

## Financial Estimate Committee Requirements Overview

The Financial Estimate Committee (FEC) is comprised of five members: Secretary of State, State Treasurer, Director of the Department of Administrative Services, Director of the Department of Revenue, and a local government representative. Preparation of Financial Estimate Statements is governed by ORS 250.125 and 250.127.

- The FEC *must* estimate:
  - The amount of direct expenditure, direct reduction of expenditure, direct reduction in state revenues, direct tax revenue or indebtedness and interest that will be required to meet the provisions of the measure if it is enacted; and
  - The aggregate amount of direct expenditure, direct reduction of expenditure, direct reduction in revenues, direct tax revenue or indebtedness and interest that will be required by any city, county or district to meet the provisions of the measure if it is enacted.
- Estimates *must*:
  - Be impartial;
  - Be simple and understandable;
  - Include a statement of the amount of financial effect on state, local or tribal government expenditures, revenues or indebtedness, expressed as a specific amount or as a range of amounts;
  - Include a statement of any recurring annual amount of financial effect on state, local or tribal government expenditures, revenues or indebtedness;
  - Include a description of the most likely financial effect or effects of the adoption of the measure; and
  - Have no word limit.
- The FEC *may* estimate the amount of direct expenditure, direct reduction of expenditure, direct reduction in revenues, direct tax revenue or indebtedness and interest that will be required by any federally recognized Native American or American Indian tribal government.
- If the FEC estimates that there is no financial effect of the measure or the measure is less than \$100,000, a statement will be printed in the voters' pamphlet, "*There is no financial effect on either state or local government expenditures or revenues,*" or, "*The direct effect of the measure on state or local government expenditures or revenues will not exceed \$100,000.*"
- The FEC *may* prepare an explanatory statement of the financial effects of the measure. If the FEC develops a statement, it must be:
  - Impartial;
  - Simple and understandable; and
  - 500 words or less.
- The FEC *may not* prepare explanatory statements if the measure has no financial impact or the impact is less than \$100,000.