

**77TH OREGON LEGISLATIVE ASSEMBLY
2013 REGULAR SESSION
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE**

**MEASURE: HB 2315
CARRIER:**

REVENUE: No Revenue Impact

FISCAL: Fiscal Statement Issued

Action: Do Pass and be referred to Ways and Means by prior reference

Vote: 9-0-0

Yeas: Bailey, Bentz, Berger, Conger, Davis, Gelser, Read, Vega Pederson, Barnhart

Nays: 0

Exc.: 0

Prepared By: Paul Warner, Economist

Meeting Dates: 3/5, 5/22

WHAT THE BILL DOES: Directs Legislature to appropriate certain amount to Oregon Rainy Fund and Education Stability Fund depending on the state unemployment rate in the preceding year. If the unemployment rate is 6% or less, 1% of General Fund appropriations plus Lottery allocations is appropriated to both the Oregon Rainy Day Fund and the Education Stability Fund. If the unemployment rate is between 6 and 7%, .75% of General Fund/Lottery appropriations and allocations are appropriated to each fund. Under current projections (May 2013 forecast), the state unemployment rate is expected to drop below 7% for the 2016 calendar year. If this projection holds, then .75% of the General Fund/Lottery budget would be allocated to both the Education Stability Fund and the Oregon Rainy Day Fund for the 2017-19 biennium. An appropriation to each fund is in addition to other revenue sources flowing into the funds.

ISSUES DISCUSSED:

- Timing and mechanics of unemployment trigger.
- Oregon's projected statewide unemployment rate.
- Importance of rebuilding state reserves.
- Current revenue sources flowing into existing reserve funds.

EFFECT OF COMMITTEE AMENDMENTS: No Amendments

BACKGROUND: In 2002, voters established the constitutional Education Stability Fund. In 2007, the Legislature created the statutory Oregon Rainy Day Fund.

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