

Senate Joint Resolution 23

Sponsored by Senator B STARR; Senators ATKINSON, BEYER, KRUSE, C STARR

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**.

Proposes amendment to Oregon Constitution to create Oregon Stabilization Fund. Specifies sources of fund and conditions under which moneys in fund may be spent.

Refers proposed amendment to people for their approval or rejection at next regular general election.

JOINT RESOLUTION

1
2 **Be It Resolved by the Legislative Assembly of the State of Oregon:**

3 **PARAGRAPH 1.** The Constitution of the State of Oregon is amended by creating a new section
4 2a to be added to and made a part of Article IX, such section to read:

5 **SECTION 2a. (1) The Oregon Stabilization Fund is established. The fund consists of:**

6 (a) **Moneys deposited into the fund in accordance with this section; and**

7 (b) **Any other moneys deposited into the fund in accordance with law.**

8 (2) **In budgeting for a biennium that begins on July 1 of the year of a regular legislative**
9 **session, the Legislative Assembly shall leave unappropriated three percent of the amount of**
10 **General Fund revenues estimated to be available for the biennium. The Legislative Assembly**
11 **shall use the estimate of General Fund revenues contained in the last quarterly economic**
12 **and revenue forecast presented prior to the end of the regular legislative session. For pur-**
13 **poses of this section, the quarterly economic and revenue forecast is the forecast made for**
14 **purposes of subsection (6) of section 4, Article XV of this Constitution.**

15 (3) **When the actual amount of General Fund revenues collected has been determined for**
16 **a biennium:**

17 (a) **If the actual amount equals or exceeds the amount of the estimate used to determine**
18 **the amount left unappropriated for that biennium under subsection (2) of this section, the**
19 **three percent of estimated General Fund revenues that was left unappropriated for that**
20 **biennium under subsection (2) of this section shall be deposited into the Oregon Stabilization**
21 **Fund.**

22 (b) **If the actual amount is less than the amount of the estimate used to determine the**
23 **amount left unappropriated for that biennium under subsection (2) of this section, but not**
24 **less than 97 percent of the estimated amount, the amount by which the actual revenues ex-**
25 **ceeds 97 percent of the estimated revenues shall be deposited into the Oregon Stabilization**
26 **Fund.**

27 (4) **The Legislative Assembly may by law appropriate any portion of the principal of the**
28 **Oregon Stabilization Fund if:**

29 (a) **The proposed appropriation is approved by three-fifths of the members serving in each**
30 **house of the Legislative Assembly and the Legislative Assembly finds one of the following:**

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 (A) That the last quarterly economic and revenue forecast presented prior to the end of
2 the regular legislative session estimates that General Fund revenues for the biennium that
3 begins on July 1 of the year of the regular legislative session will be at least three percent
4 less than the amount of appropriations made from the General Fund for the biennium that
5 ends on June 30 of the year of the regular legislative session, as determined as of the date
6 the forecast is presented;

7 (B) That there has been a decline for two or more consecutive quarters in the last 12
8 months in seasonally adjusted nonfarm payroll employment; or

9 (C) That a quarterly economic and revenue forecast estimates that General Fund reven-
10 ues for the biennium in which the forecast is made will be at least two percent below the
11 amount estimated in the last quarterly economic and revenue forecast presented prior to the
12 end of the regular legislative session in which the budget for the current biennium was
13 adopted; or

14 (b) The proposed appropriation is approved by three-fifths of the members serving in each
15 house of the Legislative Assembly and the Governor declares an emergency.

16 (5) The Legislative Assembly may provide by law for earnings on moneys in the Oregon
17 Stabilization Fund to be expended for capital projects. If earnings are not expended for cap-
18 ital projects, the earnings shall be deposited into the fund and become part of the principal
19 of the fund.

20 (6) For purposes of this section, the following are not General Fund revenues:

21 (a) Moneys in the Oregon Stabilization Fund that are appropriated under subsection (4)
22 of this section; and

23 (b) Earnings on moneys in the Oregon Stabilization Fund that are expended under sub-
24 section (5) of this section.

25 (7) When the amount in the Oregon Stabilization Fund exceeds 10 percent of the actual
26 amount of General Fund revenues collected for the prior biennium, the moneys that would
27 otherwise be deposited into the Oregon Stabilization Fund under subsection (3) of this section
28 shall instead be deposited into a capital projects fund. Moneys in the capital projects fund
29 may be used only for capital projects. Earnings on moneys in the capital projects fund shall
30 be credited to the capital projects fund. Appropriations from the capital projects fund are
31 not subject to the requirements of subsection (4) of this section.

32 (8) The Legislative Assembly shall first apply subsection (2) of this section to the budget
33 developed for the biennium beginning July 1, 2007.

34
35 **PARAGRAPH 2.** The amendment proposed by this resolution shall be submitted to the
36 people for their approval or rejection at the next regular general election held throughout
37 this state.

38