
From: John Weigant [REDACTED]
Sent: Thursday, July 19, 2018 8:48 PM
To: SOS Elections * SOS <Elections.SOS@oregon.gov>
Subject: Comment on financial impact statement of Initiative Petition 1

Attached are two documents

1. A Word 2007 document describing three major failures in the draft financial impact statement of the constitutional amendment to prohibit public funds for abortion, documented in a spreadsheet (attachment 2).

1. The worst was projecting first year only additional costs of the measure, which is a permanent change, and costs will accrue forever, or until the amendment is repealed. First year costs are projected at \$19.3 million, a relatively small impact. The spreadsheet estimates a 17-year accrued cost of about \$2billion, with about \$215million annual costs thereafter, assuming inflation and population growth are zero, and costs don't change. Estimating first year costs only of a permanent program is a huge error.
2. The "revenues" from the federal government are mostly returns of taxes paid by Oregon taxpayers, which are deductible from Oregon returns, in turn reducing revenue to the state. This "revenue" should be reduced substantially to account for the cost of getting it. I don't have sufficient data to do a projection, but the simple revenue numbers of the draft statement are misleadingly large.
3. The spreadsheet adds costs for other governments, which are substantial, not zero. (Inability to determine them does not make them zero; any non-zero guess is better than nothing. The committee's informed guess is better than most voters' guess.) Population growth is estimated to increase by 1250 babies per year, who will grow and produce babies of their own. Population increase has a general infrastructure cost not considered. This population growth is ignored in the spreadsheet, but it has substantial real impact.

2. An Excel spreadsheet lists a 20 year projection of the simplest possible assumptions. The committee may refine the model as they wish. For example, prohibited public funding applies to two populations

of different economic characteristics. For example, public employees will likely fund abortions themselves, if they aren't covered. Downstream impacts should also differ for each group. The intent of the spreadsheet is to document the very large impact of the measure in a general way. Feel free to refine it.

3. The SOS notices say committees may be seeking members to assist with financial impact statements. If this committee needs members, I offer myself as a candidate. I oppose the measure itself, but strongly believe that data describing it should be as complete and impartial as possible. This effort is about data, not morality. In particular, I believe that population growth should not be encouraged, and that women should have totally equal opportunity. The latter means women should not be forced into motherhood--a career that conflicts with other opportunities--and restricting abortion reduces their quality of life by increasing the quantity of unwanted life. Human life is already far past what the planet can sustain. The current statement says nothing about population growth, which will increase, or labor force growth, which will decrease.

4. Finally, seeking to learn more about what I was writing about, I looked and looked for the text of the measure, but couldn't find it. Measures of the 2020 election seemed available, but not 2018. Voter pamphlet arguments are due soon, and it's dumb to submit an argument based only on its ballot title. Please send me a link so I can find the text.

Thank you,

John Weigant

(A ex-urban planner, doing general planning, employment and training programs, and population projection)

Financial implications of Petition 1, to prohibit spending public funds on abortion.

All costs in \$million

| Year | Annual cost | Continued prior cost | Added cos to educate | Total cost per Year | Cumulative Total |
|------|-------------|----------------------|----------------------|---------------------|------------------|
| 2021 | 19.3 | 0 | 0 | 19.3 | 19.3 |
| 2022 | 19.3 | 15.4 | 0 | 34.7 | 54.0 |
| 2023 | 19.3 | 27.8 | 0 | 47.1 | 101.1 |
| 2024 | 19.3 | 37.7 | 0 | 57.0 | 158.1 |
| 2025 | 19.3 | 45.6 | 0 | 64.9 | 223.0 |
| 2026 | 19.3 | 51.9 | 10 | 81.2 | 304.2 |
| 2027 | 19.3 | 57.0 | 20 | 96.3 | 400.5 |
| 2028 | 19.3 | 61.0 | 30 | 110.3 | 510.8 |
| 2029 | 19.3 | 64.2 | 40 | 123.5 | 634.3 |
| 2030 | 19.3 | 66.8 | 50 | 136.1 | 770.4 |
| 2031 | 19.3 | 68.9 | 60 | 148.2 | 918.7 |
| 2032 | 19.3 | 70.6 | 70 | 159.9 | 1078.5 |
| 2033 | 19.3 | 71.9 | 80 | 171.2 | 1249.7 |
| 2034 | 19.3 | 73.0 | 90 | 182.3 | 1432.0 |
| 2035 | 19.3 | 73.8 | 100 | 193.1 | 1625.1 |
| 2036 | 19.3 | 74.5 | 110 | 203.8 | 1828.9 |
| 2037 | 19.3 | 75.0 | 120 | 214.3 | 2043.2 |
| 2038 | 19.3 | 75.5 | 120 | 214.8 | 2258.0 |
| 2039 | 19.3 | 75.8 | 120 | 215.1 | 2473.1 |
| 2040 | 19.3 | 76.1 | 120 | 215.4 | 2688.5 |

Dropoff rate: 80% : Gross estimate the number and cost of children who stop receiving public funding each year.

Col C: Prior cost, compounded: Assume "C25" percent of prior years compounded costs are included.

(80% is an uneducated guess, but causes total costs to stabilize over time.)

Col D: Added education costs, \$10 million/year based on 1250 children at \$8000/year.

(Assumes low income people who qualify for state-funded abortion pay less school and other taxes than they cost.)

This projection has no inflation and no growth in the population affected, but it makes its point.

Regarding financial implications of Petition 1:

1. You've vastly underestimated its financial costs by failing to consider the compounding effect in subsequent years. See attached spreadsheet for a more complete context of financial impacts.
2. The expected federal revenue is overstated, since it comes from either taxpayers or deficits, which Oregon citizens must eventually pay. Although federal revenue is derived nationwide, a general assumption is that each state receives federal funding in proportion to what it pays in federal taxes. The revenue paragraph simplistically suggests federal revenue is free and without cost.
3. Amend as follows: "The financial impact on local governments ~~is indeterminate~~ has not been determined, but is substantial." ("Indeterminate" has some meanings that imply "cannot be determined." We are not trying to "determine" but to estimate. "Government" in singular suggests general purpose governments, but schools and other special governments are also impacted by (typically low income) population increases.

Attached is a spreadsheet of estimated costs over time, ignoring inflation or population growth, and assuming the projected annual costs stay constant. Its purpose is not to show accurate numbers, but the scale of continuing costs over time. The draft statement refers to health care, food, and nutrition, but not welfare, child care, foster care, or other costs increased by the served population, such as education and urban services like police and fire, or the general costs of infrastructure. For simplicity, I assume the stated costs include all costs. The cumulative state costs will rise for about 17 years to over \$2 billion, then level out to about \$215million/year. I exclude federal "revenues," which come from our taxes anyhow. Nor do I consider them reliable.

Assuming 1250 additional births per year will occur (see "Preliminary Discussion Draft"), we can expect state tax revenue loss as more dependents are claimed for about 18 more years. Add the tax impact of loss from the labor force of potential taxpayers, now occupied by child care. DOR data can likely estimate these to show substantial negative state revenue impacts. Even if approximate, some estimate is better than the current estimate of zero.

The claim that local government variables are not known at this time is also incorrect, and allows the current estimate (zero) to stand. Each year 1250 more children will head to schools, with a known cost per student (guessed at \$8000/child/year), after a 5 year delay, and will remain costly for 12 more years.

Failure to estimate the financial impacts for the life of this Constitutional amendment (permanent in the hope of its sponsors) is a serious flaw. First year costs may be 19.3 million, but future costs will grow to exceed \$215 million per year before leveling out in about 17 years, assuming zero population growth and inflation. Since many government costs are related to population growth, and the measure is estimated to increase population by 1250 per year by itself, compounded, it exacerbates the costs of dealing with climate change, environmental protection, and all governmental services. This amendment is far more costly, in very many ways, than its sponsors think. On the surface, it saves money, but that's a lie.

Submitted by John Weigant, 18989 NE Marine Dr. #15, Portland, OR 97230 (503-491-8450), 7/19/2018
johnweigant@comcast.net

From: John Weigant [REDACTED]
Sent: Monday, July 23, 2018 5:11 PM
To: SOS Elections * SOS <Elections.SOS@oregon.gov>
Subject: comment for Financial Impact Statement Committee for Petition 1 (no public funding of abortions)

Attached is a Word (2007) document offering comments on the draft financial impact statement for Petition 1.

Attached is a 20-year cost projection (Excel 2007) the committee should find interesting. It's a 20-year projection, using the committee's data plus a little they didn't use, that projects the 20-year cumulative cost to the state at \$1.67 *trillion*, assuming current data remains constant. It's the most accurate I could produce, although as a computer programmer, I know my work must be inspected carefully before it is adopted.

--John Weigant

503-491-8450 (land line); 503-841-1727 (cell)

Financial implications of Petition 1, to prohibit spending public funds on abortion.

| Year | All costs in \$million | | | | | | Added Population | Lost OR Revenue @ | Tax public costs | Grand Total Cost |
|------|--------------------------|----------------|----------------------|-----------------------|---------------------|------------------|------------------|-------------------|------------------|------------------|
| | No Abortion, Annual Cost | Annual Savings | Continued prior cost | Added cost to educate | Total cost per Year | Cumulative Total | | | | |
| 2021 | 22.2 | 2.9 | 0 | 0 | 19.3 | 19 | 1250 | \$ 0.12 | ? | 19.4 |
| 2022 | 22.2 | 2.9 | 17.8 | 0 | 20.7 | 40 | 2500 | \$ 0.25 | ? | 40.2 |
| 2023 | 22.2 | 2.9 | 32.0 | 0 | 34.9 | 75 | 3750 | \$ 0.37 | ? | 75.2 |
| 2024 | 22.2 | 2.9 | 43.3 | 0 | 46.2 | 121 | 5000 | \$ 0.49 | ? | 121.6 |
| 2025 | 22.2 | 2.9 | 52.4 | 0 | 55.3 | 176 | 6250 | \$ 0.62 | ? | 177.0 |
| 2026 | 22.2 | 2.9 | 59.7 | \$ 14,644 | 14706 | 14883 | 7500 | \$ 0.74 | ? | \$ 14,883 |
| 2027 | 22.2 | 2.9 | 65.5 | \$ 29,288 | 29356 | 44239 | 8750 | \$ 0.86 | ? | \$ 44,240 |
| 2028 | 22.2 | 2.9 | 70.2 | \$ 43,931 | 44004 | 88243 | 10000 | \$ 0.99 | ? | \$ 88,244 |
| 2029 | 22.2 | 2.9 | 73.9 | \$ 58,575 | 58652 | 146895 | 11250 | \$ 1.11 | ? | \$ 146,896 |
| 2030 | 22.2 | 2.9 | 76.9 | \$ 73,219 | 73299 | 220193 | 12500 | \$ 1.23 | ? | \$ 220,195 |
| 2031 | 22.2 | 2.9 | 79.3 | \$ 87,863 | 87945 | 308138 | 13750 | \$ 1.35 | ? | \$ 308,139 |
| 2032 | 22.2 | 2.9 | 81.2 | \$ 102,506 | 102590 | 410728 | 15000 | \$ 1.48 | ? | \$ 410,730 |
| 2033 | 22.2 | 2.9 | 82.7 | \$ 117,150 | 117236 | 527964 | 16250 | \$ 1.60 | ? | \$ 527,966 |
| 2034 | 22.2 | 2.9 | 83.9 | \$ 131,794 | 131881 | 659844 | 17500 | \$ 1.72 | ? | \$ 659,846 |
| 2035 | 22.2 | 2.9 | 84.9 | \$ 146,438 | 146525 | 806370 | 18750 | \$ 1.85 | ? | \$ 806,372 |
| 2036 | 22.2 | 2.9 | 85.7 | \$ 161,081 | 161170 | 967540 | 20000 | \$ 1.97 | ? | \$ 967,542 |
| 2037 | 22.2 | 2.9 | 86.3 | \$ 175,725 | 175814 | 1143354 | 21250 | \$ 2.09 | ? | \$ 1,143,356 |
| 2038 | 22.2 | 2.9 | 86.3 | \$ 175,725 | 175814 | 1319168 | 22500 | \$ 2.09 | ? | \$ 1,319,170 |
| 2039 | 22.2 | 2.9 | 86.3 | \$ 175,725 | 175814 | 1494982 | 23750 | \$ 2.09 | ? | \$ 1,494,984 |
| 2040 | 22.2 | 2.9 | 86.3 | \$ 175,725 | 175814 | 1670796 | 25000 | \$ 2.09 | ? | \$ 1,670,798 |

Dropoff rate: 80% : Gross estimate the number and cost of children who stop receiving public funding each year.

Col B: The annual social service costs (added) of not performing abortions

Col C: The annual savings (subtracted) of not performing abortions

Col D: Prior cost, compounded: Assume "D25" percent of prior years compounded costs are included.

(80% is an uneducated guess, but causes total costs to stabilize over time, stabilizing in about 15 years.)

Col E: Added education cost/student, based on annual costs for 1250 children of \$ 11,715 (Oregon operating cost/student. 2016-17: DOE)

(Assumes low income people who qualify for state-funded abortion pay less school and other taxes than they cost.)

Col G: Sum of social service costs to date, less abortion savings

Cpl H: Population growth, unaborted children only

Col I: Lost Oregon tax revenue due to added \$ 197 exemptions from parents' OR tax returns, 50% paying.

Col J: State and local infrastructure costs money. To compute, add all government taxes, subtracting costs already accounted for.

Col K: Sum of Col G + I.

This projection has no inflation and no growth in the population affected, except for but it makes its point.

Federal revenue from social services is not counted, because it is assumed that other Oregon taxpayers pay it.

Memo: Comments on financial impact statements

To: Financial Impact Committee for Petition 1, prohibiting public funds for abortion
From: John Weigant, 18989 NE Marine Drive #15, Portland, OR 97230 (tel 503-491-8450)
Date: 7/23/2018
Re: Suggested first year cost to add to the statement.

1. This amendment has substantial downstream costs. My 20-year projection estimates accrued total costs of \$1.6 *trillion*, adding just two additional costs (see attachment). It excludes Federal Revenue, as money simply returned to the state from taxes paid by Oregon taxpayers. It also includes the cost of educating these 1250 *added* children per year, and the loss of income tax revenue, assuming about half of the target families will pay Oregon taxes and be able to deduct \$197 per child. That amounts to \$125,000 lost revenue per year. This loss will accrue yearly for about 18 years, as long as the child remains a dependent. I believe this loss should be included in the first year impact, even if the educational costs are delayed for about 5 years. I also assume that each year about 20% of the social service recipient children will drop out of eligibility, eventually stabilized those costs. 20% is a pure guess, as is the half that pay Oregon taxes; they are easy to adjust in the spreadsheet.
2. I understand the reason for first year costs only, in that partisans can make competing projections totally confusing, using unjustified assumptions, both for the legislature and the voters. I have minimized my assumptions, assuming inflation and all other factors remain constant, except for the growing child population of 1250 per year. My projection also assumes state population growth stays constant, except for the non-aborted children. While the rule specifies only a single year's impact, a statement would be appropriate that the nature of such amendments *adds* costs and some revenues each year, while *maintaining* a substantial portion of prior year's costs, like compound interest. This amendment is far more expensive than the rules would suggest. Failure to add such a statement will mislead many voters, who often read ballot titles only.
3. My qualification: I am a lay futurist and a former urban planner. My Masters of Urban Planning (U of O) thesis project was writing computer programs to project population. I also spent much of my urban planning career managing employment and training programs, so I understand, better than most, the intersection of population growth and urban economics. The project made me a strong feminist, since women are the ones who produce babies, so they need an alternate career than forced motherhood. To me, the best solution is total equality. I'm also an environmentalist. The undeniable conclusion is that the earth cannot tolerate many more people, and soon (about mid century) populations will decline. We are already unsustainable. The decline likely means overshoot and collapse of the human population, and the traditional methods of population control will kick in again: war, starvation, pestilence, and strife. Abortion, while not a preferred method of birth control, is better than the traditional methods—the Four Horsemen of Apocalypse.