

Senate Joint Resolution 23

Sponsored by Senator MANNING JR; Senator TAYLOR

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 that establishes Personal Investment in Education Fund in State Treasury and directs that moneys determined to be excess revenues under excess revenue "kicker" process be deposited in fund rather than refunded to personal income taxpayers. Dedicates moneys in fund to support kindergarten through grade 12 education with priority given to seismic rehabilitation grant program and student behavioral health counseling. Requires three-fifths majority vote of members of each house of Legislative Assembly for appropriation of moneys in fund.

Refers proposed amendment to people for their approval or rejection at special election held on same date as next primary election.

JOINT RESOLUTION

Be It Resolved by the Legislative Assembly of the State of Oregon:

PARAGRAPH 1. The Constitution of the State of Oregon is amended by creating new sections 16 and 17 to be added to and made a part of Article IX, and by amending section 14, Article IX, and section 4, Article X-A, such sections to read:

SECTION 16. (1) The Personal Investment in Education Fund, alternatively known as the PIE Fund, is established in the State Treasury, separate and distinct from the General Fund.

(2) The Personal Investment in Education Fund consists of:

(a) Moneys from section 14 of this Article.

(b) Interest earned by the PIE Fund.

(c) Moneys appropriated by the Legislative Assembly for deposit in the PIE Fund.

(d) Moneys or property from any other public or private source given to the state for this purpose.

(3) Moneys in the Personal Investment in Education Fund are dedicated to and may be used only to support education in kindergarten through grade 12 in this state. Priority shall be given in the expenditure of PIE Fund revenues to a seismic rehabilitation grant program and student behavioral health counseling.

(4) The Legislative Assembly may appropriate moneys from the Personal Investment in Education Fund only if the appropriation is approved by at least three-fifths of the members of each house of the Legislative Assembly.

Sec. 14. (1) As soon as is practicable after adjournment sine die of an odd-numbered year regular session of the Legislative Assembly, the Governor shall cause an estimate to be prepared of revenues that will be received by the General Fund for the biennium beginning July 1. The estimated revenues from corporate income and excise taxes shall be separately stated from the estimated revenues from other General Fund sources.

(2) As soon as is practicable after the end of the biennium, the Governor shall cause actual collections of revenues received by the General Fund for that biennium to be determined. The re-

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 venues received from corporate income and excise taxes shall be determined separately from the
2 revenues received from other General Fund sources.

3 (3) If the revenues received by the General Fund from corporate income and excise taxes during
4 the biennium exceed the amount estimated to be received from corporate income and excise taxes
5 for the biennium, by two percent or more, the total amount of the excess shall be retained in the
6 General Fund and used to provide additional funding for public education, kindergarten through
7 *[twelfth]* grade **12**.

8 (4) If the revenues received from General Fund revenue sources, exclusive of those described in
9 subsection (3) of this section, during the biennium exceed the amount estimated to be received from
10 such sources for the biennium, by two percent or more, the total amount of the excess shall be *[re-*
11 *turned to personal income taxpayers]* **deposited in the Personal Investment in Education Fund**
12 **established under section 16 of this Article.**

13 *[(5) The Legislative Assembly may enact laws:]*

14 *[(a) Establishing a tax credit, refund payment or other mechanism by which the excess revenues*
15 *are returned to taxpayers, and establishing administrative procedures connected therewith.]*

16 *[(b) Allowing the excess revenues to be reduced by administrative costs associated with returning*
17 *the excess revenues.]*

18 *[(c) Permitting a taxpayer's share of the excess revenues not to be returned to the taxpayer if the*
19 *taxpayer's share is less than a de minimis amount identified by the Legislative Assembly.]*

20 *[(d) Permitting a taxpayer's share of excess revenues to be offset by any liability of the taxpayer*
21 *for which the state is authorized to undertake collection efforts.]*

22 *[(6)(a)]* **(5)(a)** Prior to the close of a biennium for which an estimate described in subsection (1)
23 of this section has been made, the Legislative Assembly, by a two-thirds majority vote of all mem-
24 bers elected to each *[House]* **house**, may enact legislation declaring an emergency and increasing
25 the amount of the estimate prepared pursuant to subsection (1) of this section.

26 (b) The prohibition against declaring an emergency in an act regulating taxation or exemption
27 in section 1a, Article IX of this Constitution, does not apply to legislation enacted pursuant to this
28 subsection.

29 *[(7)]* **(6)** This section does not apply:

30 (a) If, for a biennium or any portion of a biennium, a state tax is not imposed on or measured
31 by the income of individuals.

32 (b) To revenues derived from any minimum tax imposed on corporations for the privilege of
33 carrying on or doing business in this state that is imposed as a fixed amount and that is nonappor-
34 tioned (except for changes of accounting periods).

35 *[(c) To biennia beginning before July 1, 2001.]*

36 **Sec. 4.** (1) If the Governor declares that a catastrophic disaster has occurred:

37 (a) The Legislative Assembly may enact laws authorizing the use of revenue described in section
38 3a, Article IX of this Constitution, for purposes other than those described in that section.

39 *[(b) The Legislative Assembly may, by a vote of the number of members of each house that consti-*
40 *tutes a quorum under subsection (2) of section 3 of this Article, appropriate moneys that would other-*
41 *wise be returned to taxpayers under section 14, Article IX of this Constitution, to state agencies for the*
42 *purpose of responding to the catastrophic disaster.]*

43 *[(c)]* **(b)** Notwithstanding section 7, Article XI of this Constitution, the Legislative Assembly may
44 lend the credit of the state or create debts or liabilities in an amount the Legislative Assembly
45 considers necessary to provide an adequate response to the catastrophic disaster.

1 [(d)] (c) The provisions of section 15, Article XI of this Constitution, do not apply to any law
2 that is approved by three-fifths of the members of each house who are able to attend a session de-
3 scribed in subsection (3) of section 3 of this Article.

4 [(e)] (d) The Legislative Assembly may take action described in subsection (6) of section 15,
5 Article XI of this Constitution, upon approval by three-fifths of the members of each house who are
6 able to attend a session described in subsection (3) of section 3 of this Article.

7 [(f)] (e) Notwithstanding section 4, Article XV of this Constitution, the Legislative Assembly
8 may allocate proceeds from the State Lottery for any purpose and in any ratio the Legislative As-
9 sembly determines necessary to provide an adequate response to the catastrophic disaster.

10 (2) Nothing in this section overrides or otherwise affects the provisions of section 15b, Article
11 V of this Constitution.

12 **SECTION 17. (1) Section 16 of this Article and the amendments to section 14 of this Ar-**
13 **article and section 4, Article X-A of this Constitution, proposed by Senate Joint Resolution 23**
14 **(2019) apply to revenues that are receivable by the General Fund for biennia beginning on**
15 **or after July 1, 2019.**

16 **(2) This section is repealed on July 1, 2023.**

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18 **PARAGRAPH 2. The amendment proposed by this resolution shall be submitted to the**
19 **people for their approval or rejection at a special election held throughout this state on the**
20 **same date as the next primary election.**