LEGISLATIVE REPORT

By Rep. D.E. (Denny) Jones

By now you probably know that the 1973 regular session of the 57th Oregon Legislative Assembly finally adjourned Sine Die at 4:45 p.m. on Friday, July 6, being in session a total of 180 days.

The top priority item of the legislature was property tax relief and school funding reform. This effort contributed greatly to the length of the session. The McCall plan was whisked through the legislature and to the voters, where it was rejected. Then we had to start all over again. Many legislators, both Democrat and Republican, tried to look at alternatives, but a plea that a bi-partisan committee from BOTH Houses be established to come up with a plan was unsuccessful. Then came a plan developed by a special House committee. It was heavily amended in the Senate and overturned in the House. The final product is the result of bi-partisan Senate and House cooperation in conference committee deliberation.

The plan consists of two Phases. Phase One provides 30 percent state funding (approximately $143.5 million) of local school costs during the first year of the 1973-75 biennium. State funding would be increased to 34 percent (approximately $150.5 million) during the second year. Second year funding hinges on two points. If less than $65 million is doled out by the state to property owners who apply for relief during the first year, the rebate would be extended the second year (1974) to all property taxpayers making up to $20,000.

Phase One also places a ceiling of $3,000 on Federal income tax paid which can be deducted from the Oregon Income Tax Return. This provision would go into effect in 1974 and would last for only one year, unless the people approve Phase Two which I will discuss in a moment. This tax ceiling would bring in an additional $23-million. It would provide part of the funds needed to up state support of local school costs to 34% in 1974.

The rest of those funds would come from a speed-up in the collection of corporation excise taxes beginning in 1974. It would bring in an additional $29-million during that year.

Perhaps the most welcome part of Phase One is appropriation of $136-million in direct property tax relief through the "circuit breaker" which I explained in a previous report. The "breaker" intends to relieve the tax pressure on those least able to afford it when their tax burden becomes too great. Under the plan, every homeowner making up to $15,000 income would receive up to a $100 tax rebate during the first year of the plan. Renters would receive about half that amount up to the same income figure. those over $15,000 per year income would receive no tax rebate during the first year. The last couple of provisions in Phase One are linked to Phase Two---Phase Two hinges on voter approval of a five-fold proposal which will probably appear on the May, 1974 ballot. It would raise state support of schools to 50%. Phase Two contains the following provisions, all of which would go into effect if the ballot measure mentioned above were approved by the voters:

1. PERSONAL INCOME TAX RATES would be increased from 4% to 11% (versus 4%-10% now) which would bring in an additional $120-million or so per biennium. Persons earning up to $1,000 would pay 4% and persons earning more than $8,000 would pay 11%.

2. THE $3,000 FEDERAL INCOME TAX DEDUCTION LIMITATION would continue through Phase Two bringing in an additional $46-million per biennium.

3. CORPORATION TAXES would be increased from the current rates of 4% - 8% to 4% - 9%. This would take effect in 1975 along with the personal income tax hike and would result in about $114-million more tax revenue per biennium.

4. THE CORPORATE PERSONAL PROPERTY TAX OFFSET now in practice would be eliminated, bringing in about $10-million additional tax revenue every two years. Personal property includes such things as desks, chairs, typewriters, computers, etc. Property taxes on these items are, for the most part, deductible from state corporation excises taxes.

5. A TWO-TIERED SCHOOL DISTRIBUTION FORMULA would be used to distribute tax revenues destined for local school districts.

To try to summarize the hundreds of bills in the many categories of subjects covered in this session would make this report much too long. Perhaps now that I am on home ground I can gradually cover some of the areas of interest in talking to small groups. I'm always available to those of you who want to phone or write me at home.

In closing I would like to mention again, four bills that I worked very hard on and are very important to my district:

House Bill 2017 - a bill that dedicates our brand funds to the exclusive use of the Brand Department. In the past these have been subject to possible use by the General Fund of the State.

HB 3052 - a bill that allows inspection of cattle hides at custom stationary slaughter houses and also mobile slaughters. This is a great improvement of the present law. It tightens up the surveillance over the movement of livestock being slaughtered.

HB 3054 - This is our old change-of-ownership brand inspection bill which we have worked on for about 8 or ten years. This bill provides that any time cattle or horses change ownership they must be inspected.

HB 3118 - A bill that is probably the most important bill that has been passed this session as far as the livestock industry is concerned. It provides that anyone selling livestock may, by indicating on the brand certificate, specify that he wishes to retain title to this livestock until the draft, check, or certificate of deposit has been paid. This document will accompany the livestock to their final destination.

Also I would like to mention that I carried ten bills on the floor of the House (which I considered important), and they all passed.

Transportation Heads Named

Oregon's new Director of Transportation, George Baldwin, has announced appointments of three men to head divisions of the strengthened Department of Transportation.

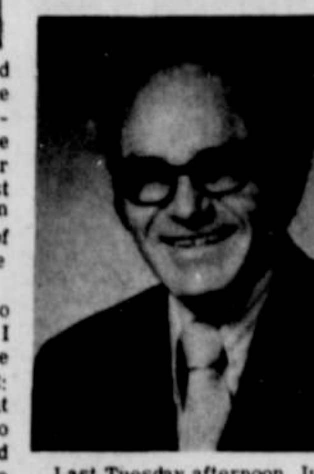
Baldwin named Chester W. Ott, Administrator of the Motor Vehicles Division; Paul E. Burket, Administrator of the Aeronautics Division, and Dennis H. Moore, Administrator of the Mass Transit Division.

All three are continuing in positions they held prior to creation of the integrated transportation agency by 1973 legislative action.

Under the new law, administrators of divisions are appointed by the Director and approved by the Transportation Commission which was established by the same act, H.B. 3166.

Baldwin's appointments and Commission approval followed by minutes the July 10 swearing in of members of the Transportation Commission and Baldwin's appointment by Glenn L. Jackson, Commission chairman, to serve as director of the Department of Transportation.

Nyssa Center Ends Year Of Service, Experiment



Last Tuesday afternoon, July 17, a small informal party was held in the basement of the Department of Human Resource's Nyssa Service Center.

LARRY SILVEIRA, center manager, hosted the party which was held to mark the end of the center's first year of operation. Staff members, clients of the center and friends from the community attended the party and watched while Silveira blew out the single candle on the center's birthday cake.

Recently, in an interview with The Journal, Silveira talked about the center's first year in Nyssa.

The center is housed in a large warehouse-like building on the corner of Erhgood Avenue and 2nd. Street. Inside, however, the warehouse effect is missing and the atmosphere is crisp and efficient.

ACCORDING TO SILVEIRA, the center offers a full range of social services consolidated under one roof.

"We offer," said Silveira, "the regular state employment functions--with the exception of issuing unemployment checks, which is handled in Ontario."

"Also, we offer a full range of mental health consultation, vocational rehabilitation services, all of the welfare services and children's services."

"Anyone who walks into this center is eligible for services, irregardless," said Silveira with emphasis. "Proving they meet the eligibility requirements of various agencies."

EACH AGENCY UNDER the center's roof, according to Silveira, has its own list of requirements such as minimum income, need and so forth. Although the center has consolidated all of these agencies, it cannot standardize their eligibility requirements.

"Our overall goal," said Silveira, " is to move people to a level of total self-sufficiency,-where they're not dependent on social services to any extent for their basic existence."

Also, Silveira said the center is an experiment to test the concept of providing a full range of social services on an integrated basis.

"The state goal," Silveira said, " is in the next six or eight years we will not have social service agencies as we now see them; instead, you will come to a service center."

"FROM THE PURELY economic view, there will be some fantastic savings from this consolidation. In terms of services to clients, there's a fantastic cutdown in the amount of turn-around time. If we have to refer a client, they may only have to move a few desks away instead of across town."

Though the center is staffed by the state and offers state services, the money comes from the federal government. The center is basically a three-year project and is divided into three phases, each with a set of goals outlined for the year.

"In terms of the goals of our original goal application," said Silveira, "we have met or exceeded our goals in nearly every area and we're not being faulted in those areas where we haven't."

"We've just been approved for the second year," said Silveira, "and we have people from all over the country and all levels of government touring the center constantly."

SILVEIRA FEELS, in looking back, that the center's relationship with the community has improved during the last year. "We had a lot of problems," Silveira said.

"People were negative; the feeling was 'soft on Mexicans' and doing everything for Mexicans," said Silveira. "I feel they've gotten better. I feel that the leadership of the community has been straightforward with us."

"They don't feel as threatened now as they did a year ago," Silveira said. "We've tried to maintain a low profile and will continue to do so in the future."

SILVEIRA IS optimistic that during the next two years the Nyssa Service Center will continue to improve its services, prove beyond a doubt the concept of the integrated service center and help clients by resolving the cause of their being a client.

"Really," said Silveira, "what our goal is, then, is not to have any clients."

ARCADIA

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ARCADIA – Mr. and Mrs. Gene Thompson and family from Ft. Lewis, Washington visited here recently with his parents, Mr. and Mrs. Ray Thompson.

Mr. and Mrs. Lester Hendrickson from Boise, visited Sunday in the George Moeller home.

Lyla Houston took Minnie Houston to Boise, July 21, where she will visit her son Jim Sigler and family before leaving for her home in Downey, California. She will visit relatives in Eugene, Oregon enroute home.

Halleen Leininger and Marie Kendall from Ontario and Kim Johnson from Vale visited Saturday evening in the George Moeller home.

Orville Carroll from Bend, Oregon spent Sunday night in the Henry Carroll home. His niece and nephew Kim and Gene Carroll from Albany, Oregon accompanied him.

Emma Blessing from Homedale visited Monday in the Henry Carroll home and took her grand children Kim and Gene Carroll home with her for a visit.

Mrs. Paige Zobell and son from Tempe, Arizona arrived last week for a visit with her parents Mr. and Mrs. George Hust. Georgia Hust who has been visiting her accompanied her home.

Mr. and Mrs. Ernest Stephensen returned last week from Willow Springs, Missouri; where they went to attend the funeral of Mr. Stephensen's mother.

Mr. and Mrs. Otis Bullard visited Mr. and Mrs. Lee Dail Sunday in Nyssa.