

Senate Joint Resolution 14

Sponsored by Senator GIROD

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 limit increase in state governmental appropriations for general governmental purposes in biennium to least of percentage increase in projected personal income, percentage increase in projected population growth plus inflation or percentage increase in projected gross domestic product of Oregon for biennium. Transfers any excess revenues to reserve fund.

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

JOINT RESOLUTION

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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 new sections
4 16 and 16a to be added to and made a part of Article IX, such sections to read:

5 **SECTION 16. (1) As used in this section:**

6 (a) **"Ending balance"** means the positive difference between the amount of General Fund
7 revenues collected during a biennium and the maximum amount of state governmental ap-
8 propriations for general governmental purposes allowed for the biennium.

9 (b) **"Gross domestic product"** means the total value of the goods and services produced
10 in this state, not including the value of income earned in foreign countries.

11 (c) **"Population and inflation index"** means the sum of:

12 (A) The ratio of the cost of living for the previous calendar year to the cost of living for
13 two years prior to the previous calendar year, based on changes in the city average con-
14 sumer price index; and

15 (B) The ratio of the estimated population of this state for the previous calendar year to
16 the estimated population of this state for two years prior to the previous calendar year, as
17 determined by a state agency designated by law.

18 (2) Each biennium, state governmental appropriations for general governmental purposes
19 may not increase at a rate greater than the least of:

20 (a) The percentage increase in projected personal income in Oregon for the same
21 biennium;

22 (b) The percentage increase in the projected population and inflation index in Oregon for
23 the same biennium; or

24 (c) The percentage increase in the projected gross domestic product of Oregon for the
25 same biennium.

26 (3) **For the purposes of this section:**

27 (a) Projected personal income shall be based on the last quarterly economic and revenue
28 forecast given to the Legislative Assembly before adjournment sine die of the odd-numbered

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 year regular session on which the legislatively adopted budget is based.

2 (b) A state agency designated by law shall adopt rules specifying a methodology for de-
3 termining the population and inflation index and the gross domestic product of Oregon.

4 (4) For purposes of this section, the following are considered to be appropriations:

5 (a) An authorization, given by law, to expend moneys in a biennium;

6 (b) A limitation, imposed by law, on the expenditure in a biennium of moneys that are
7 continuously appropriated; and

8 (c) An estimate of amounts of moneys that are continuously appropriated that will be
9 spent in a biennium without limitation.

10 (5) The following appropriations are not subject to the limitation on appropriations con-
11 tained in this section:

12 (a) Appropriations for the construction or acquisition of assets that are financed by state
13 bonds, certificates of participation or other forms of borrowing.

14 (b) Appropriations of moneys received directly or indirectly from the federal government.

15 (c) Appropriations for fee remission programs of public universities.

16 (d) Appropriations of moneys voluntarily donated to a state agency.

17 (e) Appropriations of moneys from revenue increases or new revenue sources if the in-
18 creases or sources result from approval of a measure by the people at an election held on
19 or after January 1, 2021.

20 (f) Appropriations to fund new programs or to increase funding for existing programs if
21 the need for new or increased funding results from approval of a measure by the people at
22 an election held on or after January 1, 2021.

23 (6) State governmental appropriations for general governmental purposes may exceed the
24 limitation established by this section for a biennium if the Governor declares an emergency
25 and three-fourths of the members serving in each house of the Legislative Assembly
26 affirmatively vote to exceed the limitation for the biennium.

27 (7) If this section operates to limit the amount of state governmental appropriations for
28 general governmental purposes for a biennium, the amount of the ending balance for that
29 biennium shall be transferred to a reserve fund designated by law.

30 SECTION 16a. (1) Section 16 of this Article applies to biennia beginning on or after July
31 1, 2021.

32 (2) This section is repealed on June 30, 2023.

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