

**PROPOSED AMENDMENTS TO
SENATE JOINT RESOLUTION 26**

1 On page 1 of the printed joint resolution, line 2, after “Oregon” insert a
2 colon and delete the rest of the line and line 3.

3 Delete lines 4 through 24 and delete pages 2 through 5 and insert:

4 **“PARAGRAPH 1. The Constitution of the State of Oregon is amended**
5 **by creating new sections 14a and 15 to be added to and made a part of Ar-**
6 **article IX, and by amending section 14, Article IX, such sections to read:**

7 **“SECTION 15. (1) The Emergency Reserve Fund is established as**
8 **an account in the General Fund. The Legislative Assembly may es-**
9 **tablish subaccounts within the Emergency Reserve Fund.**

10 **“(2) The Legislative Assembly may appropriate moneys from the**
11 **Emergency Reserve Fund only if the appropriation is approved by**
12 **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**
15 **biennium indicates that moneys available to the General Fund for the**
16 **next biennium will be at least three percent less than appropriations**
17 **from the General Fund for the current biennium;**

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

21 **“(c) That a quarterly economic and revenue forecast projects that**
22 **revenues in the General Fund in the current biennium will be at least**

1 two percent below what the revenues were projected to be in the rev-
2 enue forecast on which the legislatively adopted budget for the current
3 biennium was based.

4 “(3) Once each month, in the manner provided by law, a state
5 agency designated by law shall calculate the amount of General Fund
6 interest that is attributable to moneys in the Emergency Reserve
7 Fund. Except as provided in subsection (5) of this section, the amount
8 calculated under this subsection shall be transferred to the Emergency
9 Reserve Fund. The Legislative Assembly by law may attribute interest
10 on moneys in a subaccount in the Emergency Reserve Fund to the
11 subaccount.

12 “(4) The Legislative Assembly may not appropriate for any one
13 biennium more than two-thirds of the amount that is in the Emer-
14 gency Reserve Fund at the beginning of that biennium. If the appro-
15 priation is for a biennium that has not yet begun, the Legislative
16 Assembly may use as the base the most recent estimate of the amount
17 that will be in the Emergency Reserve Fund at the beginning of the
18 biennium for which the appropriation is made.

19 “(5) If the moneys in the Emergency Reserve Fund just prior to the
20 time of a transfer to the Emergency Reserve Fund scheduled under
21 subsection (3) of this section, section 14 of this Article or any other
22 provision of law equal at least 14 percent of the amount of General
23 Fund revenues collected during the prior biennium, moneys that would
24 otherwise be transferred to the Emergency Reserve Fund shall be de-
25 posited or retained in the General Fund or returned to personal in-
26 come taxpayers as provided in subsection (4) of section 14 of this
27 Article.

28 “(6) If the moneys in the Emergency Reserve Fund just prior to the
29 time of a transfer to the Emergency Reserve Fund scheduled under
30 subsection (3) of this section, section 14 of this Article or any other

1 **provision of law do not equal at least 14 percent of the amount of**
2 **General Fund revenues collected during the prior biennium, the**
3 **transfer to the Emergency Reserve Fund shall be made regardless of**
4 **whether that transfer increases the amount in the Emergency Reserve**
5 **Fund to at least 14 percent of the amount of General Fund revenues**
6 **collected during the prior biennium.**

7 **“(7) As used in this section, ‘legislatively adopted budget’ means the**
8 **budget enacted by the Legislative Assembly during an odd-numbered**
9 **year regular session.**

10 **“Sec. 14. (1)** As soon as is practicable after adjournment sine die of an
11 odd-numbered year regular session of the Legislative Assembly, the Governor
12 shall cause an estimate to be prepared of revenues that will be received by
13 the General Fund for the biennium beginning July 1. The estimated revenues
14 from corporate income and excise taxes shall be separately stated from the
15 estimated revenues from other General Fund sources.

16 **“(2)** As soon as is practicable after the end of the biennium, the Governor
17 shall cause actual collections of revenues received by the General Fund for
18 that biennium to be determined. The revenues received from corporate in-
19 come and excise taxes shall be determined separately from the revenues re-
20 ceived from other General Fund sources.

21 **“(3)** If the revenues received by the General Fund from corporate income
22 and excise taxes during the biennium exceed the amount estimated to be re-
23 ceived from corporate income and excise taxes for the biennium, by two
24 percent or more, the total amount of the excess shall be [*returned to corpo-*
25 *rate income and excise taxpayers*] **transferred to the Emergency Reserve**
26 **Fund established by section 15 of this Article or any subaccount in the**
27 **Emergency Reserve Fund.**

28 **“(4)** If the revenues received from General Fund revenue sources, exclu-
29 sive of those described in subsection (3) of this section, during the biennium
30 exceed the amount estimated to be received from such sources for the

1 biennium, by two percent or more, **one-half of the total amount of the**
2 **excess shall be transferred to the Emergency Reserve Fund established**
3 **by section 15 of this Article and one-half of the total amount of the ex-**
4 **cess shall be returned to personal income taxpayers. If a transfer may not**
5 **be made to the Emergency Reserve Fund under subsection (5) of sec-**
6 **tion 15 of this Article, the total amount of the excess shall be returned**
7 **to personal income taxpayers.**

8 “(5) The Legislative Assembly may enact laws:

9 “(a) Establishing a tax credit, refund payment or other mechanism by
10 which the excess revenues are returned to taxpayers, and establishing ad-
11 ministrative procedures connected therewith.

12 “(b) Allowing the excess revenues to be reduced by administrative costs
13 associated with returning the excess revenues.

14 “(c) Permitting a taxpayer’s share of the excess revenues not to be re-
15 turned to the taxpayer if the taxpayer’s share is less than a de minimis
16 amount identified by the Legislative Assembly.

17 “(d) Permitting a taxpayer’s share of excess revenues to be offset by any
18 liability of the taxpayer for which the state is authorized to undertake col-
19 lection efforts.

20 “(6)(a) Prior to the close of a biennium for which an estimate described
21 in subsection (1) of this section has been made, the Legislative Assembly, by
22 a two-thirds majority vote of all members elected to each [*House*] **house,**
23 may enact legislation declaring an emergency and increasing the amount of
24 the estimate prepared pursuant to subsection (1) of this section.

25 “(b) The prohibition against declaring an emergency in an act regulating
26 taxation or exemption in section 1a[, *Article IX of this Constitution,*] **of this**
27 **Article** does not apply to legislation enacted pursuant to this subsection.

28 “(7) This section does not apply:

29 “(a) If, for a biennium or any portion of a biennium, a state tax is not
30 imposed on or measured by the income of individuals.

1 “[*b*] *To revenues derived from any minimum tax imposed on corporations*
2 *for the privilege of carrying on or doing business in this state that is imposed*
3 *as a fixed amount and that is nonapportioned (except for changes of accounting*
4 *periods).*]

5 “[*c*] **(b)** To biennia beginning before July 1, 2001.

6 **“SECTION 14a. (1) Section 15 of this Article and the amendment to**
7 **section 14 of this Article by Senate Joint Resolution 26 (2011) apply to**
8 **biennia beginning on or after July 1, 2011.**

9 **“(2) This section is repealed on June 30, 2015.**

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11 **“PARAGRAPH 2. The amendment proposed by this resolution shall**
12 **be submitted to the people for their approval or rejection at the next**
13 **regular general election held throughout this state.”.**

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