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Oregon Republicans propose outcome-based budgeting bill ***Republicans say Democrat and media "debt," "shortfall" rhetoric is confusing constituents of budget realities***

SALEM, Ore.-Democrats in Salem have been grappling with a scattered series of executive orders, a deeply painful budget cuts proposal that includes throwing off nearly a half-million Oregonians from Medicaid, and a multi-billion dollar new hidden tax on sales that will drive up costs on consumers, particularly harmful to low-income Oregonians. Republicans have responded with an outcome-based budgeting [proposal that will help the state build its budget from the ground up.](#)

Senate Republican Leader Ted Ferrioli, of John Day said:

"Instead of growing the government's budget at an increase from the previous year, budgeting should be done as a thoughtful process, setting priorities, so we can put an end to uncontrolled government overspending."

Senate Republican Deputy Leader Tim Knopp, of Bend, said:

"The government continues to spend more and more every year and every time we come to budget talks, there is an expectation of unquestioned spending increases. We should be more thoughtful about our approach to budgeting and craft more sound, sustainable budgets."

One of the chief sponsors of the bill, state Sen. Dennis Linthicum, R-Klamath Falls, expressed optimism on the bill receiving a hearing.

Linthicum said:

"I think Oregonians deserve to know the truth about how budgets are created

here in Salem. If Oregonians knew the truth, they'd want to see this bill pass so we can bring about fiscal sanity in this building."

Stayton Republican state Sen. Fred Girod added:

"There is no such thing as this so-called budget 'shortfall.' It is a myth Democrats conjured up to push for a new gross receipts tax."

Under "outcome-based," or in accounting speak "zero-based" budgeting, budgets start at "zero," and then expenditures are added. In other words, budgets would be built from scratch and start with priorities first, like education. Agencies would be able to responsibly craft their budgets and build around what is needed for the upcoming biennium.

For example, one agency may need more money this biennium, while another agency may need less. Traditional budgeting, instead, seemingly blindly Republicans say, starts from a previous budget and then adds automatic, expected increases. In Oregon, the government simply takes the budget from the previous biennium and adds on top of it without reevaluating programs and expenditures.

Republicans say outcome-based budgeting will help Oregon build more thoughtful, sound and productive budget negotiations and outcomes. The discussion around continued service level (CSL) highlights what Republicans say is the problem with the state's budgeting practices.

Continued service level is used as a phrase to describe what should be called "desired spending level." Democrats and members of the media have continually used that phrase and the words, "shortfall," and "deficit" to describe the gap between the record-high levels of revenue in Oregon and the amount of money Democrats say they feel like spending. What's more indicative of the current rhetoric being misleading, is that Democrats have said any increase below a 14.6 percent increase is a "cut."

Republicans say the media and Democrats' description of a budget surplus as a "deficit," and the use of "debt" rhetoric, confuses constituents. Whether intentional or not, they say, it is doing an "absolute disservice to public discourse on such a critical issue."

Under their bill, state agencies would be required to include a justification for proposed spending. The bill will apply to biennia beginning on or after July 1, 2019.

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