

# House Bill 2713

Sponsored by Representative EVANS (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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act imposes new income taxes and takes revenues that would go the Rainy Day Fund, to help the state plan for disasters. (Flesch Readability Score: 66.1).

Imposes a surtax on personal income tax liability. Imposes an Oregon personal alternative minimum tax. Establishes the Resiliency Requirements Fund. Establishes the Shaky Day Fund. Directs the proceeds of the income tax surtax and the alternative minimum tax to be used for funding resiliency. Modifies the formula for transfer of a percentage of the General Fund ending balance to include a transfer to the Shaky Day Fund, in addition to the transfer to the Rainy Day Fund.

First applies to tax years beginning on or after January 1, 2026, and to biennia beginning on or after July 1, 2025.

Takes effect on the 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to funding for calamity preparation; creating new provisions; amending ORS 293.146; pre-  
3 scribing an effective date; and providing for revenue raising that requires approval by a three-  
4 fifths majority.

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

6 **SECTION 1. (1) The Resiliency Requirements Fund is established in the State Treasury,**  
7 **separate and distinct from the General Fund. Interest earned by the Resiliency Requirements**  
8 **Fund shall be credited to the fund. All moneys in the fund are continuously appropriated to**  
9 **the Oregon Department of Emergency Management for the purpose of allocation and ex-**  
10 **penditure to fund the state's efforts for making facilities more resilient to wildfire, extreme**  
11 **weather, flooding, earthquake or other man-made or natural disasters. The department shall**  
12 **consult with the State Fire Marshal before making allocations or expenditures from the fund.**

13 **(2) Moneys in the fund shall consist of:**

14 **(a) Personal income tax surtax revenue transferred to the fund under sections 4 and 7**  
15 **of this 2025 Act;**

16 **(b) Alternative minimum tax revenue transferred to the fund under sections 5 (2) and 7**  
17 **of this 2025 Act;**

18 **(c) Moneys transferred to the fund under section 10 of this 2025 Act;**

19 **(d) Income earned on moneys in the fund;**

20 **(e) Moneys transferred to the fund from federal, state or local governments; and**

21 **(f) Any moneys or other assets transferred, deposited or otherwise credited to the fund**  
22 **from any source.**

23 **SECTION 2. (1) The Shaky Day Fund is established in the State Treasury, separate and**  
24 **distinct from the General Fund. Interest earned by the Shaky Day Fund shall be credited to**  
25 **the fund. All moneys in the fund are continuously appropriated to the Oregon Department**  
26 **of Emergency Management for the purpose of allocation and expenditure to fund the state's**

**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 earthquake preparedness efforts.

2 (2) Moneys in the fund shall consist of:

3 (a) Moneys transferred to the fund under ORS 293.146;

4 (b) Income earned on moneys in the fund;

5 (c) Moneys transferred to the fund from federal, state or local governments; and

6 (d) Any moneys or other assets transferred, deposited or otherwise credited to the fund  
7 from any source.

8 **SECTION 3.** Sections 4 to 7 of this 2025 Act are added to and made a part of ORS chapter  
9 316.

10 **SECTION 4.** (1) As used in this section, “personal income tax liability” means the total  
11 amount of tax imposed under this chapter for the tax year after application of any credits  
12 allowable for the tax year but before application of this section.

13 (2) In addition to and not in lieu of any other tax, a surtax is imposed on the personal  
14 income tax liability of a taxpayer as otherwise determined under this chapter. The surtax  
15 shall be one percent of the liability properly reported on the taxpayer’s return for the tax  
16 year, whether a joint return or another type of return, for the tax year. This amount shall  
17 be prorated based upon the number of complete months worked by the taxpayer during the  
18 tax year.

19 (3) Notwithstanding subsection (2) of this section, the surtax imposed under this section  
20 is waived and is not due for any taxpayer with income below the federal poverty guidelines.

21 **SECTION 5.** For the purpose of determining the tax due under this chapter, a taxpayer  
22 whose federal adjusted gross income exceeds \$500,000, or, if married filing jointly, exceeds  
23 \$1 million, shall pay the greater of:

24 (1) The tax that is otherwise due under this chapter; or

25 (2) Five percent of the taxpayer’s Oregon adjusted gross income.

26 **SECTION 6.** (1) The amounts imposed under sections 4 and 5 of this 2025 Act are not  
27 subject to withholding under ORS 316.162 to 316.221. Notwithstanding ORS 316.557 to 316.589,  
28 estimated tax payments are not required for amounts imposed under sections 4 and 5 of this  
29 2025 Act.

30 (2) Except as otherwise provided in this section, amounts imposed under sections 4 and  
31 5 of this 2025 Act must be reported and collected at the same time and in the same manner  
32 as personal income taxes imposed under this chapter are reported and collected. The pro-  
33 visions of ORS chapters 305 and 314 that apply to audits and examinations of returns, periods  
34 of limitation, determinations of and notices of deficiencies, assessments, liens, delinquencies,  
35 penalties, interest, claims for refunds, conferences, appeals to the Oregon Tax Court, stays  
36 of collection pending appeal and the confidentiality of returns also apply to amounts imposed  
37 under sections 4 and 5 of this 2025 Act.

38 (3)(a) Amounts imposed under sections 4 and 5 of this 2025 Act shall be imposed on a  
39 nonresident in the proportion provided in ORS 316.117.

40 (b) If a change in the status of a taxpayer from resident to nonresident or from nonres-  
41 ident to resident occurs, amounts imposed under sections 4 and 5 of this 2025 Act shall be  
42 determined in a manner consistent with ORS 316.117.

43 **SECTION 7.** Notwithstanding ORS 316.502, all moneys received by the Department of  
44 Revenue pursuant to the surtax imposed under section 4 of this 2025 Act and the minimum  
45 tax imposed under section 5 (2) of this 2025 Act, and interest thereon, shall be paid to the

1 **State Treasurer to be held in a suspense account established under ORS 293.445. After the**  
 2 **payment of refunds, the balance of the moneys received shall be transferred to the Resiliency**  
 3 **Requirements Fund established under section 1 of this 2025 Act.**

4 **SECTION 8.** ORS 293.146 is amended to read:

5 293.146. (1) As used in this section:

6 (a) “Ending balance” means the difference between the amount of General Fund revenues col-  
 7 lected during a biennium and the amount of General Fund appropriations for the biennium.

8 (b) “General Fund appropriations” means the amount of moneys appropriated from the General  
 9 Fund for a biennium in the legislatively approved budget for the biennium, minus the amount of any  
 10 General Fund appropriation balances for that biennium that revert to the General Fund under ORS  
 11 293.190.

12 (c) “Legislatively approved budget” has the meaning given that term in ORS 291.002.

13 (2) Except as provided in ORS 293.148, as soon as possible after the ending balance for a  
 14 biennium is determined, an amount equal to **one-half of** one percent of the amount of General Fund  
 15 appropriations for that biennium shall be transferred to the Oregon Rainy Day Fund established by  
 16 ORS 293.144, **and an amount equal to one-half of one percent of the amount of General Fund**  
 17 **appropriations for that biennium shall be transferred to the Shaky Day Fund established**  
 18 **under section 2 of this 2025 Act.** If the ending balance does not equal or exceed one percent of  
 19 the amount of General Fund appropriations, an amount equal to the ending balance shall be trans-  
 20 ferred **in equal shares** to the Oregon Rainy Day Fund **and the Shaky Day Fund established un-**  
 21 **der section 2 of this 2025 Act.**

22 **SECTION 9.** Section 10 of this 2025 Act is added to and made a part of ORS chapter 293.

23 **SECTION 10.** (1) The definitions provided by ORS 276.073 apply to this section.

24 (2) All appropriations for the construction or alteration of any state building shall be  
 25 considered to contain an appropriation of 1.5 percent of the amount thereof for resiliency  
 26 preparedness. Three-quarters of this amount shall be used for local government contracted  
 27 construction projects and one-quarter shall be used for state contracted construction  
 28 projects. The amount required under this subsection shall be transferred to the Resiliency  
 29 Requirements Fund established under section 1 of this 2025 Act.

30 **SECTION 11.** (1) Section 4 of this 2025 Act applies to tax years beginning on or after  
 31 January 1, 2026, and before January 1, 2031.

32 (2) Sections 5 to 7 of this 2025 Act apply to tax years beginning on or after January 1,  
 33 2026.

34 (3) Section 10 of this 2025 Act and the amendments to ORS 293.146 by section 8 of this  
 35 2025 Act apply to biennia beginning on or after July 1, 2025.

36 **SECTION 12.** This 2025 Act takes effect on the 91st day after the date on which the 2025  
 37 regular session of the Eighty-third Legislative Assembly adjourns sine die.

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