

## **SJR 23 STAFF MEASURE SUMMARY**

### **Senate Committee On Finance and Revenue**

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**Prepared By:** Chris Allanach, Legislative Revenue Officer

**Sub-Referral To:** Senate Committee On Rules

**Meeting Dates:** 3/20

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#### **WHAT THE MEASURE DOES:**

Amends the Constitution and creates the Personal Investment in Education Fund in the State Treasury. Redirects future surplus (i.e. kicker) refunds from personal income taxpayers to the fund. Directs money to be spent on K-12 funding, with priority given to a seismic rehabilitation program and student behavioral health counseling. Requires a 3/5 majority of each legislative chamber to appropriate funds. Applies to biennia beginning on or after July 1, 2019.

#### **ISSUES DISCUSSED:**

#### **EFFECT OF AMENDMENT:**

No amendment.

#### **BACKGROUND:**

The 2% surplus kicker was approved by the 1979 Legislature as part of a fiscal reform package, which was approved by voters in the spring of 1980. General Fund revenue is divided into two pots: corporate income taxes and all other revenue. Measure 85 from 2012 diverted the corporate kicker to K-12 spending. This resolution pertains to the non-corporate kicker -- known as the personal kicker. As of the most recent economic and revenue forecast, the 2017-19 personal kicker is projected to be \$748 million.