

A-Engrossed
House Bill 2602

Ordered by the House April 25
Including House Amendments dated April 25

Sponsored by COMMITTEE ON VETERANS' AFFAIRS

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.

Creates Oregon Military Emergency Financial [*Relief*] **Assistance** Program and Oregon Military Emergency Financial [*Relief*] **Assistance** Fund.

Appropriates moneys from General Fund to Oregon Military Emergency Financial [*Relief*] **Assistance** Fund.

[Declares emergency, effective July 1, 2005.]

Directs Department of Revenue to establish charitable checkoff on personal income tax return forms or instructions for checkoff contributions to Oregon Military Emergency Financial Assistance Program. Directs that contributions shall be deposited in Oregon Military Emergency Financial Assistance Fund.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to active members of military; creating new provisions; amending ORS 305.749 and 305.753;
3 appropriating money; and prescribing an effective date.

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

5 **SECTION 1. (1) The Oregon Military Emergency Financial Assistance Program is created**
6 **in the Oregon Military Department. The purpose of the program is to provide hardship**
7 **grants and loans to members and immediate family of members of the Oregon National**
8 **Guard on active duty.**

9 **(2) The department shall adopt regulations implementing subsection (1) of this section,**
10 **including but not limited to establishing procedures for applying for a hardship grant or loan**
11 **and criteria for determining eligibility to receive a hardship grant or loan.**

12 **(3) As used in this section, "immediate family" means a spouse, child or stepchild.**

13 **SECTION 2. The Oregon Military Emergency Financial Assistance Fund is established in**
14 **the State Treasury, separate and distinct from the General Fund. The Oregon Military**
15 **Emergency Financial Assistance Fund shall consist of moneys appropriated to the fund by**
16 **the Legislative Assembly and moneys contributed through the charitable checkoff program**
17 **described in section 4 of this 2005 Act. Moneys in the fund are continuously appropriated to**
18 **the Oregon Military Department for the purposes of funding hardship grants and loans de-**
19 **scribed in section 1 of this 2005 Act. Interest earned by the fund shall be credited to the fund.**

20 **SECTION 3. In addition to and not in lieu of any other appropriation, there is appropri-**
21 **ated to the Oregon Military Emergency Financial Assistance Fund, for the biennium begin-**
22 **ning July 1, 2005, out of the General Fund, the amount of \$1,000,000.**

23 **SECTION 4. (1) Personal income taxpayers who file an Oregon income tax return 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 who will receive a tax refund from the Department of Revenue may designate that a contri-
2 bution of all or a portion of the refund be made to the Oregon Military Emergency Financial
3 Assistance Program by marking the appropriate box printed on the return pursuant to sub-
4 section (2) of this section.

5 (2)(a) Subject to paragraph (b) of this subsection, the Department of Revenue shall print
6 on the face of the Oregon personal income tax return form a space for a taxpayer to desig-
7 nate that a contribution be made to the Oregon Military Emergency Financial Assistance
8 Program from the taxpayer's income tax refund. The space for designating the contribution
9 shall provide for checkoff boxes as indicated under ORS 305.749.

10 (b) If space limitations make listing the Oregon Military Emergency Financial Assistance
11 Program on the return form impracticable without the removal of a checkoff program listing
12 described in ORS 316.490, 316.493 or 496.380, the Oregon Military Emergency Financial As-
13 sistance Program may be given an instruction listing as described in ORS 305.727. ORS
14 305.727 (3) does not apply to the Oregon Military Emergency Financial Assistance Program.

15 (3) Moneys contributed to the Oregon Military Emergency Financial Assistance Program
16 through the checkoff program described in subsection (1) of this section shall be deposited
17 in the Oregon Military Emergency Financial Assistance Fund.

18 **SECTION 5.** ORS 305.753 is amended to read:

19 305.753. (1) The State Treasurer may solicit and accept from private and public sources and
20 cause to be credited and paid to any entity gifts, grants and other donations, in money or otherwise,
21 if the entity is currently listed or entitled to be listed on the Oregon tax return for checkoff.

22 (2) In accordance with ORS chapter 183, the Department of Revenue may adopt rules to carry
23 out the purposes of ORS 305.690 to 305.753.

24 (3) Except ORS 305.749, ORS 305.690 to 305.753 do not apply to the Nongame Wildlife Fund es-
25 tablished under ORS 496.385, the Alzheimer's Disease Research Fund established under section 3,
26 chapter 902, Oregon Laws 1987, the subaccount created pursuant to section 36 (2), chapter 1084,
27 Oregon Laws 1999, or its successor, **the Oregon Military Emergency Financial Assistance Fund**
28 **established under section 2 of this 2005 Act** or other checkoff program established by statute
29 other than ORS 305.690 to 305.753.

30 **SECTION 6.** ORS 305.749 is amended to read:

31 305.749. Except ORS 305.690 to 305.753 and as otherwise specifically provided, the following are
32 applicable to the various checkoff programs established under ORS 496.380 **and section 4 of this**
33 **2005 Act** and ORS chapter 316:

34 (1) Subject to subsection (4) of this section, the dollar amounts of contributions made by tax-
35 payer checkoff on Oregon tax returns shall be remitted by the Department of Revenue to the State
36 Treasurer who shall deposit them to a suspense account established under ORS 293.445.

37 (2) Of the contributions so deposited, a portion is continuously appropriated for use to reimburse
38 the General Fund for costs incurred in administering the various checkoff programs. No more than
39 10 percent of the moneys generated by each checkoff program per fiscal year ending June 30 may
40 be appropriated under this subsection.

41 (3) The remainder of the contributions shall be credited by the department to each checkoff
42 program in proportion to the total amounts checked off for the tax year, the proportions to be de-
43 termined on the basis of tax returns processed as of the June 30 following the tax year. The amounts
44 so credited to each of the checkoff programs are continuously appropriated to the department for
45 payment to the checkoff designee, or shall be transferred by the department to the checkoff

1 designee, as specified under the law governing the particular checkoff program. The department may
2 adopt rules governing the crediting and payment or transfer of checkoff moneys. In addition to any
3 other provision, if adopted, the rules shall specify the time that the contributions to a program so
4 credited are to be paid or transferred by the department.

5 (4)(a) Space for designating the dollar amount of a contribution made to each checkoff program
6 shall be printed on the Oregon tax return. The space shall provide for checkoff boxes for the pro-
7 gram in the amounts of \$1, \$5, \$10 or other dollar amount.

8 (b) Overpayments of tax that are insufficient, due to ORS 293.250 or otherwise, to satisfy the
9 total amount of checkoffs designated on a tax return shall be allocated among the designees on a
10 pro rata basis as provided under ORS 305.745 (3).

11 (5)(a) If, as of June 30 of the calendar year immediately following the calendar year in which a
12 particular tax year begins, the department determines that the total amount checked off for that tax
13 year for a checkoff program is \$50,000 or less, the department shall notify a person administering
14 the program or other appropriate person.

15 (b) If, as determined by the department under paragraph (a) of this subsection, the total amount
16 checked off for a particular checkoff program is \$50,000 or less for each year in a period of two
17 consecutive tax years, a checkoff line and appropriate box for that program shall not be provided
18 on the Oregon individual tax return for the tax year immediately following the later year of the
19 two-year period nor for any tax year thereafter, except as otherwise provided by law.

20 (c) As used in this subsection, "total amount checked off" means the total amount checked off
21 by taxpayers as reflected by tax returns for the tax year processed as of June 30 before any de-
22 duction for administrative costs as required under subsection (2) of this section has occurred but
23 after any proration under subsection (4) of this section.

24 **SECTION 7. Section 4 of this 2005 Act and the amendments to ORS 305.749 and 305.753**
25 **by sections 5 and 6 of this 2005 Act apply to biennial years, as defined in ORS 305.690, be-**
26 **ginning on or after the effective date of this 2005 Act.**

27 **SECTION 8. This 2005 Act takes effect on the 91st day after the date on which the reg-**
28 **ular session of the Seventy-third Legislative Assembly adjourns sine die.**

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