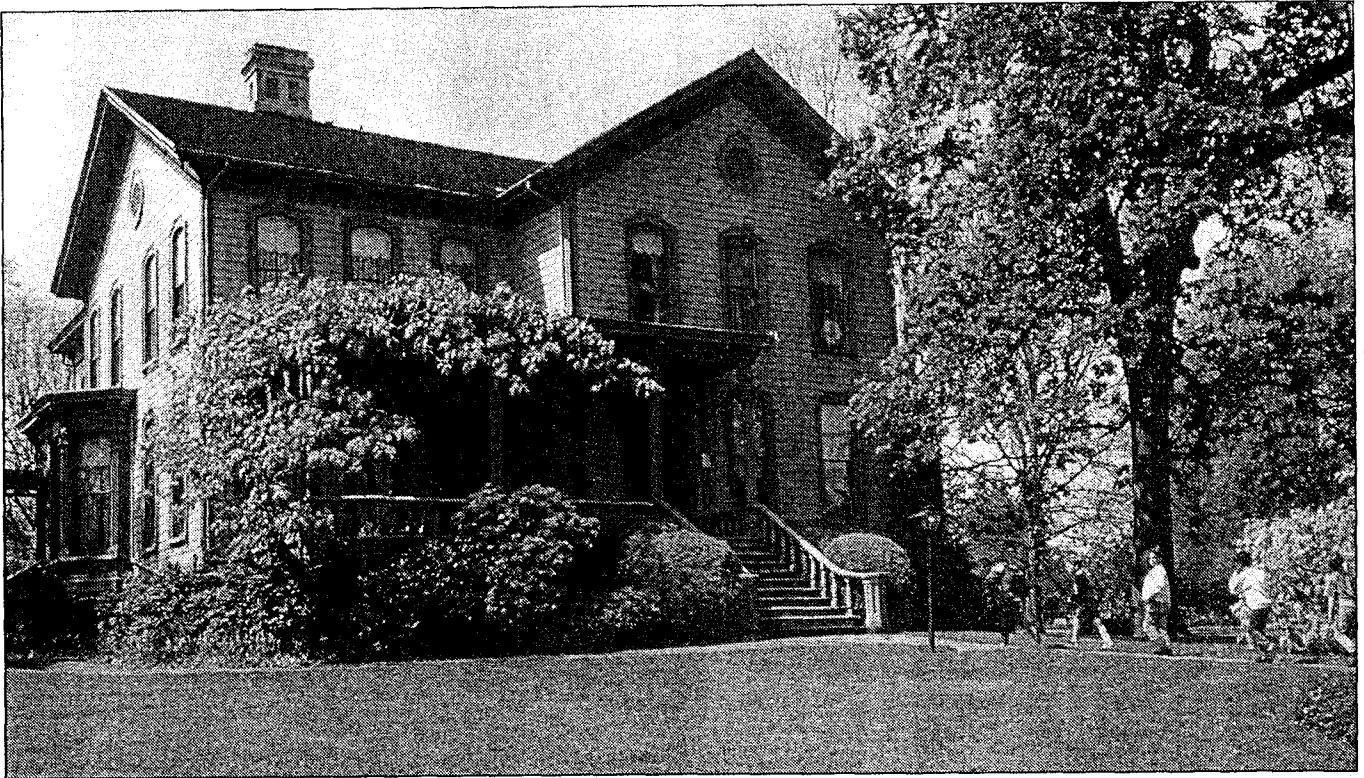
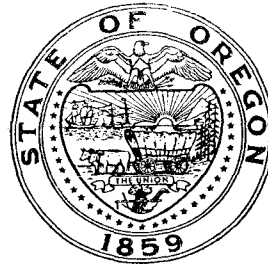


# voters' pamphlet



## STATE OF OREGON SPECIAL ELECTION—MAY 20, 1997

Dear Oregonian,

On May 20, 1997, Oregonians will vote by mail on two statewide measures referred to the voters by the 1997 Legislative Assembly.

In this Voters' Pamphlet you will find information about each referred measure, including the ballot title, estimate of financial impact, complete text of the proposed measure, explanatory statement and any arguments filed by proponents and opponents of the measure. Additionally, this pamphlet contains information about registering to vote, updating your registration and casting your vote-by-mail ballot.

The information contained in this Voters' Pamphlet is also available in the Online Voters' Guide on the World Wide Web:  
<http://www.sos.state.or.us/elections/elechp.htm>

For sight-impaired or blind persons, a tape copy of this pamphlet can be obtained by calling Independent Living Resources at (503) 232-7411.

You must be registered to vote no later than April 29, 1997 to participate in this election. Either deliver your registration card to a county clerk's office by 5 p.m. April 29 or make sure it is postmarked by April 29. Ballots will be mailed between April 30 and May 2. Your voted ballot must be received by county elections officials, either by mail or at a designated drop-site, no later than 8 p.m., Tuesday, May 20. **Postmarks do not count.**

Remember, your ballot is yours, and Oregon law provides stiff penalties for fraud and undue influence. Please take the time to read this Voters' Pamphlet and exercise your right to vote.

Best,

Phil Keisling  
Secretary of State

### Vote-by-Mail Election

This Voters' Pamphlet is provided for assistance in casting your vote-by-mail ballot.

Photograph of Bush House in Salem furnished by Shan Gordon.

# INFORMATION

## VOTER REGISTRATION

### Who May Register To Vote

You may register to vote for the May 20, 1997, Special Election if:

1. You are a citizen of the United States;
2. You will be at least 18 years old by May 20, 1997; and
3. You are a resident of Oregon.

### How To Register To Vote

To register to vote in the May 20, 1997, election, your completed voter registration card must be delivered to a county elections office by April 29, 1997. A voter registration card received after April 29, 1997, that contains a postmark of April 29, 1997, or sooner will be accepted. You also may deliver your completed voter registration card to any Driver and Motor Vehicle Services (DMV) office by April 29, 1997.

### If Your Name, Mailing Address or Political Party Affiliation Has Changed

If you are currently registered to vote in Oregon but your name, mailing address or party affiliation has changed since you last completed a voter registration card, complete a new voter registration card and mail it to your county elections office.

### If Your Residence Address Has Changed

If you are currently registered to vote in Oregon but your residence address has changed since you last completed a voter registration card, complete a new voter registration card and mail it to your county elections office.

If you notify your county elections office of your change of residence address after April 29, 1997, you must go to your county elections office to vote.

### Where to Obtain a Voter Registration Card

Voter registration cards can be obtained from any county elections office, most banks and post offices, some state agencies, and are also found in many telephone books.

## VOTE-BY-MAIL

### What is Vote-by-Mail?

Vote-by-Mail is a method of conducting elections. Instead of using traditional polling places where voters go to cast ballots on election day, a ballot is automatically mailed to each registered voter. The ballot is then voted and returned to the county clerk to be counted.

### When are the ballots mailed to the voters?

In Oregon, ballots can legally be mailed any time between the 20th and 14th days before the election. For state elections the window is narrowed to the 20th to 18th days in order to have more consistency as to when voters will receive their ballots.

### Who will get ballots?

Each registered Oregon voter will receive a May election ballot containing the two statewide measures.

### As a voter, what do I have to do?

Your ballot packet will automatically be mailed to you. Inside the packet you will find the ballot, a secrecy envelope and a return envelope. Once you vote the ballot, place it in the secrecy envelope and seal it in the pre-addressed return envelope. **Be sure you sign the return envelope on the appropriate line.** After that just return the ballot either by mail or at a designated drop site.

### What if I make a mistake?

If you make a mistake you may call your county elections office and request a replacement ballot. One will be mailed to you as long as you request it by May 15. After that, you may pick it up in person at the elections office. If your ballot is received by the elections office before you realize you made a mistake, you will not be able to get a replacement ballot because you have already cast a ballot in the election.

### What if my ballot doesn't come?

If you are registered to vote and do not receive a ballot, call your county elections office. They will check that your voter registration is current. If it is, they will mail you a replacement ballot.

### What if I have moved and have not updated my registration?

If you were registered to vote by April 29 but now have a different address, you must go to the county elections office. They will update your voter registration and issue you a ballot that must be voted at the elections office.

### Do I have to mail my ballot back?

You have the choice of mailing your ballot or returning it to any designated drop site in the state. The times and locations of drop sites will be publicized for each election.

### How much postage is required to mail the ballot back?

Your voted ballot can be returned using a single 32¢ stamp.

### When must the voted ballot be returned?

The voted ballot must be received in any county elections office or designated drop site by 8:00 p.m. on election night. Postmarks do not count!

### What if I forget to sign the return envelope?

Generally, your elections office will either return it to you for signing or they will contact you, if possible, to come to the elections office to sign it. If the return envelope does not get signed before 8:00 p.m. on May 20, the ballot will not be counted.

### Can the public watch the election process?

All steps of the process are open to observation by the public. Contact your county elections official to make arrangements.

### When will election results be known?

Ballot counting will not begin until election day. The results that are released at 8:00 p.m. election night will include the majority of all the ballots cast. Results will continue to be updated through election night until all ballots have been counted.

# COUNTY ELECTIONS OFFICES

**Baker**

Julia Woods  
Baker County Clerk  
1995 3rd St., Suite 150  
Baker City, OR 97814-3398  
(541) 523-8207 / (541) 523-8208

**Benton**

Heidi Omstead  
Elections Division  
Courthouse  
Corvallis, OR 97330  
(541) 757-6756 / (541) 757-5646

**Clackamas**

John Kauffman  
Clackamas County Clerk  
Elections Division  
825 Portland Ave.  
Gladstone, OR 97027-2195  
(503) 655-8510 / (503) 655-1685

**Clatsop**

Lori Davidson  
Clatsop County Clerk  
PO Box 178, 749 Commercial  
Astoria, OR 97103-0178  
(503) 325-8511 / (503) 325-8511

**Columbia**

Elizabeth (Betty) Huser  
Columbia County Clerk  
Courthouse  
St. Helens, OR 97051-2089  
(503) 397-3796, Ext. 8444 /  
(503) 397-7246

**Coos**

Mary Ann Wilson  
Coos County Clerk  
Courthouse  
Coquille, OR 97423-1899  
(541) 396-3121, Ext. 301 /  
(541) 396-2106

**Crook**

Deanna (Dee) Berman  
Crook County Clerk  
300 E. Third, Room 23  
Prineville, OR 97754-1919  
(541) 447-6553 / (541) 447-6553

**Curry**

René Kolen  
Curry County Clerk  
PO Box 746  
Gold Beach, OR 97444  
(541) 247-7011, Ext. 223 /  
(541) 247-6440

**Deschutes**

Mary Sue (Susie) Penhollow  
Deschutes County Clerk  
Deschutes Services Bldg.  
1340 NW Wall St.  
Bend, OR 97701  
(541) 388-6546 / (541) 385-3203

**Douglas**

Doyle Shaver, Jr.  
Douglas County Clerk  
PO Box 10  
Roseburg, OR 97470-0004  
(541) 440-4252 / (541) 440-6092

**Gilliam**

Rena Kennedy  
Gilliam County Clerk  
Courthouse  
Condon, OR 97823-0427  
(541) 384-2311

**Grant**

Kathy McKinnon  
Grant County Clerk  
PO Box 39  
Canyon City, OR 97820-0039  
(541) 575-1675 / (541) 575-1675

**Harney**

Maria Iturriaga  
Harney County Clerk  
Courthouse, 450 N. Buena Vista  
Burns, OR 97720  
(541) 573-6641

**Hood River**

Sandra Berry  
Dir. Assess/Rac  
Courthouse, 309 State St.  
Hood River, OR 97031-2093  
(541) 386-1442

**Jackson**

Kathy Beckett  
Jackson County Clerk  
Courthouse, 10 S. Oakdale  
Medford, OR 97501-2902  
(541) 776-7181 / (541) 776-7183

**Jefferson**

Elaine L. Henderson  
Jefferson County Clerk  
Courthouse, 75 SE "C" St.  
Madras, OR 97741  
(541) 475-4451 / (541) 475-4451

**Josephine**

Georgette Brown  
Josephine County Clerk  
PO Box 69  
Grants Pass, OR 97526-0203  
(541) 474-5243 / (541) 1-800-735-2900

**Klamath**

Bernetha G. Letsch  
Klamath County Clerk  
507 Main St.  
Klamath Falls, OR 97601  
(541) 883-5134 / (541) 883-5157

**Lake**

Karen O'Connor  
Lake County Clerk  
513 Center St.  
Lakeview, OR 97630-1579  
(541) 947-6006 / (541) 947-6007

**Lane**

Annette Newingham  
Elections Division  
135 E. 6th Ave.  
Eugene, OR 97401-2671  
(541) 682-4234 / (541) 682-4320

**Lincoln**

Dana Jenkins  
Lincoln County Clerk  
225 W. Olive St., Room 201  
Newport, OR 97365  
(541) 265-4131 / (541) 265-4193

**Linn**

Steve Druckenmiller  
Linn County Clerk  
4th & Broadalbin  
Albany, OR 97321  
(541) 967-3831 / (541) 967-3833

**Malheur**

Deborah R. DeLong  
Malheur County Clerk  
251 "B" St. W., Suite 4  
Vale, OR 97918  
(541) 473-5151 / (541) 473-5157

**Marion**

Alan H. Davidson  
Marion County Clerk  
Elections Division  
4263 Commercial St. SE, #300  
Salem, OR 97302-3987  
(503) 588-5041 / (503) 588-5610

**Morrow**

Barbara Bloodworth  
Morrow County Clerk  
PO Box 338  
Heppner, OR 97836-0338  
(541) 676-9061 / (541) 676-9061

**Multnomah**

Vicki Ervin  
Dir./Elections  
1040 S.E. Morrison  
Portland, OR 97214-2495  
(503) 248-3720 / (503) 248-3729

**Polk**

Linda Dawson  
Polk County Clerk  
Courthouse, Room 201  
Dallas, OR 97338-3179  
(503) 623-9217 / (503) 623-7557

**Sherman**

Linda Cornie  
Sherman County Clerk  
PO Box 365  
Moro, OR 97039-0365  
(541) 565-3606

**Tillamook**

Josephine Veltri  
Tillamook County Clerk  
201 Laurel Ave.  
Tillamook, OR 97141  
(503) 842-3402

**Umatilla**

Patti Chapman  
Director of Elections  
PO Box 1227  
Pendleton, OR 97801  
(541) 278-6254 / (541) 278-6257

**Union**

R. Nellie Bogue-Hibbert  
Union County Clerk  
Elections Division  
1001 4th St. Ste "D"  
LaGrande, OR 97850  
(541) 963-1006

**Wallowa**

Charlotte McIver  
Wallowa County Clerk  
101 S. River St., Rm 100, Door 16  
Enterprise, OR 97828-1335  
(541) 426-4543, Ext. 15

**Wasco**

Karen LeBreton  
Wasco County Clerk  
Courthouse, 511 Washington St.  
The Dalles, OR 97058  
(541) 296-6159 / (541) 296-6159

**Washington**

Ginny Kingsley  
Elections Division  
155 N. 1st Ave., Suite B 10  
Hillsboro, OR 97124  
(503) 648-8670 / (503) 693-4598

**Wheeler**

Marilyn Garcia  
Wheeler County Clerk  
PO Box 327  
Fossil, OR 97830-0327  
(541) 763-2400 / (541) 763-2401

**Yamhill**

Charles Stern  
Yamhill County Clerk  
Courthouse, 535 NE 5th St.  
McMinnville, OR 97128-4593  
(503) 434-7518 / (503) 434-7519

( Denotes Phone Number for Hearing Impaired

# MEASURE NO. 49

HOUSE JOINT RESOLUTION 2—Referred to the Electorate of Oregon by the 1997 Legislature to be voted on at the Special Election, May 20, 1997.

## BALLOT TITLE

### **49 AMENDS CONSTITUTION: RESTRICTS INMATE LAWSUITS; ALLOWS INTER-STATE SHIPMENT OF PRISON MADE PRODUCTS**

RESULT OF "YES" VOTE: A "yes" vote restricts inmate lawsuits about work assignments, allows interstate shipment of prison made products.

RESULT OF "NO" VOTE: A "no" vote means inmate lawsuits are possible and prison made products will not be shipped in interstate commerce.

SUMMARY: This measure modifies current provisions in the Oregon Constitution establishing requirements for work programs for state prison inmates. The changes contained in the measure: (1) make it clear that inmates have no right to a job or to participate in work, on-the-job training or educational programs; (2) provide that the restrictions on uses of compensation earned by state prison inmates for work they perform are subject to requirements of federal law in order to allow corrections officials to continue operating federally certified prison industries; and (3) modify the definition of "full-time" to include time spent on security measures and transportation of inmates while inmates are participating in work or on-the-job training.

ESTIMATE OF FINANCIAL IMPACT: The measure will allow the Department of Corrections to continue interstate sales of garments and furniture, which generated an estimated \$549,000 in gross revenue in fiscal year 1995-1996.

Revenues as a result of this measure may be a funding source for the development and maintenance of the Prison Reform and Inmate Work Act of 1994, and may reduce the costs of incarcerating inmates.

### **Be It Resolved by the Legislative Assembly of the State of Oregon:**

**PARAGRAPH 1.** Section 41, Article I of the Constitution of the State of Oregon, is amended to read:

**Sec. 41.** (1) Whereas the people of the state of Oregon find and declare that inmates who are confined in corrections institutions should work as hard as the taxpayers who provide for their upkeep; and whereas the people also find and declare that inmates confined within corrections institutions must be fully engaged in productive activity if they are to successfully re-enter society with practical skills and a viable work ethic; now, therefore, the people declare:

(2) All inmates of state corrections institutions shall be actively engaged full-time in work or on-the-job training. The work or on-the-job training programs shall be established and overseen by the corrections director, who shall ensure that such programs are cost-effective and are

designed to develop inmate motivation, work capabilities and cooperation. Such programs may include boot camp prison programs. Education may be provided to inmates as part of work or on-the-job training so long as each inmate is engaged at least half-time in hands-on training or work activity.

(3) Each inmate shall begin full-time work or on-the-job training immediately upon admission to a corrections institution, allowing for a short time for administrative intake and processing. The specific quantity of hours per day to be spent in work or on-the-job training shall be determined by the corrections director, but the overall time spent in work or training shall be full-time. **However, no inmate has a legally enforceable right to a job or to otherwise participate in work, on-the-job training or educational programs or to compensation for work or labor performed while an inmate of any state, county or city corrections facility or institution.** The corrections director may reduce or exempt participation in work or training programs by those inmates deemed by corrections officials as physically or mentally disabled, or as too dangerous to society to engage in such programs.

(4) There shall be sufficient work and training programs to ensure that every eligible inmate is productively involved in one or more programs. Where an inmate is drug and alcohol addicted so as to prevent the inmate from effectively participating in work or training programs, corrections officials shall provide appropriate drug or alcohol treatment.

(5) The intent of the people is that taxpayer-supported institutions and programs shall be free to benefit from inmate work. Prison work programs shall be designed and carried out so as to achieve net cost savings in maintaining government operations, or so as to achieve a net profit in private sector activities.

(6) The provisions of this section are mandatory for all state corrections institutions. The provisions of this section are permissive for county or city corrections facilities. No law, ordinance or charter shall prevent or restrict a county or city governing body from implementing all or part of the provisions of this section. Compensation, if any, shall be determined and established by the governing body of the county or city which chooses to engage in prison work programs, and the governing body may choose to adopt any power or exemption allowed in this section.

(7) The corrections director shall contact public and private enterprises in this state and seek proposals to use inmate work. The corrections director may: (a) install and equip plants in any state corrections institution, or any other location, for the employment or training of any of the inmates therein; or (b) purchase, acquire, install, maintain and operate materials, machinery and appliances necessary to the conduct and operation of such plants. The corrections director shall use every effort to enter into contracts or agreements with private business concerns or government agencies to accomplish the production or marketing of products or services produced or performed by inmates.

(8) Compensation, if any, for inmates who engage in prison work programs shall be determined and established by the corrections director. Such compensation shall not be subject to existing public or private sector minimum or prevailing wage laws, except where required to comply with federal law. Inmate compensation from enterprises entering into agreements with the state shall be exempt from unemployment compensation taxes to the extent allowed under federal law. Inmate injury or disease attributable to any inmate work shall be covered by a corrections system inmate injury fund rather than the workers compensation law. **Except as otherwise required by federal law to permit transportation in interstate commerce of goods, wares or merchandise manufactured, produced or mined, wholly or in part by inmates or except as otherwise required by state law,** any compensation earned through prison work programs shall only be used for the following purposes: (a) reimbursement for all or a portion of the costs of the inmate's rehabilitation, housing, health care, and living costs; (b) restitution or compensation to the victims of the particular inmate's crime; (c) restitution or compensation to

# MEASURE NO. 49

the victims of crime generally through a fund designed for that purpose; (d) financial support for immediate family of the inmate outside the corrections institution; and (e) payment of fines, court costs, and applicable taxes.

(9) All income generated from prison work programs shall be kept in a separate account and shall only be used for implementing, maintaining and developing prison work programs. Prison industry work programs shall be exempt from statutory competitive bid and purchase requirements. Expenditures for prison work programs shall be exempt from the legislative appropriations process to the extent the programs rely on income sources other than state taxes and fees. Where state taxes or fees are the source of capital or operating expenditures, the appropriations shall be made by the legislative assembly. The state programs shall be run in a businesslike fashion and shall be subject to regulation by the Prison Industries Board, consisting of the Governor, Secretary of State, and State Treasurer. The Board shall meet at least quarterly and shall act by vote of any two of the three members. Expenditures from the state prison work programs account must be approved by the Board. Agreements with private enterprise as to state prison work programs must be approved by the Board. The corrections director shall make all state records available for public scrutiny and the records shall be subject to audit by the Secretary of State.

(10) Prison work products or services shall be available to any public agency and to any private enterprise without restriction imposed by any state or local law, ordinance or regulation as to competition with other public or private sector enterprises. The products and services of corrections work programs shall be provided on such terms as are approved by the corrections director.

(11) Inmate work shall be used as much as possible to help operate the corrections institutions themselves and to support other government operations. This work includes, but is not limited to, institutional food production; maintenance and repair of buildings, grounds, and equipment; office support services, including printing; prison clothing production and maintenance; prison medical services; training other inmates; agricultural and forestry work, especially in parks and public forest lands; and environmental clean-up projects. Every state agency shall cooperate with the corrections director in establishing inmate work programs.

(12) As used throughout this section, unless the context requires otherwise: "full-time" means the equivalent of at least forty hours per seven day week, **specifically including time spent by inmates as required by the Department of Corrections, while the inmate is participating in work or on-the-job training, to provide for the safety and security of the public, correctional staff and inmates;** "corrections director" means the person in charge of the state corrections system.

(13) This section is self-implementing and supersedes all existing inconsistent statutes. This section shall become effective April 1, 1995. If any part of this section or its application to any person or circumstance is held to be invalid for any reason, then the remaining parts or applications to any persons or circumstances shall not be affected but shall remain in full force and effect.

**PARAGRAPH 2.** The amendment proposed by this resolution shall be submitted to the people for their approval or rejection at a special election held throughout this state on May 20, 1997.

NOTE: **Boldfaced** type indicates new language; [*brackets and italic*] type indicates deletions or comments.

## EXPLANATORY STATEMENT

In 1994, voters approved an amendment to the Oregon Constitution establishing requirements for work programs for state prison inmates. These provisions in the Oregon Constitution require state corrections officials to establish and operate work and on-the-job training programs so that all eligible inmates are engaged in these programs 40 hours per week. Due to a conflict between Oregon constitutional provisions and federal law, the Department of Corrections has shut down some of its most successful and productive prison industries programs.

This measure modifies existing state prison work program requirements in the Oregon Constitution. The measure does the following:

- Permits the state to continue to operate and expand Oregon's most successful prison industries in compliance with federal law. Allows development of additional prison industries programs.
- Makes clear that no inmate may claim a right to a job or to participate in work, on-the-job training or educational programs. Inmates are currently suing the state claiming that existing state constitutional provisions grant them enforceable rights.
- Modifies definition of "full-time" to include time spent on security measures and transportation of inmates while inmates are participating in work or on-the-job training.

*(This impartial statement explaining the ballot measure was provided by the 1997 Legislature.)*

### Attention:

The State of Oregon prints measure arguments as submitted by the author. The state does not correct punctuation, grammar, syntax errors or inaccurate information. The only changes made are attempts to correct spelling errors if the word as originally submitted is not in the dictionary.

# MEASURE NO. 49

## LEGISLATIVE ARGUMENT IN SUPPORT

### VOTE "YES" TO PUT MORE PRISONERS TO WORK

The Prison Inmate Work Act was passed by more than 70 percent of Oregonians who voted in the November 1994 general election. Currently, less than 51 percent of all eligible inmates are working full-time. Measure 49 makes necessary changes, to achieve full implementation of the Act, and strengthens the ability of inmate work programs to be self-supporting.

#### Measure 49 improves the Prison Inmate Work Act.

Measure 49 clarifies language in the Prison Inmate Work Act and upholds the original intent, by continuing to require that all eligible prisoners work.

#### Measure 49 modifies the Prison Inmate Work Act to comply with federal law.

Measure 49 modifies the language of the Prison Inmate Work Act to satisfy federal interstate commerce laws. The changes eliminate conflicts with federal law regarding the sale of prison-made goods in other states. Passage of this measure expands Oregon's opportunities to develop additional prison industries programs.

#### Measure 49 facilitates public safety and security.

Measure 49 clarifies the definition of "full-time" to include time spent on security measures and transportation of inmates while inmates are participating in work or on-the-job training programs, to ensure the safety of the public, corrections staff and other inmates.

#### Measure 49 protects from frivolous inmate lawsuits.

Measure 49 clarifies the language of the Prison Inmate Work Act and specifies that inmates have an obligation, not a right, to work. This will reduce frivolous lawsuits by inmates.

### VOTE "YES" ON MEASURE 49 TO PUT MORE PRISONERS TO WORK

#### **Committee Members:**

Senator Shirley Stull  
Representative John Minnis  
Representative Floyd Prozanski

#### **Appointed by:**

President of the Senate  
Speaker of the House  
Speaker of the House

*(This Joint Legislative Committee was appointed to provide the legislative argument in support of the ballot measure pursuant to ORS 251.245.)*

## ARGUMENT IN FAVOR

### VOTE YES ON 49! -- PUT PRISONERS BACK TO WORK!

#### **YOUR YES VOTE WILL STOP PRISONERS FROM SUING FOR A "RIGHT" TO GUARANTEED COMPENSATION.**

Measure 49 blocks loopholes in the existing law that could allow all inmates to sue the State for a "right" to paying jobs. Lawsuits could cost taxpayers millions of dollars in compensation and legal expenses.

#### **YOUR YES VOTE WILL REMOVE LEGAL BARRIERS THAT COULD SHUT DOWN EXISTING PRISON INDUSTRIES.**

The existing Oregon Constitutional provision on compensation conflicts with Federal law, and has forced us to stop all work activity producing products that might be sold in Interstate Commerce. Unless corrected, this conflict will shrink or close work programs like the "Prison Blues" jeans factory that provides needed jobs and revenue. Since Federal laws aren't easily changed, we must revise State law to be able to expand prison industries and build new private sector work partnerships.

#### **YOUR YES VOTE WILL ASSURE ADEQUATE SECURITY PROCESSING OF INMATE WORKERS.**

To keep our prisons secure and safe for personnel who work in them, security officers must have adequate time to count, search and even "lock down" prisoners if needed. Current law pressures the institutions to keep inmates at work sites a full 40 hours each week, causing potentially dangerous situations.

#### **YOUR YES VOTE WILL REDUCE UNNECESSARY OVERHEAD COSTS FOR TAXPAYERS.**

Because of security procedures, if inmates work a standard 8 hour day, corrections officers must often work 10 hour shifts, resulting in excessive overtime costs for taxpayers.

#### **YOUR YES VOTE IS NEEDED TO PUT MORE PRISONERS TO WORK.**

Hard work, strong counseling, and work training can give prisoners the skills and incentive to become productive citizens after serving their time. Without passage of Measure 49, it will be very difficult to provide meaningful work for all eligible inmates.

#### **PLEASE HELP PUT OREGON PRISONERS BACK TO WORK!**

#### **VOTE YES ON 49!**

**Eric Blackledge, Chair**  
**Prison Industries Board Advisory Committee**

*(This information furnished by Eric Blackledge, Chairman, Prison Industries Board Advisory Committee.)*

*(This space purchased for \$300 in accordance with ORS 251.255.)*

The printing of this argument does not constitute an endorsement by the State of Oregon, nor does the state warrant the accuracy or truth of any statement made in the argument.

# MEASURE NO. 49

## ARGUMENT IN FAVOR

Dear Oregonians:

The policy of the State of Oregon is very clear -- all inmates should work as hard as the taxpayers of Oregon. It is my strong intent to ensure that the Inmate Work Act (Ballot Measure 17) passed in 1994 is fully carried out.

Ballot Measure 49 improves the Inmate Work Act and will help put more inmates to work. As your Governor and as the Chair of the Prison Industries Board, passage of this measure will help me ensure that Oregon is a national model for putting inmates to work.

Ballot Measure 49 addresses serious problems between Oregon's Constitution and federal law that detract from our ability to put inmates to work. I am very thankful that the Oregon Legislative Assembly helped me put this issue on the May General Election Ballot so that you have the opportunity to vote in favor of this necessary fix.

- Ballot Measure 49 resolves the problems that forced the state to close down all programs which engaged in interstate commerce. Having the ability to engage in interstate commerce is critical to our efforts to make all inmates work.
- Importantly, this measure also seeks to reduce the cost of government by providing the legal basis for the rejection of suits in which inmates have attempted
- to claim a right to a job. This measure clarifies that inmates do not have a right to a job, rather they have an obligation to work.
- Lastly, it ensures that security and public safety are not compromised in meeting the requirement that inmates work full time. The measure affirms that security must be the primary concern whether inmates are working within the wall of a correctional institution or in community settings.

I am asking for your support to put Oregon's inmate work programs back on track. Please join me in voting for Ballot Measure 49.

Sincerely,

John A. Kitzhaber  
Governor of Oregon

*(This information furnished by John A. Kitzhaber.)*

*(This space purchased for \$300 in accordance with ORS 251.255.)*

The printing of this argument does not constitute an endorsement by the State of Oregon, nor does the state warrant the accuracy or truth of any statement made in the argument.

# MEASURE NO. 50

HOUSE JOINT RESOLUTION 85—Referred to the Electorate of Oregon by the 1997 Legislature to be voted on at the Special Election, May 20, 1997.

## BALLOT TITLE

### **50 AMENDS CONSTITUTION: LIMITS ASSESSED VALUE OF PROPERTY FOR TAX PURPOSES; LIMITS PROPERTY TAX RATES**

**RESULT OF "YES" VOTE:** A "yes" vote adopts amendment limiting property taxes through restrictions on assessed value of property and property tax rates.

**RESULT OF "NO" VOTE:** A "no" vote rejects amendment and retains existing constitutional provisions.

**SUMMARY:** This measure changes current provisions relating to property taxation. The measure establishes the maximum assessed value of property in this state for the 1997-1998 tax year as 90 percent of the property's real market value in the 1995-1996 tax year and then limits any increase in maximum assessed value for tax years following 1997-1998 to three percent per year. For the 1997-1998 tax year, the measure generally reduces the total of all taxing district levies in the state by 17 percent. This reduction will reflect Measure 47 cuts by basing the cuts on the lesser of the 1995-1996 tax minus 10 percent or the 1994-1995 tax, adjusted for voter-approved levies. For subsequent tax years, the measure permanently fixes the tax rates of each taxing district, based on each district's 1997-1998 levy. The measure permits assessed values to be adjusted for new property or property improvements and certain other events, but limits the amount of the adjustment. The measure permits certain local option taxes, if approved by voters. The measure retains the existing total property tax rate for all property taxes, including local option taxes but excluding taxes for bonds, at \$5 per \$1,000 of value for schools and \$10 per \$1,000 of value for nonschool government. The measure repeals obsolete constitutional provisions.

**ESTIMATE OF FINANCIAL IMPACT:** This measure replaces Measure 47, which was approved by voters last November.

This measure reduces property tax revenues of local governments by \$361 million in the 1997-1998 fiscal year and \$443 million in the 1998-1999 fiscal year compared to what would have been collected under Measure 5.

By contrast, existing law (Measure 47) might reduce property tax revenue by as much as \$458 million in 1997-1998 and \$548 million in 1998-1999. However, the reduction could be as little as \$270 million per year based on a recent Attorney General's opinion and depending on how the courts and the legislature further interpret Measure 47.

This measure is expected to reduce county costs of administering the property tax system by \$5.1 million per year after the measure is fully implemented.

This measure could reduce state income tax receipts by as much as \$2.3 million per year by allowing higher property tax deductions.

**Be It Resolved by the Legislative Assembly of the State of Oregon:**

**PARAGRAPH 1.** Sections 11, 11a, 11f, 11g, 11h, 11i and 11j, Article XI of the Constitution of the State of Oregon, are repealed, and new sections 11 and 11a, Article XI of the Constitution of the State of Oregon, are adopted in lieu thereof; and section 1c, Article IX, section 4, Article XI-A, and section 1, Article XI-E of the Constitution of the State of Oregon, are amended to read:

**SECTION 11. (1)(a)** For the tax year beginning July 1, 1997, each unit of property in this state shall have a maximum assessed value for ad valorem property tax purposes that does not exceed the property's real market value for the tax year beginning July 1, 1995, reduced by 10 percent.

(b) For tax years beginning after July 1, 1997, the property's maximum assessed value shall not increase by more than three percent from the previous tax year.

(c) Notwithstanding paragraph (a) or (b) of this subsection, property shall be valued at the ratio of average maximum assessed value to average real market value of property located in the area in which the property is located that is within the same property class, if on or after July 1, 1995:

- (A) The property is new property or new improvements to property;
- (B) The property is partitioned or subdivided;
- (C) The property is rezoned and used consistently with the rezoning;
- (D) The property is first taken into account as omitted property;
- (E) The property becomes disqualified from exemption, partial exemption or special assessment; or
- (F) A lot line adjustment is made with respect to the property, except that the total assessed value of all property affected by a lot line adjustment shall not exceed the total maximum assessed value of the affected property under paragraph (a) or (b) of this subsection.

(d) Property shall be valued under paragraph (c) of this subsection only for the first tax year in which the changes described in paragraph (c) of this subsection are taken into account following the effective date of this section. For each tax year thereafter, the limits described in paragraph (b) of this subsection apply.

(e) The Legislative Assembly shall enact laws that establish property classes and areas sufficient to make a determination under paragraph (c) of this subsection.

(f) Each property's assessed value shall not exceed the property's real market value.

(g) There shall not be a reappraisal of the real market value used in the tax year beginning July 1, 1995, for purposes of determining the property's maximum assessed value under paragraph (a) of this subsection.

(2) The maximum assessed value of property that is assessed under a partial exemption or special assessment law shall be determined by applying the percentage reduction of paragraph (a) and the limit of paragraph (b) of subsection (1) of this section, or if newly eligible for partial exemption or special assessment, using a ratio developed in a manner consistent with paragraph (c) of subsection (1) of this section to the property's partially exempt or specially assessed value in the manner provided by law. After disqualification from partial exemption or special assessment, any additional taxes authorized by law may be imposed, but in the aggregate may not exceed the amount that would have been imposed under this section had the property not been partially exempt or specially assessed for the years for which the additional taxes are being collected.

(3)(a)(A) The Legislative Assembly shall enact laws to reduce the amount of ad valorem



# MEASURE NO. 50

property taxes imposed by local taxing districts in this state so that the total of all ad valorem property taxes imposed in this state for the tax year beginning July 1, 1997, is reduced by 17 percent from the total of all ad valorem property taxes that would have been imposed under repealed sections 11 and 11a of this Article (1995 Edition) and section 11b of this Article but not taking into account Ballot Measure 47 (1996), for the tax year beginning July 1, 1997.

(B) The ad valorem property taxes to be reduced under subparagraph (A) of this paragraph are those taxes that would have been imposed under repealed sections 11 or 11a of this Article (1995 Edition) or section 11b of this Article, as modified by subsection (11) of this section, other than taxes described in subsection (4), (5), (6) or (7) of this section, taxes imposed to pay bonded indebtedness described in section 11b of this Article, as modified by paragraph (d) of subsection (11) of this section, or taxes described in section 1c, Article IX of this Constitution.

(C) It shall be the policy of this state to distribute the reductions caused by this paragraph so as to reflect:

(i) The lesser of ad valorem property taxes imposed for the tax year beginning July 1, 1995, reduced by 10 percent, or ad valorem property taxes imposed for the tax year beginning July 1, 1994;

(ii) Growth in new value under subparagraph (A), (B), (C), (D) or (E) of paragraph (c) of subsection (1) of this section, as added to the assessment and tax rolls for the tax year beginning July 1, 1996, or July 1, 1997 (or, if applicable, for the tax year beginning July 1, 1995); and

(iii) Ad valorem property taxes authorized by voters to be imposed in tax years beginning on or after July 1, 1996, and imposed according to that authority for the tax year beginning July 1, 1997.

(D) It shall be the policy of this state and the local taxing districts of this state to prioritize public safety and public education in responding to the reductions caused by this paragraph while minimizing the loss of decision-making control of local taxing districts.

(E) If the total value for the tax year beginning July 1, 1997, of additions of value described in subparagraph (A), (B), (C), (D) or (E) of paragraph (c) of subsection (1) of this section that are added to the assessment and tax rolls for the tax year beginning July 1, 1996, or July 1, 1997, exceeds four percent of the total assessed value of property statewide for the tax year beginning July 1, 1997 (before taking into account the additions of value described in subparagraph (A), (B), (C), (D) or (E) of paragraph (c) of subsection (1) of this section), then any ad valorem property taxes attributable to the excess above four percent shall reduce the dollar amount of the reduction described in subparagraph (A) of this paragraph.

(b) For the tax year beginning July 1, 1997, the ad valorem property taxes that were reduced under paragraph (a) of this subsection shall be imposed on the assessed value of property in a local taxing district as provided by law, and the rate of the ad valorem property taxes imposed under this paragraph shall be the local taxing district's permanent limit on the rate of ad valorem property taxes imposed by the district for tax years beginning after July 1, 1997, except as provided in subsection (5) of this section.

(c)(A) A local taxing district that has not previously imposed ad valorem property taxes and that seeks to impose ad valorem property taxes shall establish a limit on the rate of ad valorem property tax to be imposed by the district. The rate limit established under this subparagraph shall be approved by a majority of voters voting on the question. The rate limit approved under this subparagraph shall serve as the district's permanent rate

limit under paragraph (b) of this subsection.

(B) The voter participation requirements described in subsection (8) of this section apply to an election under this paragraph.

(d) If two or more local taxing districts seek to consolidate or merge, the limit on the rate of ad valorem property tax to be imposed by the consolidated or merged district shall be the rate that would produce the same tax revenue as the local taxing districts would have cumulatively produced in the year of consolidation or merger, if the consolidation or merger had not occurred.

(e)(A) If a local taxing district divides, the limit on the rate of ad valorem property tax to be imposed by each local taxing district after division shall be the same as the local taxing district's rate limit under paragraph (b) of this subsection prior to division.

(B) Notwithstanding subparagraph (A) of this paragraph, the limit determined under this paragraph shall not be greater than the rate that would have produced the same amount of ad valorem property tax revenue in the year of division, had the division not occurred.

(f) Rates of ad valorem property tax established under this subsection may be carried to a number of decimal places provided by law and rounded as provided by law.

(g) Urban renewal levies described in this subsection shall be imposed as provided in subsections (15) and (16) of this section and may not be imposed under this subsection.

(h) Ad valorem property taxes described in this subsection shall be subject to the limitations described in section 11b of this Article, as modified by subsection (11) of this section.

(4)(a)(A) A local taxing district other than a school district may impose a local option ad valorem property tax that exceeds the limitations imposed under this section by submitting the question of the levy to voters in the local taxing district and obtaining the approval of a majority of the voters voting on the question.

(B) The Legislative Assembly may enact laws permitting a school district to impose a local option ad valorem property tax as otherwise provided under this subsection.

(b) A levy imposed pursuant to legislation enacted under this subsection may be imposed for no more than five years, except that a levy for a capital project may be imposed for no more than the lesser of the expected useful life of the capital project or 10 years.

(c) The voter participation requirements described in subsection (8) of this section apply to an election held under this subsection.

(5)(a) Any portion of a local taxing district levy shall not be subject to reduction and limitation under paragraphs (a) and (b) of subsection (3) of this section if that portion of the levy is used to repay:

(A) Principal and interest for any bond issued before December 5, 1996, and secured by a pledge or explicit commitment of ad valorem property taxes or a covenant to levy or collect ad valorem property taxes;

(B) Principal and interest for any other formal, written borrowing of moneys executed before December 5, 1996, for which ad valorem property tax revenues have been pledged or explicitly committed, or that are secured by a covenant to levy or collect ad valorem property taxes;

(C) Principal and interest for any bond issued to refund an obligation described in subparagraph (A) or (B) of this paragraph; or

(D) Local government pension and disability plan obligations that commit ad valorem property taxes and to ad valorem property taxes imposed to fulfill those obligations.

# MEASURE NO. 50

(b)(A) A levy described in this subsection shall be imposed on assessed value as otherwise provided by law in an amount sufficient to repay the debt described in this subsection. Ad valorem property taxes may not be imposed under this subsection that repay the debt at an earlier date or on a different schedule than established in the agreement creating the debt.

(B) A levy described in this subsection shall be subject to the limitations imposed under section 11b of this Article, as modified by subsection (11) of this section.

(c)(A) As used in this subsection, "local government pension and disability plan obligations that commit ad valorem property taxes" is limited to contractual obligations for which the levy of ad valorem property taxes has been committed by a local government charter provision that was in effect on December 5, 1996, and, if in effect on December 5, 1996, as amended thereafter.

(B) The rates of ad valorem property taxes described in this paragraph may be adjusted so that the maximum allowable rate is capable of raising the revenue that the levy would have been authorized to raise if applied to property valued at real market value.

(C) Notwithstanding subparagraph (B) of this paragraph, ad valorem property taxes described in this paragraph shall be taken into account for purposes of the limitations in section 11b of this Article, as modified by subsection (11) of this section.

(D) If any proposed amendment to a charter described in subparagraph (A) of this paragraph permits the ad valorem property tax levy for local government pension and disability plan obligations to be increased, the amendment must be approved by voters in an election. The voter participation requirements described in subsection (8) of this section apply to an election under this subparagraph. No amendment to any charter described in this paragraph may cause ad valorem property taxes to exceed the limitations of section 11b of this Article, as amended by subsection (11) of this section.

(d) If the levy described in this subsection was a tax base or other permanent continuing levy, other than a levy imposed for the purpose described in subparagraph (D) of paragraph (a) of this subsection, prior to the effective date of this section, for the tax year following the repayment of debt described in this subsection the local taxing district's rate of ad valorem property tax established under paragraph (b) of subsection (3) of this section shall be increased to the rate that would have been in effect had the levy not been excepted from the reduction described in subsection (3) of this section. No adjustment shall be made to the rate of ad valorem property tax of local taxing districts other than the district imposing a levy under this subsection.

(e) If this subsection would apply to a levy described in paragraph (d) of this subsection, the local taxing district imposing the levy may elect out of the provisions of this subsection. The levy of a local taxing district making the election shall be included in the reduction and ad valorem property tax rate determination described in subsection (3) of this section.

(6)(a) The ad valorem property tax of a local taxing district, other than a city, county or school district, that is used to support a hospital facility shall not be subject to the reduction described in paragraph (a) of subsection (3) of this section. The entire ad valorem property tax imposed under this subsection for the tax year beginning July 1, 1997, shall be the local taxing district's permanent limit on the rate of ad valorem property taxes imposed by the district under paragraph (b) of subsection (3) of this section.

(b) Ad valorem property taxes described in this subsection shall be subject to the limitations imposed under section 11b of this Article, as modified by subsection (11) of this section.

(7) Notwithstanding any other existing or former provision of this Constitution, the following are validated, ratified, approved and confirmed:

(a) Any levy of ad valorem property taxes approved by a majority of voters voting on the question in an election held before December 5, 1996, if the election met the voter participation requirements described in subsection (8) of this section and the ad valorem property taxes were first imposed for the tax year beginning July 1, 1996, or July 1, 1997. A levy described in this paragraph shall not be subject to reduction under paragraph (a) of subsection (3) of this section but shall be taken into account in determining the local taxing district's permanent rate of ad valorem property tax under paragraph (b) of subsection (3) of this section. This paragraph does not apply to levies described in subsection (5) of this section or to levies to pay bonded indebtedness described in section 11b of this Article, as modified by subsection (11) of this section.

(b) Any serial or one-year levy to replace an existing serial or one-year levy approved by a majority of the voters voting on the question at an election held after December 4, 1996, and to be first imposed for the tax year beginning July 1, 1997, if the rate or the amount of the levy approved is not greater than the rate or the amount of the levy replaced.

(c) Any levy of ad valorem property taxes approved by a majority of voters voting on the question in an election held on or after December 5, 1996, and before the effective date of this section if the election met the voter participation requirements described in subsection (8) of this section and the ad valorem property taxes were first imposed for the tax year beginning July 1, 1997. A levy described in this paragraph shall be treated as a local option ad valorem property tax under subsection (4) of this section. This paragraph does not apply to levies described in subsection (5) of this section or to levies to pay bonded indebtedness described in section 11b of this Article, as modified by subsection (11) of this section.

(8) An election described in subsection (3), (4), (5)(c)(D), (7)(a) or (c) or (11) of this section shall authorize the matter upon which the election is being held only if:

- (a) At least 50 percent of registered voters eligible to vote in the election cast a ballot; or
- (b) The election is a general election in an even-numbered year.

(9) The Legislative Assembly shall replace, from the state's General Fund, revenue lost by the public school system because of the limitations of this section. The amount of the replacement revenue shall not be less than the total replaced in fiscal year 1997-1998.

(10)(a) As used in this section:

(A) "Improvements" includes new construction, reconstruction, major additions, remodeling, renovation and rehabilitation, including installation, but does not include minor construction or ongoing maintenance and repair.

(B) "Ad valorem property tax" does not include taxes imposed to pay principal and interest on bonded indebtedness described in paragraph (d) of subsection (11) of this section.

(b) In calculating the addition to value for new property and improvements, the amount added shall be net of the value of retired property.

(11) For purposes of this section and for purposes of implementing the limits in section 11b of this Article in tax years beginning on or after July 1, 1997:

(a)(A) The real market value of property shall be the amount in cash that could reasonably be expected to be paid by an informed buyer to an informed seller, each acting without compulsion in an arm's length transaction occurring as of the assessment date for the tax year, as established by law.

(B) The Legislative Assembly shall enact laws to adjust the real market value of property

# MEASURE NO. 50

to reflect a substantial casualty loss of value after the assessment date.

(b) The \$5 (public school system) and \$10 (other government) limits on property taxes per \$1,000 of real market value described in subsection (1) of section 11b of this Article shall be determined on the basis of property taxes imposed in each geographic area taxed by the same local taxing districts.

(c)(A) All property taxes described in this section are subject to the limits described in paragraph (b) of this subsection, except for taxes described in paragraph (d) of this subsection.

(B) If property taxes exceed the limitations imposed under either category of local taxing district under paragraph (b) of this subsection:

(i) Any local option ad valorem property taxes imposed under this subsection shall be proportionally reduced by those local taxing districts within the category that is imposing local option ad valorem property taxes; and

(ii) After local option ad valorem property taxes have been eliminated, all other ad valorem property taxes shall be proportionally reduced by those taxing districts within the category, until the limits are no longer exceeded.

(C) The percentages used to make the proportional reductions under subparagraph (B) of this paragraph shall be calculated separately for each category.

(d) Bonded indebtedness, the taxes of which are not subject to limitation under this section or section 11b of this Article, consists of:

(A) Bonded indebtedness authorized by a provision of this Constitution;

(B) Bonded indebtedness issued on or before November 6, 1990; or

(C) Bonded indebtedness:

(i) Incurred for capital construction or capital improvements; and

(ii)(I) If issued after November 6, 1990, and approved prior to December 5, 1996, the issuance of which has been approved by a majority of voters voting on the question; or

(II) If approved by voters after December 5, 1996, the issuance of which has been approved by a majority of voters voting on the question in an election that is in compliance with the voter participation requirements in subsection (8) of this section.

(12) Bonded indebtedness described in subsection (11) of this section includes bonded indebtedness issued to refund bonded indebtedness described in subsection (11) of this section.

(13) As used in subsection (11) of this section, with respect to bonded indebtedness issued on or after December 5, 1996, "capital construction" and "capital improvements":

(a) Include public safety and law enforcement vehicles with a projected useful life of five years or more; and

(b) Do not include:

(A) Maintenance and repairs, the need for which could reasonably be anticipated.

(B) Supplies and equipment that are not intrinsic to the structure.

(14) Ad valorem property taxes imposed to pay principal and interest on bonded indebtedness described in section 11b of this Article, as modified by subsection (11) of this section, shall be imposed on the assessed value of the property determined under this section or, in the case of specially assessed property, as otherwise provided by law or as limited by this section, whichever is applicable.

(15) If ad valorem property taxes are divided as provided in section 1c, Article IX of this Constitution, in order to fund a redevelopment or urban renewal project, then notwithstanding subsection (1) of this section, the ad valorem property taxes levied against the

increase shall be used exclusively to pay any indebtedness incurred for the redevelopment or urban renewal project.

(16) The Legislative Assembly shall enact laws that allow collection of ad valorem property taxes sufficient to pay, when due, indebtedness incurred to carry out urban renewal plans existing on December 5, 1996. These collections shall cease when the indebtedness is paid. Unless excepted from limitation under section 11b of this Article, as modified by subsection (11) of this section, nothing in this subsection shall be construed to remove ad valorem property taxes levied against the increase from the dollar limits in paragraph (b) of subsection (11) of this section.

(17)(a) If, in an election on November 5, 1996, voters approved a new tax base for a local taxing district under repealed section 11 of this Article (1995 Edition) that was not to go into effect until the tax year beginning July 1, 1998, the local taxing district's permanent rate limit under subsection (3) of this section shall be recalculated for the tax year beginning on July 1, 1998, to reflect:

(A) Ad valorem property taxes that would have been imposed had repealed section 11 of this Article (1995 Edition) remained in effect; and

(B) Any other permanent continuing levies that would have been imposed under repealed section 11 of this Article (1995 Edition), as reduced by subsection (3) of this section.

(b) The rate limit determined under this subsection shall be the local taxing district's permanent rate limit for tax years beginning on or after July 1, 1999.

(18) Section 32, Article I, and section 1, Article IX of this Constitution, shall not apply to this section.

(19)(a) The Legislative Assembly shall by statute limit the ability of local taxing districts to impose new or additional fees, taxes, assessments or other charges for the purpose of using the proceeds as alternative sources of funding to make up for ad valorem property tax revenue reductions caused by the initial implementation of this section, unless the new or additional fee, tax, assessment or other charge is approved by voters.

(b) This subsection shall not apply to new or additional fees, taxes, assessments or other charges for a government product or service that a person:

(A) May legally obtain from a source other than government; and

(B) Is reasonably able to obtain from a source other than government.

(c) As used in this subsection, "new or additional fees, taxes, assessments or other charges" does not include moneys received by a local taxing district as:

(A) Rent or lease payments;

(B) Interest, dividends, royalties or other investment earnings;

(C) Fines, penalties and unitary assessments;

(D) Amounts charged to and paid by another unit of government for products, services or property; or

(E) Payments derived from a contract entered into by the local taxing district as a proprietary function of the local taxing district.

(d) This subsection does not apply to a local taxing district that derived less than 10 percent of the local taxing district's operating revenues from ad valorem property taxes, other than ad valorem property taxes imposed to pay bonded indebtedness, during the fiscal year ending June 30, 1996.

(e) An election under this subsection need not comply with the voter participation requirements described in subsection (8) of this section.

# MEASURE NO. 50

**(20) If any provision of this section is determined to be unconstitutional or otherwise invalid, the remaining provisions shall continue in full force and effect.**

**SECTION 11a. (1) Legislation implementing the provisions of section 11 of this Article is not subject to the emergency declaration prohibition in section 1a, Article IX of this Constitution.**

**(2) This section is repealed on January 1, 1998.**

**Sec. 1c.** The Legislative Assembly may provide that the ad valorem taxes levied by any taxing unit, in which is located all or part of an area included in a redevelopment or urban renewal project, may be divided so that the taxes levied against any increase in the [true cash] assessed value, as defined by law, of property in such area obtaining after the effective date of the ordinance or resolution approving the redevelopment or urban renewal plan for such area, shall be used to pay any indebtedness incurred for the redevelopment or urban renewal project. The legislature may enact such laws as may be necessary to carry out the purposes of this section.

**Sec. 4.** There shall be levied each year, at the same time and in the same manner that other taxes are levied, a tax upon all property in the state of Oregon not exempt from taxation, not to exceed two (2) mills on each dollar valuation, to provide for the payment of principal and interest of the bonds authorized to be issued by this article. The two (2) mills additional tax herein provided for hereby is specifically authorized [and shall not be computed as a part of the revenue raised by taxation which is subject to the tax limitation of section 11, article XI of the constitution of the state of Oregon.] and said tax levy hereby authorized shall be in addition to all other taxes which may be levied according to law.

**Sec. 1.** The credit of the state may be loaned and indebtedness incurred in an amount which shall not exceed at any one time 3/16 of 1 percent of the true cash value of all the property in the state taxed on an ad valorem basis, to provide funds for forest rehabilitation and reforestation and for the acquisition, management, and development of lands for such purposes. So long as any such indebtedness shall remain outstanding, the funds derived from the sale, exchange, or use of said lands, and from the disposal of products therefrom, shall be applied only in the liquidation of such indebtedness. Bonds or other obligations issued pursuant hereto may be renewed or refunded. An ad valorem tax [outside the limitation imposed by section 11, article XI, of this constitution] shall be levied annually upon all the property in the state of Oregon taxed on an ad valorem basis, in sufficient amount to provide for the payment of such indebtedness and the interest thereon. The legislative assembly may provide other revenues to supplement or replace the said tax levies. The legislature shall enact legislation to carry out the provisions hereof. This amendment shall supersede all constitutional provisions in conflict herewith.

**PARAGRAPH 2. The amendment proposed by this resolution shall be submitted to the people for their approval or rejection at a special election held throughout this state on the date specified in section 2, chapter \_\_\_\_\_, Oregon Laws 1997 (Enrolled House Bill 3511).**

NOTE: **Boldfaced** type indicates new language; [brackets and italic] type indicates deletions or comments.

## EXPLANATORY STATEMENT

In 1996, voters approved Measure 47, an amendment to the Oregon Constitution that limits the amount of property taxes that may be collected from each parcel of property. The limitation first applies for the 1997-1998 tax year and reduces taxes on each parcel of property to their level in a prior tax year. Measure 47 permits a three percent increase in taxes each year for tax years following 1997-1998. Measure 47 permits a taxing district to impose new or additional taxes if the taxes have been approved by voters. Measure 47 creates a number of exceptions that allow for taxes to be increased by more than the otherwise applicable limitation. Measure 47 imposes certain spending priority requirements and expenditure limitations.

This measure would replace the percentage of tax limitations in Measure 47 with a reduction in the maximum assessed value of property for the 1997-1998 tax year and a limitation on the percentage amount that the maximum assessed value of property may increase each tax year. This measure also directs the Legislative Assembly to generally reduce property tax levies by an average of 17 percent. Specifically, this measure does the following:

- Reduces the maximum assessed value of property for the 1997-1998 tax year to 90 percent of the property's assessed value for the 1995-1996 tax year. For tax years subsequent to 1997-1998, the maximum assessed value of property would increase by three percent per year.
- Limits increases in assessed value for new property, improvements and certain other events to a fraction of the property's real market value.
- Directs the Legislative Assembly to reduce the total amount of levy of taxing districts by a statewide average of 17 percent for the 1997-1998 tax year. Excepts certain taxes from reduction. Adopts policy of distributing reductions so as to approximate Measure 47 reductions. For subsequent tax years, requires the district to permanently fix tax rate at 1997-1998 level.
- Permits voters of taxing district to elect to impose local option property taxes in excess of amount otherwise constitutionally permitted. Limits duration of local option tax to five years or ten years, if used to fund capital projects. Prescribes voter participation requirements.
- Prohibits local government from increasing fees as alternative revenue source to make up for property tax revenue reduction caused by initial implementation of this measure, unless approved by voters.
- Retains existing property tax rate limitation of \$5 per \$1,000 of value for schools and \$10 per \$1,000 of value for nonschool government (1990 Measure 5). Retains existing constitutional exception from all tax limitations for taxes levied to pay bonds if bonds are approved by voters. Prescribes voter participation requirements.

*(This impartial statement explaining the ballot measure was provided by the 1997 Legislature.)*

# MEASURE NO. 50

## LEGISLATIVE ARGUMENT IN SUPPORT

VOTE YES TO ENSURE YOU RECEIVE THE  
PROPERTY TAX RELIEF EXPECTED UNDER MEASURE 47

### MEASURE 50 PROVIDES TAX RELIEF AS PROMISED UNDER MEASURE 47

Measure 47 promised voters property tax relief. Measure 50 delivers it. Since its passage last November the legality of Measure 47 has been called into question threatening any tax relief. Measure 50 has been written to meet legal standards while maintaining a 17% tax cut and a 3% growth cap as promised by Measure 47.

### MEASURE 50 IS NECESSARY

Measure 47 has unintended consequences. It threatens the closure of several rural hospitals, causes cutbacks in vital public safety services, and jeopardizes police and fire pension funds. Measure 50 fixes these problems while retaining the tax relief as proposed in Measure 47.

### MEASURE 50 SIMPLIFIES OUR TAX SYSTEM

Measure 47 and Measure 5 created a property tax system which is complicated and expensive to manage. Measure 50 creates a new fixed rate tax system with property assessments "capped" at 3% growth. Measure 50 will be easier and cheaper to administer, saving millions of dollars each year. Most importantly, the system will guarantee that assessed value growth and actual property taxes will be restricted as promised.

### MEASURE 50 PROTECTS SCHOOL FUNDING AND PUBLIC SAFETY.

Measure 50 maintains the funding priorities for schools and public safety as originally stated in Measure 47. Measure 50 requires the Legislature to replace property tax revenue lost by local schools.

### MEASURE 50 PROVIDES OREGONIANS' TAX RELIEF.

Measure 50 provides taxpayers receive tax relief as promised by Measure 47 last November. Measure 50 rolls assessed property values back to 90% of their 1995-96 level. Measure 50 provides a tax reduction statewide of approximately 17% on operational levies. Lowered assessed values will be "capped" and their growth restrained to no more than 3% per year.

PROTECT YOUR TAX RELIEF  
VOTE YES ON MEASURE 50

#### **Committee Members:**

Senator Ken Baker  
Representative Lee Beyer  
Representative Tom Brian

#### **Appointed by:**

President of the Senate  
Speaker of the House  
Speaker of the House

*(This Joint Legislative Committee was appointed to provide the legislative argument in support of the ballot measure pursuant to ORS 251.245.)*

## ARGUMENT IN FAVOR

### **OREGON'S SCHOOL ADMINISTRATORS URGE YOU TO VOTE YES ON MEASURE 50.**

- MEASURE 50 **MAINTAINS FUNDING PRIORITIES FOR SCHOOLS AND PUBLIC SAFETY**
- MEASURE 50 **REQUIRES THE LEGISLATURE TO REPLACE PROPERTY TAX REVENUE LOST BY LOCAL SCHOOLS**
- MEASURE 50 **PROTECTS LOCAL CONTROL FOR OUR SCHOOLS**
- MEASURE 50 **STABILIZES PROPERTY TAX ISSUES AND CLARIFIES LEGAL UNCERTAINTIES**

PLEASE VOTE **YES** ON MEASURE 50

*(This information furnished by Ozzie Rose, Confederation of Oregon School Administrators.)*

*(This space purchased for \$300 in accordance with ORS 251.255.)*

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# MEASURE NO. 50

## ARGUMENT IN FAVOR

### VOTE YES ON MEASURE 50

Whether you liked or disliked Measure 47, **Measure 50 is better.**

Measure 50 retains all of Measure 47's key requirements but Measure 50 is simpler, less expensive to administer and repairs most of Measure 47's unintended consequences.

**Measure 50 delivers what Measure 47 promised:**

- 1) **A large property tax cut - averaging a 17% reduction from 1997-98 tax bills.**
- 2) **Your property tax payment will not grow more than 3% per year.**
- 3) **Priority is given to funding public education and public safety.**
- 4) **Votes for new taxes must be held on General Election days, or when over 50% of eligible voters turn out and over 50% vote 'yes'.**

**Measure 50 does it better:**

- 1) **Millions of our tax dollars will be saved every year by simplifying our property tax code and reducing administration costs.**
- 2) **The State is required to make up any losses to our schools due to property tax reductions.**
- 3) **Severe losses to several small town police and fire departments are avoided, as is damage to certain port districts, and certain police and fire pension contracts.**
- 4) **15 rural hospitals are exempted, avoiding possible closures.**
- 5) **We will avoid expensive law suits and years of uncertainty over Measure 47.**

**PLEASE REMEMBER - IF MEASURE 50 FAILS, WE STILL HAVE MEASURE 47 WITH ITS EXPENSIVE COMPLEXITIES, UNINTENDED EFFECTS AND LEGAL UNCERTAINTIES WHICH COULD CUT TAX REDUCTIONS BY HALF.**

*(This information furnished by House Revenue Committee: Representative Lee Beyer, Representative Tom Brian, Representative Tony Corcoran, Representative Randall Edwards, Representative Leslie Lewis, Representative Anitra Rasmussen, Representative Lane Shetterly, Representative Mark Simmons, and Representative Ken Strobeck; Senate Revenue Committee: Senator Ken Baker, Senator Neil Bryant, Senator Verne Duncan, and Senator Randy Leonard.)*

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## ARGUMENT IN FAVOR

### Measure 50 is Better Than Measure 47

The Oregon Public Employees Union opposed Measure 47, because of the deep cuts it would force on our schools, police and fire services, parks, libraries and other local government services. Polls confirm that many voters, even many of those who voted for Measure 47, shared our concerns about such cuts. But voter distress about rising property taxes -- valid and understandable -- outweighed those concerns.

We respect the vote for property tax relief embodied in Measure 47. But Measure 47 was so flawed and confusing that there are now two different versions of it awaiting decisions by the courts and a third version yet to be finalized by the legislature.

Measure 50 is the legislature's attempt to rehabilitate Measure 47. It, too, has flaws. Like Measure 47, it gives no-shows new power to veto the results of local elections, by invalidating votes when turnouts fall short of 50%. Its protections for schools and public safety are a sham. Worst of all, its cuts will still be deep.

If any of this is objectionable to you, don't just vote no on Measure 50. Contact your legislators and urge them to back to work on reforming our property tax system. We, too, would like a better alternative.

But we believe better alternatives must await future elections (see our companion statement). In this election, Measure 50 is the only alternative to Measure 47.

Measure 50 recovers approximately fifteen cents of each dollar that Measure 47 would have taken from our schools, cities and counties. It confirms the right of local voters to approve additional property taxes for their communities, if not their schools. It protects certain retirement obligations from breach of contract. And, it does provide property tax relief, even if its benefits and burdens are distributed unevenly throughout the state.

Measure 50 is preferable to Measure 47.

Karla Spence, President  
Oregon Public Employees Union

*(This information furnished by Karla Spence, Oregon Public Employees Union.)*

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# MEASURE NO. 50

## ARGUMENT IN FAVOR

### A Small Step in the Right Direction

The Oregon Public Employees Union supports Measure 50 as the only present alternative to the hopelessly-muddled property tax measure known as Measure 47 -- and as a first, small step toward meaningful tax reform for Oregon's working families.

Despite its flaws, Measure 47 represented a call for property tax relief. We believe that call must be heeded. We also believe that we must look beyond cutting and capping property taxes to restoring balance and equity in our tax system.

**Twenty years ago, businesses and households paid equal shares of Oregon's state and local taxes. Now, for every dollar in taxes paid by households, businesses pay only 65 cents.** Most of this tax shift occurred because of 1990's Measure 5, which cut property taxes for commercial and industrial property owners by 29%, while homeowners' tax bills continued to rise.

Our income tax system is also out of whack. Oregon is one of a small minority of states that taxes corporate profits at a lower rate than individuals' wages. Individuals, and many small businesses, pay higher income tax rates than Oregon's most profitable corporations.

**Tax policies like these have produced the worst of both worlds for Oregon's working families -- more taxes imposed on family budgets and less funding for public services that are vital to our communities.**

Measure 50 is a small step in the right direction. It provides larger tax cuts for homeowners than for most businesses. It allows local communities to impose higher property taxes for commercial and industrial properties with voter approval.

But Measure 50 is not enough. In this and future elections, we must restore balance to our tax system if we can ever hope to achieve stable and adequate funding for our schools, police and fire protection, parks, libraries and other services so important to the well-being of our communities.

Karla Spence, President  
Oregon Public Employees Union

*(This information furnished by Karla Spence, Oregon Public Employees Union.)*

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## ARGUMENT IN FAVOR

### SUPPORT YOUR LOCAL LIBRARY; VOTE YES ON MEASURE 50

The Oregon Library Association wants you to know that Measure 50 would mean less drastic budget cuts for public libraries than under Measure 47. Here are some examples:

- In **Clackamas County**, Measure 50 would allow the March, 1997 library levy approved by voters to be collected this fall. Under Measure 47, the levy fails and most libraries in the county will close.
- In **Washington County**, Measure 50 would allow the March, 1996 library levy approved by voters to be collected without reductions. Under Measure 47, a large percentage of the levy cannot be collected, and library hours and book purchases would be seriously curtailed.
- In **Jackson County**, Measure 50 would allow the September, 1996 library levy approved by voters to be collected without reductions. Under Measure 47, a large percentage of the levy cannot be collected and library hours and book purchases would be cut.

**In all Oregon communities, Measure 50 cuts libraries less than Measure 47.** If Measure 50 fails, the process of cutting library hours and closing branch libraries will begin in earnest. Measure 50 is our last chance to minimize reductions to library services throughout Oregon.

The Oregon Library Association strongly opposed Measure 47 because of the effects it would have on local library services. We look forward to a long term solution to providing stable and adequate funding for Oregon's libraries and other needed local government services. Until that solution is found, Measure 50 makes the best of a difficult situation.

**If you care about your local library and its ability to serve families in your community, please vote yes on Measure 50.**

*(This information furnished by Ed House, President, Oregon Library Association.)*

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# MEASURE NO. 50

## ARGUMENT IN FAVOR

### LIBRARY SUPPORTERS!

#### PLEASE VOTE YES FOR THIS MEASURE.

- \* IT APPROVES AND VALIDATES THE CLACKAMAS COUNTY LIBRARY LEVY.

#### THIS MEANS:

- \* THE RECENT (March) LIBRARY LEVY (which received 73% yes votes!) WILL BE SECURE.
- \* LIBRARIES IN CLACKAMAS COUNTY WILL HAVE FUNDING FOR THREE MORE YEARS.

#### PLEASE VOTE YES!!

*(This information furnished by Janie E. Burns, Renew Our Library Levy (R.O.L.L.).)*

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## ARGUMENT IN FAVOR

Dear Oregon Voters,

I urge you to vote yes on Ballot Measure #50 because:

- This Ballot Measure gives the property tax reductions Oregon's voters expected.
- This Ballot Measure **does not** cause the unfair reductions in pensions to retired and disabled Portland Firefighters, Police Officers **AND** their widows that Measure #47 mandates.

When the legislature is not in session, I am a Lieutenant for the Portland Fire Bureau. I work at a station responding to fires, automobile accidents, heart attacks, shootings and stabbing victims, drug overdoses and a host of other emergencies.

I love my job because of the positive impact that firefighters have on the lives of people. I know that those who have served as firefighters and police officers before me feel the same way about their service to our citizens.

Those firefighters and police officers did everything we asked them to do.

No complaints. No questions. They did whatever it took to get the job done.

They took an oath to protect citizens at every cost- including their own lives if necessary. In exchange for that solemn vow, they asked only to be given a decent retirement and that their widows not be left destitute.

Measure #47, as written and passed, breaks that promise.

**Only Portland Citizens** pay the disability, retirement and widow costs for its firefighters and police officers. Yet all of Oregon's voters will, in this election, decide if Portland taxpayers will be allowed to pay the retirement and disability costs they already voted for in 1989!

I agree that there has to be a better way to fund our schools and public safety. However, any fix in the property tax must include keeping the promise for a secure old age that was made to our firefighters, police officers and their widows.

No matter how you feel about Measure #47 or government in general, a yes vote on measure #50 is a vote that confirms this states commitments to its' men and women who protect us when we are most vulnerable.

Now they need your help.

Please vote Yes on Ballot Measure #50.

Sincerely,

Randy Leonard  
Senator, District 9  
Oregon State Senate

*(This information furnished by Randy Leonard, Senator, District 9, Oregon State Senate.)*

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# MEASURE NO. 50

## ARGUMENT IN FAVOR

**Measure 50 is a lifeline for rural Oregon communities where access to healthcare depends on property tax revenues to support local hospital districts.** There are 15 rural district hospitals in the state, and last year 11 would have been operating in the red without their tax bases. Measure 50 creates a special exemption for these rural hospitals so they don't go bankrupt.

**One-in-four hospitals in Oregon is a district hospital.** The original Measure 47 would have cut their tax operating levies by more than 10 percent -- almost immediately. Without the exemption Measure 50 provides, many district hospitals would close their doors and local access to emergency medical care would disappear, along with important jobs and services the communities depend upon.

**Retirees flock to Oregon's coastal communities and central Oregon, where healthcare is provided by small, rural district hospitals.** In these areas, a large number of the patients are senior citizens on Medicare. And Medicare reimburses small rural facilities at lower rates than large, urban hospitals. Without community support through property taxes, these hospitals would have to cut critical services.

**Measure 50 also addresses some of the unexpected technical problems created by Measure 47.** Without these changes, district hospitals would experience numerous problems in their routine management and accounting practices. Measure 50 makes the technical adjustments necessary to ensure that district hospitals can function without violating the law.

When you are considering your vote on Measure 50, please think about how important it is to have access to healthcare -- no matter where you live in Oregon, from the south coast to the northeastern corner of the state. Let's keep the facilities open, and the services available. **Vote YES on Measure 50.**

Ken Rutledge, President  
Oregon Association of Hospitals and Health Systems

*(This information furnished by Ken Rutledge, Oregon Association of Hospitals and Health Systems.)*

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## ARGUMENT IN FAVOR

### TAXPAYERS CANNOT TRUST MYERS TO DEFEND MEASURE 47

Oregon's new attorney general, Hardy Myers, even though he has sworn to uphold the Oregon Constitution, has demonstrated either gross incompetence, or a serious disregard for the public trust.

Myers' off-the-wall, clearly political opinions regarding Measure 47 have unnecessarily clouded this important issue with a lot of legal uncertainty.

For example, Measure 47 requires a 50 percent voter turn-out to approve new property taxes. Hardy Myers wrote, however, that a new bond measure is not a new tax. Even though this tax wasn't on your last bill, and it will be on your next tax bill, he says it's not a new tax because we have had bond measures before, so a new bond measure is not a new tax because it's not a new "kind" of tax. What utter nonsense.

Such an opinion is a gross distortion of the clear meaning of simple words, and is so absurd that even anti-Measure 47 bond attorneys roll their eyes in disbelief.

Myers also interpreted the "cut provision" of Measure 47 so oddly that under his opinion Measure 47's cut of nearly \$1 billion would have been reduced by 50 percent!

Never mind the official fiscal impact statement in the voters pamphlet. Never mind that Oregon's Supreme Court had certified an official ballot title stating that 1997-98 property taxes would be reduced to the 1995-96 tax minus 10 percent. Under Hardy Myers' opinion, 1997-98 property taxes for many would actually go up, not down! Throughout the Measure 47 campaign, no one in the entire state even suggested such an illogical interpretation.

In drafting Measure 50, the legislature, to its credit, ignored most of Hardy Myers' irresponsible opinions and gave voters pretty close to what they expected when they approved Measure 47.

With Hardy Myers defending and interpreting Measure 47 in the courts, we believe that measure faces enough legal uncertainties that taxpayers should vote "Yes" on Measure 50.

*(This information furnished by Bill Sizemore, Oregon Taxpayers United PAC.)*

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# MEASURE NO. 50

## ARGUMENT IN FAVOR

### OREGON TAXPAYERS UNITED

Voters should know up front that they are not being forced to vote again on Measure 47. **If Measure 50 does not pass, Measure 47's protections will remain.**

However, as the primary sponsors of Measure 47, we have worked very closely with the legislature to ensure that Measure 50, a major rewrite of Oregon's extremely complicated property tax system, gives taxpayers the same basic protections as Measure 47, without the legal uncertainties that Measure 47 faces in Oregon's sometimes "taxpayer unfriendly" courts.

**Throughout our participation in the drafting of Measure 50, we have had no other interest than to protect the taxpayers of Oregon from runaway property taxes.** We have had no reason to "sell-out," or to settle for anything less than the best protections we could get. Our credibility in this matter is unassailable. After all, there would be no Measure 47 or Measure 50 to cut and cap property taxes if it were not for our efforts.

**As of March 31st, the deadline for filing this statement, Oregon Taxpayers United is supporting Measure 50.** We believe Measure 50 represents reasonably well what we taxpayers eventually would win in the courts under Measure 47.

Measure 50 generally gives taxpayers about 80-90 percent of the reductions they would receive from Measure 47.

Under Measure 47, property taxes would have been cut somewhere between \$500 million and \$950 million over the next two years, depending on how the courts interpret various provisions of the measure. Measure 50 would reduce property taxes a little more than \$800 million.

**It is our judgment that it would be in the best interest of the taxpayers to vote "Yes" on Measure 50, accept its \$800 million property tax cut and its three percent cap on annual increases, and avoid the legal uncertainties Measure 47 faces in the courts.**

Our advice is: Four birds in the hand are better than five in the bush.

*(This information furnished by Bill Sizemore, Oregon Taxpayers United PAC.)*

*(This space purchased for \$300 in accordance with ORS 251.255.)*

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## ARGUMENT IN FAVOR

### OREGON SMALL BUSINESS SUPPORTS MEASURE 50

**WHY DO YOU NEED TO VOTE YES?:** Measure # 50 was written to fix problems that were unforeseen when Oregon voters passed a "cut and cap" on property tax rates (Measure #47) in last November's General Election.

**WHAT IS THE PROBLEM?:** Measure #47 intended to save taxpayers \$1 billion in property taxes, **BUT** when Oregon's Attorney General was asked to give an opinion on the implementation of Measure #47, what did he find?

"The conclusion we reach about the inclusion of taxes to pay bonded indebtedness in the comparison years' taxes for purposes of 11g(1) (Measure # 47) **results in a substantially lower amount of tax reductions than the alternative interpretation.**"

Hardy Myers  
Oregon Attorney General  
February 24, 1997; Opinion #8246

**WHAT DOES THIS MEAN TO THE AVERAGE TAXPAYER?:** There is a big loophole in Measure # 47. **Without Measure # 50, your anticipated tax savings from Measure # 47 may be cut as much as 50%.**

### FIX THE LOOPHOLE - VOTE YES ON MEASURE # 50

*(This information furnished by Joe Gillam, National Federation of Independent Business.)*

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# MEASURE NO. 50

## ARGUMENT IN FAVOR

### Measure 50 is an insurance policy.

The intent of ballot measure 47 did not match how it was written.

Measure 47 has consequences that the author of it agreed were **unintentional and undesirable**.

\* **Legal challenges** will delay its implementation for years and there is a strong possibility that major portions of the property tax relief it offered will be lost.

\* Measure 47 further **complicates a property tax system** that was expensive to manage and impossible for the citizen to understand.

\* **Locally controlled programs** and services were not protected under Measure 47. Rural hospitals are threatened with closure, public safety services will be cut and some police and fire pension funds are in jeopardy.

**Measure 50 meets legal standards and provides a 17% tax cut and 3% growth cap.**

**Measure 50 will make the property tax system cheaper to administer and much easier for the citizen to control and predict its impact on them.**

**Measure 50 protects rural hospitals, police and fire pension funds and reduces the impact on public safety programs.**

It is also true that Measure 50 will require significant reductions in local services and the budgeting choices that Counties will have to make may startle you. Yet, without your support for its passage there is no way to insure that tax relief or innovation in service delivery will be possible.

This statement is indorsed by the following persons:

Gilliam County Judge, Laura Pryor  
Polk County Commissioner, Ralph Blanchard  
Washington County Commissioner, Linda Peters  
Lane County Commissioner, Cindy Weeldreyer  
Columbia County Commissioner, Tony Hyde  
Columbia County Commissioner, Joel Yarbor  
Multnomah County Commissioner, Gary Hansen  
Washington County Commissioner, Kim Katsion

*(This information furnished by Robert R. Cantine.)*

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## ARGUMENT IN FAVOR

### Measure 50 Fixes Unintended Impacts

Under Measure 47, property taxes are cut and local governments are prevented from replacing the lost property taxes through fees, unless the fees are approved by the voters.

Because of the way Measure 47 was written, an agency like the Port of Portland which receives very little property tax support might have to submit its routine marine tariff rates and other fees to the voters every time a change is made. Most of these fees are paid by international shipping companies who benefit from using port facilities. The Port has traditionally set its rates to reflect competitive market forces, which helps Oregon taxpayers by keeping Port property taxes to a minimum.

**Measure 50 eliminates the need for voter involvement in this rate-setting**, for governments like the Port of Portland which receive less than ten percent of revenues from property taxes. This change will ensure the Port can continue to adjust fees in response to market forces.

**Votes on these fees weren't intended by the authors of Measure 47**, who agreed to include provisions in Measure 50 to add flexibility for the Port.

**Under both Measure 47 and Measure 50, property taxes will be cut** for the Port of Portland and other governments, and future taxes will be limited. The Port's goal is to rely on property taxes as little as possible, and to accomplish this goal, it is important that the Port have flexibility in the fees it charges to international shipping companies.

**The Port of Portland is a critical link to international markets** for exports coming from all parts of Oregon. The Port of Portland and other ports throughout Oregon can better support Oregon's economy by continuing to set fees on a market basis.

**I urge your support for Measure 50.**

Mike Thorne  
Executive Director, Port of Portland

(No public funds have been used in producing this statement.)

*(This information furnished by Mike Thorne.)*

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# MEASURE NO. 50

## ARGUMENT IN OPPOSITION

### MEASURE 50 AND VOTE BY MAIL

Oddly, although the 1997 Legislature has chosen a vote by mail for Ballot Measure 50, it has not considered the several current proposals before it for extending the mail ballot to Primary and General elections. One problem with Ballot Measure 50 and its predecessor, Ballot Measure 47, is requiring a 50 percent voter turnout for tax elections unless the election is held at a regular general election. Oregonians have not voted in large numbers on tax-related measures, either by mail or at the polls. Currently, no general election can be held with mail ballots. The League of Women Voters takes no position on Ballot Measure 50, but calls to voters' attention the dilemma.

Vote by Mail is being used in this election for consideration of two Constitutional amendments referred by the 1997 Legislature. It was also used in the 1995, 1996 special U.S. Senate elections. Voter participation in those elections was excellent. We urge all Oregonians to contact their legislators to ask why vote by mail has not yet been passed, especially after legislative endorsement for this election. Consider the facts:

- Voter participation in state elections increases with mail ballots.
- Mail ballots allow timely consideration of issues by voters.
- Mail ballots in all elections eliminate the need for a dual system of absentee ballots and polling places, speeding up results and lower costs.
- There is no evidence of greater fraud or undue influence in mail voting.
- 70 percent of Oregonians support vote by mail.
- Voting by mail is convenient.

It's time the Oregon Legislature extended vote by mail to all state elections, including the Primary and General elections in the even-numbered years. Please visit, call or write your legislators and urge them to pass vote by mail now. You can call your legislator at 1-800-332-2313 or 1-800-375-2861 (TDD). Letters go to the State Capitol in Salem, 97310.

*(This information furnished by Katherine G. Eaton, League of Women Voters of Oregon.)*

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## ARGUMENT IN OPPOSITION

VOTE NO against Measure # 50. It's another TAX TRAP!

Lawmakers had a duty to respect the voters' will and implement the 1996 "Cut and Cap", (Measure # 47), UNCHANGED!

The rush to re-write and significantly alter the contents and effects of ANY freshly approved constitutional amendment is a public slap in the face!

Furthermore, this re-write sets a terrible precedent based on an insulting premise that VOTERS ARE FOOLS!

Just take a look at some of the Measure # 50 differences:

It will NOT give taxpayers the same tax relief or protection that voters previously approved!

The measure voters approved last November promised the public a 3% TAX CAP on their annual bill, a PREDICTABLE way for property owners to budget for tax obligations.

By contrast, Measure # 50 switches to an annual 3% increase in in a "maximum assessment", which also appears to be riddled with incomprehensible conditions that permit this phantom limit to be bypassed. In other words, the "CAP" became a SIEVE!

Proponents of Measure # 50 insist it will make no difference. But, if it's the same, why was the "CAP" changed?

Measure # 50 will also exempt urban renewal projects from its flimsy 3% limit. In other words, taxpayers can again look forward to writing blank checks for MORE government boondoggles!

It is already acknowledged that Measure # 50 will give many Oregonians less tax relief. Regrettably, it is more likely that it will simply give government access to more of YOUR money!

Think about this: "Cut & Cap" was originally less than three pages long. But it's "re-write", Measure # 50, is close to 9 pages of legal mumbo jumbo. And, it's written by the government. So watch out!

Vote NO on Measure # 50. Lawmakers should give the peoples' laws a proper chance to work!

*(This information furnished by Ruth Bendi, Say Definitely Not To #50.)*

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# MEASURE NO. 50

## ARGUMENT IN OPPOSITION

### PONDER THIS:

If Measure 50 looks like, sounds like, acts like, and smells like a skunk, is it a skunk? Not necessarily! It may just be the legislature messing with the chemistry of the initiative process.

### SO LETS CLEAR THE AIR.

The legislature had but one charge after **VOTERS APPROVED** the '96 **CUT AND CAP** (Measure 47)--**Implement it**. They've failed us. Measure 50 is a **blatant attempt** to subvert the voters will and is a **brazen assault** on our initiative rights. Measure 50 was supposed to provide technical fixes to facilitate the implementation of CUT AND CAP, instead it **wrecks it!**

Nowhere in CUT AND CAP was it suggested that the legislature should change, rewrite, add, delete, or **tinker** with either the letter or spirit of this constitutional amendment. Nor did the measure **GRANT LOOPHOLES TO ANY TAXING JURISDICTION**. But, with the proposal offered by Measure 50 what started as Citizen Sponsored Tax Reform has become **Legislative Tax Retaliation!** So many changes and special concessions have been made that it is difficult to DECIPHER what taxing authorities haven't **cut deals** granting them **SPECIAL TREATMENT**.

### WHO LOSES?

The short answer: anyone who didn't hire a lobbyist to STOP IT. While business, renters, and working home owners lose--**seniors and others living on fixed incomes are BIG financial losers**. While **CUT AND CAP** offered a **predictable** rate of taxation for property owners--Measure 50 **destroys** that certainty!

More importantly, our constitutional right to use the initiative process as a **protection from government** and make laws **IS JEOPARDIZED**.

### ALLOW THE CONSTITUTIONAL PROCESS TO WORK.

What good is our constitution if the legislature repeatedly and wantonly disregards their responsibility to the electorate? We have a separation of powers, lawmakers are there to implement the laws and the **COURTS** decide the validity of those laws--**NOT THE LEGISLATURE**.

**Reject This Stinker! VOTE NO ON 50.**

*(This information furnished by Francis Martinez, Stop It, Just Stop It Committee.)*

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## ARGUMENT IN OPPOSITION

### RED ALERT! RED ALERT!

Battle stations everyone!

The legislature is shooting measure # 50 at us. They are calling it a rewrite of measure 47. It is not. The two are as different as daylight is from dark.

1. Measure 47 guarantees a 3% cap on property taxes, measure 50 does not.
2. Measure 50 removes a large portion of the tax savings voted in with measure 47. Initially, the guesses are that we will lose 25% or more of the tax savings of measure 47 if measure 50 passes.
3. "Urban renewal" is one of the most dangerous "tax increment financing" methodologies ever devised by government. Measure 50 opens an opportunity for an urban renewal agency to sell bonds outside of it's flimsy 3% limit.
4. Measure 47 is two and one-half pages long. Measure 50, "the rewrite", is 10 pages of the most complicated legal language anyone is ever going to see.

MEASURE 47 can be implemented as it is written. Yes, it will require the smoothing of some rough edges. Fellow citizens, this does not require an intellectual debate. Common sense should tell you, **VOTE NO ON MEASURE 50**.

*(This information furnished by Richard Dixon, Executive Club.)*

*(This space purchased for \$300 in accordance with ORS 251.255.)*

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# MEASURE NO. 50

## ARGUMENT IN OPPOSITION

If you agreed to sell your house for \$100,00, then the buyer tells you he would only give you \$60,000, but demanded that you turn over the title anyway, how would you react?

That's what the Legislature does to Oregonians in the revision of Measure 47 it's put on our May ballot.

The Legislature's version breaks faith with the people.

The peoples' Measure 47 was estimated to cut taxpayers' tax bills \$250 million next fall. The Legislature's Measure 50 would cut only \$150 million. And some of THAT may be chewed away by Measure 50's back page provisions.

This, after Legislators promised they would protect ALL of 47's property tax relief! They said they only wanted to clean up 47 a little -- simplify it.

But they let the big tax and spenders in the back door. Measure 47 took three pages. Measure 50 takes NINE pages. That's simplification?

No, that's opening the back door for the "high tax" crowd after the people shut the front door by voting in Measure 47.

This Legislative version, Measure 50, lets Urban Renewal Districts begin to tax beyond the limits of the taxpayers' Measure 5 again -- after the courts held specifically that Urban Renewal taxes ARE limited by Measure 5.

Under 50, the limit wouldn't count if:

- \* A majority of voters approve a higher tax, provided a majority of voters turn out.
- \* The Legislature gives a school district the right to impose more tax.
- \* Serial levies (2 or 3 year "temporary" levies) are reapproved by voters.

And so it goes with Legislative "improvements".

Yes, Measure 47 had flaws. But it does the job Oregon's homeowners and small businesses need. 47 keeps property taxes from driving people out of their homes and businesses.

We can keep 47's protection in force by a NO vote on Measure 50. Let's tell the Legislature to keep its word next time it "improves" a measure passed by the people.

Vote NO on 50.

*(This information furnished by Stan Ash.)*

*(This space purchased for \$300 in accordance with ORS 251.255.)*

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## ARGUMENT IN OPPOSITION

It must be the water in Salem. What else could explain the goofy way our legislators carry on? How else can we account for Ballot Measure 50, their strange "re-write" of Measure 47?

You would think these legislators in particular would know what the voters said in November ... After all, most of them were elected on the same ballot as Measure 47.

Measure 47 is in the Constitution, the Legislature should have begun working on implementing it as soon they convened. Instead, they claimed Measure 47 was so poorly written and so hard to understand, they would have to "clean it up" for us. They would write a "better, simplified" version and refer it to a vote.

O.K., read their work. If you then think Measure 50 is just a better, simpler version of 47 ... I've got a bridge I'd like to sell you.

If it's just a simpler, cleaner 47, why is it so darn hard to read? If you can actually decipher it you'll see some big "gotchas" in there. One big one, is that Measure 50 doesn't limit your tax bill ... instead, it limits something called your "maximum assessed value". That's not the same thing as 47, and it isn't where we wanted to go.

Read further. Why are exemptions for government pension plans in there? Why are there new breaks for "urban-renewal agencies"? We didn't vote on these things in November! Some simple re-write.

Everyone agrees Measure 47 could have been better written, but all honest Oregonians (including its strongest opponents), know what the measure calls for, and so do our elected officials.

Vote No on 50. There's something unseemly about our government telling the voters it knows better than they do.

It must be the water.

*(This information furnished by Don McIntire.)*

*(This space purchased for \$300 in accordance with ORS 251.255.)*

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# MEASURE NO. 50

## ARGUMENT IN OPPOSITION

### Measure 50 is a clear and present danger to your property

Ballot Measure 50 **was supposed to be** a simple rewrite of Measure 47. Instead, it was hijacked by government spendthrifts and turned into a revenue raising device. It was laden with "gimmies" for those with the clout to get into the back rooms of Salem -- bond attorneys, urban renewal planners, government union leaders -- and with traps for the rest of us.

The Legislature took less than three weeks to consider this total overhaul of the property tax system in Oregon. This was a terrible abuse of the process. There is no way that Legislators could understand what they were voting on in just 18 days? They should be ashamed to cash their paychecks for those 18 days.

Here is a very short list of some of the protections which Measure 50 will dump in the trash can. For over 80 years, Oregon has relied on the notion of the local "tax base" which could only grow by 6 percent a year without voter approval. Measure 50 junks the whole tax base system and replaces it with a California-style "rate based system." Now who do you suppose wanted that change?

Since 1990, the Constitution has limited the taxes on **individual** pieces of property; Measure 50 replaces those individual limits by some vague kind of geographical limits. How will that work? Not to worry, the courts will tell us.

Finally, Measure 47 didn't get rewritten. It got mangled! Using **its** simple provisions, most taxpayers could figure their own tax bills for November, 1997 using only a \$10 calculator. Measure 50 is so messed up that even government tax experts can't agree on its impact on a typical Portland home for this coming November. (*The Oregonian*, 3/28/97, page B6.)

Measure 50 is a perfect example of what happens when the governmental apparatus tries to "improve" a citizen initiative. For protection of your pocketbook, VOTE "NO" ON MEASURE 50.

*(This information furnished by Tom Dennehy.)*

*(This space purchased for \$300 in accordance with ORS 251.255.)*

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## ARGUMENT IN OPPOSITION

The March 29 Oregonian reports that Measure 50 reduces cut and cap tax breaks for Portland homeowners and small businesses by half.

Portland and Multnomah County homeowners have had their assessments increased 104 percent since 1991, while five or more apartments and larger businesses have increased only 30 percent.

Homeowners in 1996 paid 66.25 percent of all property taxes, while the above paid only 33.75 percent. The same or worse may apply throughout Oregon if voters are "conned" into approving Measure 50. VOTE NO.

Measure 50 is must longer than (Measure 47) containing ambiguities that are not clear. Vote No. Measure 50 does much more than "revise" cut and cap, it repeals and revises numerous provision of the Oregon Constitution to increase taxes beyond cut and cap of 47. Remember you pay 66.25 percent in property taxes, they pay 33.75 percent.

In 1992 the Oregon Supreme Court held that "tax increment" property taxes to repay Urban Renewal Bonds were subject to Measure 5 limits. Measure 50 would disregard the Supreme Court decision. VOTE NO, TRUST YOUR SUPREME COURT.

Do not accept as true the Legislator's statement of financial impact and ballot title. Measure 50's ballot title does not disclose it raises property and other taxes.

Homeowners and small businesses should not allow the monied special interest to deprive you of tax relief approved in Measure 47. VOTE NO.

Remember 72 percent of the total land area of Oregon is PROPERTY TAX EXEMPT: Tax exemptions now total over \$476 BILLION STATEWIDE, \$8 BILLION IN MULTNOMAH COUNTY.

VOTE NO, KEEP YOUR CUT AND CAP OF MEASURE 47, or pay more for special interest.

*(This information furnished by Curtis Jones.)*

*(This space purchased for \$300 in accordance with ORS 251.255.)*

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