

From: MCMULLEN Mark \* COO [mailto:mark.mcmullen@state.or.us]  
Sent: Monday, March 04, 2013 3:17 PM  
To: Ross Cheyenne; MCMULLEN Mark \* COO  
Cc: AYRE Art \* CFO; PACK Barry \* COO; JORDAN Michael J \* COO  
Subject: RE: Senate Vets Committee, SB 97

Cheyenne,

Please let Senator Boquist know that I share the CFO's interpretation of the kicker implications of Senate Bill 97. In particular, deposits into the proposed Oregon Emergency Preparedness Account, the Oregon Disaster Response Account and the Oregon Local Disaster Assistance Loan and Grant Subaccount will not be included in the personal income tax kicker calculation.

Across agencies and statutes, the term "General Fund" often takes on different meanings. For the kicker calculation, we focus on what is often referred to as the appropriated General Fund. These are the cash revenues over a biennium devoted to items within the Legislatively Adopted Budget. By their nature, federally-funded or continuously appropriated funds such as those proposed in SB97 do not fit into this framework, and are treated separately by agency accountants. As such, they do not appear in the revenue tallies we use for balancing the budget and determining kickers.

Regards,  
Mark

Mark McMullen  
State Economist  
Oregon Office of Economic Analysis  
Phone: (503) 378-3455  
Website: <http://www.oregon.gov/DAS/OEA/index.shtml>