



The League of Women Voters of Oregon is a 99-year-old grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.

May 15, 2019

To: [House Committee on Rules](#)
[Representative Paul Holvey, Chair](#)

Re: [HB 3348](#) – Initiative reform for financial disclosure statements – **Support**

For nearly 100 years, the League has encouraged informed citizen participation in government, including via initiative petitions. We laud the transparency of financial impact statements which forecast public cost of initiative proposals. HB 3348 clarifies that for initiatives that lack a declared funding source, with anticipated cost exceeding \$100,000, the Secretary of State will print in voters' pamphlets: "MEASURE SPENDS MONEY WITHOUT IDENTIFYING A FUNDING SOURCE".

In 2013, we supported [HB 2543](#), which would have required chief petitioners to state how new statutes or constitutional changes would be financed. The related referral, [HJR 15](#), required that initiative petitions with fiscal impacts must also provide a revenue source, to cover immediate and future costs of the proposed law or amendment. The League does not support making Oregon Constitutional amendments lightly. In the case of HB 2543 and HJR 15, this amendment appeared essential to improving the initiative process and making it more accountable. We urged that it was critical for good state fiscal policy.

We commented in 2013: The Oregon Legislature makes difficult spending decisions, prioritizing when desires exceed revenues. Legislators evaluate tax methods and amounts. Negotiations may require compromises without delays. Initiative petitions don't require this discipline or accountability. Statute does not limit content, so petitioners can simultaneously propose cutting taxes and increasing spending for popular programs, with no constitutional impediment, no alert to making irreconcilable ballot choices.

In 2017, we shared a "Budget Gap Pie" handout. The Legislature faced a challenging budget gap, with the economy doing well and a kicker rebate forecast. We had cost increases from health care, PERS, inflation, and almost \$357 million in unfunded ballot measures.

Votes reveal a binary policy like or dislike, without reflecting the degree of preference or budget priority. Voters can be unaware that their vote may result in cuts to other programs they hold dear and would prefer to protect. To tell how much voters care, ask the same questions legislators face: How much is it going to cost and how are you going to pay for it? Approximately half of states have an initiative process, but the vast majority limit subject matter—you can't use the process to upset their state's budgets.

We should know if initiatives will have financial consequences leading to General Fund cuts to important public services and programs. We urge your support of HB 3348 to improve voter awareness.

Thank you for the opportunity to discuss this legislation.

Norman Turrill
LWVOR President

Rebecca Gladstone
LWVOR Governance Coordinator