

**GUEST EDITORIAL
FROM THE OREGONIAN**

Momentum is building to kill Oregon's 'kicker' rebate

If Oregon economists' predictions hold, taxpayers will receive up to \$724 million worth of "kicker" rebates when they file their income taxes in 2020. But momentum is building to end the only-in-Oregon approach of issuing such rebates in order to build reserves for schools.

The median Oregonian with roughly \$36,000 a year in adjusted gross income can expect a tax credit of about \$175 in 2020, according to the most recent state revenue forecast in November.

But it's possible voters will decide to instead send the money to a rainy-day fund for schools that the state could tap during economic downturns.

Business leaders who gathered in Portland on Monday said polling showed more than 60 percent of respondents would support such a change. Jeremy Rogers, vice president of the Oregon Business Council, told attendees at the Oregon Leadership Summit that lawmakers could refer the question to voters in the May 2019 election, if they act quickly.

It was the latest sign that the idea is gaining momentum, six years after voters approved ending the kicker rebate on corporate taxes.

Republican candidate for governor Knute Buehler, a lawmaker and orthopedic surgeon from Bend, expressed support for ending the personal income tax kicker in an interview with The Oregonian/OregonLive editorial board in October.

"I would be willing to support, and have said so in the past, diversion of the kicker into a rainy-day fund until it's built up adequately: about 20 percent of the general fund budget or \$4 billion, that could be drawn upon to smooth out that revenue cycle," Buehler said.

In the same interview, Gov. Kate Brown didn't say whether she supported ending the kicker. Instead, she noted the state was on track to end the current budget with a rainy-day fund that would cover just 9 percent of the general fund budget.

"Is it adequate? It's OK," Brown said.

It's unclear whether the governor has taken a position on kicker changes since then. Her communications director, Chris Pair, did not respond to a request for comment on Tuesday.

Under Oregon's Constitution, the unique kicker tax rebate is triggered when tax revenues for a two-year budget cycle come in more than 2 percent above economists' forecast from the start of the cycle.

Buehler was not the first Republican to discuss changes to the kicker this year. In June, Sen. Tim Knopp, also from Bend, said he expected fellow lawmakers would consider trimming or scrapping it as they look to raise tax revenue next year. As a state representative, Knopp referred a measure to voters that enshrined the kicker in Oregon's Constitution.

One question heading into the legislative session is how high a priority it will be for Democrats to change the kicker, as they aim to pass major climate change legislation and raise billions in fees and taxes to fund Medicaid and education.

Sen. Mark Hass, D-Beaverton, is chair of the Oregon Senate Committee on Finance and Revenue. On Tuesday, he expressed support for the idea of ending the kicker.

"I would love to redirect it to the rainy-day fund," Hass said on Tuesday, noting that Oregon's dependence on income taxes exposes the state to wild fluctuations in revenue. "The next best thing to a major structural reform ... is to have a strong rainy-day fund to cushion the inevitable downturns we have. It's poor public policy to begin with."

Hass did say that redirecting the kicker to an education savings fund is a lower priority for him compared with getting a major tax increase through the Legislature. Brown has challenged lawmakers to raise \$2 billion worth of taxes in the 2019 session, roughly the same amount House Speaker Tina Kotek unsuccessfully pushed for lawmakers to raise in 2017.



Your views

Ebbert: New House of Representatives may modulate administration's atrocities

To the Editor:
The election is over; America has spoken. This administration's policy of fear and hate has been rejected. That is not who we are. Even with gerrymandering and voter suppression, our voice has been heard. Against overwhelming odds our ancestors left their homeland and fought a revolutionary war to escape a despot king. We have a new House of Representatives that may modulate some of this administration's most outrageous atrocities.

America's political climate is toxic. People of color, non-Christian faith, political groups and refugees seeking asylum have all been targeted by this administration and white supremacists as undesirables. We are not a divisive nation; refugees and

immigrants fleeing oppression have been welcomed to America and contributed to our growth and diversity. This is the administration's own brand of ethnic cleansing.

Hate crimes have escalated this year by an additional 57 percent. The police shoot and kill for nothing more than a broken taillight. Now they so fear the worst scenario when responding, they shoot and kill each other.

We must take appropriate steps to regain the trust of our long-term allies and our position as leader of a free world.

Support for despot regimes and human rights violators must end. Promises and claims of glory based on ignorance, "alternate facts" and even personal gain are unbelievable and sources of such claims must be considered.

America will recover. It may take decades but with leadership, faith in a free world and good will we can

make it happen. Believe what they do, not what they say.

David Ebbert
Enterprise

LeBold: Elected officials owe us information on climate change

To the Editor:
A recent cover story titled "Storm Clouds Gathering" in the Ruralite magazine (monthly newsletter from OTEC) stated that we, as consumers of their electricity, are facing some confusing and complex issues that would require significant changes to their operations and have an effect on our utility bill.

The issues in the story are related to climate change, although they did not use the terms in the story, and they ask that we contact our elected officials with our concerns and questions.

Write to us LETTERS TO THE EDITOR

The Observer welcomes letters to the editor. Letters are limited to 350 words and must be signed and carry the author's address and phone number (for verification purposes only). Email your letters to news@lagrandeobserver.com or mail them to La Grande Observer, 1406 5th St., La Grande, Ore., 97850.

I have asked my state representative and senator and my U.S. representative and senators for information on climate change issues, and they WILL NOT RESPOND.

Chuck LeBold
Union

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