

Minority Report
A-Engrossed
Senate Bill 27

Ordered by the Senate April 28
Including Senate Minority Report Amendments dated April 28

Sponsored by nonconcurring members of the Senate Committee on Rules: Senators FERRIOLI, ATKINSON

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.

[Allows estimate of financial effect of state measure on state or local governments printed in voters' pamphlet and on ballot to include estimate of financial effect on state and local governments if measure is not enacted.]

[Requires estimate of financial effect of enacting state measure to specify amount of financial effect, that measure has financial effect of less than \$100,000 or that measure has no financial effect.]

Changes composition of group of persons directed to prepare financial estimates of state measures submitted to voters. Requires President of Senate and Speaker of House of Representatives to appoint financial estimate committee for preparation of estimates. Requires committee, if measure imposes tax, to also estimate effect of measure on income tax liability of individual taxpayer.

A BILL FOR AN ACT

1
2 Relating to estimates of financial impact of state measures; creating new provisions; and amending
3 ORS 250.125, 250.127 and 250.131.

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 money by the state, reduction
7 of expenditure of public money by the state, reduction of state revenues or raising of funds by the
8 state by imposing any tax or incurring any indebtedness, the [*Secretary of State, the State Treasurer,*
9 *the Director of the Oregon Department of Administrative Services and the Director of the Department*
10 *of Revenue*] **financial estimate committee appointed under this section for the measure** shall
11 estimate the amount of direct expenditure, direct reduction of expenditure, direct reduction in state
12 revenues, direct tax revenue or indebtedness and interest [*which*] **that** will be required to meet the
13 provisions of the measure if it is enacted. The estimate shall state the recurring annual amount in-
14 volved or, if the measure does not involve a recurring annual amount, the total amount.

15 (2) The [*officials named in subsection (1) of this section*] **financial estimate committee** shall also
16 estimate the aggregate amount of direct expenditure, direct reduction of expenditure, direct re-
17 duction in revenues, direct tax revenue or indebtedness and interest [*which*] **that** will be required
18 by any city, county or district to meet the provisions of the measure.

19 (3) **For a measure that involves the raising of funds by the state by imposing any tax,**
20 **the financial estimate committee shall also estimate the effect of the measure on the income**
21 **tax liability of an individual taxpayer having the median income in this state. The committee**
22 **shall determine the median income based on the most recent tax year for which information**

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 **is available.**

2 [(3)] (4) The estimates **described in subsections (1) to (3) of this section** shall be printed in
3 the voters' pamphlet and on the ballot unless the measure involves only state agency expenses not
4 exceeding \$100,000 per year.

5 [(4)] (5) If the [*officials named in subsection (1) of this section determine*] **financial estimate**
6 **committee determines** that the measure, if it is enacted, will have no financial effect except as
7 described in subsection [(3)] (4) of this section, the words "no financial effect on state or local
8 government expenditures or revenues" shall be printed in the voters' pamphlet and on the ballot.

9 [(5)] (6) The Legislative Administration Committee shall provide any administrative staff assist-
10 ance required by the [*officials named in subsection (1) of this section to facilitate the work of the of-*
11 *ficials*] **financial estimate committee** under this section or ORS 250.127.

12 (7) **For each measure, the President of the Senate and the Speaker of the House of Rep-**
13 **resentatives shall appoint a financial estimate committee. The President of the Senate shall**
14 **appoint two public members and the Speaker of the House of Representatives shall appoint**
15 **two public members. The President of the Senate and the Speaker of the House of Repre-**
16 **sentatives shall appoint members of the committee within a period of time sufficient to allow**
17 **the members to satisfy the requirements of ORS 250.127. No more than two members of the**
18 **committee may be members of the same major political party.**

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

20 250.127. (1) Not later than the 99th day before a special election held on the date of a primary
21 election or any general election at which any state measure is to be submitted to the people, the
22 [*officials named in*] **financial estimate committee appointed under ORS 250.125 for the measure**
23 shall prepare and file with the Secretary of State[,] **the** estimates [*as*] described in ORS 250.125. The
24 [*officials named in ORS 250.125*] **financial estimate committee** may begin preparation of the esti-
25 mates described in ORS 250.125 on the date that a petition is accepted for verification of signatures
26 under ORS 250.105 or the date that a measure referred by the Legislative Assembly is filed with the
27 Secretary of State, whichever is applicable.

28 (2) Not later than the 95th day before the election, the Secretary of State shall hold a hearing
29 in Salem upon reasonable statewide notice to receive suggested changes to the estimates or other
30 information. At the hearing, any person may submit suggested changes or other information orally
31 or in writing. Written suggestions or other information also may be submitted at any time before the
32 hearing.

33 (3) The [*officials named in ORS 250.125*] **financial estimate committee** shall consider sug-
34 gestions and any other information submitted under subsection (2) of this section, and may file re-
35 vised estimates with the Secretary of State not later than the 90th day before the election.

36 (4) Except as provided in subsection (5) of this section, the original estimates and any revised
37 estimates shall be approved by at least three of the [*officials named in ORS 250.125*] **members of**
38 **the financial estimate committee.** If [*an official*] **a member** does not concur, the estimates shall
39 show only that the [*official*] **member** dissents. The Secretary of State shall certify final estimates
40 not later than the 90th day before the election at which the measure is to be voted upon. All esti-
41 mates prepared under ORS 250.125 and this section shall be made available to the public.

42 (5) If two or more of the [*officials named in ORS 250.125*] **members of the financial estimate**
43 **committee** do not approve the estimates, the Secretary of State alone shall prepare, file and certify
44 the estimates not later than the 88th day before the election at which the measure is to be voted
45 upon with the data upon which [*it is*] **the estimates are** based.

1 (6) The support or opposition of any *[official named in ORS 250.125]* **member of the financial**
2 **estimate committee** to the original or revised estimates shall be indicated in the minutes of any
3 meeting of the *[officials]* **committee**. Meetings of the *[officials]* **financial estimate committee** shall
4 be open to the public. Designees of the *[officials named in ORS 250.125]* **members of the financial**
5 **estimate committee** may attend any meetings of the *[officials]* **committee** in the place of the *[of-*
6 *ficials]* **members**, but the designees may not vote to approve or oppose any estimates.

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

10 (8) If the estimates are not delivered to the county clerk by the 61st day before the election, the
11 county clerk may proceed with the printing of ballots. The county clerk *[shall not be]* **is not** required
12 to reprint ballots to include the estimates or to provide supplemental information that includes the
13 estimates.

14 **SECTION 3.** ORS 250.131 is amended to read:

15 250.131. (1) Any person alleging that an estimate required under ORS 250.125 was prepared, filed
16 or certified in violation of the procedures specified in ORS 250.125 or 250.127 may petition the Su-
17 preme Court seeking that the required procedures be followed and stating the reasons the estimate
18 filed with the court does not satisfy the required procedures. *[No petition shall be]* **A petition is**
19 **not** allowed concerning the amount of the estimate or *[regarding]* whether an estimate should be
20 prepared.

21 (2) If the petition is filed not later than the 85th day before the election at which the measure
22 is to be voted upon, the court shall review the procedures under which the estimate was prepared,
23 filed and certified, hear arguments and determine whether the procedures required under ORS
24 250.125 and 250.127 were satisfied. The review by the Supreme Court shall be conducted expedi-
25 tiously to *[insure]* **ensure** the orderly and timely conduct of the election at which the measure is
26 to be submitted to the electors.

27 (3) If the court determines that the procedures described in ORS 250.125 and 250.127 were not
28 satisfied, the court shall order the preparation of a second estimate, to be prepared, filed and cer-
29 tified as provided in ORS 250.125 and 250.127 except that:

30 (a) The *[officials named in]* **financial estimate committee appointed under** ORS 250.125 **for**
31 **the measure** shall prepare and file with the Secretary of State an estimate not later than two days
32 following the decision of the court;

33 (b) A hearing shall be held within two days after the estimate is filed; and

34 (c) An estimate shall be certified not later than seven days after the decision of the court. The
35 procedures under which the second estimate is filed and certified may not be appealed.

36 **SECTION 4. The amendments to ORS 250.125, 250.127 and 250.131 by sections 1 to 3 of this**
37 **2005 Act apply to the preparation of any financial estimates under ORS 250.125 and 250.127**
38 **for which the deadline for filing the original estimates occurs on or after the effective date**
39 **of this 2005 Act.**