

A BINDING ORDINANCE

To clear up misinformation regarding the use of the proposed city service fee, the duration of that usage and the low-income exemption, here is the ordinance language.

Section 2.2010(2): "All revenues from the city service fee shall be deposited in a separate fund. Use of the revenues shall be limited to (a) paying for fire and police service, homeless and human services, and quality of life services such as libraries and pools, (b) establishing reserves for these purposes, and (c) the billing, collection and administration of the city service fee ... The city service fee shall not be used to pay for any other function of the city."

The council and staff will not be able to appropriate or spend revenues from the fee for any service not included in those authorized uses. The ordinance is binding on both council and staff for its duration.

Section 2015 (4) provides specifics regarding low income financial assistance: "The city council shall establish by resolution a program that (a) partially or wholly waives the city service fee for low

income individuals. (b) provides financial assistance to such individuals to partially or wholly offset the fee paid by those individuals, or (c) helps in some other manner to reduce the financial burden of an additional fee on those individuals. The resolution shall be adopted prior to the time that the fee is first billed."

A community panel is currently preparing the financial assistance program so that it can be implemented immediately.

Kitty Piercy
Eugene mayor

SINGLE PAYER BEST

Recognizing Obamacare's (ACA's) inadequacies, Vermont commissioned a study to identify how best to finance true universal health care. After studying three plans, it concluded that single payer (SP) would provide the best, least cost coverage. Vermont legislated SP implementation for 2017. Over 20 studies across the U.S. have had similar conclusions. Most recently, Vermont, population 626,000, determined it would need \$1.3 billion in new taxes to

support SP and would save \$1.9 billion in insurance premiums or \$958 per person annually. Pennsylvania's Economic Impact study showed that with SP implementation, its 12.7 million people would each save \$1,000 annually in insurance premiums, and that it would generate 120,000 new jobs from increased health care spending and reduced overhead for existing business and startups.

Oregon's HB 2922, with 21 sponsors, would establish SP in Oregon, providing all medically necessary services without deductibles or co-pays, while covering the entire Oregon population. The plan would also apply for certification as a Medicare Advantage provider, expanding Medicare to include dental, eye, mental and alternative care, without co-pays or deductibles or further cost to the recipient. This would also automatically provide for situations where the recipient leaves Oregon.

HB 3260 would authorize a study of at least four different mechanisms for financing health care to guide Oregon toward what would be the most advantageous.

With HB 2922 enacted, and amended with a financial plan based on HB 3260, we could establish universal health care in Oregon saving people \$3.9 billion annually in insurance premiums while revitalizing its economy.

Marc Shapiro
Health Care for All Oregon
Eugene

EPIDEMIC OF ASSAULT

April 21 starts Sexual Violence Prevention Week locally. To use a recent and frequent reference, all of us need to be "all in" on this matter. It is not just an issue for women, the military, campus, civilian, legal or any other subgroup of us. It is about violence and abuse of power with resulting damage that radiates beyond the perpetrator and victim.

The writers of this letter have been working locally to inform people about the alarming extent and viciousness of the epidemic of sexual assault within the military. Our goal is to be part of the national pressure on Congress and the

VIEWPOINT

BY BONNY BETTMAN MCCORNACK, GEORGE BROWN, PAUL NICHOLSON AND BETTY TAYLOR

Fundamentally Unfair

CITY FEE PROPOSAL HAS UNINTENDED CONSEQUENCES

Economic injustice permeates our local, state and national tax policies. The proposed city service fee reinforces and expands what is already a grossly unfair tax burden for low and middle-income wage earners. Not only is Ballot Measure 20-211 unfair, but it fails to deliver on the promise to fund essential services beyond the 2014 budget, and it's permanent.

Like many of you, we strongly support the services that are threatened for cuts in the 2014 budget. Throughout our individual tenures, we have always been loyal advocates for funding essential city services.

Many voters are justifiably concerned that important services could be cut and might be persuaded to overlook the extreme unfairness of the fee in order to protect the threatened services like library hours, Sheldon Pool, Fire Station #2, police investigation, CAHOOTS van #2 and Station 7.

Unfortunately, voting for 20-211 will not preserve the threatened services beyond Fiscal Year 2014 because they are not specifically listed in the ordinance which becomes law if approved by voters. Those services are only "promised" funding via a council motion which states "if there is additional revenue, the proposed FY 14 budget will include funding for these services." And that is followed by the list of targeted services and their dollar amounts. That list is *not* in the law.

This means the city has only committed to funding the threatened services *for one year*. After that, the law permits the reassignment of the new revenue to a broad variety of General Fund activities and reserves.

A "yes" vote for 20-211 enacts an ordinance that establishes a tax that can be used for almost any general fund purpose and need not be used to sustain the listed services. The current council can express the most earnest wishes that it should preserve these services, and they can write these services into the FY 14 budget. But

this and future councils can (and probably will) allocate the funds differently after 2014.

Voters should not be afraid to vote against the measure. The money is there to avoid the threatened cuts, and the political will to carry out the cuts isn't.

A majority of councilors oppose the fee, and only two councilors have stated publicly they will vote to eliminate services if the fee fails. Others have said they would do what they could to preserve the services.

The money is there to fund the services, but the fiscal emergency is concocted.

The city has always practiced the standard policy of reserving two months of operating expenses for a reserve — but they've unnecessarily upped that to three months. Adhering to the standard two-month policy would free up an additional \$10.5 million to fund the services.

The city habitually underestimates the amount of revenue from property taxes during budget adoption, typically by 3 to 4 percent. Usually it amounts to \$4 million to \$5 million, which can also be used to fund the services.

The Riverfront Urban Renewal District (URD) was established in 1985, supposedly to create 900 jobs. Since then it has skimmed millions of dollars away from the city's General Fund and hasn't delivered as promised. It has a \$6 million balance (down from \$10 million in 2010) which would become immediately available upon termination. Just end it and transfer the city's share of the money back to the General Fund for services. The state of California has recently concluded that URDs are destructive to local governments' ability to provide services and they terminated 400 URDs.

The proposed fee would charge up to \$120 a year on every household unit and \$360 for every business, regardless of income or ability to pay. It would raise up to \$14.4 million in order to fill the alleged \$6 million gap. A senior pensioner in an apartment would pay the same as a wealthy person in a mansion. The woman who

rents 100 square feet for a shoe repair business will pay more than Walmart pays because she will pay for both her business location and her home.

Nor should you be reassured by the as-yet-unformed plan to offer low-income assistance. The city of Eugene has 21,000 households (averaging 2.25 people) that earn below \$25,000 per year. Half of all households make below \$50,000. Income does not always determine need, depending on other factors — especially extraordinary medical expenses. These programs are notoriously difficult to set up and expensive to run, and are often abandoned once voters have forgotten the original reassurances. And future councils cannot be bound by the current council's good intentions.

Good intentions cannot make up for the fee's fundamental unfairness. For instance, proponents have said that the low-income program would likely be based on food stamp eligibility, but that would fail to capture many who might otherwise need assistance. In an *Elder Law Journal* article, attorney Katelyn B. Randall reports that, "According to Nancy Week, MSW, Food Stamp Outreach Coordinator for the Oregon Hunger Task Force, only one in three eligible elders actually receives the food stamps they deserve."

Less widely recognized is the fee's negative impact on nonprofits, who are not exempt, and who are already struggling due to recessionary dips in contributions. It would be \$360 per year, or more, if they have programs at multiple locations (such as Looking Glass).

To conclude, the city does not know how much the proposed fee will cost to administer, or even how they will process and bill for the charge. Their plan for low-income assistance is devoid of substance, and its parameters are not codified in the law.

Ballot Measure 20-211 was hastily assembled and will have many unforeseen consequences — permanently. It won't protect valued services in perpetuity, and the money is already there to fund the services without the additional revenue. We urge you to vote no on the city service fee. ■

Bonny Bettman McCornack and Paul Nicholson are former Eugene city councilors. George Brown and Betty Taylor are currently on the council representing Wards 1 and 2, respectively.