

state ballot measures

9

Ballot Measure 9 would stop private, investor-owned utilities in Oregon from charging ratepayers for the cost of borrowing money for new construction projects.

These charges, known as "Construction Work In Progress" (CWIP), allow the utilities to recover a partial amount of their investment before the facilities are operational.

Supporters of 9, including Oregonians for Utility Reform and the Oregon Consumer League, claim that allowing CWIP in the rate base is unfair because ratepayers are, in effect, paying for investments from which they do not directly benefit, and from which they may never benefit.

Opponents of the measure say CWIP charges are part of normal business procedures, and that if the practice is outlawed, the result will be even higher electric rates.

Backers of the measure counter by saying if CWIP charges are denied a utility, the company will lose an easy "bail out" in case of bungled management, and will be forced to seek more cost-effective projects in which to invest.

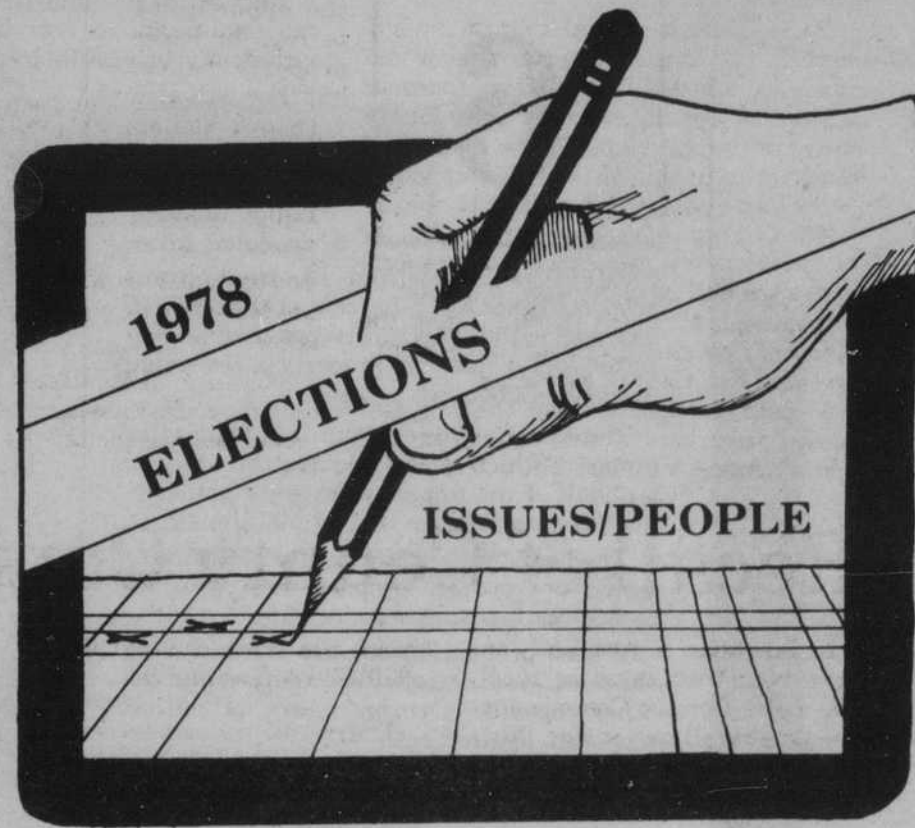
Those who want to see the CWIP practice continue say Measure 9 is just an attempt to stop development of nuclear power plants in the state, since the Trojan plant and initial work on the proposed Pebble Springs nuclear complex were partially funded through CWIP.

Portland General Electric Co. officials estimate CWIP charges amount to approximately 52 cents of an average \$27 monthly residential electric bill (1000 kilowatts). That added up to over \$9 million in 1977 for the company.

Nearly half of the states do not allow CWIP charges in utility rate bases. In Oregon, the Public Utility Commissioner, who sets rates and policy for private utilities, did not allow the practice until the 1970s.

Missouri passed a measure similar to 9 in 1976 over the objections of local utility companies. PGE, Pacific Power & Light Co. and Pacific Northwest Bell have spent over \$120,000 so far to make sure Oregon does not follow suit. No financial report was filed by the measure's supporters, indicating a fund of less than the \$500 making a report necessary.

Recent polls conducted throughout Lane County suggest voters will pass Measure 9. Supporters say a "ratepayer's revolt" is brewing statewide, favoring a limitation on utility rates. They say Ballot Measure 9 is the place to start.



10

In 1976, voters had the opportunity to abolish the state Land Conservation and Development Commission (LCDC).

They didn't. This year, that same chance will again be on the ballot — as Measure 10. If it passes, LCDC's goals and guidelines, which provide for land-use planning throughout the state, will be nullified.

Measure 10 would place the responsibility for such planning with the State Legislature, and LCDC would remain in

an advisory role, if the legislators so decided.

Current Oregon law gives LCDC the authority to either approve or reject all city or county comprehensive plans. The commission may order a city or county to scrap its proposed plan and come up with another that complies more closely to the agency's goals and guidelines.

These comprehensive plans must be adopted by all areas within the state. Zoning regulations and rules regarding subdivisions have angered property owners in Oregon who feel LCDC is another layer of government that is not needed.

Supporters of Measure 10 feel members of LCDC are not accountable to the public because they are appointed by the governor. If the Legislature assumes LCDC's

role, they say, adopted goals and guidelines will be more responsive to citizens' needs and desires.

Opponents of the measure claim 10 is just another attempt to rid the state of effective land-use planning. If it passes, and the Legislature does not adopt new land-use planning goals within 60 days, no guidelines could be adopted until 90 days after the legislative session ends.

Opponents say it is not likely the Legislature would be able to achieve this massive job in 60 days with all the other issues facing it at the beginning of a new session.

It is for this reason that opponents of Measure 10 see it as an attempt to open up the state to rampant development.

Supporters disagree with this analysis. They assert Measure 10 would allow for

notification of property owners when their land has been rezoned. LCDC is not now required to do this.

Regulations adopted by the LCDC board under current law are not subject to the initiative and referendum process. Measure 10's backers say this removes the public's right to appeal.

Opponents counter by saying Measure 10 would remove public input from the land-use planning process altogether by placing it with the Legislature.

Both supporters and opponents of Measure 10 claim to be in favor of protecting Oregon's coast, farmland, mountains and valleys from unplanned development. No one is completely certain what the measure would do. Now it is up to the voters to decide whether they want to keep LCDC or start over.

11

Measure 11 would require the state to pay one-half of the property taxes for Oregon homeowners

and renters, up to a maximum \$1,500.

This means the homeowners who pay more than \$3,000 in property taxes will have to pay the difference after the \$1,500 state share. No state relief would be given for commercial or vacation property.

Ballot Measure 11 is the legislative alternative to measure 6, the California-started proposition that would place a 1.5 percent limit on 1975-76 assessed value for commercial, vacation and residential property.

If both measures are passed, the one receiving the most "yes" votes will be added to the constitution and the other will be repealed. Voters, of course, may vote against both proposals.

Measure 11 also provides direct relief to the 316,000 Oregonians who are renters. The state would refund the amount of money renters paid for property taxes. The state would get the money from personal income taxes.

The Legislature's alternative would also: limit local and state government expenditures; require two-thirds legislative vote for certain tax measures; and refund state surplus to taxpayers based on the amount they pay.



The measure would also impose a one-year freeze on assessed valuations as of 1980 and require the 1979 Legislature "revise as necessary" the entire valuation procedure in Oregon.

Local government spending would be held at present rates plus an annual growth rate equal to the rise in cost of living and the population of the local area. Area residents could raise the amount of expenditures by their local government by a two-thirds vote, but the increase would be funded entirely by the local property taxes with no state help.

Supporters of Measure 11 also claim there will be no loss in local revenue if the measure is passed because the state will make up for the \$508 million loss in property taxes.

The legislators who drafted Measure 11 in response to Measure 6, feel it is superior because it helps homeowners and renters alike while excluding businesses. They claim property tax relief under 6 would be mostly given to businesses.

Critics of Measure 11, however, complain that under 11 small businessmen would be hurt and capital investment discouraged.

Measure 11 will also lower the average property tax rate average to approximately \$13 for every \$1000 as assessed valuation compared to the current \$22 per \$1,000.

Finally, backers of Measure 11 claim the alternative, Measure 6 is inappropriate for Oregon's constitution and is based on California's situation where citizens do not vote for local budgets.