

HJR 23 STAFF MEASURE SUMMARY

House Committee On Agriculture, Land Use, Natural Resources, and Water

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Sub-Referral To: House Committee On Rules

Meeting Dates: 4/4

WHAT THE MEASURE DOES:

Proposes amendment to the Oregon Constitution to modify the return of surplus revenue to personal income taxpayers by directing the lesser of five percent, or the amount sufficient to raise \$300 million, to the reserve fund established to combat drought. Maintains return of surplus to taxpayers with incomes less than 200 percent of the federal poverty level and phases out amount returned to the taxpayers with higher incomes. Refers proposed amendment to people for their approval or rejection at the next regular general election. Sunsets June 30, 2027.

REVENUE: May have revenue impact, but no statement yet issued

FISCAL: May have fiscal impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Increased air temperatures and changing precipitation patterns have potential consequences for Oregon's water resources. According to the Oregon Water Resources Department, much of the state's precipitation is predicted to arrive as rain instead of snow by 2089, which will alter the distribution of water availability throughout the year and increase drought conditions in the summer and fall. These changes will affect agricultural producers in Oregon. The Oregon surplus credit, also known as the 'kicker', returns some of the taxpayers' income taxes, and goes into effect when the actual state revenue exceeds the forecasted revenue by two percent or more.

House Joint Resolution 23 proposes that a certain percentage of the surplus revenue is directed to an established fund to combat drought.