (2) If the moneys in the Oregon Rainy Day Fund just prior to the time of a transfer scheduled
28 under ORS [293.144 (3) or] 293.146 do not equal at least 7-1/2 percent of the amount of General Fund
29 revenues collected during the prior biennium, the transfer to the Oregon Rainy Day Fund shall be
30 made regardless of whether that transfer increases the amount in the Oregon Rainy Day Fund to
31 at least 7-1/2 percent of the amount of General Fund revenues collected during the prior biennium.

32 **SECTION 5.** ORS 351.506 is amended to read:

33 351.506. (1) The Oregon University System Fund is established in the State Treasury, separate
34 and distinct from the General Fund. Any interest or other investment income derived from moneys
35 in the Oregon University System Fund is credited to the fund. Except when otherwise specified by
36 a statute establishing an account, **the State Board of Higher Education shall transfer to the**
37 **Oregon Rainy Day Fund established by ORS 293.144** the interest or other investment income
38 credited to the Oregon University System Fund that was derived from tuition and fees, facility and
39 administrative cost recoveries, sales and services revenues, housing fees, food service fees, parking
40 fees and General Fund appropriations [*shall be transferred to the General Fund by the State Board*
41 *of Higher Education*].

42 (2) Except for moneys otherwise designated by statute or federal law, all moneys received by the
43 State Board of Higher Education or the Oregon University System shall be paid into the State
44 Treasury and credited to the Oregon University System Fund. All moneys in the fund are contin-
45 uously appropriated to the State Board of Higher Education for purposes authorized by law.

1 (3) The moneys in the Oregon University System Fund may be invested as provided in ORS
2 293.701 to 293.820.

3 (4) The board may establish accounts and subaccounts within the Oregon University System
4 Fund when the board determines that accounts or subaccounts are necessary or desirable. Except
5 when otherwise specified by a statute establishing an account, the board may credit any interest
6 or income derived from moneys in the fund to any account or subaccount within the fund.

7 (5) The board shall keep a record of all moneys deposited into the fund. The record shall indi-
8 cate by separate cumulative accounts and subaccounts the sources from which the moneys are de-
9 rived and the individual activity or program against which each withdrawal is charged.

10 **SECTION 6.** ORS 240.131 is amended to read:

11 240.131. The Employment Relations Board Administrative Account is established separate and
12 distinct from the General Fund. The account consists of all moneys received by the Employment
13 Relations Board, other than moneys appropriated to the board by the Legislative Assembly. All
14 moneys in the account are continuously appropriated to the board for the payment of all expenses
15 incurred by the board. [*Interest earned by the account shall be credited to the General Fund.*]

16 **SECTION 7.** ORS 293.293 is amended to read:

17 293.293. (1) Whenever a court is required to hold funds in trust for the benefit of any party, all
18 such funds shall be deposited with the State Treasurer in an account separate and distinct from the
19 General Fund. [*Interest on such funds shall be credited to the General Fund.*]

20 (2) Notwithstanding subsection (1) of this section, if the amount in trust is \$10,000 or more, upon
21 motion of a party, the court may order that the amount deposited with the State Treasurer be placed
22 in an interest bearing account and that the interest be credited or paid to a party or parties, as the
23 court deems appropriate.

24 **SECTION 8.** ORS 541.576 is amended to read:

25 541.576. (1) The Water Conservation, Reuse and Storage Investment Fund is established in the
26 State Treasury, separate and distinct from the General Fund. [*Interest earned by the Water Conser-
27 vation, Reuse and Storage Investment Fund shall be credited to the General Fund.*] Moneys in the
28 Water Conservation, Reuse and Storage Investment Fund are continuously appropriated to the Wa-
29 ter Resources Department to award grants and to pay the cost of direct services provided under
30 ORS 541.561.

31 (2) The Water Conservation, Reuse and Storage Investment Fund shall consist of:

32 (a) Moneys appropriated to the fund by the Legislative Assembly;

33 (b) Any moneys that may be transferred to the fund by the federal government, a state agency
34 or a local government; and

35 (c) Grant repayments, if any.

36 **SECTION 9. The amendments to ORS 293.140, 293.144, 293.146, 293.148 and 351.506 by**
37 **sections 1 to 5 of this 2011 Act first apply to the biennium beginning July 1, 2013.**