

Legislative Candidates' Views on O&C Controversy Are Presented

State School Aid At Issue; Four Statements Given

Editor's note: The use of O&C funds in school finance has become an issue in the present campaign. In an attempt to get at what the controversy is all about, and to put the candidates on record on the matter, the Mail Tribune invited each of the four candidates for the house of representatives to provide a 500 word statement setting forth his or her views on the subject, in response to this question:

"What is your position on the proposal that O&C revenues be taken into consideration in the formula allocating state funds for equalization purposes in education?"

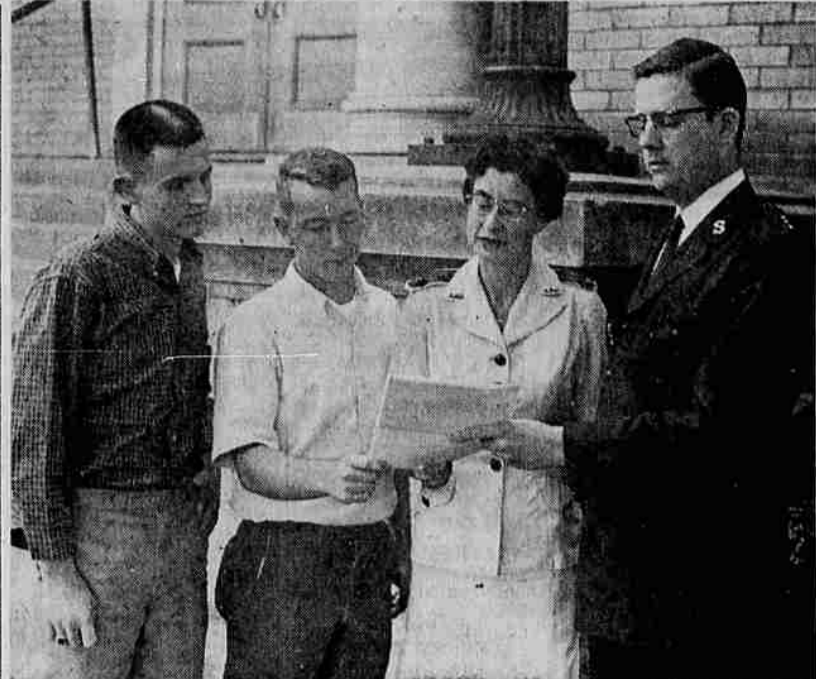
Replies were received from all four, John Dellenback and Eve Nye, Republicans, and Robert Duncan and John Gregory, Democrats. They follow:

JOHN R. DELLENBACK
I have been asked to state where I stand in connection with the suggestion that O & C revenues be taken into consideration in the proposed formula for distribution of funds for education. The heart of my answer lies in my conviction as to the fundamental obligations of a state legislator. Under our system of representative government a person elected to represent Jack-

son county in our state legislature has two basic obligations. First, at the time he assumes an obligation to uphold the state constitution and to exercise deep concern for the welfare of the entire state and all its people. Second, he is the chosen voice, arm and shield for the 72,000 people in Jackson county whom he has been elected to represent.

Sometimes the interests of Jackson county do not run parallel to the interests of other sections of the state. When this occurs the basic concern of a representative from Jackson county must be to advance and protect the welfare and best interests of Jackson county and its people. This is the keystone in the arch of our whole system of a representative legislature. The system of representation is based on geographic areas and a person elected to represent the people of a certain area owes a primary obligation to those people to seek in all honorable ways to advance their best interests.

Under the Oregon Constitution the obligation of providing for the establishment of a uniform and general system of schools is expressly declared to be a problem for the state legislature. It is of real importance to me that adequate educational opportunities shall be made available to our young people throughout the entire state. But if I am elected as a representative from Jackson county I will feel bound to seek to bring this to pass in a way that will not injure Jackson county. I feel that invading



DELEGATES MEET—Attending a meeting of Jackson county delegates to the Governor's Conference on Children and Youth last week were John Snider, left, and next to him, Mike Phillips, student body president of St. Mary's and Medford High schools. The conference on Children and Youth will be held Nov. 2, 3 and 4 in Salem and will be attended by 12 or 13 delegates from Jackson county. Pictured with the youths above are Mrs. Morris Parter, inter-agency chairman, and Capt. William Ricken, chairman of the county delegation. The meeting was held in the conference room of the Public Library of Medford and Jackson county.

the O & C funds which Jackson county receives instead of taxes will hurt our people economically.

I am not convinced that all other possible ways to assure substantial equality of educational opportunity throughout the state have been exhausted. I see no assurance that once the pattern has been established of invading these funds for one purpose there will not be increasing invasions, in larger and larger amounts, for the same purpose or for other purposes. I believe that under present circumstances the final result of opening the proposed road of invasion of O & C funds, in any percentage, will be that Jackson county residents will pay higher real property taxes, and I am definitely opposed to this.

I feel very strongly that it is my obligation to the people of Jackson county to fight for their interests in this matter and, while working for increased state aid to our local schools, to do my best to stop

the legislature from adopting any formula which requires us to take O & C revenues into account in this regard.

ROBERT B. DUNCAN
One of the candidates has been making an issue of O&C funds, and has, perhaps inadvertently, misstated the situation and my position.

I have never supported this proposal. I wrote the dissent to this recommendation, and the bill died in committee in 1959.

My opposition was based on the arbitrary percentage selected, and the failure to consider other sources of wealth in other counties, not on any narrow provincial desire to get something for us to which we were not entitled, at the expense of the rest of the state, while asking them for financial assistance. I believe the long run welfare of the state parallels that of Jackson county. No section can perpetrate an injustice on another and win. The geographical antagonism perpetuated by local prejudice, fanned by political ambition, does a great disservice to education.

In determining a district's wealth for state aid purposes, true cash value of taxable property, county school funds, one-quarter of National Forest revenues (similar to O&C receipts), and other income, is added. If a predetermined millage rate will not then support a basic program, that district receives equalization aid. Jackson county has benefited from this.

O&C revenues are from sale of timber from O&C lands. Because of them we have not had a county tax levy for several years. The funds are paid by federal law. No one can take this money from us.

We received last year \$2,549,345 in O&C funds; 25 per cent of this is \$637,336; 12 1/2 per cent is \$318,668. Both sums are less than the \$781,410 in O&C funds which the county court in August put in the county school fund, and which is considered for equalization purposes. Thus neither percentage proposed would affect Jackson county adversely. The subject is inextricably connected with distribution of state aid to schools. For years we have sought a distribution formula fair to all parts of the state. The "Key District" plan sponsored by this area provided much equalization (more aid to poorer districts than wealth) to give Oregon children a basic education regardless of domicile.

Portland wants flat grants of state aid - so much per child regardless of the district's wealth. At present, Portland gets less than it pays in income taxes, through a compromise (80 per cent flat grants, 20 per cent equalization). Portland legislators supported this, even though it cost their county money, because of its importance to education.

My concern is to find a distribution formula fair to all, and that all can support. If elected, I will continue to in-

sist on justice for this county, along with the rest.

JOHN L. GREGORY

One of my Republican opponents, John Dellenback, has based most of his campaign on this single issue, implying that some of the other candidates would give away our O & C revenue. He has failed to tell the voters how he is going to prevent use of O & C revenue in the equalization formula for distribution of state support.

In 1957, the legislature increased the Basic School Fund to \$105 for each child between the ages of 4 and 20. This fund is financed by state taxes. Eighty per cent of this fund is distributed to each of the school districts based on the number of school children in each district (flat grants). An equalization formula was passed by the legislature to distribute the remaining 20 per cent of the Basic School Fund among the less wealthy school districts for the purpose of equalizing and improving educational opportunities of students in elementary and secondary education.

The present controversy arises from how the equalization formula is to be determined. The 1957 legislature decided that the wealth of a district for such a formula would be "the true cash value of the taxable property in the district." The present demand by non-O&C counties is that O&C revenues be included as wealth in addition to our taxable property. This would mean we would have more wealth than under the old formula.

The worst possible attack against this attempt to increase our wealth under this formula would be the selfish and unrealistic arguments that we will not allow such to happen. It is selfish because we in Jackson county led the fight for equalization of state school support, based on the arguments of fair and equal educational opportunities for all. It is unrealistic because the 30 counties that do not receive large O&C funds can easily out vote the remaining six counties.

I have never promised the voters that I alone could pass a measure, but only that I would work to the best of my ability for favorable legislative action.

The best offense is the best defense. We should point out to the other counties all of the years when there were no O&C revenues. We should search out wealth of the other counties that has not been considered in the formula. We should consider all revenue to a county derived from non-taxable property.

If elected I would oppose discrimination against Jackson county as well as any county in arriving at a fair equalization formula. I would oppose the mathematical use of O&C funds in computing our wealth until all other counties of this state would agree to use their revenue from all other sources in arriving at their wealth. By

searching out the wealth of other counties as a counter argument, we will be able to present an able defense and arrive at a fair decision.

EVE NYE

My opposition to the use of O and C funds for state-wide distribution in support of schools is based on several factors.

It was only after a long struggle that the Federal Government was persuaded to give the counties in which the Oregon and California Lands are situated 75 per cent of the proceeds from the sale of timber harvested on them. Of this amount, one-third is used, by agreement between the counties and the Federal Government, for developing and maintaining access roads, reforestation, etc. The balance is placed in the county treasury to be used in defraying the costs of government in the same way that our property tax receipts are used. Because of these funds, we in Jackson county have had no county tax levy for several years.

The present issue, over whether or not a portion of these O and C funds should be considered in the formula for distributing state funds to school districts in support of their education programs, is not new. In the last session of the legislature a bill was introduced which would require O and C counties to add 25 per cent of their receipts from sales of timber on government owned lands to the true cash value of their assessable property in determining how much state support for schools they were entitled to. At present 20 per cent of state funds are distributed on the basis of a school district's ability to support its education program as based on the amount of its true cash value.

The proponents of this bill argued that since these O and C funds are in lieu of taxes they should be considered the same as other tax revenue. I

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MEDFORD MAIL TRIBUNE

MEDFORD, OREGON, SUNDAY, OCTOBER 30, 1960

opposed the bill and it died in committee.

I did it on the grounds that for many years these lands had produced no revenue for us at all and we suffered under the handicap of an extremely limited tax base. Moreover, to tamper with the present handling of the funds, after the long struggle to establish our right to them, could conceivably result in the diverting of all O and C funds to the federal government. This is a very real possibility according to those who have worked on the matter in Washington.

The Legislative Interim Committee on Education, of which I am a member, has been working for the past 18 months on an attempt to devise a better formula for distributing state funds in support of schools. The committee recently approved, by majority vote, a formula which included 25 per cent of O and C funds. I opposed this proposal. My opposition, as stated to the committee, was based on the fact that other counties have certain tax advantages, such as publicly owned utilities, Taylor Grazing Fees, etc., which are not being taken into consideration in

the formula, and I maintain that if this principle of requiring the use of O and C funds is sound, then we should also consider all non-tax revenues available to other counties on the same basis. This committee has not agreed to do and I therefore stand on my opposition to the use of any O and C funds.

POLIO STRIKES 140

Washington - (UPI) - Polio struck 140 persons last week, 18 more than in the previous week but far below the 248 in the same week last year.

The U. S. Public Health service said Friday the slight increase in polio last week mainly was caused by higher totals in the eastern states.

NO SOAP

London - (UPI) - The bathtub is the place to get clean, according to a new municipal law passed Friday which prohibits persons from taking soap into public swimming pools.

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