LEGISLATIVE UPDATE

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September Revenue Forecast

• May: $1.9 billion estimated General Fund shortfall
• September: $1.71 billion estimated General Fund ending balance
• Next forecast: November 18
Oregon Unemployment Rate
March thru August Average, %

Personal Income Tax Collections
March thru September, $ billions, Net of Kicker Credits

Source: Oregon Employment, Department, Oregon Office of Economic Analysis
Oregon Net General Fund Revenues

Mar '20 Forecast  Jun '20 Forecast  Sep '20 Forecast

Billions

$35
$30
$25
$20
$15

'19-'21  '21-'23  '23-'25  '25-'27  '27-'29

Source: Oregon Office of Economic Analysis
General Fund Ending Balance Evolution for the 2019-21 BN

Billions

<table>
<thead>
<tr>
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<th>COS 2019</th>
<th>Mar 2020</th>
<th>Jun 2020</th>
<th>Special Session</th>
<th>Gov Veto</th>
<th>Tracking</th>
<th>Sep Changes</th>
<th>Sep 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$505m</td>
<td>$1.15b</td>
<td>-$664m</td>
<td>$93m</td>
<td>$162m</td>
<td>$1.33b</td>
<td>$1.71b</td>
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Takeaways

• Oregon’s COVID-19 response will have long-term ramifications
• The economy is volatile and unpredictable
• Too early to assess economic implications from this fire season
• Whether 2020 creates long-term perception issues for Oregon
• The CARES Act accomplished what was intended; additional federal relief will be important
2020 Election

• Presidential Election
• Limited number of ballot measures
• Major swings in legislature’s make-up unlikely
2021 Legislative Session

- Legislature convenes on January 11 for organizational days
- Capitol will likely remain closed to the public
  - Advocacy will need to implement new strategies
- Balancing the budget will be the primary focus
- Many factors will drive capital construction investments
- The scope of policy bills is unknown
Questions?