

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HJR 42

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

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Measure Description:

Proposes amendment to Oregon Constitution to allow state to loan credit and incur indebtedness to create Economic Development Revolving Loan Fund to provide matching financing for loans that further economic development in state and to refinance indebtedness and borrowings issued before effective date of amendment.

Government Unit(s) Affected:

Secretary of State

Summary of Expenditure Impact:

See Analysis

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

House Joint Resolution 42 would refer for voters' approval a Constitutional amendment authorizing the state to issue general obligation debt to provide matching financing for loans that further economic development in the state, and to refinance indebtedness and borrowings issued before effective date of amendment.

The fiscal impact of this measure to the Secretary of State's office is the state's portion of incremental costs incurred for an already-funded election. The Secretary of State prepares and distributes the voters' pamphlet and collects a \$500 filing fee for each argument submitted in support or opposition of a ballot measure. Typically, these filing fees cover slightly more than one-half of the cost of producing and mailing the voters' pamphlet. The remaining costs are paid by the General Fund.

At this time, the fiscal impact to the Secretary of State's office is indeterminate because the cost of producing and distributing the voters' pamphlet is determined by the total number of initiatives, legislative referrals and arguments submitted in support or opposition of these ballot measures, and this information will not be known until after election filing deadlines. The Legislative Fiscal Office (LFO) assumes that the Secretary will seek General Fund support from the Emergency Board or Legislative Assembly if the actual voters' pamphlet costs exceed currently budgeted election expenditures.

Under procedures established in ORS 250.125 and 250.127, a financial impact committee is created for each state measure submitted to the ballot through the initiative and referendum processes. For this reason, LFO does not include an estimate of the fiscal impact that would result if HJR 42 amendment were to be adopted by a vote of the people.