

Senate Joint Resolution 1

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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**.

Proposes amendment to Oregon Constitution to allow indebtedness to finance corpus of Oregon Student Opportunity Fund.

Refers proposed amendment to people for their approval or rejection at _____ election.

JOINT RESOLUTION

Be It Resolved by the Legislative Assembly of the State of Oregon:

PARAGRAPH 1. The Constitution of the State of Oregon is amended by creating a new Article to be known as Article XI-R, such Article to read:

ARTICLE XI-R

SECTION 1. (1) In the manner provided by law and notwithstanding the limitations contained in section 7, Article XI of this Constitution, the credit of the State of Oregon may be loaned and indebtedness incurred to:

(a) Finance the corpus of the Oregon Student Opportunity Fund established pursuant to section 3 of this Article.

(b) Refinance indebtedness incurred under this section.

(2) Indebtedness incurred under this section may be used to pay the costs of issuing, administering and paying indebtedness incurred under this section.

SECTION 2. (1) Indebtedness may be incurred under section 1 of this Article in an aggregate principal amount that does not exceed, at any one time, one percent of the real market value of all property in this state.

(2) Indebtedness incurred under section 1 of this Article is a general obligation of the State of Oregon and must contain a direct promise on behalf of the State of Oregon to pay the principal of, the interest on and the premium, if any, on the obligation. The full faith and credit and taxing power of the State of Oregon must be pledged to pay the principal of, the interest on and the premium, if any, on the obligation. However, the State of Oregon may not pledge or levy an ad valorem tax to pay the indebtedness.

SECTION 3. (1) The Legislative Assembly shall establish a fund to be known as the Oregon Student Opportunity Fund. The moneys in the Oregon Student Opportunity Fund must be held in trust for the exclusive benefit of Oregon students pursuing post-secondary education, including technical, professional and career training.

(2) In addition to the deposit of proceeds of indebtedness described in paragraph (a) of subsection (1) of section 1 of this Article, moneys in the fund may include:

(a) Gifts, devises or bequests made to the State of Oregon for deposit in the fund; and

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 **(b) Any other moneys deposited in the fund by law.**
- 2 **(3) Moneys described in subsection (2) of this section that are deposited in the fund:**
- 3 **(a) May be invested as provided by law and are not subject to the limitations of section**
- 4 **6, Article XI of this Constitution.**
- 5 **(b) Must be retained in the fund, except as provided in subsection (6) of this section.**
- 6 **(4) Earnings on moneys in the fund:**
- 7 **(a) Must be credited to the fund; and**
- 8 **(b) May be retained in the fund or used to provide financial assistance to Oregon students**
- 9 **pursuing post-secondary education, including technical, professional and career training.**
- 10 **(5) The Legislative Assembly may pass a bill to appropriate earnings on moneys in the**
- 11 **fund for the purpose described in subsection (4)(b) of this section.**
- 12 **(6) When the Governor declares an emergency pursuant to this subsection, the Legisla-**
- 13 **tive Assembly, with the approval of four-fifths of the members present in each house, may**
- 14 **pass a bill to transfer all or a portion of the moneys in the fund to the State of Oregon and**
- 15 **to appropriate the moneys for any lawful purpose if the Legislative Assembly has approved**
- 16 **a retransfer plan with appropriate terms.**
- 17 **SECTION 4. The Legislative Assembly may enact legislation to carry out the provisions**
- 18 **of this Article.**
- 19 **SECTION 5. This Article supersedes conflicting provisions of this Constitution.**
- 20
- 21 **PARAGRAPH 2. The amendment proposed by this resolution shall be submitted to the**
- 22 **people for their approval or rejection at _____.**
- 23 _____