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QuickPoint! – Measure 97: A $30 Billion Gamble Oregon Voters Shouldn't Make

By Steve Buckstein

The massive gross receipts tax Measure 97 on Oregon's November ballot (previously known as Initiative Petition 28) is guaranteed to suck more than three billion dollars a year out of the productive private sector and deposit them in state coffers. What isn't guaranteed is how all this new government spending might impact the state economy.

While union proponents of this "sales tax on steroids" argue that putting more money into education and other public services will be good for the state, two reputable economic studies don't show it.

A nonpartisan Legislative Revenue Office report looks ahead five years and sees no positive economic effects showing up by then. While LRO economists may believe there will be positive effects later, that assumes the money will be spent effectively by a state that has a poor track record of doing so.

A Portland State University report, actually paid for by the measure's public employee union proponents, looked ahead ten years and still found no positive economic effects showing up. Again, the PSU economists assume there will be positive effects eventually, but their model doesn't show them.

So, we're left with this inconvenient truth: If Measure 97 passes, taxpayers will send more than $30 billion to the state over the next ten years without any noticeable positive economic effects to show for it. That's a $30 billion gamble that Oregon voters should turn down.

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