

Editorial and Opinion

Tax proposal requires cautious scrutiny

Passage of an initiative to limit state property tax to 1½ percent could open a can of worms, with many unanswered questions and possible harm to those it seeks to aid most. Consequently, we urge voters to examine the issue carefully before signing petitions or voting on it should it make the November ballot.

Indeed, the proposed initiative does offer the property owner shelter from spiraling taxes and runaway big government spending. But the shelter being constructed here is simply slapped together from blueprints of the so-called Jarvis Amendment in California where circumstances are different.

California, in the wake of its recent tax revolt, could turn for relief to that state's \$6 billion budget excess to tide the state over. Should Oregon roll back taxes to 1975-76 valuation at 1½ percent, the state also could dip into the general fund budget to cover the lost revenue.

In Oregon's case, the \$400 million which would be lost in property tax revenue would appear to be offset by \$400 million in extra revenue the state expects this year with rising incomes and more jobs in Oregon. But costs have risen, too, and a \$67 million shortfall is possible in the 1979-81 biennium.

Last year a state budget surplus of \$200 million dwindled with big pay-outs, including \$100 million in rental refunds and property tax refunds. Budget experts now are unsure whether the books will close in the black or the red. Traditionally, Oregon's budget planners have wound up the year with only about 5 percent in the black as carryover.

An obvious answer to future state revenues would be higher income taxes. Any increase in state or local district taxes under the proposed initiative would require two-thirds majority vote. Getting two-thirds

of all state legislators to agree on anything could prove a major hurdle.

State Rept. Paul Walden, a member of the state Revenue and School Finance Committee, even suggests a constitutional violation in the tax-limitation initiative.

The state constitution demands uniformity in taxation. The proposed initiative, however, sets up a situation where two identical houses - side by side - could be taxed at different rates. One neighbor may continue to pay taxes based on 1975-76 valuation with only two percent annual increase for inflation, while a new couple moving next door would face property reassessment at current market value. Surviving spouses would be subject to the same sort of reassessment upon transfer of title.

Rep. Walden, who publicly neither supports or opposes the proposed initiative, feels that sort of inequality within a subdivision could tend to scare away new homeowners and so drive a district's property value down.

Rolling back property taxes in Clackamas County means about a \$1 million loss in revenue, since real assessed state and county property totaled \$2.760 billion in 1975-76, compared to \$3.478 billion in current assessed valuation.

But that's not the whole picture locally. Taxpayers still would appear responsible for present bonded indebtedness for services and public improvements already approved by voters. Previously established tax bases with their allowable six percent annual increases would remain in effect provided the 1½ percent property tax limitation would deliver that much money.

The proposed tax-limitation initiative may face court tests on its constitutionality if passed, so careful voter examination of the petitions is advisable today. (VB)

An alternative to Packwood-Moynihan

The president of Boston University, John Silber, has come up with a plan to help college students with tuition problems which at the same time eliminates the separation of church and state difficulties posed by Packwood-Moynihan.

Silber suggests creation of a government trust fund which would lend students up to \$4,000 per year. After graduation, the loans would be repaid by regular income tax deductions.

Silber's plan is disarmingly

simple. The Internal Revenue System eventually gets everyone and student loan defaults would be kept to a minimum. Those who weren't paying any income tax wouldn't need to repay their loan — that year. But eventually, they'd be in a position to pay back.

The IRS would make sure of that. Silber estimates a college education is worth about \$230,000 over a student's lifetime and the one who benefits — the student and not the parent — should pay.

Another view

Good vote by state board

Good for the State Board of Education. The board refused to issue an edict banning junk foods from the schools.

The board based its decision on the idea that the kind of food sold in their vending machines is a matter that the schools don't need state government to decide for them. Oregon is big on local control of the

schools. If local boards were deprived of the power to decide things of this magnitude, their control wouldn't mean very much.

We go further, of course, in feeling that those in charge of local schools should not ban junk foods, either — at least at the secondary level. The wiser approach, and the one adopted by Eugene and Portland boards, is to make

sure that nutritious foods are as available as the less nutritious. Students can then make their own decisions on what to buy — decisions properly influenced by parental advice and classroom nutrition programs.

The state ban was proposed by Thelma Thompson of Medford, who was identified as the

originator of an organization called Parents for Better Nutrition. When asked if anyone opposes her cause, she replied:

"I'm not worrying about any opposition. We know that we're right and that we're fighting for truth, and we're really not concerned about anybody who wants to maintain the junk-food habit."

Mrs. Thompson thus joins a large group of righteously committed people who are trying to ban worrisome products which may prove harmful, particularly in excess. But such things as junk food hurt only those who indulge in them and they are not forced upon anyone. Under those conditions people ought to be free to make their own choices.

Young people as old as junior and senior high students need to develop the ability to make good decisions.

We're glad the State Board of Education resisted Mrs. Thompson's request. We only hope she understands that that action was not an endorsement for Twinkies.

—Eugene Register-Guard

What other editors say

Oregon initiative is a hasty move

Everyone in government now is starting to recognize that an Oregon "Proposition 13" is possibly on its way. A petition modeled on the California tax-limiting initiative measure is already making the rounds in various parts of the state. In spite of the popularity of the idea, it should be recognized that the measure being proposed here has some shortcomings.

A Roseburg man and a group called "Do Care" (Dedicated Oregon Citizens Aware Reform is Essential) are pushing a 1½ percent property tax limitation petition. The group needs

61,646 valid signatures to get the petition on the November ballot.

If the signatures are collected, some technical questions need to be answered. The Oregon petition was lifted almost totally from the California measure, and it has become apparent that some of the language is not appropriate to Oregon. In addition, a line making the measure an amendment to the Constitution was dropped in the printing process. That last question may require a court ruling to answer.

The Oregon initiative would cut local property

taxes by some 40 percent, according to estimates. That would add up to about \$400 million statewide.

The initiative would limit property taxes to 1½ percent of the assessed valuation. It would limit future increases in valuation to 2 percent a year, unless the property was sold, in which case the assessor would be able to reassess it . . . market value. The initiative would also roll back assignments to 1975-76 valuation levels.

If approved, the initiative would allow the Legislature or the voters to find other revenue sources. But it would require a two-thirds

vote of each chamber or of those voting at a local level to enact any new taxes. The sales tax or a new property tax would not be allowed — leaving the income tax as the only realistic way to raise replacement revenue.

It is obvious that some sort of tax reform is coming. But the Oregon version of California's Jarvis-Gann amendment does not appear to be exactly what the state needs. It was not prepared with a knowledge of Oregon's laws, tax structure or legislative process but was, instead, lifted from another situation — California. The differences between the two

states are too great to allow such a transfer.

We agree that property taxes must be brought under control. But we would urge Oregonians to find their own way of bringing such control to pass. Before we could support a tax reform of major magnitude, we would have to know that it was designed for Oregon. The Legislature should listen to what is happening in California, however, and start thinking now about putting such a reform package together in the next session. A delay could be deadly.

—Ashland Daily Tidings

QUESTION

Now who do you believe?

In an age of technology, when a majority of the citizens are not trained in technology, questions not infrequently arise that are answered largely on the basis of "Who do you believe?"

We are told on what appears to be good authority that the electrical needs of this area are growing at such a rate that more will have to be imported, and that the best way to do so is to build a power line from the coal generating electric plants in Wyoming to Medford.

Others, speaking in equally authoritative-sounding voices, say that this really isn't necessary at all; that moves to conserve energy

and slow down growth will suffice to make the electricity now available adequate to the needs.

Who to believe?

Or, we are told that herbicides like 2,4,5-T are perfectly safe if applied carefully in a prescribed manner; and we are also told that not enough is known about their toxicity and that they should be either banned, or studied further to insure their safety. Both sides seem to have a reasonable basis for their beliefs. Who to believe?

Is saccharin carcinogenic in moderate amounts safe for humans, or is it dangerous because it causes cancer when given in massive doses to rats? Reputable scientists

on both sides are convincing. Who to believe?

Some say such weapons as the B1 bomber and the proposed enhanced radiation weapon are much more likely to lead to war, while other knowledgeable people say they are calculated to prevent war. Who to believe?

Is it any wonder that the vast bulk of us, who lack any special expertise, are confused when experts disagree?

"Leave it to the experts" may be good advice. But what does one do when the experts can't agree among themselves?

It's a funny — and sometimes scary — world we live in.

Medford Mail Tribune



"Sorry, But This Ungrateful Public Mood Demands We Trim Away The Excess Fat."

letters to the editor

Award shared

To the Editor: As reported in your newspaper last week, I received an award for community contribution through education from the National Conference of Christians and Jews. It was a very special award and I accepted it with the full realization that I share it with many, many individuals within the Sandy community.

A community is, after all, the sum total of the individual within it. And the quality of community life is the sum total of the opportunities that are available for the contributions and participation of its members. I am simply a catalyst for those opportunities and those individuals to add to the sum total of the quality of community life in Sandy. Without the individuals who volunteer to share their time, energy, and personal skills with other in our community, the Community School would

not be in existence, the quality of community life in Sandy would be diminished, and I could certainly not have been selected for this award.

My thanks go to all those incredible, wonderful volunteers who have given so much to Sandy through the Community School. They know a special secret of life — the joy of giving.

What you send out into the lives of others comes back into your own.

Judy Sheppard
Sandy

Growth control

To the Editor:

In my letter to the editor (June 15) regarding the growth of Sandy, I thought I had succinctly made my point. The theory that growth is good has deceived even intelligent people in our society.

For someone to state in response (June 22 letter) that "Growth is a normal and healthy process in our bodies as well as our city," sounds innocuous enough on the surface but reveals its ludicrousness upon deeper inspection.

Growth is only good and healthy to a point. After that point is reached, an abnormal situation results that we call tumors and cancer. The same is true of bodies and cities.

The point I tried to make is that our local politicians act like they're against overly expansive growth, and yet they take steps to provide for just that.

I disagree with the con-

Youth charged with crime

A 17-year-old California youth was placed in Clackamas County juvenile detention Friday on a charge of attempting to murder another youth at the Timber Lake Job Corps camp.

A witness told sheriff's deputies the youth was trying to start a fight with Jeffrey Lamont, 19, when he swung an aluminum baseball bat into Lamont's head.

Lamont was taken to Gresham Community Hospital and released Monday.

Deputies were unable to contact the youth's guardian in San Bernardino, Calif.

ditioning and Country Delicatessen. Camp Casey is a track and field developmental workshop for teachers, coaches and athletes located on Whidbey Island in Washington. We received excellent coaching from a staff of qualified professionals including Doris Brown-Heritage and other former All-American athletes. We learned new techniques which help us improve our skills in track and field.

Bob Hawley

Thanks!

To the Editor:

We would like to take this opportunity to thank the following merchants for their generous sponsorship of our week at Camp Casey: Sharon's Food King, The Hairline, Sandy Lumber, Landa Rents, Williams Thriftway, Joe's Donuts, Pioneer Realty, Ferguson's Power Equipment, Crown Furnace and Air Con-

ditioning and Country Delicatessen.

Bruce Jenner, Olympic decathlon champion, was a special guest at our "Casey Olympics" and awarded us our ribbons. We also want to thank Mrs. Denise Minnear, our coach and teacher at Sandy, who attended camp with us. She encouraged us to register and provided us with transportation.

Donna Nelson
Gayle Roth
Boring

Groups 'over the top' in property tax drive

Special to The Post

One of Oregon's most unusual and puzzling initiative campaigns is nearing the end of leg one on its projected route to the polls. It appears likely the state's voters will be balloting in November on a controversial proposal to limit property taxes.

"We're way over the top with our signatures," said Ray Phillips, who heads the Tri-County Tax Limitation Committee, one of two groups coordinating a statewide petition drive.

As of last Friday, an estimated 75,000 to 80,000 signatures had been collected, according to State Rep. Al Shaw, R-Roseburg, the first legislator to align himself with the movement.

"We think we're going to come in with somewhere between 125,000 and 150,000 signatures," Phillips added Tuesday — a day when Oregonians voted down just about every money measure on special election ballots.

A total of 61,646 valid signatures must be filed with the secretary of state's office by July 7 to get the proposed constitutional amendment on the November general election ballot.

The Oregon campaign, born of a similar movement in California, would limit property taxes to 1.5 percent of market value based on 1975 assessments.

Among other things, it would limit annual property valuation increases to 2 percent, regardless of what the real market value might be.

It also would limit the legislature's power to pass new taxes to make up for the loss of property tax revenues and would require a two-thirds majority by the legislature and voters in local governmental units before any tax increase could be implemented.

But while the Oregon campaign appears to have been successful, at least in acquiring the needed signatures, there still is a potential stumbling block.

See page 9



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