

of the state, such as Deschutes, Jackson and Wasco. Even though Oregon voters are generous with health coverage — one in four Oregonians is on the Oregon Health Plan — most of the money that covers that largesse comes from the federal government.

In 2017-2019, Oregon will pay \$1 billion, compared to the federal government's \$10 billion, for Oregon Health Plan programs, according to the state budget.

What the federal government gives, the federal government can take away.

Congress, for example, was slow to reauthorize funds for the 20-year-old Children's Health Insurance Program (CHIP). Coverage for 9 million children hung in the balance for 114 days before it was resolved as part of an agreement to end a government shutdown on Jan. 22.

While the 2017 Oregon Legislature used its own tax money to extend CHIP-like coverage to 17,600 undocumented children under Cover All Kids, the federal government is footing the bill for 97 percent of Oregon's program — meaning 80,000 Oregon children would have lost coverage without the late-in-the-day reauthorization.

"Some of these federal funding streams may be reduced or even eliminated. We don't know about the status of any number of things," says Rep. Nancy Nathanson, D-Eugene, who as co-chair of the Joint Ways and Means Committee will have to pick up the pieces after any loss.

"If [the feds] were to pull out all the money, the amount Oregon would have to shoulder on its own would be breathtaking," she said.

Even if the federal government spending on health coverage for the nation's poor and the young people were to remain undiminished in the coming years, Oregon would face money troubles of its own because of legacy debt owed to the Public Employees Retirement System.

The state and other public employers owe the system \$25 billion. The cost of covering that debt is increasing at the fastest rate in history, according to the most recent estimates. Over the next six years, required payments are expected to increase by a total of \$6 billion. The state is on the hook for a large share of the increase to cover state worker, public school teachers and college and university employees.

This budget-breaking problem is temporary. Reforms in 2003 moderated the state costs for succeeding employees.



SEN. JAMES MANNING JR.

But the legacy costs for earlier employees are projected to continue rising until 2031.

The 2017 Legislature wrestled with the PERS problem. Under the leadership of Sen. Mark Hass, D-Beaverton, the majority Democrats made a run at passing a business tax that would have eased the state's oncoming revenue problems.

But progressives didn't quite have the muscle. The Oregon Constitution requires revenue measures such as a new tax to pass with a three-fifths majority in each chamber of the Legislature. Progressives were short one vote in each chamber and couldn't find Republicans to help.

Trump may have sparked a blue wave

To avoid reversals of their 2017 gains, Oregon progressives will need to pick up two or maybe three legislative seats in the 2018 general election, says Jim Moore, a political science professor at Pacific University in Forest Grove.

That will be more likely if the national discontent with the Trump Administration translates into a "blue wave" of energized voters bringing electoral wins to statehouses across the country, Moore says.

The failure of Congress and the Trump Administration to rescue the 800,000 Latino youth who were brought to the United States as young people — and protected from deportation by the Obama Administration through the Deferred Action for Childhood Arrivals (DACA) program — has angered Hispanic voters nationally and locally.

"The Latino community has not been this united in this county for so long," Carrasco said. "You have an administration that is pushing an agenda that people like us are not welcome. You galvanize these youth."

Similarly, an anti-gay-rights ballot measure incubated in Eugene-Springfield in the late 1980s awakened the gay community in Oregon, Moore says. Former Gov. Barbara Roberts, Oregon's first female chief executive, rode their activism into office, he says. Current Gov. Brown honed her political skills in that era by championing gay and women's rights.

Ire over DACA could "easily" work that way in 2018, Moore says.

Oregon, on the other hand, could still dash the progressive agenda — as it has, now and again, in state history. Even if the rest of the country tilts blue in the November election, Oregon could choose red. The state is famous for its contrarian tendencies that cause it to zig when the rest of the country zags, Moore says.

In 1964, when President Lyndon Johnson won in a landslide and strengthened the Democrats' hold on Congress, Oregon leaned the opposite direction, giving Republicans control of the House.

"Every other Republican got creamed everywhere else," Moore says. "Here in Oregon, led by Bob Packwood, voters all said 'Yeah, Republicans would be great.'"

In the 2010 and 2014 midterms, when Obama took his "shellacking" from voters and great red electoral waves handed statehouses across the land to Republicans, Oregon Democrats gained.

"We were exactly the opposite," Moore says. "That reverse kind of thing seems to be part of our electoral DNA. ..."

"The big thing for 2018 election in Oregon: Are we going the contrary way? When the rest of the country votes against Trump, do (Oregon) Republicans gain? Or do we go more towards the blue wall, which is much more likely?"

Diane Dietz has covered the Oregon Legislature for The Register-Guard and The Statesman Journal.

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