



FACT SHEET

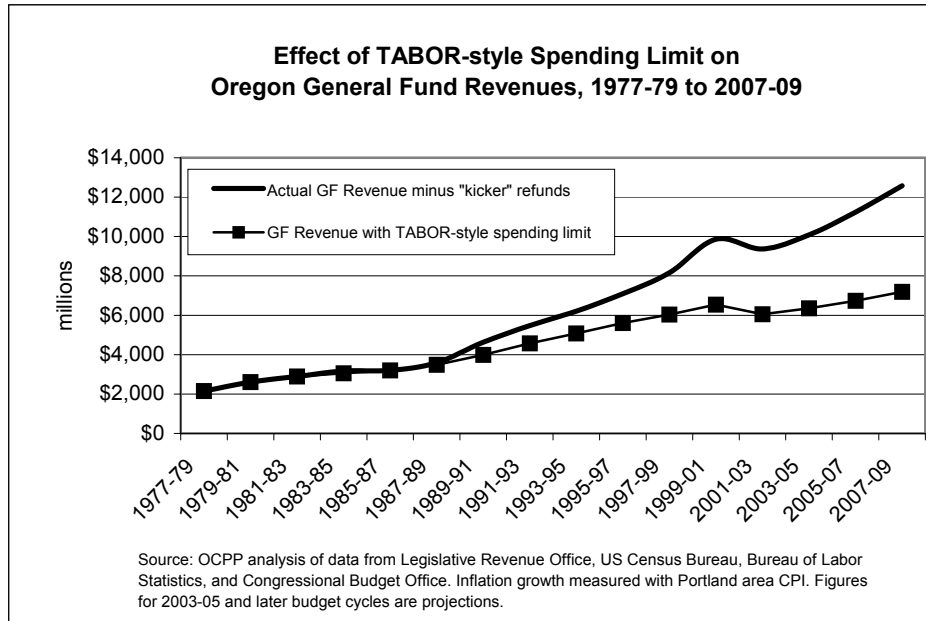
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Population Plus Inflation Spending Limit Would Cripple State-funded Services

Opponents of public services seek to limit Oregon state government revenues to a maximum of population plus inflation growth as part of a so-called Taxpayer Bill of Rights (“TABOR”). This proposal would force drastic reductions in state services over time.

If Oregon had adopted a TABOR-style population plus inflation revenue limit in the 1979 legislative session, instead of establishing “kicker” refunds and a spending limit based on personal income growth, General Fund revenues in 2007-09 would not be allowed to exceed \$7.2 billion, which is \$5.4 billion (42 percent) less than they are actually projected. The difference is more than the total amount appropriated for K-12 education (\$5.2 billion) and six times the amount appropriated for higher education (\$898 million) funding in the current budget cycle.



It is difficult to imagine that Oregon would be able to maintain the quality of our schools and universities, the fairness and efficiency of our courts, the effectiveness of our prisons and police departments, and the reach of Oregon’s assistance to the elderly, children, disabled, and the poor, with less than 60 percent of the funds currently expected.