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Budget Information Report

History of Oregon Special Legislative Sessions

This budget information report summarizes the history of Oregon special legislative sessions from November 1971 through June 2020.¹

Background

Article IV, section 10, of the Oregon Constitution directs the Legislative Assembly to convene annually each February in regular session (ORS 171.010). In odd numbered years, the Legislature meets for no more than 160 days (the “long session”) and in even numbered years, the Legislature may meet for no more than 35 days (the “short session”). Five-day extensions to the long and short sessions are allowed by a two-thirds vote in each chamber. The 2012 session was the first regular session of the Legislature occurring in an even-numbered year under the constitutional change passed by the voters in November 2010 authorizing annual sessions (Ballot Measure 71).

The Oregon Constitution also allows the Legislative Assembly to meet in emergency or special session.² Following are the ways a special session can be initiated:

- Article IV, section 10a, allows a majority of both chambers of the Legislative Assembly to call a special session (ORS 171.015)³
- Article V, section 12, empowers the Governor “on extraordinary occasions,” as defined by the Governor, to convene the Legislative Assembly in special session
- Article X-A requires the Governor to convene the Legislative Assembly following the declaration of a “catastrophic disaster”

Since the regular session of 1971, the Legislative Assembly has convened in special session by either the Legislative Assembly calling itself into session, beginning after 1976, or the Governor convening the Legislative Assembly “on extraordinary occasions.” A special session has not been convened by the Governor under Article X-A of the Oregon Constitution related to a declaration of a “catastrophic disaster.”

¹ See <https://sos.oregon.gov/blue-book/Pages/state/legislative/special-sessions.aspx> for a complete listing of all special sessions. The Oregon Legislative Information System (OLIS) has detailed measure information beginning with the special session in 2008 <https://olis.oregonlegislature.gov>

² See <https://www.oregonlegislature.gov/lpro/Publications/Background-Brief-Special-Session-2020.pdf>

³ In 1976 voters approved a constitutional amendment allowing the Legislature to call itself into session. Prior to that time, only the Governor could call a special session.

Technically, a special session is the re-convening of a prior regular session. Once convened, the Legislature may consider any matter regardless of whether the matter pertains to the original reason for the special session. The conclusion of a special session is determined by the Legislature and the passage of a *sine die* resolution.

Additionally, as a point of clarification, the Oregon Constitution authorizes the Legislature to establish a joint committee, known as the Emergency Board, to exercise certain powers during the interim *between* either regular or special sessions of the Legislative Assembly (Article III, section 3, of the Oregon Constitution and ORS 291). The Emergency Board has limited powers and may grant increases to Other and Federal Fund expenditure limitations but may only spend General Fund monies that have been appropriated to the Board by the full Legislature during a regular or special session. Meetings of the Emergency Board should not be confused with an emergency or special session meeting of the entire Legislature.

Special Session History

Since the regular session of 1971, the Legislative Assembly has convened in special session 28 times and met once for a quasi-special session. Each special session from November 1971 through June 2020 is summarized below:

2019-21 Biennium

Second: August 10, 2020 (1 day)

The Legislative Assembly convened on the call of the Governor pursuant to Article V, section 12, of the Oregon Constitution on August 10, 2020 and completed business on that same day. A Joint Committee on the second special session of 2020 (JCSSS) was appointed as well as a Joint Committee on Policies for the second special session of 2020 (JCPSSS). Of the 13 introduced measures, 11 were assigned to the JCSSS and two were assigned to the JCPSSS. Only 14 amendments were drafted for the session. Of the introduced measures, 10 were signed into law by the Governor, two enrolled as resolutions, and one policy measure was in committee upon adjournment (SB 1702).

Four budget and three policy measures were needed to bring the state's General Fund budget back into balance or to make other changes to the 2019-21 legislatively approved budget. SB 5723 included omnibus/rebalance budgetary changes as follows: General Fund reductions; Lottery Funds limitation adjustments; Other Funds reductions to provide General Fund resources; provided CARES Act and state Coronavirus Relief Fund moneys to agencies along with other increases related to the receipt of federal funding; agency rebalance actions; routine agency budget adjustments related primarily to Other and Federal Funds; debt service and technical adjustments; and reconciling adjustments related to other measures. Other measures included: capital construction (SB 5722), bonding (SB 5721), Lottery and Criminal Fines Account allocations (HB 5221), and statutory or program changes (HB 4304). The omnibus/rebalance measure produced net General Fund savings of \$481.1 million, an increase in Lottery Funds of \$186.7 million, a decrease in Other Funds of \$329.5 million, and an increase in Federal Funds of \$1.9 billion. The State School Fund was maintained at \$9 billion, primarily through the transfer of \$400 million of Lottery Funds from the Education Stability Fund to the General Fund (HB 4303). There was no other use of reserve funds. A fee measure for the Department of Geology and Mineral Industries also became law (HB 4302).

After incorporating budgetary changes and a revenue impact that produced \$273.4 million in additional General Fund resources (HB 4304), the General Fund ending balance is estimated to be \$95.6 million. In addition, the Emergency Fund was increased by \$200 million as a reserve for costs related to the COVID-19 pandemic, costs related to wildfires, and other potential emergencies. In addition, a \$100 million special purpose appropriation made to the Emergency Board was established for the Oregon Health Authority and Department of Human Services caseload costs or other budget challenges.

The JCSSS also heard three policy measures related to unemployment benefits or processes, two of which were signed into law. SB 1701 had a fiscal impact and SB 1703 had a minimal fiscal impact. The JCPSSS was assigned one measure on police accountability (HB 4301) and one measure on revisions to Legislative Branch personnel rules (HCR 221), each having a minimal fiscal impact. A sine die resolution was enacted (SCR 221).

On September 20th, 2020, the Governor line-item vetoed 20 sections of the omnibus/rebalance budget measure (SB 5723) and eight sections of the non-appropriation program change measure (HB 4304). The Governor's explanations for these vetoes centered primarily around resource needs for the 2020 fire season, which became catastrophic beginning in September after sine die, and the COVID-19 pandemic. The line-item vetoes removed reductions totaling \$17.0 million General Fund, \$2.9 million Other Funds, and \$1.7 million in Federal Funds; eliminated the \$100 million special purpose appropriation made to the Emergency Board for the Oregon Health Authority and Department of Human Services caseload costs or other potential budget challenges; and eliminated three reappropriations, or transfers, to the General Fund, totaling \$14.2 million. The net impact of the vetoes increased the General Fund ending balance by \$68.8 million for a total ending balance of \$164.4 million.

First: June 24-26, 2020 (3 days)

The Legislative Assembly convened on the call of the Governor pursuant to Article V, section 12, of the Oregon Constitution on June 24, 2020 and completed business on June 26, 2020. A Joint Committee on the first special session of 2020 was appointed. The Committee considered 26 measures, and 94 amendments were drafted. Of the introduced measures, 22 were signed into law by the Governor, two enrolled as resolutions, and two, being unneeded, were in committee upon adjournment. The special session measures can be categorized as related to: coronavirus (COVID-19) pandemic; police accountability; other policy issues; budget; and legislative process.

There were six coronavirus pandemic-related measures that made changes to the following: public meetings and operations law; garnishments; judicial proceeding; emergency shelter; notarial acts; enterprise zone termination extensions; individual development accounts; race and ethnicity data collection and reporting; and physician assistant practice authorization. Other measures were enacted to protect property owners from foreclosure for payments in arrears; establish a state meat inspection program; remove authority of the courts to impose personal and commercial driving privilege suspensions; prohibit residential and commercial evictions for nonpayment during emergency period; and prohibit hospitals from withholding or conditioning treatment unless a patient has physician orders for life-sustaining treatment form, advance directive, or other instructions regarding withholding or withdrawing life-sustaining procedures, among other changes.

There were six police accountability measures including the establishment of a Joint Committee on Transparent Policing and Use of Force Reform; prohibiting the use of physical force impeding the normal breathing or circulation of the blood of another person; reporting of police or reserve officer misconduct, including failure to intervene; prohibiting the use of tear gas by a law enforcement agency for crowd control except during riots; establishing a statewide online public database of records relating to officers whose certification has been revoked or suspended; and aligning disciplinary action ordered as a result of arbitration with disciplinary action imposed by an agency.

There were nine other policy measures that did the following: made technical changes to the Corporate Activities Tax; directed the Governor to facilitate mediation sessions between forest industry and environmental interest representatives; established a notification process for pesticide application by helicopter on forestlands; extended the Oregon Promise program to out-of-state placements; modified Eastern Oregon enterprise zones; merged the Elderly and Disabled Transportation Fund into the Statewide Transportation Improvement Fund; broadened the telecommunication services subject to the universal service charge with revenues to be used for broadband service infrastructure projects; provided for the transfer of funds from the Fund for Student Success; aligned Oregon dependency proceedings with the requirements of the Indian Child Welfare Act; extended eligibility for the Oregon Promise program to certain Oregon foster children who attain their highest level of education while in out-of-state placements; and extended the sunset for small school districts to receive grants under the Small School District Supplemental Fund until July 1, 2021.

SB 5711 was the omnibus budget reconciliation measure that adjusted legislatively adopted budgets for the fiscal impacts associated with the enacted policy measures which included funding for: SB 1602, added \$175,000 General Fund to the Governor's Office for contract mediation services between representatives of the forest industry and environmental interests; also for SB 1602, added \$844,545 General Fund and \$70,362 Other Funds expenditure limitation to the Department of Forestry for notifications for pesticide application by helicopter on forestlands; for HB 4206, added \$237,648 General Fund to the Department of Agriculture for the establishment of a meat inspection program; and for SB 1605, added \$190,964 General Fund and \$119,328 Other Funds expenditure limitation for the Department of Human Services for out-of-state placements for children in Oregon's foster care system. SB 5711 also disappropriated \$1.45 million General Fund from the Emergency Board's general purpose appropriation to provide funding for the policy measures. All other measures had either no or a minimal fiscal impact. HB 5211, being unneeded, was in committee upon adjournment.

Of the remaining three measures, one established deadline(s) for the Legislature's pre-session-filed measures for the ensuing 81st legislative session (HCR 212) and two were sine die resolutions (SCR 211 was enrolled and HCR 211, being unneeded, was in committee upon adjournment).

2017-19 Biennium

May 21, 2018 (1 day)

The Legislative Assembly convened on the call of the Governor pursuant to Article V, section 12, of the Oregon Constitution on May 21, 2018 and completed business that same day. The Joint Committee on Sole Proprietorships was appointed. One substantive House measure and a sine

die resolution (HCR 301) were enacted. HB 4301 extended the existing preferential tax rates for certain pass-through income to taxpayers filing as a sole proprietor. The measure reduced General Fund revenues, but had a minimal budgetary impact. HB 4301, after being signed into law by the Governor, became effective on the 91st day after the end of the special session.

2015-17 Biennium

No special sessions were convened.

2013-15 Biennium

September 30 – October 2, 2013 (3 days)

The Legislative Assembly convened on the call of the Governor pursuant to Article V, section 12, of the Oregon Constitution on September 30, 2013 and completed business on October 2, 2013. The Joint Committee on Special Session was appointed. Four substantive measures, one budget measure, and a sine die resolution (HCR 51) were enacted. The combination of these measures has been commonly referred to as the “Grand Bargain” between the Governor and the Legislature because this special session raised new revenue, provided targeted tax relief, further reformed the Public Employee Retirement System (PERS), and then used the net resources to provide supplemental funding for education, mental health, and senior services programs. HB 3601 increased corporate income taxes for certain corporations, eliminated the personal exemption credit for high income taxpayers, modified the senior medical deduction, increased the earned income tax credit, imposed a 2.5% tax on Interest Charge Domestic International Sales Corporations, allowed subtraction for dividends, provided lower income tax rates for certain pass-through income, and increased the cigarette tax while dedicating a portion of the tax to mental health programs. The measure also modified the corporate income tax allocations to the Rainy Day Fund. As a measure for raising revenue, the measure required a three-fifths majority for passage. Upon passage, the measure was signed into law by the Governor and became effective on the 91st day after the end of the special session.

SB 861 modified the cost-of-living adjustment (COLA) under PERS and provided temporary administrative authority to the PERS Board to pay one-time supplemental payments to PERS benefit recipients that receive a COLA. The measure had no revenue impact and a fiscal impact was issued. SB 862 excluded increases in salary made by an employer to pay for insurance coverage from the calculation of the final average salary of members of the Oregon Public Service Retirement Plan, modified retirement options available to members of the Legislative Assembly, and provided that a lump sum payment or retirement allowance to a member of PERS convicted of a crime is subject to collection of a monetary award in a criminal action. The measure had no revenue impact and had a minimal fiscal impact. Both measures declared an emergency and became effective immediately after being signed into law by the Governor.

SB 863 declared that regulation of agricultural, flower, vegetable, and nursery seed and seed products is reserved to the state to protect economic benefits and industries. The measure had no revenue impact and a minimal fiscal impact. The measure declared an emergency and became effective immediately after being signed into law by the Governor.

HB 5101 was the omnibus budget reconciliation measure that adjusted legislatively adopted budgets in accordance with the overall legislative plan, which included funding for: the State School Fund to decrease class sizes by adding teachers and class days (\$100 million General Fund); Oregon University System to limit select tuition increases (\$25 million General Fund); Community Colleges and Workforce Development to limit tuition increases (\$15 million General Fund); Department of Human Services (DHS) for Oregon Project Independence (\$10 million General Fund); Oregon Health Authority for community mental health services (\$10 million Other Funds from cigarette tax); Department of Transportation for senior and disabled transportation (\$5 million General Fund); and the Emergency Fund for a special purpose appropriation for DHS senior services (\$26 million General Fund). The measure declared an emergency and became effective immediately after being signed into law by the Governor.

2011-13 Biennium

December 14, 2012 (1 day)

The Legislative Assembly convened on the call of the Governor pursuant to Article V, section 12, of the Oregon Constitution on December 14, 2012 and completed business that same day. The Joint Special Committee on Economic Development was appointed. One substantive House measure and a sine die resolution (SCR 221) were enacted. HB 4200 authorized the Governor, in consultation with the directors of the Oregon Business Development Department and the Department of Revenue, to enter into contractual agreements with corporate taxpayers who agree to investments of at least \$150 million and the addition of 500 or more net new jobs in the state. In return, the Governor contractually obligated the state to apportion a corporation's income under the single sales factor apportionment formula regardless of any future changes in state apportionment law. The measure had no revenue impact and had a minimal budgetary impact. HB 4200, after being signed into law by the Governor, became effective on the 91st day after the end of the special session.

2009-11 Biennium

February 1-25, 2010 (25 days)

The Legislature called itself into special session on February 1, 2010 and completed business on February 25, 2010. This was the second and final planned pilot of annual sessions for Oregon, with the first occurring in 2008. The number of introduced measures totaled 215, of which 117 became law and three were vetoed by the Governor. Some of the more significant issues enacted during the session were: a referral to voters of a constitutional amendment to require annual legislative sessions; extension of unemployment benefits; mortgage insurance company liability; regulation of appraisal management companies; sales of foreclosed property; use of credit history for employment purposes; rights of tenants of foreclosed properties; virtual public schools; creation of a temporary high risk insurance pool program; Oregon Health Plan coverage for youth aging out of foster care; modified definition of home care worker; prohibition on treating injuries from sexual violence as preexisting conditions; psychologist prescription authority; crime victim rights; changes to inmate earned time credit; veterans' diversion from criminal prosecution; renewable energy portfolio standards; energy efficiency and sustainable technology loan program; destination resort siting; determination of lawfully-permitted uses under Ballot Measure 49 (2007); and an omnibus transportation bill.

The state's budget of \$59.7 billion increased by 6.6% from the close of the regular legislative session due primarily to higher than anticipated costs for unemployment insurance, federal food stamps, and the shift to self-insurance by the state. The General and Lottery Funds revenue forecast during the special session declined, creating a \$106 million General Fund deficit and a \$59 million Lottery Funds deficit. Legislative action to balance the budget included: re-appropriations of Other Fund account balances (\$50 million); disappropriation of General Fund (\$44.3 million); fund shifts from General to Other or Federal Funds (\$29.2 million); agency reductions and savings (\$10.3 million); other savings (\$7.9 million); a transfer from the Rainy Day Fund (\$10 million); and reform of the business energy tax credit (\$54.4 million). Additionally, the Legislature funded priority General Fund expenditures, including: Department of Human Services caseload adjustments (\$30 million) and Employment Related Daycare (\$12.8 million); Oregon Student Assistance Commission (\$9.7 million, of which \$5 million was held in reserve); and various other expenditures (\$9.4 million). The Legislature also approved capital construction projects funded with Other and Federal Funds (\$196 million). There was no new General or Lottery Fund debt issuance approved during the special session; however, there was an increase in Other Funds debt issuance for the Department of Transportation to renovate the agency's headquarters building and for the Oregon Wireless Interoperability Network, which was transferred to the agency from the Department of State Police (\$60 million).

2007-09 Biennium

February 4-22, 2008 (19 days)

The Legislature called itself into special session on February 4, 2008 and completed business on February 22, 2008. This was within the timeframes described by legislative leadership and the deadlines imposed during the 2007 regular session when the decision was made to use the special session as a pilot to determine the efficacy of annual sessions (SCR 1). Legislative leadership of both chambers limited the number of introduced measures to a total of 109. The major issues enacted during the session were related to mortgage lending; enhanced penalties or sentences for individuals convicted of certain drug or property crimes (a ballot measure alternative to Initiative Petition #40); requirement of proof of U.S. citizenship or legal presence in the United States as a condition for obtaining a driver license, permit, or identification card; establishment of a grant program for water storage projects; establishment of a local disaster assistance loan fund; and assistance for veterans and their families. Major budget adjustments included a rebalance of the Department of Human Services' budget, bonding authority for the Oregon Wireless Interoperability Network, the eCourts initiative, and various capital construction projects. The cumulative effect of a weakening economy and increased expenditures during the special session effectively eliminated the state's projected General Fund ending balance. Contingency reserve fund balances, however, remained unchanged from the close of the regular session.

2005-07 Biennium

April 20, 2006 (1 day)

The Joint Interim Committee on Special Session was appointed on April 17, 2006 and met on April 19, 2006 for a day of public hearings on five legislative concepts. Three concepts addressed funding issues: 1) allocating \$42.2 million of projected lottery funds to the State School Fund for distribution by the Department of Education to public K-12 school districts;

2) authorizing Portland Public Schools to temporarily increase its statutory operating property tax rate and excluding the additional property tax revenue generated by a rate increase from its local revenue used in the school equalization formula; and 3) rebalancing the Department of Human Services' 2005-07 budget with additional General Fund revenue and Federal Funds expenditure limitation to reflect revised program caseloads, costs-per-case, revenue estimates, and other changes since the legislatively adopted budget became law. Two concepts reflected policy bills which were not enacted during the 2005 regular session: 1) further regulation of payday loans by capping interest and fee charges; and 2) increased incarceration and post-prison supervision for conviction of certain sex offenses by adults when the victim is less than 12 years of age ("Jessica's Law"). This special session convened on April 20, 2006 for introduction of the legislative concepts, plus two sine die resolutions. The session adjourned sine die on the same day following final passage of the five bills.

2003-05 Biennium

2003 Regular Session – Budget Rebalance (quasi-special session)

The 72nd Legislative Assembly convened in regular session on January 13, 2003. The March 2003 revenue forecast showed a further \$245 million decrease in the estimate for 2001-03. By enacting five measures to rebalance the 2001-03 budget following the defeat of Ballot Measure 28, the Legislature, in effect, conducted a "special session within a session." The package of bills provided one-time transfers of tobacco master settlement revenue bond proceeds to the General Fund; transfer of Education Stability Fund moneys to the State School Fund; made other statutory changes intended to increase General Fund resources; and adjusted budgets to generate General Fund savings. While it is common practice to make some adjustments to current biennium budgets during regular sessions, the actions during the 2003 regular session were unique due to the magnitude of the funding decrease that needed to be incorporated into the budget when there were only six months left in the biennium.

2001-03 Biennium

Fifth: September 1-18, 2002 (18 days)

Fourteen days after adjournment of the fourth special session of 2002, the Legislative Assembly again convened on the call of the Governor to address a \$480 million projected deficit through budget reductions or with sustainable revenue. Three substantive committees were appointed. Ten measures were introduced in the Senate, of which only the adjournment resolution and a memorial to Congress on a non-economic issue were passed. The House introduced 13 measures; 5 were passed, including one with a line-item veto. One of the enacted measures, HB 4079, would have created a temporary 1% increase in state income tax. The revenue estimate was \$313 million in 2001-03 and \$412 million in 2003-05. It was referred to a special election held January 28, 2003 (while the 72nd Legislative Assembly was in session) as Ballot Measure 28 and was defeated by a 54%-46% margin of votes cast by approximately 67% of registered voters. The Governor vetoed a measure that would have reduced General Fund revenues by connecting Oregon's inheritance tax system to that of the federal tax code.

Fourth: August 16-20, 2002 (5 days)

The Governor reconvened the Legislative Assembly to address his August 7, 2002 veto of SB 1022 (2002 third special session.) The measure shifted the calculation and timing of State

School Fund payments to school and education service districts, and changed distribution of the Community College Support Fund. The result would have been to increase revenues to local governments in the near-term. It also allowed temporary accounting strategies that would be advantageous to these government subdivisions. After the Senate considered and re-passed the vetoed bill, the Senate adjourned on August 16, 2002. The House remained in session and took up the measure on August 20, 2002, re-passing it that day. The Senate reconvened to receive House messages and to adopt the House sine die resolution.

Third: June 12-30, 2002 (19 days)

The third special session of 2002 was called approximately three and a half months after the second special session because of a continued deficit, now projected at over \$870 million for the 2001-03 biennium. The Governor anticipated that further budget reductions, one-time revenues, and new revenues would provide the solution, and recommended further deliberation on economic stimulus initiatives and a school stabilization fund. Five substantive committees were named. Twelve measures were introduced by Senate committees and two by individual senators. Two measures failed in the Senate, two were enrolled, and SB 1022 was vetoed. Of the 22 House measures introduced, 11 were enrolled, including referrals to voters to allow the transfer of Lottery Funds to the State School Fund and to increase tobacco taxes. Both referrals were approved at a special election held September 17, 2002. Two other revenue-raising proposals and two measures unrelated to economic issues were also acted on. Two House measures were vetoed.

Second: February 25 – March 2, 2002 (6 days)

Within two weeks of the first 2002 special session, Oregon's deficit rose to \$1 billion, with an unemployment rate of 8%. The proposed second special session was to rebalance the budget, further deliberate economic stimulus options, and reconsider the recently passed proposed school stabilization fund. Another proposal was introduced on legislative term limits which was not enacted. Five substantive committees were named. The Senate introduced only one bill, which was enacted with a single line item veto, and the sine die resolution, which was enrolled. Thirty measures were introduced in the House, 12 were enrolled, and 6 were vetoed. One measure rescinded a proposed Constitutional amendment adopted in the first special session and proposed a different amendment relating to an education stability fund. Measures to increase taxes on cigarettes and wine and malt beverages were defeated.

First: February 8-11, 2002 (4 days)

Seven months after the sine die adjournment of the 71st Legislative Assembly, the state faced an \$830 million deficit, prompting the Governor to call the first 2002 special session. The proposed scope of the session was limited to rebalancing the budget, deliberating an economic stimulus package, and creating a school stabilization fund. Non-budgetary proposals were introduced on legislative term limits and the statewide voters' pamphlet; neither was enacted. Five substantive committees were named. Twenty-eight Senate measures were introduced, 9 were enrolled, and 2 were vetoed. Twenty-five House measures were introduced, 11 were enrolled, and 6 were vetoed.

1999-2001 Biennium

No special sessions were convened.

1997-99 Biennium

No special sessions were convened.

1995-97 Biennium

Second: February 1-2, 1996 (2 days)

Issues involving passage of Ballot Measure 11 and SB 1145, a projected shortfall in lottery revenues, and invalidation of portions of the light rail-rural transportation bill passed in the first special session prompted the Governor to call this second special session of the 1995-97 biennium. A few measures on other subjects were considered and enacted. Five substantive committees were named. Fourteen Senate measures were introduced and 10 passed; 13 House measures were introduced and 12 passed.

First: July 28 – August 4, 1995 (8 days)

Authorizing and funding for construction of the South/North light rail project was the reason for this special session. Two substantive committees were named. Two Senate measures were introduced and 1 passed; 4 House measures were introduced and 1 passed. The single substantive bill, SB 1156, was declared unconstitutional in *McIntire v. Forbes* 322 OR.426 (1996).

1993-95 Biennium

No special sessions were convened.

1991-93 Biennium

July 1-3, 1992 (3 days)

The Governor brought new tax proposals to the Legislative Assembly. Two substantive committees were named. Out of 8 introduced measures, only the sine die resolution passed.

1989-91 Biennium

May 7, 1990 (1 day)

This special session addressed Oregon's workers' compensation system with a plan prepared in advance by a panel from the Governor's office and legislators. No extraneous issues were introduced. Two substantive committees were named; three measures were introduced and passed.

1987-89 Biennium

No special sessions were convened.

1985-87 Biennium

No special sessions were convened.

1983-85 Biennium

Second: July 30, 1984 (1 day)

During this special session two substantive measures, HB 3029 pertaining to corporate taxes and HB 3030 pertaining to personal income taxes, were enacted into law along with a sine die resolution (HCR 11). The corporation tax bill instituted what has become known as “water’s edge” reporting by changing the definition of a unitary group for tax purposes. The legislation limited the unified group to those companies included in the federal consolidated tax return. Also, the limit on charitable deductions was increased from 5% to 10% of corporate net income and capital loss deductions were limited to the amount of capital gain. The personal income tax bill delayed, for one year, a change to nonresident taxation made by the 1983 Legislature. For 1984, nonresidents (e.g., Washington residents working in Oregon) continued to calculate their Oregon tax liability by apportioning income and deductions then applying tax rates. The 1983 change was to calculate tax first and then apportion the tax. The measures became effective on the 91st day after the end of the special session.

First: September 14 – October 4, 1983 (21 days)

A bipartisan plan was drafted prior to the special session to address issues of property tax relief that had not been resolved during the regular session. Only a few non-budget measures were brought forward. Six substantive committees were named. Twelve Senate measures were introduced and 5 passed; 6 House measures were introduced and 4 passed.

1981-83 Biennium

Fourth: September 3, 1982 (1 day)

Continued unemployment and a further decline in economic activity resulted in a \$91 million revenue shortfall beyond that previously addressed. A bipartisan plan was developed with the Governor prior to this fourth special session to transfer funds from the State Accident Insurance Fund.⁴ The net 1982 revenue shortfall represented a 16% decline from close-of-session forecasts. Only measures addressing the Industrial Accident Fund, unemployment compensation, and state finances were considered and enacted. Five substantive committees were named. Four Senate measures were introduced and 1 passed; 4 House measures were introduced and passed.

Third: June 14, 1982 (1 day)

Continued unemployment and a further decline in economic activity resulted in an additional \$107 million revenue shortfall. A joint, bipartisan plan was developed with the Governor prior to this third special session, addressing the shortfall with management salary reductions. Only measures addressing unemployment compensation, tax policy, and financial administration

⁴ The SAIF transfer was challenged by a participating employer and the Oregon Supreme Court held the act unconstitutional by violating the contracts clause of the Oregon Constitution [*Eckles v. State of Oregon*, 306 Or 380 (1988)]. The reappropriation was later repaid by future legislatures, with interest, over a period of several biennia.

were considered and enacted. Seven substantive committees were named. Three Senate measures were introduced and passed; 6 House measures were introduced and 2 passed.

Second: January 18 – March 1, 1982 (37 days) *in recess from February 10 to 15*

Adverse impact on Oregon by nationwide economic conditions with high interest rates, widespread unemployment, and a decline in economic activity created an estimated \$240 million revenue shortfall. During the special session, an additional \$100 million shortfall was identified. The shortfall was addressed by spending cuts and an income tax surcharge. Nearly all bills acted on during this special session addressed financial administration, tax policy, or unemployment compensation. Thirteen substantive committees were named. Twenty-eight Senate measures were introduced and 21 passed; 28 House measures were introduced and 16 passed.

First: October 24, 1981

This special session addressed the Legislative Assembly enactment of HB 2696 and HB 2733 and the Governor's veto of each, notwithstanding the two years of work by a special commission to bring the bills forward. The measures would have reorganized state court structures and substantially increased court filing fees in order to partially underwrite state financing of court costs. No extraneous subject bills were introduced. Five substantive committees were named. Two Senate measures were introduced and 1 passed; 4 House measures were introduced and 3 passed.

1979-81 Biennium

August 4-8, 1980 (5 days)

Adverse impact on Oregon by a nationwide recession with widespread unemployment and a decline in economic activity created an estimated \$204 million revenue shortfall. Legislative committees met in advance of the special session. Nearly all measures addressed financial administration of state government and local (boundary commissions) entities. Eight substantive committees were named. Twelve Senate measures were introduced and 9 passed; 14 House measures were introduced and 10 passed.

1977-79 Biennium

September 5-9, 1978 (5 days)

The Governor believed Ballot Measure 6, a 1½ percent limitation on property tax modeled after the California plan, to be a wrong concept and presented an alternative for tax relief. Except for a few measures addressing non-budget issues, state tax policy was the subject of this special session. Three substantive committees were named. Two Senate measures were introduced and passed; 12 House measures were introduced and 9 passed.

1975-77 Biennium

September 16, 1975 (1 day)

This special session was called to deal with chapter 786, Oregon Laws 1975, relating to the receipt and dissemination of criminal record information, portions of which were determined

by the Attorney General to be unconstitutional. No extraneous issues were introduced. Three substantive committees were named. One Senate and 2 House measures were introduced and passed.

1973-75 Biennium

January 24 – February 24, 1974 (14 days) *in recess from January 24 to February 11*

The special session was to address problems that developed in certain business, industry, and labor segments over interpretation of HB 2607 (Development and Consumer Protection Act) and impacts of the energy crisis. Numerous non-budgetary proposals were introduced, but not considered, on subjects including local government boundary commissions, taxation on nonprofit homes for the elderly, public utility regulation, milk marketing and distribution, forest rehabilitation, and education. Fifteen substantive committees were named. Seventy-six Senate measures were introduced and 39 passed. The Governor vetoed one. Seventy-five House measures were introduced and 52 passed.

1971-73 Biennium

November 16-22, 1971 (7 days)

Referral of a proposed increase in the cigarette tax and results of Congressional action on the federal income tax base were expected to create a substantial deficit in the 1971-73 biennium. Other non-budgetary proposals were introduced, but not considered, on subjects including agricultural labor relations, chiropractors, and legislative operations. Three substantive committees were named. One Senate measure was introduced and passed; 26 House measures were introduced and 7 passed.