

Senate Bill 291

Sponsored by Senator BOQUIST (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**.

Establishes Oregon Other Funds Reserve Fund. Transfers portion of June 30, 2013, ending balance from dedicated or continuously appropriated other funds accounts or funds to reserve fund. Transfers interest from reserve fund to State School Fund. Specifies circumstances under which amounts transferred to reserve fund may be modified or appropriated.

Directs state agencies to follow generally accepted accounting practices relating to fund balance reporting and governmental fund type definitions.

Declares emergency, effective July 1, 2013.

A BILL FOR AN ACT

1
2 Relating to state financial administration; and declaring an emergency.

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

4 **SECTION 1. (1) The Oregon Other Funds Reserve Fund is established in the State**
5 **Treasury, separate and distinct from the General Fund. Except as provided in subsection (2)**
6 **of this section, interest earned by the Oregon Other Funds Reserve Fund shall be credited**
7 **to the fund.**

8 (2) On July 1 of each calendar year, the Oregon Department of Administrative Services
9 shall calculate the amount of interest that is attributable to moneys in the Oregon Other
10 Funds Reserve Fund as of that date. The department shall transfer the amount calculated
11 under this subsection from the reserve fund to the State School Fund established by ORS
12 327.008.

13 (3) The department shall maintain a record of the amounts each state agency transfers
14 to the reserve fund under section 2 of this 2013 Act.

15 (4) The Legislative Assembly may appropriate moneys from the Oregon Other Funds
16 Reserve Fund for any purpose if the appropriation is approved by three-fifths of the members
17 serving in each house of the Legislative Assembly.

18 (5) As used in this section, "state agency" has the meaning given that term in ORS
19 291.322.

20 **SECTION 2. (1) Subject to subsections (2) and (3) of this section, on July 1, 2013, or the**
21 **next business day following adjournment sine die of the regular session of the Seventy-**
22 **seventh Legislative Assembly, whichever is later, each state agency administering an other**
23 **funds account shall transfer from the ending balance of the account on June 30, 2013, to the**
24 **Oregon Other Funds Reserve Fund an amount equal to any difference between:**

25 (a) The ending balance of the other funds account on June 30, 2013; and

26 (b) The amount the agency is authorized by the Legislative Assembly to spend from the
27 other funds account for the biennium beginning on July 1, 2013, plus 12.5 percent of that
28 amount.

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 (2) Subsection (1) of this section applies only if the ending balance of the other funds
 2 account on June 30, 2013, is greater than the amount the agency is authorized by the Legis-
 3 lative Assembly to spend from the other funds account for the biennium beginning on July
 4 1, 2013, plus 12.5 percent of that amount.

5 (3) Upon request of a state agency, the Emergency Board may, for the biennium begin-
 6 ning July 1, 2013, authorize a state agency to retain in an other funds account an amount
 7 that exceeds the amount the agency may retain in the account under subsection (1) of this
 8 section.

9 (4) For purposes of Article III, section 3 (1)(b), of the Oregon Constitution, and ORS
 10 291.326 (1)(b), the amount a state agency may retain under this section in an other funds
 11 account is considered to be part of the budget of the agency as approved in accordance with
 12 law.

13 (5) Subsections (1) to (4) of this section do not apply to:

14 (a) Funds or accounts that receive moneys appropriated from the General Fund;

15 (b) Funds or accounts established by the Oregon Constitution or whose expenditures are
 16 limited or otherwise directed by provisions of the Oregon Constitution;

17 (c) Federal funds or lottery funds deposited in any fund or account that includes dedi-
 18 cated or continuously appropriated moneys; or

19 (d) Dedicated or continuously appropriated moneys in an other funds account that are
 20 authorized by law to be expended without limitation.

21 (6) As used in this section:

22 (a) "Other funds account" means a statutory fund or account that includes fees, moneys
 23 or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal
 24 funds, collected or received by a state agency that are dedicated or continuously appropriated
 25 to the agency by statute for the uses and purposes of the agency.

26 (b) "State agency" has the meaning given that term in ORS 291.322.

27 **SECTION 3.** The Oregon Department of Administrative Services shall make the first
 28 transfer to the State School Fund under section 1 (2) of this 2013 Act on July 1, 2014.

29 **SECTION 4.** (1) As used in this section, "state agency" has the meaning given that term
 30 in ORS 291.322.

31 (2) For purposes of sections 1 and 2 of this 2013 Act and for any other financial reporting
 32 required by law, a state agency shall follow generally accepted accounting practices regard-
 33 ing fund balance reporting and governmental fund type definitions. In determining the con-
 34 tent of generally accepted accounting practices, state agencies shall consider statements
 35 adopted by the Governmental Accounting Standards Board.

36 **SECTION 5.** This 2013 Act being necessary for the immediate preservation of the public
 37 peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect
 38 July 1, 2013.