



STATE OF OREGON
LEGISLATIVE REVENUE OFFICE

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TO: Financial Estimate Committee
FROM: Chris Allanach
DATE: July 8, 2022
SUBJECT: Review of Ballot Measures for Potential Indirect Effects

ORS 250.125 directs the Financial Estimate Committee to consult with the Legislative Revenue Officer (LRO) regarding potential indirect economic and fiscal effects associated with ballot measures. It is up to the committee to determine if any such indirect effects are significant and can be feasibly estimated.

LRO has reviewed the following potential ballot measures: IP 14, IP 17, and Referrals 401 and 402. We conclude that IP 14 does not have indirect economic or fiscal impacts. IP 17 has no significant indirect economic effects. Potential indirect fiscal effects depend on future legislative policy, spending, and revenue decisions to reconcile any differences between revenue and spending impacts.

Referral 401 would require the state to ensure affordable health care access to all Oregon residents, but does not specify how that access is to be achieved. The referral also requires such access to be balanced against other essential public services. This policy has the potential for significant indirect economic and fiscal impacts, but they would depend on future legislative policy, spending, and revenue decisions. On the low-end of the cost spectrum, the state could simply extend insurance coverage to all Oregonians who are currently uninsured. On the other end of the cost spectrum, the Universal Health Care Task Force is considering a single-payer system. For the task force, LRO provided estimates of new taxes totaling roughly \$20 Million in 2026. Any modeling work to estimate indirect effects should be based on a clear, detailed policy approach, which is not articulated in the measure.

Referral 402 has no immediate indirect economic or fiscal impacts. However, concerns have been raised about the potential for litigation related to wage rates of adults in the custody of the Department of Corrections. Indirect economic or fiscal impacts would depend on the outcome of any such potential litigation.