

OREGON HOUSE REPUBLICAN OFFICE

In Case You Missed It House Republican Leader Mike McLane: Session was marked by missed opportunities

2017 Oregon Legislature: Session was marked by missed opportunities By House Republican Leader Mike McLane | As published by The Mail Tribune

The 2017 legislative session will be remembered by many as a session of missed opportunities. It is not that good things were not accomplished — there were — but even our best successes like the transportation package were overshadowed by the unwillingness of our state leaders to make a serious effort to get our state's financial house in order.

The weight of decades of runaway spending poses a serious risk to our ability to adequately fund our schools, health care programs and other core services. It does not take a mathematician to realize that when state spending is increasing far more rapidly than revenues are growing, eventually you are going to run into a problem.

We ran into that problem this session as we attempted to deal with massive increases in the cost of administering benefits for government employees and in the administration of other state programs. Despite a projected increase in revenues of more than \$1 billion, Democratic leaders said they were \$1.8 billion short of what was needed just to prevent budget cuts. Though we disagreed over the true size of that shortfall, lawmakers from both parties pledged to work with each other in good faith to find the best path forward for the state of Oregon.

In order to address our state's budget woes in a comprehensive manner, Republicans supported a threestep approach that consisted of:

- 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 those ends.
- Delivery of structural spending reforms that result in significant savings in the long term.
- Targeted investments in career and technical education and workforce development programs that both support economic growth and fulfill the objectives of our voters, which could be funded by new revenues as needed.

Unfortunately, this balanced approach gained little traction among House Democratic leaders. Even amid record tax revenues, they continually complained that our state's main problem was a lack of revenue and resources, ignoring the fact that Oregonians have seen their taxes increase 48 times in the last decade. House Democrats passed a bill to increase the tax rate on small businesses by over 20 percent. That was still not enough. They sought to pass a massive, multi-billion dollar tax on Oregon sales that was very similar to the scheme proposed by Measure 97 last November. Despite a myriad of analyses showing

that this form of taxation would negatively impact consumers, House Democrats pushed for the tax increase until the closing days of session.

House Republicans opposed this effort. We understood that Oregonians do not want to hand over more of their money to bail out a broken government that spends without restraint. We believed we had an opportunity, amid record revenues and a growing economy, to finally pass meaningful reforms to the way our government operates that would provide significant savings to taxpayers and provide for greater investments in our schools. Republicans in the House and Senate introduced bill after bill to address PERS and reduce the cost of providing government services, yet few received hearings and no serious proposal for structural change was allowed to receive a vote.

When the final gavel came down July 7, I was struck by a familiar sound. It was the sound of a can being kicked down the road resounding through the halls of the Capitol — yet again. The 2017 session was, in many respects, a session of missed opportunities.

Click here to view this op-ed online.

###