

From the Desk of
Senator Ted Ferioli

Senate Joint Resolution 25

Sponsored by Senators KNOPP, BAERTSCHIGER JR

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 establish Oregon Budget Reserve Fund. Directs Legislative Assembly, in budgeting for biennium, to leave unappropriated three percent of estimated General Fund moneys for biennium. Specifies that if actual amount of General Fund moneys received for biennium equals or exceeds estimate, amount left unappropriated is deposited in Oregon Budget Reserve Fund.

Specifies that if actual amount received is less than estimate but not less than 97 percent of estimate, amount by which actual amount exceeds 97 percent of estimate is deposited in Oregon Budget Reserve Fund.

Specifies conditions under which moneys in fund may be spent.

Refers proposed amendment to people for their approval or rejection at next regular general election.

JOINT RESOLUTION

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

3 **PARAGRAPH 1.** The Constitution of the State of Oregon is amended by creating new sections
4 2a and 2b to be added to and made a part of Article IX, such section to read:

5 **SECTION 2a. (1) The Oregon Budget Reserve Fund is established. The fund consists of:**

6 (a) **Moneys deposited into the fund in accordance with this section; and**

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

8 (2) **At a regular legislative session held in an odd-numbered year, the Legislative As-**
9 **sembly, in budgeting for a biennium that begins on July 1 of that year, shall leave unappro-**
10 **propriated three percent of the amount of moneys estimated to be available to the state's**
11 **General Fund for the biennium. For purposes of this section, the Legislative Assembly shall**
12 **use the estimate of moneys available to the state's General Fund contained in the quarterly**
13 **economic and revenue forecast described in subparagraph (A) of paragraph (a) of subsection**
14 **(6) of section 4, Article XV of this Constitution.**

15 (3) **When the actual amount of moneys received by the state's General Fund has been**
16 **determined for a biennium:**

17 (a) **If the actual amount equals or exceeds the amount of the estimate used to determine**
18 **the amount left unappropriated for that biennium under subsection (2) of this section, the**
19 **amount left unappropriated shall be deposited into the Oregon Budget Reserve Fund.**

20 (b) **If the actual amount is less than the amount of the estimate used to determine the**
21 **amount left unappropriated for that biennium under subsection (2) of this section, but not**
22 **less than 97 percent of the amount of the estimate, the amount by which the actual moneys**
23 **received exceed 97 percent of the amount of the estimate shall be deposited into the Oregon**
24 **Budget Reserve Fund.**

25 (c) **If the actual amount is less than 97 percent of the amount of the estimate used to**
26 **determine the amount left unappropriated for that biennium under subsection (2) of this**

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 section, the amount left unappropriated may be appropriated for general governmental pur-
2 poses.

3 (4) The Legislative Assembly may by law appropriate, allocate or transfer in any one
4 biennium up to two-thirds of the principal of the Oregon Budget Reserve Fund if:

5 (a) The proposed appropriation, allocation or transfer is approved by three-fifths of the
6 members serving in each house of the Legislative Assembly and the Legislative Assembly
7 finds one of the following:

8 (A) That the last quarterly economic and revenue forecast for a biennium indicates that
9 moneys available to the state's General Fund for the next biennium will be at least three
10 percent less than appropriations from the state's General Fund for the current biennium;

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

13 (C) That a quarterly economic and revenue forecast projects that revenues in the state's
14 General Fund in the current biennium will be at least two percent below what the revenues
15 were projected to be in the revenue forecast on which the legislatively adopted budget for
16 the current biennium was based; or

17 (b) The proposed appropriation, allocation or transfer is approved by three-fifths of the
18 members serving in each house of the Legislative Assembly and the Governor declares an
19 emergency.

20 (5) Earnings on moneys in the Oregon Budget Reserve Fund shall be deposited into the
21 fund and become part of the principal of the fund.

22 (6) For purposes of this section, moneys in the Oregon Budget Reserve Fund that are
23 appropriated, allocated or transferred under subsection (4) of this section are not General
24 Fund moneys.

25 **SECTION 2b.** (1) The Legislative Assembly shall first apply the provisions of section 2a
26 of this Article to the budget developed for the biennium beginning July 1, 2017.

27 (2) This section is repealed January 1, 2022.

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

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