

## Legislative Fiscal Office

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## Joint Committee on Ways and Means

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Sen. Jackie Winters, Senate Co-Vice Chair  
Rep. Dan Rayfield, House Co-Vice Chair  
Rep. Greg Smith, House Co-Vice Chair

**To:** Transportation and Economic Development Subcommittee

**From:** Steven Bender, Legislative Fiscal Office

**Date:** June 13, 2017

**Subject:** SB 140 – Relating to state financial administration  
Work Session Recommendations

SB 140 relates to state financial administration. The Legislative Fiscal Office (LFO) recommends adopting the SB 140-1 amendments, which replace the contents of the bill.

In the November 2016 general election, voters approved Ballot Measure 96. This measure amended the Oregon Constitution to dedicate 1.5% of net lottery proceeds to services for the benefit of veterans. The constitutional amendment also directed the Legislature to establish a Veterans' Services Fund, for the purpose of segregating the Lottery Funds dedicated to veterans' services by the ballot measure.

The bill, as amended, establishes the Veterans' Services Fund, and establishes other statutory provisions needed to implement and operate Ballot Measure 96. These provisions include:

- Restricting the permissible use of moneys in the newly created Veterans Services Fund to providing services for the benefit of veterans.
- Designating the Department of Administrative Services as the entity responsible for depositing 1.5% of net lottery proceed into the Veterans' Services Fund.
- Directing that any allocations to state agencies from the Veterans' Services Fund, that remain unspent and uncommitted at the conclusion of a biennium, revert to the Veterans' Services Fund. Any moneys so reverted would remain dedicated to veterans' services and become available to the Legislature for reallocation.
- Establishing new funds for the Department of Veterans' Affairs and the Housing and Community Services Department. Both agencies should receive Measure 96 moneys in the 2017-19 biennium budget. The agencies will deposit those moneys into these new funds, to avoid comingling them with any less-restricted funds.
- An emergency clause, to establish a July 1, 2017 effective and operating date. The first deposit of Lottery Funds into the Veterans' Services Fund will occur in July 2017, and the Fund needs to be established before that deposit can occur.

The Legislature, each odd-year session beginning this session, will approve allocations from the Veterans' Services Fund to state agencies, to support veterans' programs included in the legislatively adopted budget.

**Recommended Changes**

The Legislative Fiscal Office (LFO) recommends adoption of the -1 amendments. These amendments replace the language of the bill to support implementation of Ballot Measure 96.

**MOTION: I move adoption of the -1 amendment to SB 140. (VOTE)**

**Final Subcommittee Action**

LFO recommends that SB 140, as amended by the -1 amendments, be moved to the Ways and Means Full Committee.

**MOTION: I move SB 140, as amended, to the Full Committee with a do pass recommendation. (VOTE)**

**Carriers**

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_