

House Bill 3348

Sponsored by Representatives NATHANSON, GOMBERG; Representatives DOHERTY, EVANS, FAHEY, HERNANDEZ, MARSH, REARDON, SCHOUTEN, Senator MANNING 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**.

Requires financial estimate committee to file statement "MEASURE SPENDS MONEY WITHOUT IDENTIFYING A FUNDING SOURCE" with Secretary of State upon finding that ballot measure with no dedicated funding source will have financial effect on public expenditures in excess of \$100,000. Requires statement to be printed in voters' pamphlet.

A BILL FOR AN ACT

1
2 Relating to disclosure of financial impact of ballot measures; creating new provisions; and amending
3 ORS 250.125 and 250.127.

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

5 **SECTION 1.** ORS 250.125 is amended to read:

6 250.125. (1) When a state measure involves expenditure of public moneys by the state, reduction
7 of expenditure of public moneys by the state, reduction of state revenues or raising of funds by the
8 state by imposing any tax or incurring any indebtedness, the financial estimate committee created
9 under this section shall estimate:

10 (a) The amount of direct expenditure, direct reduction of expenditure, direct reduction in state
11 revenues, direct tax revenue or indebtedness and interest that will be required to meet the pro-
12 visions of the measure if it is enacted; and

13 (b) The aggregate amount of direct expenditure, direct reduction of expenditure, direct reduction
14 in revenues, direct tax revenue or indebtedness and interest that will be required by any city,
15 county or district to meet the provisions of the measure if it is enacted.

16 (2) For a state measure for which an estimate is required to be prepared under subsection (1)
17 of this section, the financial estimate committee may estimate the aggregate amount of direct ex-
18 penditure, direct reduction of expenditure, direct reduction in revenues, direct tax revenue or
19 indebtedness and interest that will be required by any federally recognized Native American or
20 American Indian tribal government to meet the provisions of the measure if it is enacted.

21 (3) If the Legislative Assembly has enacted a law that will apply only if the measure for which
22 an estimate is required to be prepared under subsection (1) of this section is not enacted, the fi-
23 nancial estimate committee may also estimate the amount of direct expenditure, direct reduction of
24 expenditure, direct reduction in revenues, direct tax revenue or indebtedness and interest that will
25 result for the state, any city, county or district or any federally recognized Native American or
26 American Indian tribal government if the measure is not enacted.

27 (4) For a state measure for which an estimate is required to be prepared under subsection (1)
28 of this section, the financial estimate committee shall consult with the Legislative Revenue Officer
29 to determine if the measure has potentially significant indirect economic or fiscal effects. If the
30 committee determines that the indirect economic or fiscal effects of the measure are significant and

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 can be estimated, the Legislative Revenue Officer shall prepare on behalf of the committee an im-
 2 partial estimate of the indirect economic or fiscal effects of the measure. The Legislative Revenue
 3 Officer shall use the best available economic models and data to produce the estimate. The financial
 4 estimate committee shall incorporate relevant parts of the estimate prepared by the Legislative Re-
 5 venue Officer into the estimate prepared by the committee under subsection (1) of this section.

6 (5) Except as provided in subsection (6) of this section, the estimates described in subsections
 7 (1) to (3) of this section shall be printed in the voters' pamphlet and on the ballot. The estimates
 8 shall be impartial, simple and understandable and shall include the following information:

9 (a) A statement of the amount of financial effect on state, local or tribal government expen-
 10 ditures, revenues or indebtedness, expressed as a specific amount or as a range of amounts;

11 (b) A statement of any recurring annual amount of financial effect on state, local or tribal gov-
 12 ernment expenditures, revenues or indebtedness;

13 (c) A description of the most likely financial effect or effects of the adoption of the measure; and

14 (d) If an estimate is made under subsection (3) of this section, a description of the most likely
 15 financial effect or effects if the measure is not enacted.

16 (6) If the financial estimate committee determines that the measure will have no financial effect
 17 on state, local or tribal government expenditures, revenues or indebtedness or that the financial
 18 effect on state, local or tribal government expenditures, revenues or indebtedness will not exceed
 19 \$100,000, the committee shall prepare and file with the Secretary of State a statement declaring that
 20 the measure will have no financial effect or that the financial effect will not exceed \$100,000. The
 21 statement shall be printed in the voters' pamphlet and on the ballot.

22 **(7) If the financial estimate committee determines that the measure will have a financial**
 23 **effect on state, local or tribal government expenditures in excess of \$100,000 and that the**
 24 **measure does not include a dedicated funding source to pay for the new expenditures re-**
 25 **quired, the committee shall prepare and file with the Secretary of State the statement**
 26 **"MEASURE SPENDS MONEY WITHOUT IDENTIFYING A FUNDING SOURCE." A state-**
 27 **ment prepared under this subsection shall be printed in bold in the voters' pamphlet imme-**
 28 **diately following the printing of the estimates described in subsections (1) to (3) of this**
 29 **section.**

30 [(7)] (8) In addition to the estimates described in subsections (1) to (3) of this section, if the fi-
 31 nancial estimate committee considers it necessary, the committee may prepare and file with the
 32 Secretary of State an impartial, simple and understandable statement explaining the financial effects
 33 of the measure. The statement may not exceed 500 words. The statement shall be printed in the
 34 voters' pamphlet with the measure to which it relates.

35 [(8)] (9) The Legislative Policy and Research Committee shall provide any administrative staff
 36 assistance required by the financial estimate committee to facilitate the work of the financial esti-
 37 mate committee under this section or ORS 250.127.

38 [(9)] (10) The financial estimate committee is created, consisting of the Secretary of State, the
 39 State Treasurer, the Director of the Oregon Department of Administrative Services, the Director
 40 of the Department of Revenue and a representative of a city, county or district with expertise in
 41 local government finance. The representative of a city, county or district shall be selected by the
 42 four other members of the financial estimate committee and shall serve for a term of two years that
 43 begins on March 1 of the odd-numbered year.

44 **SECTION 2.** ORS 250.127 is amended to read:

45 250.127. (1) Not later than the 99th day before a special election held on the date of a primary

1 election or any general election at which any state measure is to be submitted to the people, the
 2 financial estimate committee created under ORS 250.125 shall prepare and electronically file with
 3 the Secretary of State the estimates described in ORS 250.125 and, if the committee considers it
 4 necessary, [*a statement*] **statements** explaining the financial effects of the measure as described in
 5 ORS 250.125 (7) **and** (8). The financial estimate committee may begin preparation of the estimates
 6 and [*statement*] **statements** on the date that a petition is accepted for verification of signatures
 7 under ORS 250.105 or the date that a measure referred by the Legislative Assembly is filed with the
 8 Secretary of State, whichever is applicable.

9 (2) Not later than the 95th day before the election, the Secretary of State shall hold a hearing
 10 in Salem upon reasonable statewide notice to receive suggested changes to the estimates or [*state-*
 11 *ment*] **statements** or to receive other information. At the hearing any person may submit suggested
 12 changes or other information orally or in writing. Written suggestions or other information also may
 13 be submitted at any time before the hearing.

14 (3) The financial estimate committee shall consider suggestions and any other information sub-
 15 mitted under subsection (2) of this section, and may file revised estimates or [*a revised statement*]
 16 **statements** with the Secretary of State not later than the 90th day before the election.

17 (4) Except as provided in subsection (5) of this section, the original estimates and [*statement*]
 18 **statements** and any revised estimates or [*statement*] **statements** shall be approved by a majority
 19 of the members of the financial estimate committee. If a member does not concur, the estimates or
 20 [*statement*] **statements** shall show only that the member dissents. The Secretary of State shall cer-
 21 tify final estimates and [*a final statement*] **statements** not later than the 90th day before the election
 22 at which the measure is to be voted upon. All estimates and statements prepared under ORS 250.125
 23 and this section shall be made available to the public.

24 (5) If a majority of the members of the financial estimate committee do not approve the esti-
 25 mates or [*statement*] **statements**, the Secretary of State alone shall prepare, file and certify the es-
 26 timates or [*statement*] **statements** not later than the 88th day before the election at which the
 27 measure is to be voted upon with the data upon which the estimates or [*statement is*] **statements**
 28 **are** based.

29 (6) The support or opposition of any member of the financial estimate committee to the original
 30 or revised estimates or [*statement*] **statements** shall be indicated in the minutes of any meeting of
 31 the committee. Meetings of the financial estimate committee shall be open to the public. Designees
 32 of the members of the financial estimate committee may attend any meetings of the committee in the
 33 place of the members, but the designees may not vote to approve or oppose any estimates or [*state-*
 34 *ment*] **statements**.

35 (7) A failure to prepare, file or certify estimates or [*a statement*] **statements** under ORS 250.125,
 36 this section or ORS 250.131 does not prevent the inclusion of the measure in the voters' pamphlet
 37 or placement of the measure on the ballot.

38 (8) If the estimates are not delivered to the county clerk by the 61st day before the election, the
 39 county clerk may proceed with the printing of ballots. The county clerk is not required to reprint
 40 ballots to include the estimates or to provide supplemental information that includes the estimates.

41 **SECTION 3. The amendments to ORS 250.125 and 250.127 by sections 1 and 2 of this 2019**
 42 **Act apply to ballot measures analyzed by a financial estimate committee on or after the ef-**
 43 **fective date of this 2019 Act.**