

House Joint Resolution 19

Sponsored by Representative READ, Senator HASS (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 establishing Oregon Rainy Day Fund. Sets conditions for appropriation of moneys in fund.

Directs Department of Revenue to calculate average revenue received, over two immediately preceding periods each consisting of two consecutive tax years, from personal income and corporate excise taxpayers. Directs department to state amount received during current biennium and to transfer excess if any over calculated average to Oregon Rainy Day Fund.

Applies to biennia beginning on or after July 1, 2017.

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 creating new sections 16 and 16a to be added to and made a part of Article IX, such sections to read:

SECTION 16. (1) **As used in this section, "legislatively adopted budget" means the budget enacted by the Legislative Assembly during an odd-numbered year regular session.**

(2) The Oregon Rainy Day Fund is established as an account in the General Fund. The Legislative Assembly may establish subaccounts within the Oregon Rainy Day Fund.

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

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

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

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

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

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

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 (5) Before the close of each biennium, the Department of Revenue shall:

2 (a) Estimate the amount of revenue received from personal income and corporate excise
3 taxes during the biennium;

4 (b) For revenue received from personal income and corporate excise taxpayers:

5 (A) Determine the aggregate revenue received for the two consecutive tax years that
6 begin with the year beginning January 1 of the even year that falls during the immediately
7 preceding biennium;

8 (B) Determine the aggregate revenue received for the two consecutive tax years that
9 begin with the year beginning January 1 of the even year that falls during the biennium im-
10 mediately preceding the biennium described in subparagraph (A) of this paragraph; and

11 (C) Calculate the average of the amounts stated in subparagraphs (A) and (B) of this
12 paragraph.

13 (6) After the close of each biennium, not later than the following January 1, the depart-
14 ment shall:

15 (a) Determine the revenue received from personal income and corporate excise taxpayers
16 for the biennium;

17 (b) Calculate the excess, if any, of the amount determined in paragraph (a) of this sub-
18 section over the amount calculated in subparagraph (C) of paragraph (b) of subsection (5)
19 of this section; and

20 (c) Transfer an amount equal to the excess calculated in paragraph (b) of this subsection
21 to the Oregon Rainy Day Fund.

22 SECTION 16a. (1) Section 16 of this Article applies to biennia beginning on or after July
23 1, 2017.

24 (2) This section is repealed June 30, 2021.

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

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