



OREGON HOUSE REPUBLICAN OFFICE

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Statement from House Republican Leader Mike McLane on Cost Containment Hearing and Path to Balanced Budget

Statement by House Republican Leader Mike McLane:

“Recently, Speaker Kotek and President Courtney asked the leaders of the Ways and Means Committee to gather ideas on how the state government might reduce costs. Today, the Ways and Means subcommittee on Capital Construction discussed some of those ideas, which included ways to improve how our government operates and save money in the process. While House Republicans have questions about the implementation and durability of these ideas, they nonetheless represent an encouraging starting point in a broader conversation. The bottom line is that Oregon’s state government must have structural spending reform to meet our commitments in the long term. The escalation of the costs of PERS obligations and state spending have put Oregon’s state government in a huge hole during a time of record tax revenues.

“Ultimately, balancing the budget over the next decade will require a far more comprehensive effort than what was discussed today in the Ways and Means subcommittee. House Republicans believe this effort should consist of: 1) Development of a clear strategy for maintaining economic growth over the next decade. This requires agreement on a target economic growth rate and increasing good-paying jobs, and a commitment to conform state policy to that end. 2) Delivery of structural spending reforms that result in significant savings in the long term. 3) Targeted investments in career and technical education and workforce development programs that both support economic growth and fulfill the objectives of our voters. This may require additional tax revenues, but those revenues must be targeted to support those investments.

“Only when lawmakers and the governor commit to these three steps – in that order – will Oregon’s state government be on the path to a more stable financial future.”

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