

Senate Joint Resolution 9

Sponsored by Senator GEORGE (Pre-session filed.)

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. Limits appropriations for state government expenditures in biennium to 15 percent of personal income in state in two calendar years ending before beginning of biennium. Specifies method of computing personal income in state.

Exempts appropriations funded by revenues from issuance of bonds by state.

Allows Legislative Assembly to increase limit on appropriations for biennium if Governor declares emergency and proposed increase is approved by three-fourths of members of each house of Legislative Assembly.

Establishes Oregon Rainy Day Fund. Sets conditions for appropriation of moneys in fund.

Specifies that revenues received by state in excess of appropriation limit must be deposited in Oregon Rainy Day Fund.

Refers proposed amendment to people for their approval or rejection at next regular general 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 repealing section 14, Article IX, by amending section 4, Article X-A, and by creating new sections 1d, 1e and 16 to be added to and made a part of Article IX, such sections to read:

SECTION 1d. (1) Appropriations for state government expenditures in each biennium may not exceed an amount that is 15 percent of personal income in this state, except as provided in subsections (2) and (3) of this section. For purposes of this section, personal income in this state is total personal income for the two calendar years ending before the beginning of the biennium, as computed by the federal government.

(2) The limitations of this section do not apply to appropriations funded by revenues from the issuance of bonds by the state. Appropriations to pay principal and interest on all state debt and appropriations funded by revenues from all other instruments of debt are subject to the limitations of this section.

(3) The Legislative Assembly may by law increase for a biennium the limit on appropriations established by this section if:

(a) The Governor declares an emergency; and

(b) The proposed increase is approved by three-fourths of the members serving in each house of the Legislative Assembly.

(4) Notwithstanding any other provision of this Constitution, revenues, other than earnings from dedicated investment funds, received by the state in a biennium that are in excess of the appropriation limits established by this section shall be transferred to the Oregon Rainy Day Fund established by section 16 of this Article or any subaccount in the Oregon Rainy Day Fund.

SECTION 1e. (1) Section 1d of this Article applies to appropriations for state government

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 expenditures made in biennia beginning on or after July 1, 2015.

2 (2) This section is repealed January 1, 2021.

3 SECTION 16. (1) The Oregon Rainy Day Fund is established as an account in the General
4 Fund. The Legislative Assembly may establish subaccounts within the Oregon Rainy Day
5 Fund. The fund consists of:

6 (a) Moneys deposited into the fund in accordance with section 1d of this Article; and

7 (b) Any other moneys deposited into the fund in accordance with law.

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

11 (a) That the last quarterly economic and revenue forecast for a biennium indicates that
12 moneys available to the General Fund for the next biennium will be at least three percent
13 less than appropriations from the General Fund for the current biennium;

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

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

20 (d) That the Governor has declared that an emergency exists related to an earthquake,
21 a tsunami or another natural disaster or an act of war.

22 (3) Once each month, in the manner provided by law, a state agency designated by law
23 shall calculate the amount of General Fund interest that is attributable to moneys in the
24 Oregon Rainy Day Fund. The amount calculated under this subsection shall be transferred
25 to the Oregon Rainy Day Fund. The Legislative Assembly by law may attribute interest on
26 moneys in a subaccount in the Oregon Rainy Day Fund to the subaccount.

27 (4) As used in this section, "legislatively adopted budget" means the budget enacted by
28 the Legislative Assembly during an odd-numbered year regular session.

29 **Sec. 4.** (1) If the Governor declares that a catastrophic disaster has occurred:

30 (a) The Legislative Assembly may enact laws authorizing the use of revenue described in section
31 3a, Article IX of this Constitution, for purposes other than those described in that section.

32 [(b) The Legislative Assembly may, by a vote of the number of members of each house that consti-
33 tutes a quorum under subsection (2) of section 3 of this Article, appropriate moneys that would other-
34 wise be returned to taxpayers under section 14, Article IX of this Constitution, to state agencies for the
35 purpose of responding to the catastrophic disaster.]

36 [(c)] (b) Notwithstanding section 7, Article XI of this Constitution, the Legislative Assembly may
37 lend the credit of the state or create debts or liabilities in an amount the Legislative Assembly
38 considers necessary to provide an adequate response to the catastrophic disaster.

39 [(d)] (c) The provisions of section 15, Article XI of this Constitution, do not apply to any law
40 that is approved by three-fifths of the members of each house who are able to attend a session de-
41 scribed in subsection (3) of section 3 of this Article.

42 [(e)] (d) The Legislative Assembly may take action described in subsection (6) of section 15,
43 Article XI of this Constitution, upon approval by three-fifths of the members of each house who are
44 able to attend a session described in subsection (3) of section 3 of this Article.

45 [(f)] (e) Notwithstanding section 4, Article XV of this Constitution, the Legislative Assembly

1 may allocate proceeds from the State Lottery for any purpose and in any ratio the Legislative As-
2 sembly determines necessary to provide an adequate response to the catastrophic disaster.

3 (2) Nothing in this section overrides or otherwise affects the provisions of section 15b, Article
4 V of this Constitution.

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6 **PARAGRAPH 2. The amendment proposed by this resolution shall be submitted to the**
7 **people for their approval or rejection at the next regular general election held throughout**
8 **this state.**

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