

House Bill 2180

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Secretary of State Kate Brown)

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**.

Specifies that if General Fund appropriation balances are held by executive branch state agencies at end of biennium, one-half of amount is retained by state agency and one-half is transferred to school capital matching fund. Provides exceptions for ongoing obligations.

First applies to biennium beginning July 1, 2015.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to disposition of biennial executive branch agency appropriation balances; creating new
3 provisions; amending ORS 293.146, 293.190, 293.195 and 351.460; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 293.195 is amended to read:

6 293.195. (1) **Except as provided in subsection (2) of this section, if there is any difference**
7 **between the amount appropriated for a biennium to an agency of the executive department,**
8 **as defined in ORS 174.112, and the amount of the appropriation actually expended on or be-**
9 **fore the end of the biennium:**

10 (a) **One-half of the amount of the difference is continuously appropriated to the agency**
11 **for payment of expenses of the agency for the next biennium; and**

12 (b) **One-half of the amount of the difference shall be deposited in the school capital**
13 **matching fund created under Article XI-P, section 4, of the Oregon Constitution.**

14 (2) **The entire amount of any General Fund appropriation balance for an agency of the**
15 **executive department, as defined in ORS 174.112, as recorded in the records of the Oregon**
16 **Department of Administrative Services for the prior biennium is continuously appropriated**
17 **to the agency for payment of expenses of the agency in the next biennium if the appropri-**
18 **ation balance relates to capital construction, continuing contracts, contested claims, special**
19 **appropriations designated by legislative action or savings continuously appropriated to**
20 **agencies under ORS 291.120.**

21 [(1)] (3) Any difference between the amount appropriated for a biennium to the judicial depart-
22 ment, as defined in ORS 174.113, including amounts appropriated to any agency of the judicial de-
23 partment, and the amount of the appropriation actually expended on or before the end of the
24 biennium[,] is continuously appropriated to the judicial department for payment of expenses of the
25 judicial department for the next biennium.

26 [(2)] (4) Any difference between the amount appropriated for a biennium to the legislative de-
27 partment, as defined in ORS 174.114, including amounts appropriated to any agency of the legislative
28 department, and the amount of the appropriation actually expended on or before the end of the
29 biennium[,] is continuously appropriated to the legislative department for payment of expenses of the

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 legislative department for the next biennium.

2 **SECTION 2.** ORS 293.190 is amended to read:

3 293.190. [(1) *On December 31 in each odd-numbered year, all General Fund appropriation balances*
 4 *as recorded on the records of the Oregon Department of Administrative Services for the prior biennium*
 5 *shall revert to the General Fund except for capital construction, continuing contracts, contested claims,*
 6 *special appropriations designated by legislative action, appropriations described in ORS 293.195 or*
 7 *savings continuously appropriated to agencies under ORS 291.120.]*

8 [(2)] (1) On December 31 in each odd-numbered year, all limitation balances on any separate
 9 fund or cash account in the State Treasury shall be canceled except for continuing contracts, con-
 10 tested claims or special limitations designated by legislative action.

11 [(3)] (2) Notwithstanding [subsections (1) and (2)] **subsection (1)** of this section, under conditions
 12 which shall be described by the [department] **Oregon Department of Administrative Services** by
 13 rule, upon request, an extension may be granted to allow an agency to make final analyses and
 14 corrections before [an appropriation or] a limitation is canceled. The procedures for requesting an
 15 extension and the criteria for approving the request shall be established by the department.

16 **SECTION 3.** ORS 293.146 is amended to read:

17 293.146. (1) As used in this section:

18 (a) “Ending balance” means the difference between the amount of General Fund revenues col-
 19 lected during a biennium and the amount of General Fund appropriations for the biennium.

20 (b) “General Fund appropriations” means the amount of moneys appropriated from the General
 21 Fund for a biennium in the legislatively approved budget for the biennium, minus the amount of any
 22 General Fund appropriation balances for that biennium [*that revert to the General Fund under ORS*
 23 *293.190*] **that are continuously appropriated or deposited under ORS 293.195 and any surplus**
 24 **General Fund moneys that are transferred under ORS 351.460 (7).**

25 (c) “Legislatively approved budget” has the meaning given that term in ORS 291.002.

26 (2) Except as provided in ORS 293.148, as soon as possible after the ending balance for a
 27 biennium is determined, an amount equal to one percent of the amount of General Fund appropri-
 28 ations for that biennium shall be transferred to the Oregon Rainy Day Fund established by ORS
 29 293.144. If the ending balance does not equal or exceed one percent of the amount of General Fund
 30 appropriations, an amount equal to the ending balance shall be transferred to the Oregon Rainy Day
 31 Fund.

32 **SECTION 4.** ORS 351.460 is amended to read:

33 351.460. (1) The State Board of Higher Education shall maintain an account within the Oregon
 34 University System Fund established by ORS 351.506 to provide for the payment of the principal of
 35 and the interest upon:

36 (a) The bonds issued under authority of Article XI-F(1) of the Oregon Constitution and ORS
 37 351.350;

38 (b) The bonds issued under authority of Article XI-G of the Oregon Constitution and ORS
 39 351.345; and

40 (c) Amounts due under financial agreements entered into under ORS 351.356.

41 (2) The account maintained under this section comprises one subaccount for each of the pur-
 42 poses of the account identified in subsection (1) of this section.

43 (3) Income and interest derived from moneys in the subaccounts of the account maintained under
 44 this section are credited to the appropriate subaccount.

45 (4) The sources of moneys for the account maintained under this section are:

1 (a) All moneys received from ad valorem taxes levied pursuant to ORS 291.445;

2 (b) All moneys that the Legislative Assembly may provide in lieu of ad valorem taxes;

3 (c) The revenues transferred to the account maintained under this section pursuant to sub-
4 section (6) of this section;

5 (d) All moneys received as accrued interest upon bonds sold;

6 (e) All earnings from investments of the account;

7 (f) Net proceeds of the sale of refunding bonds; and

8 (g) All moneys that the State of Oregon has agreed to hold in the account to pay amounts due
9 under financial agreements entered into under ORS 351.356.

10 (5) The board may credit the account maintained under this section with moneys received from
11 either a sale or interfund transfer of buildings, structures, land or other projects. When the
12 buildings, structures, land or other projects are sold or the use of the buildings, structures, land or
13 other projects is rededicated so that a transfer from one subaccount to another subaccount is ap-
14 propriate, the moneys received shall be credited to the appropriate subaccount.

15 (6)(a) The board shall transfer revenues to the account maintained under this section in amounts
16 sufficient to pay, when due, the principal of and the interest and any premium upon the bonds issued
17 under authority of Article XI-F(1) of the Oregon Constitution. Revenues not required for the account
18 as described in this subsection shall be transferred to other accounts and subaccounts within the
19 Oregon University System Fund that are designated by the Chancellor of the Oregon University
20 System. The portion of student building fees that are imposed under ORS 351.170 to provide the
21 funds with which to amortize the principal of and pay the interest on bonds issued under Article
22 XI-F(1) of the Oregon Constitution shall be applied only to pay those bonds.

23 (b) For purposes of this subsection, "revenues" includes all funds available to the board except:

24 (A) Amounts appropriated by the Legislative Assembly from the General Fund; and

25 (B) Lottery funds allocated for debt service.

26 (7)(a) The board may not use the account maintained under this section for any purpose other
27 than the purposes for which the account was created.

28 (b) Notwithstanding paragraph (a) of this subsection, if the balance in any subaccount exceeds
29 the amount required to pay debt service during a fiscal period, the board may transfer the surplus
30 in the subaccount to other accounts in the Oregon University System Fund. [*This paragraph does*
31 *not apply to any surplus consisting of General Fund moneys appropriated for debt service or lottery*
32 *funds allocated for debt service. Any surplus consisting of General Fund moneys appropriated for debt*
33 *service shall revert to the General Fund as provided in ORS 293.190.]*

34 **SECTION 5. The amendments to ORS 293.146, 293.190, 293.195 and 351.460 by sections 1**
35 **to 4 of this 2015 Act first apply to the biennium beginning July 1, 2015.**

36 **SECTION 6. This 2015 Act being necessary for the immediate preservation of the public**
37 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
38 **on its passage.**

39