

Public employee unions respond to Oregon budget proposal

Oregon state Sen. Richard Devlin and state Rep. Peter Buckley, Democratic co-chairs of the Joint Committee on Ways and Means, released their budget for the 2013-15 biennium on March 4. The co-chairs' \$16.5 billion budget — which serves as a starting point for negotiations among lawmakers — calls for \$6.55 billion in K-12 education spending and \$455 million in Public Employee Retirement System (PERS) cuts, leaves nearly \$600 million in 'rainy day' funds untouched, and ignores any new revenue options.

Public employee unions — including the Oregon Education Association, Service Employees International Union Local 503, Oregon AFSCME Council 75, the Oregon State Fire Fighters Council, American Federation of Teachers-Oregon, the Oregon School Employees Association, and the Association of Oregon Faculties — released this joint response:

"Oregon's educators, front-line, public safety and health care workers recognize that our economy continues to struggle as a result of the recent economic collapse. We fully appreciate the co-chairs faced tough choices in putting together a budget that ensures that we can fund services that middle-class families and vulnerable Oregonians rely on.

Research and election results clearly show that Oregonians want legislators to prioritize schools, health care, public safety and services to seniors and the vulnerable. They also expect a shared sacrifice and want corporations and the wealthy to pay their fair share.

We are disappointed that the co-chairs' proposed budget does not call upon corporations and the wealthiest Oregonians, who have enjoyed almost all of the benefit of the economic recovery, to do their part in funding schools, senior services and other vital programs. It's unfair and irresponsible to balance the budget on the backs of working Oregonians and on those who rely on services. Legislators should make sure that those who've prospered even through this economic crisis are paying their fair share.

It is extremely troubling that the co-chairs' budget breaks a promise to hard-working, middle class Oregonians and retirees on a fixed income. At the same time, the Legislature recently bent over backwards — even calling an emergency session — to be able to promise special treatment to profitable corporations like Nike.

The PERS proposal included in the co-chairs' budget is very similar to a 2003 proposal that was ruled unconstitutional. This means that these dollars

will likely never make it into Oregon's classrooms or to other valuable programs.

Making matters worse, the COLA (cost of living adjustment) proposal will cost the state millions of dollars to litigate, and once this proposal is found to be illegal — again — the Legislature would have to rebalance the budget and slash funding for schools, health and senior care, and public safety, in the middle of the biennium.

It's important to remember that every public employee group — teachers, public safety, health care and other front-line workers — has taken pay cuts and furloughs and is paying more out of pocket for health insurance. They are also doing more with less. Class sizes are bigger. Caseloads are larger. Public employees, like all middle-class Oregonians, are making sacrifices. Unfortunately, the co-chairs' budget continues to ask working and middle-class families and the vulnerable to carry all of the burden.

This budget appears to be another way of scapegoating those with a target on their back: public employees. We are now seeing the kinds of demonization of public employees here in Oregon that were the foundation for what happened in Wisconsin, Michigan, and Ohio, where middle-class workers' voices have been silenced. We've seen clear evidence of this trend through continued attacks on promised pensions, and petitioners are now on the street with an initiative to put right-to-

work on Oregon's ballot.

We believe that we can do better. The budget can be balanced in a way that is fair, sustainable and prioritizes what Oregonians value. We call on our lawmakers to consider the following:

• **Cut out-of-control tax breaks and make sure everyone pays their fair share.** Oregon's corporate tax rate is tied for the lowest in the nation, and over the next two years, Oregon is expected to give away more than \$36 billion in tax breaks. We need to do more to close loopholes and ask those with the ability to pay to invest more before we ask teachers, front-line workers and retirees on fixed incomes to shoulder even more of the burden.

• **Make every dollar count.** A report released by a broad coalition of 10 organizations identified \$278 million in savings at state agencies by increasing efficiencies and cracking down on tax cheats. These recommendations should be exhaustively examined before seniors and the vulnerable face cuts to services or attacks on their pensions.

• **Pursue common sense, legal approaches to PERS.** Wall Street misdeeds crashed our economy and significantly harmed PERS financial health. We are now faced with having to clean up the mess made by bad-behaving investment banks and others who abused our financial system. We should strive to recoup losses from fraud caused by Wall Street. The treasurer and attorney

general have already recovered some of the money PERS was defrauded and they should continue down this path.

Additionally, in bringing certain financial and investment functions under the authority of the state treasurer, we can keep a closer watch on how Oregon's tax dollars are invested, and we can significantly reduce wasteful spending on unnecessary fees to out-of-state corporations who don't have any ties to Oregon.

We can also realize substantial savings by having the PERS Board recapture the loss from the malevolence of Wall Street in 2008 over a longer period of time to help smooth the dramatic impact on schools, seniors and families.

• **It's raining now.** Our economy is slowly recovering from Wall Street's illegal and irresponsible actions; we should use our reserves for the purpose for which they are intended: preserving services when Oregonians need them most.

There is a better way forward. Before a single retiree has the rug pulled out from under her in her golden years, we need to make sure that the wealthy and every corporation pays their fair share. Before our teachers, firefighters and personal support workers are asked to do more with less, we need to make sure that our leaders are being responsible and efficient with our tax dollars. It may be a challenge, but it's what Oregonians expect from their leaders."

OHSU Local 328, AFSCME's largest, buys nearby storefront

AFSCME Local 328 — Oregon AFSCME's largest local — has purchased its own office space, a corner storefront at 4006 SW Barbur Boulevard, which is near where members work. Local 328's 5,500 members are employed at Oregon Health and Sci-

ence University (OHSU), at its campus and hospital on "Pill Hill" as well as facilities downtown and in Portland's South Waterfront neighborhood.

Local 328 formerly rented an office, but was asked to leave when the owner had other plans for the space. The local

used its contract defense (strike) fund to make the purchase.

Purchased last August for \$620,000, the 1949 building includes 1,200 square feet of office space for the use of the Oregon AFSCME staff representatives who are assigned to the Local: Frank Vehafic, Diane Lovell and Val Andreas. They moved in at the end of January into the space, the former location of Rose City Hearing Aids. The building also includes an adjacent office where Farmers Insurance is a tenant, as well as a basement that is being remodeled into a 2,000-square-foot three-bedroom apartment. Vehafic said rents from the two tenants are expected to cover the monthly mortgage.

Calling 2-1-1 can be a lifesaver

It's not as well known as the 9-1-1 emergency line, but for thousands of Oregonians, calling 2-1-1 can be a lifesaver. 2-1-1 is an easy to remember telephone number that connects callers to information about critical health and human services available in their communities. In Oregon, 2-1-1 is run by 211info, in partnership with United Way. In addition to the phone number, it can be accessed at www.211info.org.



Sharon Maynard
• Social Security Disability



Nelson Hall
• Personal Injury
• Workers Compensation

Serious Injury and Death Cases

- Construction Injuries
- Automobile Accidents
- Medical, Dental and Legal Malpractice
- Workers' Compensation Injuries
- Social Security Claims



BENNETT, HARTMAN,
MORRIS & KAPLAN, LLP
ATTORNEYS

"Working hard for hard working people"

210 SW MORRISON STREET, SUITE 500
PORTLAND, OREGON 97204-3149

503 227-4600

WWW.BENNETTHARTMAN.COM

Our Legal Staff are Proud Members of UFCW Local 555



Quest Investment
Management

Serving Multi-Employer Trusts
for over 26 Years

Cam Johnson	Greg Sherwood
Jon Bettendorf	Monte Johnson
Doug Goebel	Adrian Hamilton

One SW Columbia Street, Suite 1100
Portland, Oregon 97258
503.221.0158 • www.QuestInvestment.com