

81st Legislative Assembly 2021

Sine die is imminent: Friday May 28 was the second chamber deadline, meaning all bills must be voted out of the second chamber committee by close of business in order to stay alive (i.e. a House bill voted out of a Senate committee or vice versa). As a reminder, this deadline does not apply to joint committees (like Ways & Means) and a select few other committees. The policy committees that can no longer pass bills are shifting into informational hearings on pertinent topics and having conversations about what committee members want to work on during the interim.

The constitutionally defined day that the legislative session must end is called "sine die" (pronounced like sigh-knee die). In an odd-numbered year, sessions cannot exceed 160 days. Sessions can be extended by five days with a 2/3 vote in both the House and Senate, but that would be extremely rare.

It is common practice for legislative leadership to set a "target sine die," which is more of a goal for lawmakers, and does not have the weight of the constitution behind it. That day is June 18 this year, and the constitutional sine die is Sunday, June 27.

The next phase of the legislative session is largely concerned with budgets. So far, the majority of the bills that have been voted out of the Joint Committee on Ways & Means have been smaller agency budgets. Larger budget bills will filter through the process over the coming weeks, with Ways & Means Subcommittees scheduled to start meeting multiple times per week.

Legislature has additional \$1 billion: On May 19, state economists Mark McMullen and Josh Lehner provided the long-awaited Economic Outlook & Revenue Forecast – a final update before legislators finalize the next biennium's budget. This was the last forecast of the session.

During the [last forecast](#), McMullen and Lehner provided an optimistic view of the state's economy. The May forecast continued with that trend. Their [PowerPoint presentation](#) and [summary](#) are available for you to dig in further.

Revenue is way up: The bottom line is that economists added roughly \$1.1 billion from the previous forecast. The total change from the end of the 2020 session is an additional \$2.3 billion.

This change means the threshold for the kicker law has been met and will be paid out next year to taxpayers. About \$1.4 billion will go to individual taxpayers, and \$664 million will go towards K-12 education as a result of the corporate kicker (for reference, during the last forecast it was estimated the total personal and corporate kicker would amount to \$570 million). Of course, since the tax filing deadline was extended into May, we won't have the final numbers until the tax season is officially completed.

Economic outlook also way up: The good news continues in the economic outlook for Oregon and the country. McMullen and Lehner discussed the lack of signs that long-term permanent damage will take hold on the economy in terms of job loss, spending, personal incomes, and other key indicators.

The pandemic recession is taking shape more like the 1980s/90s recession and not a longer cycle comeback like we saw in the early- to mid-2000s. In fact, our state economists expect the labor market will return to pre-pandemic levels by the end of 2022.

Across the nation, about 15% of annual consumer spending is sitting in peoples' savings accounts right now. There is a pent-up demand for certain services and industries which will likely ramp up as vaccinations take a stronger foothold.

White House

White House Releases President Biden's Budget: The Biden Administration releases its first budget Friday, [May 28, 2021](#). The budget includes appropriations information for programs President Biden wants to expand or reduce and information on mandatory spending programs. This sets the stage for Congress to begin working on appropriations bills, starting with the House Appropriations Committee and Subcommittee in June. The budget includes the FY22 funding request for CHCs from the administration.