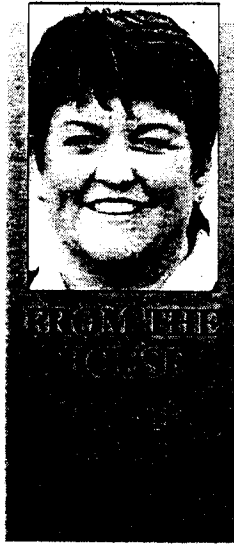


# Local congresswoman's view of state's special budget session

The following is a column from Rep. Tootie Smith, who wanted to provide a summary on the actions taken by the Special Session of the 71st Legislature



During the Special Session of the 71st Legislative Assembly, lawmakers were charged with rebalancing Oregon's budget due to a decline in tax revenues, which was brought on by the recession.

I have outlined the actions we took. The rebalance plan includes reduction in spending of \$350 million and revenue enhancements of \$350 million.

The most critical aspect of the plan is that it was formed with a bipartisan agreement and testimony was taken from all groups across Oregon for several

4. We set up an Education Stability Fund, (rainy day fund) by dedicating 15 percent of lottery proceeds to this fund. Again voters need to approve this in May primary election.

5. If voters fail to approve the Education Endowment Fund transfer, then \$120 million of Common School Fund money will be used as a good safety net. We lawmakers, not school districts, will pay the money back to the fund at 7.33 percent interest.

6. Additionally and beyond, we granted school districts the authority to pool together bonding to refinance their unfunded PERS liability, which amounts to \$1.7 billion statewide. Savings to Silver Falls School District, for example, is about \$90,000 a year.

Our bipartisan agreement also produced a series of enhancements to try to give relief to Oregon's workers. We extended unemployment benefits for an additional 13 weeks with a \$20 increase per week in benefits. We also factored in tax relief for

months leading up to the special session on February 9-11. These reductions in spending were not easily made. Many programs near and dear to my heart had to be cut.

But keep in mind that the Oregon Legislature employing jointly with the Senate and the House labored long and hard with 21 committee meetings from mid-December through Feb. 7. We had 465 public witnesses with

122 hours of hearings and 36 agencies testified. We have collected volumes of material, which are several feet high. All in all, we tried to be fair by listening to many people from across the state. Anybody who showed up at the hearings was allowed to testify.

Republicans, with my leader-

small business owners. We increased bonding for road and bridge projects from \$400 million to \$500 million. This was accomplished because we were able to buy more bonding because interest rates are low.

The balance of reductions of about \$243 million comes from other state funded programs. Department of Human Services, \$100 million; Public Safety, \$75.4 million; Natural Resources, \$9.7 million, some of which will be back filled with federal funds; Administration, \$5.13 million; Economic Development, \$13.7 million; Consumer Services, \$653,303; Transportation, \$1.4 million; Judicial Branch, \$25 million; Legislative Branch, \$3.9 million and Lottery reserves, \$34.5 million.

Again none of this came easy. If you have any questions as to the specifics within a certain budget, just call me at 503-632-2115 or email me at taffy@teleport.com. I have much more information to share with you.

ship, held strong to the commitment not to raise taxes. We tightened our belt, agencies helped to scrape together money within their own budgets, and we tapped existing revenues not before touched.

First, I have kept my promise to schools with a reduction of less than two percent, or \$107 million. Under Gov. Kitzhaber's plan the cut would have been much larger. We accomplished this with a combination of actions.

1. We eliminated the School Improvement Fund of \$112 - a new program with mandates I voted against during regular session.

2. We restructured the payment schedule of monies to school districts, they now actually get money sooner, but spreads the payments evenly over the school year.

3. We will transfer \$120 million from the Education Endowment Fund, with voter approval.

## WHERE TO WRITE, CALL

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