
From: Becca Uherbelau [REDACTED]
Sent: Tuesday, July 24, 2018 1:55 PM
To: SOS Elections * SOS <Elections.SOS@oregon.gov>
Subject: Public Testimony on IP 37 fiscal estimate

Members of the Financial Estimate Committee:

My name is Becca Uherbelau and I am the Executive Director of Our Oregon, an economic and social justice organization.

I write to ask for an amendment to the Financial Estimate Statement for Initiative Petition 37.

The statement, as currently written, contains serious inaccuracies. Specifically, the statement that claims IP 37 would not “require any additional state or local government spending to implement” is inaccurate. Implementation costs will be bureaucratic and complicated. Legal action is nearly inevitable, especially since no other state has an amendment like this and the amendment uses definitions that do not currently appear in the constitution. Terms like “groceries” and “enacted” lack clarity, and there is already considerable disagreement about the impact of the measure.

For example, the Attorney General and the Oregon Supreme Court found that the measure impacts restaurants, an impact that the drafters of the amendment have admitted was not their intent. It is clear that if there are attempts to clarify that impact, that debate will likely be done in court. Those court battles could take years and will likely cost millions. Because the amendment is so flawed, so unusual, and so un-tested, there may be hundreds of disputes by thousands of corporations who are arguing to avoid paying taxes.

These legal disputes are likely be immediate and far reaching because IP 37 is retroactive, and there are specific statewide and local measures that may be impacted by IP 37. It is my understanding that IP 37 may impact voter-approved measure 101 (provider tax) as well as the transportation package approved by the legislature. Additionally,

local measures intended for the November ballot may be impacted, as well as local measures that passed between September 2017 and today. Unless this committee has had the opportunity to survey local governments about local measures and consult the Attorney General about state laws and measures to be certain that no current law or proposed law would not be impacted by IP 37, it should not state definitively that there would be no cost to implement the law if it passes.

Further, by only stating that the measure would not impact measures passed before September 2017, the statement misleads and confuses voters as to the retroactive impact on IP 37. A more clear, and more accurate statement would be to state what the measure does do: "retroactively impact any measures or laws passed after September 2017."

The retroactivity of IP 37 is a major effect, is in the caption of the measure, and should be clearly mentioned here.

IP 37 is a far-reaching, never-before-attempted amendment that could radically change the manner in which taxes are collected in Oregon. The financial statement presented to voters must make it clear that we cannot even begin to determine the fiscal impact it may make.

Thank you for your time,

Becca Uherbelau

Executive Director

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