

Measures 8 and 91 could affect school funding

■ The measures would lower taxes and state spending and might reduce funding for public services

By Darren Freeman
Oregon Daily Emerald

Two tax reform measures on the Nov. 7 ballot that would cut billions from the state budget have supporters clamoring for smaller government and opponents warning about suffocated programs.

Ballot Measures 91 and 8 would overhaul Oregon's tax system and reduce funding for the state's universities, K-12 schools, emergency services and health programs.

"The effects would be immediate and drastic," said John Coney, a spokesman for Gov. John Kitzhaber, who has spoken against the measures.

If passed, Measure 91 would allow individual and corporate taxpayers to deduct all federal tax payments from their state income tax returns. Currently, federal tax deductions are limited to \$3,000, and corporations receive no deduction at all. Measure 91, sponsored by Oregon Taxpayers United, would eliminate the deduction limit and offer the tax break to cor-

porations.

The projected impact would be a \$1 billion cut in the state's annual income, with the biggest tax breaks going to Oregon's wealthiest individual and corporate taxpayers.

Measure 8 would prohibit state spending from outpacing increases in Oregonians' incomes. If the measure passes, the state would be forced to spend no more than 15 percent of the state's personal income. With the state currently spending about 18 percent of personal income, measure would trim the projected 2001-2003 state budget by \$5.7 billion.

"We're concerned about all of the measures," said Oregon University System spokesman Bob Bruce, "but Measures 91 and 8 would have a significant fiscal impact, not only on the university system but also on the entire state."

Bruce said the impact on the university system would be the equivalent of losing funding for the state's four regional universities and one of its three major ones.

"That major of a change would make Oregon public universities

less affordable, less accessible and certainly less cost-effective," Bruce said. "It's unthinkable."

But supporters of the measures, such as Measure 8 author Don McIntire, argue that the tax reforms wouldn't constitute a cut in funding, but rather an overdue ces-

discipline in government without forcing the legislature to cut programs.

"Measure 8 would establish the state budget on citizens' ability to pay rather than on a state's ability to spend," he said. "We will cut out no services. What we will do is finally force our legislature to do the right thing. To cut costs and give taxpayers more bang for the buck."

Measure 91, on the other hand, seeks to scale back government by reforming the state's income rather than expenditure.

The Oregon Voters' Pamphlet states that it is unclear when Measure 91 would go into effect. If the measure applies to the 2000 tax year, state income would be reduced by \$870 million this year. After the 2001-2002 tax year, state revenue would be cut by about a \$1 billion each year.

But taxpayers must make \$81,000 a year to benefit from the tax break, and those making less would actually lose money in the first few years after the measure's passage, according to a Legislative Revenue Office report.

Every biennium, the legislature returns the state's surplus, called a "kicker," to taxpayers if tax collections exceeded projections by at least 2 percent. The tax cut Measure 91 proposes would wipe out that surplus, which constitutes \$282 million for personal taxpay-

ers and \$34 million for corporations, according to the report.

Those making more than \$81,000 a year, however, would receive a large enough tax cut to offset the lost kicker revenue.

For this reason, opponents of the measure have called it a regressive tax cut.

"It takes the notion of progressive taxation and turns it over onto its head," Coney said.

Becky Miller, of Oregon Taxpayers United, doesn't consider that claim a criticism, however.

"I don't believe in progressive taxation," she said. "Progressive taxation ends up rewarding people for not achieving because they can kick back and get an easy ride."

A more regressive tax system would reward the industrious and create opportunities for the unemployed, Miller said.

"When people get a tax cut, they invest it, they buy more and they make more jobs for the middle class," she said. "It's pretty obvious when people have more money in their pockets, they spend more money and give it back to the economy."

A poll conducted by The Oregonian and KATU-TV in Portland found that 54 percent of Oregon voters support Measure 91 and 41 percent oppose it. About 40 percent of Oregonians supported Measure 8 and 46 percent opposed it.

Authorization required

■ The Measure 92 debate centers on the effect of payroll deductions on political free speech

By Anna Seeley
For the Emerald

Measure 92 would prohibit public and private employee payroll deductions to be used for political purposes, unless annual written authorization is obtained from the employee. This would apply to all union employees and would have no financial effect on state or local government revenues.

Aside from the various labor unions on campus, this measure is not expected to affect higher education, said Melissa Unger, legislative organizer for the ASUO. However, it has sparked a lot of debate in the community.

State Sen. Tony Corcoran, D-Cottage Grove, who is also a member of the Oregon Public Employees Union, is strongly opposed to the measure. He said the measure would restrict the political voice of union employees, who have no other means with which to get their opinions and views across.

Corcoran also stated that the measure was so poorly written, it

would affect other payroll deductions such as those for charities and student groups. He said it is just another attack by Oregon Taxpayers United, the anti-tax organization that put the measure on the ballot, to try and quiet the voice of its opposition.

"[OTU Director Bill] Sizemore likes to try to [reduce funds for] the government, especially with attacks on public education," Corcoran said. "He is trying to quiet the voice of public employees, which is essentially what this measure would do."

Becky Miller, executive assistant for Oregon Taxpayers United, argues that a lot of union members don't approve of having money deducted from their paychecks for political purposes, but have no choice but to give it up. She stated this measure would stop unions from taking an employee's money without his or her explicit consent.

"Currently, unions can take money and use it however they want, and the process employees have to go through to get their money back is very difficult," Miller said. "We believe in political free speech, and money equals free speech in this case."

sation of increased spending.

"Governments want to grow as fast as they can — they want to spend every dime they get their hands on," McIntire said. "When government increases spending faster than the economy rises, that's a recipe for disaster."

McIntire, who also wrote the 1992 Ballot Measure 5, which sliced property taxes, said that giving the state a spending limit is the best way to instill fiscal

Measure 93: 'Super-majority' rules

■ If Measure 93 passes, all future state income increases must pass by the same percentage as the measure

By Michael Lundeen
For the Emerald

Measure 93, brought to the ballot by Bill Sizemore and his organization, Oregon Taxpayers United, would amend the state constitution to create a "super-majority" standard for all increases in state and local fees, charges and taxes.

The percentage at which the measure passes would dictate the vote required to increase state income. For example, if the measure passes by 60 percent, all future increases in fees, charges, and taxes have to pass by at least 60 percent.

The measure would also require all non-exempt levies, fee and tax increases passed since December 6th of 1998 and greater than 3 percent to be returned to voters for re-approval. The in-

creases would have to be re-approved by the "super-majority" standard set by Measure 93.

The controversial point is that even if a local levy to fund schools passed by 55 percent the first time around, it could have to be re-approved by a new, greater percentage.

This re-approval situation is one area criticized by the Committee for Our Oregon, an organization in opposition to the measure.

Spokesperson Lynn McNamara said that these "unfair retroactive aspects" of the measure are the organization's greatest concern.

Referring to local levies passed to fund things like schools and libraries, McNamara said, "The voters played by the rules, and this thing reaches back two years

and could change all that."

On the other side, Becky Miller, an executive assistant for Oregon Taxpayers United, countered, "It doesn't automatically threaten levies for things like schools. It requires them to go back and ask the voters, OK, do you want to refund this money, or do you want to go ahead with this voter-approved levy?"

As the measure is written, it is difficult to determine the impact these approval and re-approval requirements will have on the Oregon University System.

However, upon reviewing documents during a phone interview, Miller said that she believed "colleges and university tuition and fees are exempt."

But Bob Bruce, spokesperson for the OUS, said that "several measures that could affect [OUS] are unclear legally, and the attorney general won't offer any guidance until after the elections."

Mandatory minimums could be released from Oregon law

■ Measure 94 would repeal 1994's Measure 11, which established mandatory minimum sentences

By Mandy Toomey
For the Emerald

Aiming to ensure fair sentences for first-time offenders and youths, Ballot Measure 94 would repeal minimum sentencing for violent crimes and sexual offenses, such as murder, rape, kidnapping and robbery.

If passed, Measure 94 would repeal 1994's Ballot Measure 11, which enacted mandatory minimum sentences. Measure 94 would require that all adults issued mandatory minimum sentences be re-sentenced using a grid system consisting of the type of crime and prior convictions.

Supporters of Measure 94 say it would give power back to judges and reduce Oregon's prison population, thereby cutting the state's prison costs. They also say that giving judges more power wouldn't necessarily lead to more lenient sentencing for all violent criminals. Judges could still issue maximum sentences.

But many opponents say mandatory sentences keep judges from being too lenient and keep violent criminals out of society and in prison, where they could be reformed.

"[With this measure] judges can make the sentence fit the crime. It's not our intention for people to just be set free," said Cathi Lawler, a member of Parents Against Cruel and Unusual Punishment. Lawler's son was one of the first people convicted under Measure

11 and has been in prison for five years.

Howard Rodstein of Crime Victims United argues that "minimum

“ [With this measure] judges can make the sentence fit the crime. It's not our intention for people to just be set free.

Cathi Lawler
member of Parents Against Cruel and Unusual Punishment

sentences are important because sometimes the judge has no choice but to give out the minimum sentence."

"No one is happy about the attempt to turn back to olden days," said Ray Montee, a member of National Association for Crime Victim Rights, referring to the repeal of Measure 11.

If the measure is passed, approximately 3,200 criminals will be re-sentenced; 11 percent of these are juveniles ages 15 to 17. These juveniles, who were tried in adult court under Measure 11, would be sent to juvenile court for a waiver hearing to determine whether the case will stay in juvenile court or be transferred to adult court. In adult court, the youth would get a re-sentencing hearing; if sent to juvenile court, the youth would get a new trial.

Along with human rights debates, both sides are also debating the financial impact of the measure. If passed, Measure 94 would

reduce the state adult prison costs, and juvenile close custody will decrease by \$10.8 million in 2000-2001. Also, state community corrections payments to counties would increase by \$900,000 in 2000-2001.

"This money," argues Lawler, "should be put on the front end [of the problem] for prevention and treatment programs."

On the other hand, state costs to re-sentence criminals would be \$6.9 million between now and 2002 and county costs for re-sentencing are estimated to be \$2.1 million.

"There was an estimated \$193 million budgeted annually for Measure 11, and 66 percent of the citizens voted in favor of that. The actual costs for Measure 11 were \$48 million annually, almost one-fourth the estimated cost," said Rodstein.