

**PATRICIA A. NEAL**

**P. O. Box 24, Depoe Bay, OR 97341**

**541 765 2945**

**[paneal@centurytel.net](mailto:paneal@centurytel.net)**

February 27, 2017

Joint Ways and Means Committee  
Oregon State Legislature  
900 Court St NE, Room H-178  
Salem, OR 97301

Subject: Funding for health care.

I was very impressed with the hearing in Eugene Saturday as I heard so many different services that have competing needs for funding. I wish your hearings could be put on a website and publicized so more people would learn about the number of services which need to be funded. There are many volunteers involved in some of the agencies providing services and I think it would help people to see the picture more completely.

I am particularly interested in health care having started on the Lincoln County Public Health Advisory Committee about 17 years ago. I have since added over the years Mental Health, Alcohol and Addictions, Diabetes, tobacco, chronic disease, and more recently the CCO local and regional advisory committees and I am on the Council which oversees our Federally Qualified Health Clinics which include our School Based Health Clinics (SBHC). I am told about 1/3 of our funds come from the state for the SBHCs.

As I said at the hearing in Eugene the SBHCs are an important and integral part of the health care system especially in rural areas where the distance to the primary care providers is a barrier to care along with transportation problems and the inability of parents sometimes to take a child to the provider during the working day. If the student is seen in the school it takes far less time out of class. In our SBHCs we also provide Mental Health services. The school district has Family Advocates who help students find resources they need for health as well as life in general.

The Governor's budget provided for closing of the new mental health facility in Junction City. There were several there Saturday who spoke against the closure but I want to highlight one very important fact and that is the assertion that the people there now could be served in their home communities. Nothing could be farther from the truth especially in rural areas. You are just looking at adding to the jail population or turning a deaf ear to the needs of those with mental illnesses although this would not be the first time it has been done. We are short on beds now for treating the mentally ill who are in crisis and in need of care, perhaps for some time.

Legislation was passed to "modernize Public Health" but no money has been provided so far and it cannot happen without funding, again, especially in rural areas. I testified at more than once at the task force meetings to try to bring the status of rural areas into the picture but don't feel I was heard. Public health has been poorly funded in this state for some time and counties cannot take on the burden of modernization funding. At present it is just one more unfunded mandate.

More funding is needed for Mental Health and Alcohol and Addictions treatment. Detox facilities as well as treatment facilities are needed. Lincoln County is just now opening a Mental Health home for those in crisis but due to zoning regulations cannot keep a person there over 30 days. I suspect that most rural counties have limited if any facilities for handling mental health or alcohol and drug cases. You are now paying for housing and inadequate treatment in our jails and prisons not that this is unique to Oregon. It is a national problem and I think more accurately classed as a scandal.

While we need to pay attention to all aspects of health care, mental health, primary care, dental and alcohol and addictions, we don't know what will happen to Obamacare and that will affect everyone and all providers. Many of you represent rural areas and I hope you will give particular attention to how your funding affects those areas. They do not have the economic base that exists along the I5 corridor so state funding is particularly critical for them.

I was on the Tobacco Coalition about 2004-2006 but even though we trained to present cessation classes we hardly made a dent in the problem. We are trying again. One of the biggest health problems which people cause for themselves is diseases linked to smoking and other uses of other tobacco products. It is my understanding there is a bill to increase the legal age for smoking to 21 and I definitely endorse it. I assume it will cover all tobacco products and should include the electric "cigarettes". I would like to see added to it the following:

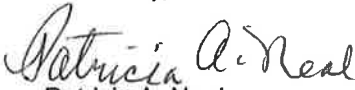
1. License sellers of tobacco and all nicotine delivery products.
2. Set a fine for the first time a license seller sells to minors.
3. The second time a seller sells to minors they lose their license.
4. Tobacco and nicotine delivery products should be under lock and key and never on counters by candy or cash registers where they are likely to be seen by children and those not legally allowed to purchase them.
5. Increase the tobacco taxes substantially; that has been successful in other states in slowing consumption.

I understand it is too late to introduce new legislation so I hope this can be added to the age change legislation.

Your job is not an easy one but health care is important. We don't know what will happen to ACA but it included integration of primary care with mental health, alcohol and addictions and dental. Many providers are moving to the Patient Centered Primary Care Home and looking at a broader picture of health including social determinants of health, ie., housing, transportation, etc. I hope to see this trend continue including at School Based Health Clinics.

Thank you for all your good work for us.

Sincerely,

  
Patricia A. Neal



# Clatsop County

800 Exchange St., Suite 410  
Astoria, Oregon 97103  
www.co.clatsop.or.us

Phone (503) 325-1000  
Fax (503) 325-8325

February 22, 2017

Oregon Youth Authority  
Director: Fariborz Pakseresht  
530 Center St. N, Suite 500  
Salem, OR 97301

Dear Mr. Pakseresht:

We write to express our opposition to the current plan to close the North Coast Youth Correctional Facility in Warrenton.

Clatsop County has a small population which makes the economic impact of the NCYCF very significant for our county. The annual payroll and local purchases of approximately \$6 million make the NCYCF one of the most important economic drivers in this County. We are equally concerned about the likely loss of talented individuals who will lose their jobs in this closure and will very likely be forced to seek employment outside of Clatsop County.

In addition, many local governments and community groups have been working together to establish a comprehensive system of support for the youth of Clatsop County. For example Clatsop is one of only five counties in the United States chosen to participate in the Way to Wellville program and also recently was awarded a \$350,000 grant from the US Department of Education to study the feasibility of establishing universal pre-school. The closure of this facility is inconsistent with the message that resonates throughout Clatsop County that children and youth are a priority.

We urge you to find alternatives to closing the NCYCF that maintain this important facility in Clatsop County.

Sincerely,

Commissioner Scott Lee – Chair

Commissioner Sarah Nebeker – Vice-Chair

Commissioner Lisa Clement

Commissioner Lianne Thompson

Commissioner Kathleen Sullivan

Cc: Senator Betsy Johnson  
Governor Kate Brown  
Representative Debbie Boone



# AFSCME LOCAL 2746

P.O. BOX 694 • ASTORIA, OR 97103 • PHONE/FAX 503-325-7038

March 1, 2017

Oregon Youth Authority  
Director: Fariborz Pakseresht  
530 Center St. N, Suite 500  
Salem OR 97301

Dear Mr. Pakseresht,

AFSCME Local 2746 strongly supports the operation of the North Coast Youth Correctional Facility in Warrenton, Oregon, and beseeches you to reconsider closing the facility.

Closing the facility would displace 50 families and result in a loss of about \$6 million a year in annual payroll and local purchases for Clatsop County. The economic impact would be a significant blow to this small county.

Even more destructive would be the impact on high risk teens not only in our community but throughout Oregon. With the guidance of the staff at the North Coast facility, many troubled youth now have the opportunity to become responsible and productive adults. These youth will be forced into large facilities and will not receive the individual attention they now receive at the North Coast facility that is so vital to their futures – and, for that matter, the future of Oregon.

AFSCME Local 2746 represents approximately 325 dedicated workers employed by Clatsop County, City of Warrenton and several nonprofits in Clatsop County and Portland.

Closure of North Coast Youth Correctional Facility is not in the best interest of these youth, our community or our state. We urge you to reconsider and seek alternatives.

In Solidarity,

*Deborah Boothe-Schmidt*

Deborah Boothe-Schmidt  
President AFSCME Local 2746

Cc: Governor Kate Brown  
Senator Betsy Johnson  
Representative Debbie Boone

Testimony to the Joint Ways and Means Committee  
March 3, 2017, Tillamook, OR

Clatsop County Commissioner Lianne Thompson

Co-chairs Sen. Devlin and Rep. Nathanson, members of the committee, thank you for the opportunity to appear before you tonight. My name is Lianne Thompson, and I'm a Clatsop County Commissioner.

I appreciate the very great challenge before you in this Session as you balance revenues and requests from all over Oregon.

It's no surprise that there are more of the former than the latter. It's no surprise that many people are requesting—perhaps demanding—that you perform the impossible job of meeting every request with agreement and funding.

I'm from the government, and I came to help. What I'm offering isn't immediately possible, but it's a direction forward.

I'd ask your attention to wise investment in economic development that provides jobs in ecologically sustainable ways, jobs that grow the hearts and minds of the workers involved as they support our local and statewide tax base.

Sen. Johnson has her OMIC project in Scappoose. I'm in favor of supporting that project with whatever "ask" she has for funding. I trust her judgment.

I'm also requesting that you consider investing in factories all over Oregon that will use CLT or other mass-timber technology to produce value-added timber products from our private, State, and federal forests. I'd like to see us building modular housing using mass timber techniques.

We don't have specific requests at the moment, but they're coming soon. Please give them consideration as they provide jobs in rural Oregon.

You know that rural Oregon desperately needs those ecologically sustainable manufacturing jobs, or we face becoming ghost towns or theme parks.

Let's instead put tools in workers' hands, develop opportunity for good jobs, so they can provide for themselves, their families, and their communities.

The way forward in developing mass timber jobs, especially ones that will create modular housing (my personal favorite), is not clear right now. We're still in the early stages of developing the concepts and implementing them.

It's not a "silver bullet," and it's not an immediate solution. But working toward a future that makes better use of Oregon forests allows multiple benefits.

If we have secondary production on our timber products in local manufacturing facilities, we do more than provide good jobs.

We also provide a way to pay for essential services, and I know you're committed to that by your membership on this committee.

Last and perhaps most important for many is that this future will give us the means to also protect and preserve forests in Oregon as wild places, places that provide clean air and drinking water, allow recreational opportunities, and species and habitat protection.

It's a big dream, there's a lot of collaborative work to be done, but it's a dream that inspires both hope and common purpose for our shared value, a thriving Oregon.

Thank you again for your work.

I am eager to work with you as we move forward.

## Jim Murray remarks before Oregon budget hearing – March 3, 2017

Good evening. My name is Jim Murray. I am a retired CPA and the volunteer Treasurer for Tillamook CARE. I am speaking on behalf of CARE. We need significant increases in the Medicaid reimbursements for our Assisted Living Facility residents. Tillamook CARE owns and operates two nonprofit Assisted Living Facilities. The vast majority of our residents are low income seniors.

Unless we have full occupancy, these facilities now operate at a breakeven or loss. This leaves no funds for needed capital expenditures. Full occupancy is not reasonable, because as residents leave – generally for medical reasons – there is a need for refreshing the room, which requires time.

Significant increases in Medicaid reimbursements are needed primarily because of the minimum wage increases recently enacted by the Oregon legislature – you folks. Each of the first three annual increases in minimum wages represents a 4% increase in our annual costs. The following two annual increases are a 6% increase in our costs. Current budget proposals are for flat funding long term care Medicaid reimbursement rates.

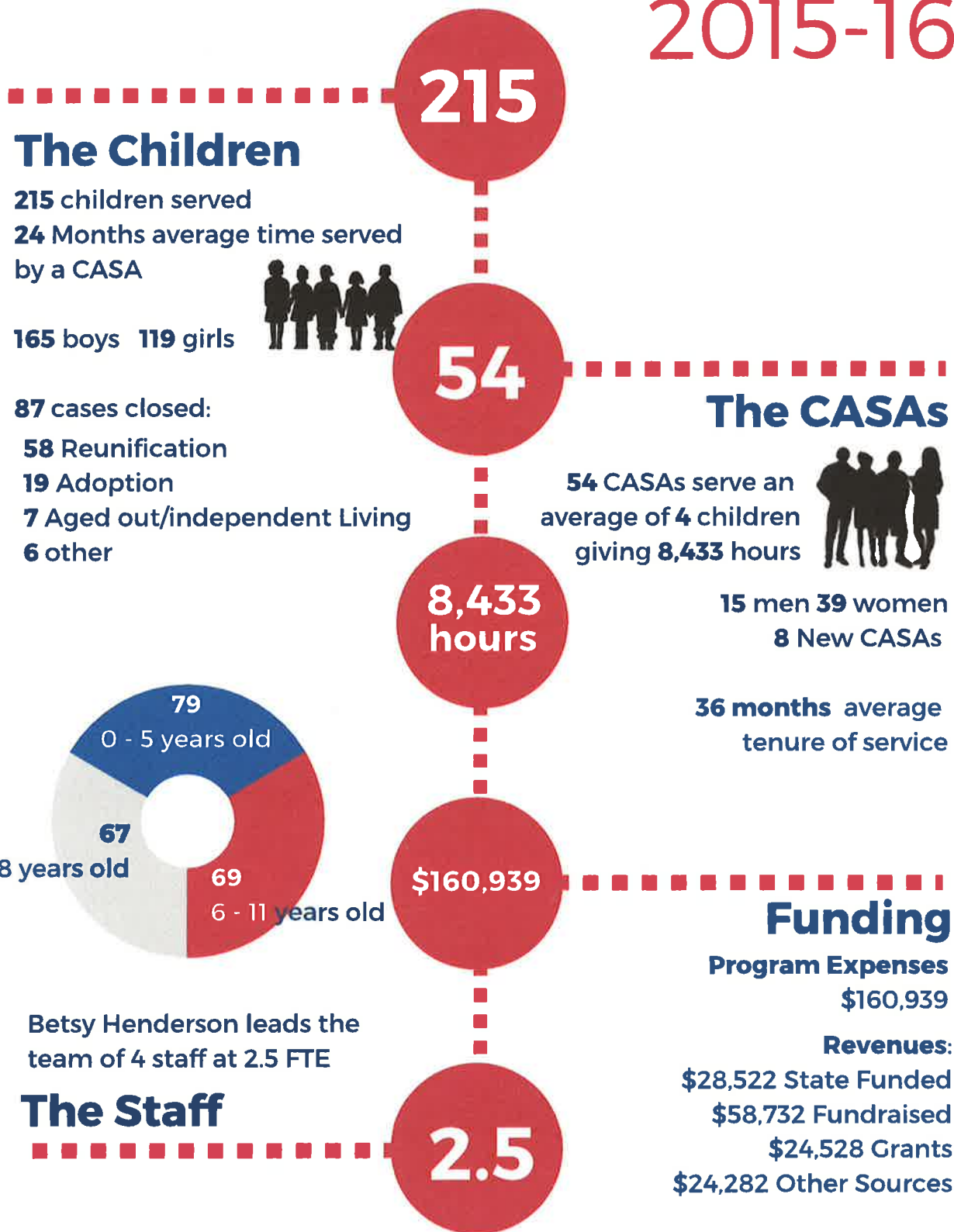
You do not have to be a financial genius to see this is a formula that will rapidly result in closing these facilities. Please increase the Medicaid reimbursements to cover our increase in costs you enacted through the minimum wage law, and other cost increases – food, utilities, etc. We do not want our needy residents to have no place to live and be without essential services.



# CASA of Lincoln and Tillamook Counties

an independent 501c3 organization

## 2015-16





March 3, 2017

Memo to: Sen. Richard Devlin  
Rep. Nancy Nathanson  
Co-Chairs, Joint Ways and Means Committee

From: Gary Lahman, MPH (retired)

- Co-Chair Lincoln County Health Advisory Committee to regional CCO
- Past Chair, Lincoln County Public Health Advisory Committee
- Member, Lincoln County Oral Health Coalition

Subject: Legislative Revenue Issues 2017-19 / areas of concern

Thank you Sen. Devlin, Rep. Nathanson and members of the Committee.

I have two revenue issues....

**#1 Increase corporate taxes**

Oregon corporate tax rates have declined over time and other states do well with higher rates. Legislative action is needed to increase rates.

**# 2 Institute a sales tax**

Sales taxes diversify and increase revenue. Sales taxes add money from non-resident purchases of goods and services. A homestead exemption for food, housing and clothing would prevent this tax from being regressive.

I have two areas of concern....

## **# 1 Medicaid and CCOs**

**Do not reduce Medicaid spending.** To decrease eligibility and reduce services would be a step backwards. Improve the CCOs. HB 2122, which you are considering, contains needed proposals. CCOs use public tax dollars and they should be governed openly. CCO reserves should be protected and are not for corporate profit.

## **#2 Public Health**

**Spending on public health should increase,** especially for county public health departments. The Oregon Health Authority allocates less than 5% of budget funds to public health. HB 3100, the Public Health Modernization Bill (2015), provides a framework for modernization; but funding is inadequate. Higher OHP enrollment is changing the roll of local health departments. Health promotion and prevention are best done in local communities by local public health departments. More support for modernization, health promotion and chronic disease prevention is needed. Money spent in these areas will result in future savings.

Thank You,

A handwritten signature in cursive script that reads "Gary Lahman".

Gary Lahman, MPH  
Newport, Oregon



## culturaladvocacycoalition

January 2017

The Cultural Advocacy Coalition, following vigorous review of cultural projects statewide, respectfully requests the Oregon Legislature's consideration of \$6 million in lottery bond funding for capital construction projects within the cultural sector.

The projects listed below have undergone multi-stage peer review based on criteria which includes: quantifiable economic impact, community support, increased access to cultural resources and sustainability.

The projects have demonstrated that they will grow jobs in the cultural sector, expand access to cultural resources for future generations; preserve, restore and exhibit culturally significant artifacts and historic treasures; support expansion of both contemporary and traditional arts and theatre, and encourage cost-effective, innovative partnerships among cultural nonprofits and the communities they serve.

The Cultural Advocacy Coalition respectfully requests lottery bond funding for the following capital construction projects in the cultural sector:

**1. Benton County Historical Society and Museum, *Construction of Corvallis Museum***

Amount requested: \$500,000

Estimated project costs: \$7,000,000

The Benton County Historical Society, with 7,500 patrons visiting its Philomath Museum each year, has undertaken a capital campaign to construct a new, more accessible, 19,000 square foot museum in downtown Corvallis, designed by globally acclaimed Allied Works Architects. The new museum will allow the Benton County Historical Society to make the extensive artifacts, art and documents related to the early history of the region, OSU and the Oregon Agricultural College within the Horner Collection more accessible to the public. Through an agreement with OSU, students will enjoy free admission to the Museum in the first four years of operation in its new location in downtown Corvallis.

The building will include galleries for changing exhibitions, education space, courtyards for outdoor sculpture, workspaces for museum staff and a museum store. The Benton County Historical Society will continue to operate its existing historic Philomath museum with expanded research functions at that facility.

The City of Corvallis, which is the only city of its size in Oregon without a museum, has included arts and culture as a central priority in its *Imagine Corvallis 2040 Plan*. The new museum, to be located in the city's Central Business District, is strongly supported by Corvallis leadership as a key contributor to the cultural vitality of the downtown economy.

5. High Desert Museum, ***By Hand Through Memory & Art of the American West Gallery***

Amount requested: \$250,000

Estimated project costs: \$1,000,000

Over 1,200 artifacts of the Columbia Plateau Indians have been on display in the ***By Hand Through Memory*** exhibit at the High Desert Museum, for nearly 20 years. The exhibit has invited over 130,000 visitors annually to experience the material culture and tribal stories of the Columbia Plateau Indians. In order to continue to honor and respect the collection's significant messages of self-determination, cultural identity and tribal resilience, the High Desert Museum is undertaking significant renovations to the original exhibit. ***By Hand Through Memory*** will be reconceived and redeveloped in consultation with local tribes to develop a culturally responsive collections management plan and a relevant, redesigned, state-of-the-art exhibit that continues the Museum's commitment to meaningful interpretation of Native American culture and stories in an interactive, immersive and inspiring environment.

As the largest cultural provider east of the Cascades, the High Desert Museum fills an important regional role as curator and presenter of fine art to visitors and residents in Central Oregon. To expand access to arts education and fine art in Central Oregon, the Museum will develop new gallery space to feature Art of the American West. The new gallery, allows the Museum to display substantial works in their existing collections while expanding access to culturally significant works of art in world-class, nationally recognized collections.

6. Oregon Coast Council for the Arts, ***Entertain the Future: Newport Performing Arts Center***

Amount requested: \$600,000

Estimated Phase 7 & 8 costs: \$2,900,000

The Oregon Coast Council for the Arts has undertaken a multi-year capital campaign to strengthen and enhance this regional resource on the Central Oregon coast with an eight-phase capital campaign. Through substantial community support the work is in the final two phases. Phase 7 and 8 will expand the Studio Theatre's audience capacity from 80-150 and to expand the support spaces including green room, dressing rooms, restrooms and kitchen. The final phase of the project will build out the backstage storage areas and add rehearsal space that can serve both the larger Silverman Theatre and the Studio Theatre. The economic impact of expanded audience levels for the 30 year user-life of the project will be \$7.4M of economic impact in the Central Oregon Coast.

7. Portland Art Museum, ***Connection Campaign***

Requested amount: \$2,000,000

Estimated project costs: \$50,000,000

Founded in 1892, the Portland Art Museum is the seventh oldest museum in the country, and the oldest in the Pacific Northwest. Serving more than 350,000 visitors annually, including 20,000 k-12 students, the Portland Art Museum is a cornerstone of Portland's cultural district, with a collection of 42,000 objects, located in the park blocks in downtown Portland.

The ***Connection Campaign*** is a \$50 million capital campaign which will reshape the south end of the cultural district by connecting the Museum's Main Building to the Mark Building through the construction of a glass pavilion—named for famed Oregon artist Mark Rothko—which will become one of Oregon's grand free public spaces.

***Connection Campaign*** will create

- 5,300 sq ft community commons

March 3, 2017

WRITTEN TESTIMONY

TO: Oregon Legislature's Interim Joint Committee on Ways and Means (Co-Chairs: Senator Richard Devlin and Representative Peter Buckley)

FROM: Douglass T. MacEllven (Military Officers Association of America – Portland Chapter)

RE: Using Measure 96 funds to increase the number of Veterans Services Officers

Attached is my data sheet with "Tables" comparing Oregon to Oklahoma and Nebraska in terms of reaching disabled veterans, numbers of veterans receiving VA disability compensation, and numbers of veterans services officers (VSOs).

TABLE 1: Oregon and Oklahoma have similar population and numbers of veterans, but Oregon veterans receive \$1.28 Billion in VA compensation & pension, while Oklahoma vets receive \$1.8 Billion annually

TABLE 2: Percentage of veterans receiving VA disability: Nebraska #1 at 29.4%; Oklahoma #2 at 26.6%; Oregon #19 at 20.5%.

TABLE 3: VSO structures for the 3 states:

	Number of VSOs	Veterans per VSO
Oregon	90	3600
Oklahoma	160	2100
Nebraska	110	1300

Conclusions:

- Oregon has far fewer VSOs than either OK or NE
- Measure 96 funds should be used to increase Oregon's number of VSOs, which will help close the \$500 Million gap between OR and OK.

My data is from:

[www.VA.gov](http://www.VA.gov) – "Resources" – Data & Statistics" – "State Summaries" or "Compensation & Pension by County"

Oklahoma Department of Veterans Affairs (405-523-4000) - talked with Mr. Jackie Whitten (VA Claims Manager)

Nebraska Department of Veterans Affairs (402-471-2458) talked with Deputy Director John McNally

Respectfully submitted,



TO: Oregon Legislative Ways & Means Committee Roadshow - Tillamook 3-Mar-17  
 FROM: Douglass MacEllven (Military Officers Association of America - Portland Chapter)  
 RE: **MEASURE 96 to add Veterans Services Officers** (additional info after PCC roadshow)  
 Reaching disabled vets (**Oregon #19**, Oklahoma #2, & Nebraska #1)

Since the PCC Roadshow where I testified, I have further studied the VA website and talked to the ODVA Advisory Council, to the Oklahoma DVA Manager for VA claims (Mr. Jackie Whitten), and to the Nebraska Department of Veterans Affairs Deputy Director John McNally. My Updates (data is from [www.VA.gov](http://www.VA.gov) as of March 1, 2017, but data current to 9/30/2015) .....

<b>TABLE 1:</b> comparison----->	<b>Oregon</b>	similar size	<b>Oklahoma</b>	smaller	<b>Nebraska</b>
Population of each state	4 million		3.9 million		1.9 million
# of Veterans	326,000		336,000		141,000
# on VA pension (a small program)	5,324		4,608		1,345
# on <b>VA Disability compensation</b>	<b>66,688</b>		<b>89,252</b>		41,385
% of vets on VA Disability comp	20.50%		26.60%		29.40%
VA compensation & pension/year	<b>\$1.28 Billion</b>		<b>\$1.80 Billion</b>		small state
# of counties	36		78		93
# of CVSOs, VSOs, NSOs, etc	<b>90</b>		<b>160</b>		<b>110</b>

**TABLE 2:** Oregon's rank re "% of vets in state" receiving "VA Disability compensation"

1 <b>Nebraska</b>	<b>29.40%</b>	7 Georgia	22.20%
2 <b>Oklahoma</b>	<b>26.60%</b>	8 Alabama	22.30%
3 Minn	25.20%	9 S.Carolina	22.40%
4 Alaska	25.10%	10 N.Carolina	22.30%
5 Texas	23.60%	<u>19</u> <b>OREGON</b>	<b>20.50%</b>
6 Colorado	22.60%	<u>50</u> Conn	12.30%

<b>TABLE 3:</b> CVSO, VSO, NSO, ...structures for the 3 states (Note: Veterans Officers #'s are approximate)	<b>OREGON</b>	<b>Oklahoma</b>	<b>Nebraska</b>
	326,000 vets	336,000 vets	141,000 vets
1. Veterans Services Officers (VSOs) @ State Offices	12	8	6
2. County VSOs (CVSOs) and Assistant CVSOs	60	0	90
3. Regional resident State employed VSOs	0	12	0
4. DAV accredited NSO's (OK had no State VSOs < 2008)	2	125	1
5. NSOs: American Legion, VFW, PVA, MOPH, ... (approx)	13	10	10
6. VA Regional Office reps taking claims (approx)	3	3	3
7. State veterans homes staff help with claims (approx)	0	2	0
<b>TOTAL # of Veterans Officers</b>	<b>90</b>	<b>160</b>	<b>110</b>
<b>Veterans per Veterans Officer</b>	<b>3600</b>	<b>2100</b>	<b>1300</b>

**Conclusions:**

- Most states ahead of Oregon have large military bases (their task is easier than ours)  
 OKDVA has VSO @ Tinker AFB; Nebraska CVSOs work closely with Offutt AFB
- By %, Oregon is far behind OK & NE in reaching disabled vets (20.5% versus 26.6% & 29.4%)
- Oregon has fewer Veterans Officers yielding more Vets/Officer (OR 3600 v. OK 2100 v. NE 1300)
- Oregon needs more VSO's** to: 1) help vets; 2) close the **\$500 Million gap** compared to OK
- Measure 96** funds should be used to the fullest extent to **increase the number of VSOs**.

Respectfully submitted,

Douglass T. MacEllven

TO: Oregon Legislative Ways & Means Committee Roadshow - Tillamook 3-Mar-17  
 FROM: Douglass MacEllven (Military Officers Association of America - Portland Chapter)  
 RE: **MEASURE 96 to add Veterans Services Officers** (additional info after PCC roadshow)  
 Reaching disabled vets (**Oregon #19, Oklahoma #2, & Nebraska #1**)

Since the PCC Roadshow where I testified, I have further studied the VA website and talked to the ODVA Advisory Council, to the Oklahoma DVA Manager for VA claims (Mr. Jackie Whitten), and to the Nebraska Department of Veterans Affairs Deputy Director John McNally. My Updates (data is from [www.VA.gov](http://www.VA.gov) as of March 1, 2017, but data current to 9/30/2015) .....

<b>TABLE 1:</b> comparison----->	<b>Oregon</b>	similar size	<b>Oklahoma</b>	smaller	<b>Nebraska</b>
Population of each state	4 million		3.9 million		1.9 million
# of Veterans	326,000		336,000		141,000
# on VA pension (a small program)	5,324		4,608		1,345
# on <b>VA Disability compensation</b>	<b>66,688</b>		<b>89,252</b>		41,385
% of vets on VA Disability comp	20.50%		26.60%		29.40%
VA compensation & pension/year	<b>\$1.28 Billion</b>		<b>\$1.80 Billion</b>		small state
# of counties	36		78		93
# of CVSOs, VSOs, NSOs, etc	90		160		110

**TABLE 2:** Oregon's rank re "% of vets in state" receiving "**VA Disability compensation**"

1 <b>Nebraska</b>	<b>29.40%</b>	7 Georgia	22.20%
2 <b>Oklahoma</b>	<b>26.60%</b>	8 Alabama	22.30%
3 Minn	25.20%	9 S.Carolina	22.40%
4 Alaska	25.10%	10 N.Carolina	22.30%
5 Texas	23.60%	<u>19</u> <b>OREGON</b>	<b>20.50%</b>
6 Colorado	22.60%	<u>50</u> Conn	12.30%

<b>TABLE 3:</b> CVSO, VSO, NSO, ...structures for the 3 states (Note: Veterans Officers #'s are approximate)	<b>OREGON</b>	<b>Oklahoma</b>	<b>Nebraska</b>
	326,000 vets	336,000 vets	141,000 vets
1. Veterans Services Officers (VSOs) @ State Offices	12	8	6
2. County VSOs (CVSOs) and Assistant CVSOs	60	0	90
3. Regional resident State employed VSOs	0	12	0
4. DAV accredited NSO's (OK had no State VSOs < 2008)	2	125	1
5. NSOs: American Legion, VFW, PVA, MOPH, ... (approx)	13	10	10
6. VA Regional Office reps taking claims (approx)	3	3	3
7. State veterans homes staff help with claims (approx)	0	2	0
<b>TOTAL # of Veterans Officers</b>	90	160	110
<b>Veterans per Veterans Officer</b>	3600	2100	1300

**Conclusions:**

- Most states ahead of Oregon have large military bases (their task is easier than ours)  
 OkDVA has VSO @ Tinker AFB; Nebraska CVSOs work closely with Offutt AFB
- By %, Oregon is far behind OK & NE in reaching disabled vets (20.5% versus 26.6% & 29.4%)
- Oregon has fewer Veterans Officers yielding more Vets/Officer (OR 3600 v. OK 2100 v. NE 1300)
- Oregon needs more VSO's** to: 1) help vets; 2) close the **\$500 Million gap** compared to OK
- Measure 96** funds should be used to the fullest extent to **increase the number of VSOs**.

Respectfully submitted,

Douglass T. MacEllven

## ← Dear Ways and Means ...

---

Dear Ways and Means Committee,

My name is Mike Trent and I am dairy farmer in South Tillamook County. I have been a 4-H leader for almost 20 years in a traditional livestock club and more recently have been a co-leader in the Powered by Teens leadership club. This Teen club is focused on Community involvement and activism and concentrates on helping teens develop leadership and entrepreneurial skills. I have been actively involved in the Junior Livestock Auction committee for 18 year.

4-H is a vital tool in positive youth development and the OSU Extension service is pivotal to the program. OSU brings the backbone of this great program to every county and plays a crucial part in helping our youth gain life skills in ways that aren't always available in other avenues.. I have seen shy youth become outgoing and part of a large group, I have seen natural leaders develop into group leaders and help bring teaching and oppritunites to younger members time and time again. I have watched countless youth become involved in raising livestock for food and watched them be responsible for the care and management of the animal, market it to buyers and showcase their project in front of hundreds of people at fair time. I have seen these youth advocate for animal agriculture and play a vital role in educating the public on the roles of animal husbandry and management.

For these reasons and many more I feel Extension is a valuable community resource and should continue to receive funding for the upcoming budget year.

Thank you,  
Mike Trent.



Anna Young  
23560 Highway 30  
Clatskanie, Oregon 97016  
In-Home Care Worker

Ways and Means Committee,  
6825 Officers Row,  
Tillamook, Oregon 97141

Hello, My name is Anna Young. I am an in-home care worker. I live in Columbia County. I am here to urge the legislature to continue to provide funding for services for seniors, people with disabilities and veterans through the DHS, medicaid, medicare and Oregon Project Independence and Respite programs through Community Action Services.

My consumers that I serve have very limited incomes. If they were to lose their vital services through these programs as well as lose their health care services it would be devastating to their survival.

My current client, Mary, quoted "What will I do if I lose my services and You, Anna, if you can not come to help me in my home to help prepare my meals and assist me with my daily needs." "I will die."

In 2006 Mr. Stover, a retired Airforce service man, at 84 years old was caring for his wife of 82 years old that had cancer. I gave care 2x a week to assist with housekeeping, a shower with Mrs. Stover and prepared meals. It gave Mr. Stover a small break to address errands outside there home.

Our funding crisis is caused by the choice Oregon has made to have the lowest corporate taxes in the County. We have a choice to ask Corporations to pay their fair share of taxes or cut the programs that our Oregon Seniors, Disability and Veterans rely on. In the 1973-75 budget period Corporations paid 18.5% of all Oregon income taxes. Today they pay 6.7%, a decline of nearly two thirds.<sup>1</sup>. I urge you to choose the wellbeing of Seniors, Disabilities and Veterans to fund the services to continue for them to live with Dignity and Independence over the profits of some of the largest Corporations in our Oregon.

1. Oregon Center for Public Policy

Thank You.

Sincerely,

Anna Young HCW



[www.oregonfoodbank.org](http://www.oregonfoodbank.org)

A member of  
**FEEDING  
AMERICA™**

March 3, 2017

Sen. Richard Devlin, Co-Chair  
Joint Ways and Means Committee  
900 Court St. NE, S-213  
Salem, Oregon 97301

Rep. Nancy Nathanson, Co-Chair  
Joint Way and Means Committee  
900 Court St. NE, H-276  
Salem, Oregon 97301

Sen. Elizabeth Steiner Hayward, Co-Chair  
Human Services Subcommittee  
900 Court St. NE, S-215  
Salem, Oregon 97301

Rep. Rayfield, Co-Chair  
Human Services Subcommittee  
900 Court St. NE, H-375  
Salem, Oregon 97301

Dear Co-Chairs Devlin, Nathanson, Steiner Hayward, and Rayfield:

We ask you to invest \$4 million in the Oregon Hunger Response Fund in the 2017-19 Department of Human Services budget. This important fund helps Oregon's 20 regional food banks acquire and distribute food to over 950 local agencies across the Oregon helping families during times of economic hardship and communities struck by natural disasters. Oregon Food Bank Tillamook County Services supports this request as a necessary measure to help stop the rise of hunger in Oregon.

The Oregon Hunger Response Fund is the state government's sole food assistance program not connected to a federal program like SNAP, WIC or Farm Direct Nutrition. While federal food programs play a huge role in Oregon, they are clearly not enough to stop Oregon from being the only state in the nation to see a rise in hunger. USDA released its Food Security Report this summer showing a statistically significant increase in Oregon's hunger rate on a three year average.

Oregon has a hunger crisis. We are the only state in the nation that experienced an increase in its hunger rate in the last three years based on the recently released report. The number of people and the volume of food distributed in Oregon's food bank network has remained at recession levels unbeknownst to the public. Many including private donors assume that hunger has decreased. Food is the cornerstone to good health, educational success, and a productive labor force. It is a basic human need just like housing.

For too long, Oregon families have struggled to know when and where their next meal will come from. This is very troubling especially given that the nation has recovered from the Great Recession. Over 600,000 Oregonians are food insecure with single-mothers and their children most at risk, especially in rural Oregon and communities of color. Nearly 300,000 Oregonians each month access food services through the Oregon Food Bank Network.

Food is the cornerstone to good health, educational success, and a productive labor force. It is a basic human need just like housing.

Oregon's network of regional food banks is a partnership, supported by private and public sectors with community and faith based organizations and an army of volunteers. The Oregon Hunger Response Fund is the state's contribution to this effort. The Fund is critical to helping the Oregon Food Bank Network get food to Oregon Food Bank Tillamook County Services so that we can serve families in communities throughout Tillamook County.

Please join Oregon Food Bank Tillamook County Services and the Oregon Food Bank Network in the fight against hunger in our state. With a strong investment in the Oregon Hunger Response Fund, we can end hunger in Oregon.  
Thank you.

Sincerely,

Melissa "Mis" Carlson-Swanson  
Branch Services Manager  
Oregon Food Bank Tillamook County Services

... because no one should be  
**HUNGRY**

OFB Headquarters  
P.O.Box 55370  
Portland, OR 97238-5370  
503-282-0555  
fax: 503-282-0922

OFB West  
P.O.Box 5817  
Beaverton, OR 97006-0817  
503-439-6510  
fax: 503-439-6621

OFB Southeast Oregon Services  
P.O.Box 716  
Ontario, OR 97914-3914  
541-889-9206  
fax: 541-889-4716

OFB Tillamook County Services  
P.O.Box 1344  
Tillamook, OR 97141-1344  
503-842-3154  
fax: 503-842-1900

Written Testimony  
For the State Budget-Public Testimony Meeting  
March 3, 2017 in Tillamook, OR

From:  
Vera Wildauer  
Board President  
Hoffman Center for the Arts  
Manzanita, OR

This testimony is intended to support funding for the Oregon Arts Commission, statewide funding for arts and culture through the Oregon Cultural Trust and its statewide partners.

State funding is important to the survival of an all-volunteer rural community arts center like ours. Grants from the State:

- help build credibility with individual donors and other foundations to attract more donations
- help us jumpstart new programming that we couldn't get off the ground without an initial investment

We have received numerous grants from the Tillamook County Cultural Coalition (the OCT's partner in Tillamook County), including:

- The installation of our first kiln nearly 10 years ago:
  - The Hoffman Clay Studio is the only studio open to the public between Astoria and Lincoln City.
  - Demand is growing: last year we had 155 unique participants in the Clay Studio and added a second kiln.
- Support for a community-wide literary event which helped bring more visitors to Manzanita during the off-season leading to more traffic for local businesses.
- Support to publish a book of the results of a collaborative project between writers and artists
- This year we can launch a new online learning program so that we can serve more of our coastal community with more in-depth instruction and on their own schedule.

In 2016 we received our first grant from the Oregon Arts Commission through the small arts program to help us continue to meet our mission of delivering arts, culture and education to our coastal community.

We have tapped resources from the Oregon Humanities for speakers as part of our Art of Aging conversation program—very relevant for our high population of retirees.

Here are a few things our participants say:

"Hoffman Center for the Arts is my lifeline: ... Support in an affordable venue with great, knowledgeable teachers. This has opened my world, found friends, increased my ability, honed my craft... I cannot express too strongly how the Center has made my life richer."

"The Hoffman Center for the Arts enables me to enjoy a rural life by providing aesthetic and intellectual stimulation and a strong sense of community—outside of a city."

"The arts in all forms are an integral and vital element of human expression in all communities that really care about their population's health and happiness."

"The arts at the Hoffman Center are very important in this community. As a retiree who suddenly has time on my hands for the first time, I need hands-on opportunities for expression, social contact, and as a way to find satisfaction and learning at this stage of my life. Art is healing."

"The arts have always provided a visual, emotional stimulation that I failed to find in the business world. My retirement is far richer because I'm able to pursue the learning I didn't have time for when I was working and raising a family."

I am Rebecca Heimerl and I am a parent of a child currently in a Tillamook Preschool Promise program and I have a second and third child who I hope to enroll in the next two following years. I am submitting testimony in support of continued funding for Preschool Promise and the other early learning programs that ensure our children are ready to succeed in kindergarten and their lives.

- As a parent of a child in the Preschool Promise program I have seen firsthand how valuable this program is to not only my son, but to his classmates as well. It is mid-school year right now and my son can already identify all letters of the alphabet and relate about 80% of the sounds with the appropriate letters. He can also count to 100 and is able to do basic addition and subtraction. The amount of knowledge and material he has gleaned from this program is unbelievable for a class consisting of 4 and 5 year olds. The Preschool Promise program has laid a substantially solid foundation for my child's future education, has encouraged him to observe his surroundings and adapt to new environments and it has opened the doors for him to understand the importance of engaged learning, while cultivating enthusiasm for him to succeed.
- With about 15% of Oregon children entering kindergarten not being able to identify a single letter of the alphabet and roughly 35% of students not being able to correlate letter sounds to appropriate letters, I am excited to know my child has far surpassed these benchmarks and only has room for further growth this school year and in his future.
- Furthermore my younger children have visited my son's classroom when delivering and picking him up to and from school and they are excited about being a part of the program in the near future. The Preschool Promise program has positively impacted our family by providing my children with material and concepts to engage them and develop their critical thinking skills. Not only is the program giving my son a solid education foundation to build upon for the rest of his student career, but it's developing his social interaction skills, encourages him to look about the world we live in and partake in our family and community activities. My son's education this year has set a role model example for my younger two daughters who are now anxiously awaiting their turn. This program is creating a strong generation of students who are well prepared to enter the rest of their student years and provides them with the mindset of education importance, leading to more educated young people eventually entering our society and communities.

Thank you for allowing me to share the impact Oregon's investment in early childhood education has had on my family and my community. I urge you to prioritize early childhood funding, and continue our state's investment in Preschool Promise and our early childhood education system to help lay a positive solid path for these young people.

**FOR THE EXCLUSIVE USE OF MISCC@COMCAST.NET**

From the Portland Business Journal:

<http://www.bizjournals.com/portland/news/2016/11/04/heres-a-novel-way-to-fund-health-insurance-revenue.html>

## Here's a novel way to fund health insurance: Revenue bonds

**The key to bending the cost curve is to leverage health care liabilities, a University of Oregon professor argues.**

Nov 4, 2016, 1:15pm PDT

The most important health policy change of the last 50 years, the Affordable Care Act —Obamacare — is imploding.

The election campaign staked out two opposing perspectives: those who consider it **repairable**, and those who think it should be scrapped.

We will not add our voices to this hoary debate. Instead, we propose a completely **different** approach.

*If you would like to submit a guest column on a health-related topic, contact Elizabeth Hayes at [ehayes@bizjournals.com](mailto:ehayes@bizjournals.com)*

Our proposal is not a **new** health policy architecture. The American health care system is so complex that wholesale "reforms" will inevitably fall short. And the ACA experience is fair warning of the dangers of overselling reform.

The core problem that health care poses is rapidly rising costs. All other problem definitions, including the "access" that the ACA putatively improved, are mere symptoms of medical inflation. The rate of uninsured in the population is high because health inflation makes insurance unaffordable.



JACK LIU

Phillip Romero teaches finance at the University of Oregon.

The ACA addressed this by simply expanding federal subsidies, and by shifting costs from the subsidized to the unsubsidized — which is why premiums are rising at high double digit rates.

Health reformers talk of “bending the cost curve”: cutting medical inflation, which has long been several times overall inflation. The ACA mostly ignored this goal in favor of expanding coverage.

Many conservative proposals claim that reducing third party payment — making patients more financial responsible for their care, such as through high deductible plans — will give them the power to discipline medical costs through competition.

They note that elective procedures such as cosmetic or LASIK surgery that are paid entirely by patients, not insurers, have seen declining prices and improving quality.

In other words, remove insurance payment and competition can moderate prices in health care, just as it does in most other industries. But until the distant day when third party payment ceases, the cost curve moves ever-upward.

There is an alternative: If you can't bend the cost curve, bend the curve on the cost of funding. Financing techniques can fund health care without deficits. Imagine a government program like the Oregon Health Authority where insolvency isn't swept under the rug, and no cans (i.e., debt) are kicked down the road.

The key is to leverage health care liabilities. You are familiar with leveraging an asset. That's what you did to own your home: you borrowed most of the purchase price, betting that the asset you bought (the house) would rise in value at a faster rate than your mortgage's interest rate.

The same principle — leverage — can be applied to a liability, like escalating health care costs. In fact, the higher the rate of medical inflation, the better the numbers pencil out. Our book Health Financing without Deficits spells this out in a number of examples of our proposed Health Insurance Revenue Bond, or HIRB.

The OHA faces a more than \$1 billion shortfall in the near future, at a time when PERS obligations will explode state fiscal plans and the Measure 97 revenue lifeline will have more claimants than funds, even if it passes (which looks doubtful).

Top-down reform from Washington, D.C., has been, at best, a huge disappointment. It is time for states to return to their historic role as laboratories of democracy. Oregon has done so before, and can again. Instead of overblown “reform”, the state should try a financing approach—leverage—that has a long record of success. Leveraging a liability like health care is unfamiliar, but necessity breeds innovation.

Oregon has never waited for D.C. before. The ACA's severe flaws show that our state should again seize its own fate. Finance can patch over flawed reform.

## A “Third Way” to Break the State’s Budget Deficit Logjam: Bend the Health Spending Curve

*Philip J. Romero and Randy S. Miller*

The state faces a nearly \$2 billion deficit. The GOP believes the problem is excessive spending, while Gov. Brown and the Democratic legislative leadership see a revenue problem. They remain locked in impasse.

Health spending is the elephant in the room, comprising about half the total deficit. There is another approach—a third way—that gores neither side’s sacred cows, and enables Oregon to once again be a national leader.

The state can control its health expenditures through finance. The core idea involves applying two long-practiced techniques in a new way:

- **Revenue bonds** are commonly used to finance government-owned assets that produce revenue (from user fees such as tolls or entrance fees). Most bridges or water treatment plants are financed with such bonds.
- **Leverage** entails borrowing to make an expenditure for something whose value grows at a faster rate than the rate of borrowed interest. Any homeowner with a mortgage has leveraged their home purchase.

The new approach is for the state to issue revenue bonds to finance public health care. The bonds can be paid back—quickly—with contributions from program participants. (These can come from the patients themselves, their employers, or a dedicated public fund.) This approach, named Health Insurance Revenue Bonds (HIRB), is described in our book *Health Financing Without Deficits*.

Our analysis shows that a state can save at least many hundreds of millions of dollars, without incurring long term debt or kicking the deficit can down the road. Participants’ contributions (premiums) defray much less than 10% of the cost, but enough to make the bond pencil out. HIRB bonds can be issued by an independent nonprofit trust that can assume responsibility for state health programs such as the OHA.

Our preliminary work suggests that Oregon could wipe out most of its health-related shortfall, and thereby cut the overall deficit in half. This can make a budget solution far more politically tractable. It is essential to any hopes to expand Medicaid eligibility.

HIRB’s general design has been proven in many bond transactions in other states. But each of these have been to finance other public programs. HIRB can work best for health spending, because medical Costs inflate at the highest rate— faster even than higher education costs. Former OMB director Peter Orszag was right when he said that “The path to fiscal discipline must run directly through health care.”

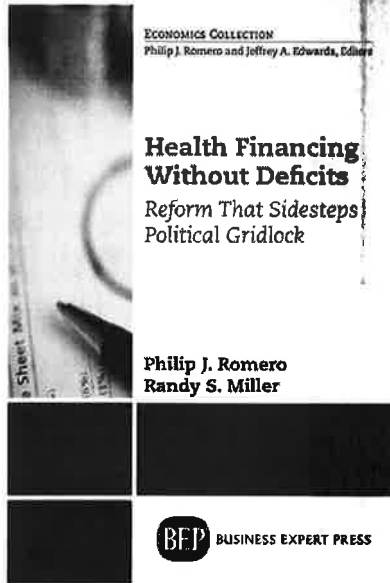
Obamacare did not begin health policy controversy; American health policy has been a political football for a century. The Affordable Care Act did not cause mushrooming costs (now nearly one fifth of the economy)—but neither did it materially “bend the cost curve”.

Oregon has a proud history of national leadership. This includes health programs: we were the first state to evaluate treatments by benefit/cost ratios, and the first to launch coordinated care



Randy S. Miller  
P.O. Box 5907  
Eugene, OR 97405  
suigenerishrb@comcast.net

July 2016



A new book, *Health Financing without Deficits – Reform that Sidesteps Political Gridlock* has been released by our publisher Business Expert Press and is now available at:

<http://www.busessexpertpress.com/books/health-financing-without-deficits-reform-sidesteps-political-gridlock;>

[https://www.amazon.com/Health-Financing-Without-Deficits-Sidesteps/dp/1631575465/ref=sr\\_1\\_1?s=books&ie=UTF8&qid=1473375447&sr=1-1&keywords=randy+s+miller](https://www.amazon.com/Health-Financing-Without-Deficits-Sidesteps/dp/1631575465/ref=sr_1_1?s=books&ie=UTF8&qid=1473375447&sr=1-1&keywords=randy+s+miller)

In our book we set forth both the historical and present day context from which we segue into a whole new perspective and approach toward health financing that also has potential for systematic deleveraging of outstanding and anticipated public and private sector obligations and liabilities. We call this new financing strategic model the Health Insurance Revenue Bonds® program or HIRB®. The HIRB model has been constructed using the State of California demographic and financial profile data.

I initiated my work on this new model with one sole purpose in mind; to see if an idea I had might solve a dominant fiscal problem concerning the rising cost of health care. Fundamentally, this is a financing issue. The design was successful, but shortly thereafter I suffered a serious injury that required well over a decade to achieve significant recovery. This is why there was such a long duration period before the HIRB model strategy could be complete and fully developed and begin implementation.

In the aftermath of my injury I asked Dr. Philip Romero to join me in this endeavor. Philip is an economist, Professor of Finance, former Dean of the Lundquist College of Business here at the University of Oregon and has served as chief economic advisor for two California Governors.

This new innovative model is counter-intuitive. HIRB entails a State borrowing substantial principal amounts of debt; repaying the debt with interest; funding and paying for all health care liabilities; funding and paying all administrative and operational expenses; adding in new revenue and yet, in the end spending less in total, without accruing a deficit, mortgaging the future or otherwise kicking the can down the road. It confounds conventional wisdom and practices in both health financing and public finance. (*One should not assume this to mean "government-run" health care*).

The HIRB program is specifically designed to be implemented and be functionally optimal in a State and not as a national model. HIRB is a financing mechanism, not a policy option. It can be incorporated into virtually any health policy architecture. We believe that it can be used to finance a variety of other streams of liabilities by both public and private issuers. In fact, the underlying intellectual property of the HIRB program model has been validated by its use in several jurisdictions with bond issuance in multiple billions of dollars for other purposes. This new innovative financing technique does not emerge from Wall Street. This new strategic methodology for health financing emanates entirely from Main Street in Oregon.

The HIRB program cannot solve every challenge in American health care though it does allow policy to sidestep many of the most contentious debates that have blocked effective solutions for decades. HIRB can be a very powerful tool for significant resolution of a national economic and social quagmire that has been in the making for more than a generation. Further time and debate is a luxury that our nation can no longer afford. Thank you.

HEALTH INSURANCE REVENUE BOND® / HIRB®

IF YOU CAN'T BEND THE CURVE ON HEALTH CARE COST, THEN BEND THE CURVE ON THE COST OF FUNDING™

Doctors for America  
Department of Social Medicine, Univ. of North Carolina  
Dartmouth- Hitchcock Medical Center  
Employee Benefit Research Institute  
Federation of American Hospitals  
Families USA  
Government Finance Officers Association  
Health Access California  
Health Care Leadership Council  
Health Affairs Journal  
Heartland Institute  
Heritage Foundation  
Healthcare Financial Management Association  
The Hastings Center  
Hudson Institute  
IBM Watson  
Institute for Healthcare Improvement  
International Association of Machinist and Aerospace Workers  
International Brotherhood of Electrical Workers  
Int'l Alliance of Theatrical Stage Employees et al  
Institute for Policy Studies  
Kaiser Family Foundation  
Kennedy School of Government

Each State Governor's Chief of Staff:

Nearly every member in the following state legislatures:

Alabama, Arkansas, Colorado, Georgia, Iowa, Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming.

MCS Industries, Inc  
Milbank Memorial Fund  
Manhattan Institute  
McKinsey & Co.  
National Physician Alliance  
National Association of Health Service Executives  
National Conference of Insurance Legislators (NCOIL)  
National Association of Insurance Commissioners  
National Education Association  
National Association of State Treasurers  
National Association of State Budget Officers  
National Conference of State Legislatures  
National Coalition on Health Care  
National Academy of State Health Policy

**HEALTH INSURANCE REVENUE BOND® / HIRB®**

**IF YOU CAN'T BEND THE CURVE ON HEALTH CARE COST, THEN BEND THE CURVE ON THE COST OF FUNDING™**

Co-Chair Devlin  
Co-Chair Nathanson, members of the committee.  
For the Record,

My name is: Catherine Rickbone

And with me today:

- Wayne Belmont, - Oregon Coast Council for the Arts, Newport Performing Arts Center, Newport

I am the Executive Director of the Oregon Coast Council for the Arts

We are here together representing the eight cultural projects endorsed by the **Cultural Advocacy Coalition** for a total of \$6M in requests for the 2017-2019 biennium. We have a handout for the record.

These **Capital Construction** projects, very important to each community they represent, have demonstrated through an extensive peer review process that they will:

- grow jobs
- expand access to cultural resources
- preserve artifacts

- support expansion of theatres
- encourage cost-effective partnerships
- A small investment brings jobs and enhances the economy in each area

They cross the state, strengthening rural and urban communities:

- The Benton County Historical Society in Corvallis,
- The Eugene Ballet,
- The Cottage Theater in Cottage Grove
- The Oregon Caves and Chateau in Cave Junction,
- The High Desert Museum in Bend,
- The Newport Performing Arts Center,
- The Portland Art Museum
- The Portland Institute for Contemporary Art.

We would appreciate your support. Thank you so much for all you do.

Wayne: (PAC)

“The Arts Work”...

“The Arts Mean Business”...

Nationally the arts industry generates \$135.2 billion of economic activity, according to Americans for the Arts,

In addition, \$74.1 billion is generated in event-related expenditures by audiences.

The arts industry also generates \$44.3 billion in revenue to local, state, and federal governments every year.

Coastally, the Newport Performing Arts Center (PAC):

- Has a local impact of the PAC is \$1,137,931 annually.
- Enhancements of the PAC = over \$2 million in user-fee impact.



## CITY OF WARRENTON

---

March 3, 2017

Oregon Ways and Means Committee  
900 Court St. NE, Room H-178  
Salem OR 97301

Attn: Co-Chairs Senator Richard Devlin  
Representative Nance Nathanson

Co-Chairs and Members of the Ways and Means Committee,

In mid-December 2016, the National Governor's Association asked the nations' governors to submit a list of infrastructure priorities at the request of then President-Elect Trump's transition team. Much to her credit, Governor Kate Brown identified "Money for Major Levee Improvements" as one of five priorities for the State of Oregon.

Unfortunately, it appears that Oregon's infrastructure needs were left off the President's initial list for funding. However, I am gratified that Governor Brown's proposed 2017-2019 budget includes funding for two programs of particular interest to Warrenton. SB 5530 funds the Infrastructure Finance Authority with 10 million dollars dedicated for levee certification projects. And HB 5025 would provide 11 million dollars dedicated to the Regional Solutions Program. Regional Solutions tackles economic development issues that specifically impact our corner of the state, and it does what it intends to do: find solutions. Warrenton appreciates the North Coast Regional Solutions Team's mission and accessibility.

In 2015, I testified before the House Committee on Rural Communities, Land-use and Water during a public hearing on HB 2436. This ultimately became SB 306. Warrenton is now at a critical juncture in the certification and accreditation process for our levees and in need of substantial funding assistance. This is why SB 5530 and HB 5025 are critical to Warrenton homeowners and businesses, and to the future growth and economic progress of our city.

Warrenton is located at the mouth of the Columbia River and protected by 10 miles of levees. The levees protect Warrenton from flooding from the Columbia River. We have nearly 5,300 residents who live within the leveed area and 3,300 jobs, representing a large percentage of employment in Clatsop County. Warrenton has the largest industrial area in the County and is integral to regional air transportation and commercial economies. Regional assets such as the Astoria Airport, US Coast Guard Base, Lektro, City Hall, our first responders and public works facilities, a grade school and high school campus are all within a flood-protected area.

Warrenton's levees were completely re-built by the USACE in the 1930s and 40s. They have

P.O. Box 250 Warrenton, OR 97146-0250  
503-861-2233 FAX: 503-861-2351  
[www.ci.warrenton.or.us](http://www.ci.warrenton.or.us)

never breached, never over-topped and have withstood several flood events that were subsequently determined to be 100-year flood events. The extremely-frustrating accreditation process requires a significant investment. FEMA has shifted the burden of flood risk to cities and counties all across the country. It becomes a war of attrition, where some communities have the resources and political support to survive, and some communities do not. Those that do not get accredited have unmanageable development codes and special flood hazard designations that carry with it mandatory and unaffordable insurance premiums. A certified and accredited levee protects from far more than just flood waters, it protect communities from over-bearing land-use restrictions that rob properties of their value and intended purpose. Insurance premiums in Warrenton are estimated to eventually drain 4-8 million dollars a year from policy holders in our city, most of this triggered by the lack of recognition from FEMA of our functioning levee system.

The 2010 FEMA NFIP maps have resulted in development codes raising the floodplain elevation 4 to 5 feet in most instances simply because the levees have not been modeled. This has effectively made building in a large portion of Warrenton cost-prohibitive at a time when the demand for affordable housing is at a premium. A pending March 2018 implementation date of a National Marine Fisheries Service Biological-opinion is now looming for leveed areas, and this could further restrict development within the floodplain and give the National Marine Fisheries Service land-use jurisdiction in our city. Warrenton plans to fight the NMFS Bi-Op and hope that you can convince DLCD to step back from a facilitating position for the Bi-Op and start advocating for communities that will be damaged by this. The NMFS Bi-Op will effectively halt development in many Coastal and Columbia River cities and counties throughout the state.

Warrenton Grade School has witnessed record enrollment during the past five years and is looking for room to expand their campus. In addition, a two- million dollar bond for the Port of Astoria will be on the May 2017 ballot to help fund the expansion of Lifeflight services and provide shovel-ready industrial property at the regional airport. Both of these projects could be jeopardized if the city cannot demonstrate a clear path towards necessary levee improvements and eventual accreditation by FEMA.

Warrenton is committed to getting our entire levee system certified and accredited. Warrenton needs assistance from ODOT because Highway 101-Business is a weakness in our levee protection. Warrenton is currently working to address all encroachments, start geotechnical work, and begin an extensive risk-assessment analysis. With the help of the Oregon National Guard, a section of levee that had settled was brought back to a uniform elevation. The City of Warrenton has spent nine years and hundreds of thousand dollars, with the bulk of the work still ahead of us. Warrenton and Clatsop County have a lot at stake.

SB 5530 would provide 10 million dollars for levee improvements. That amount of money would be perfect for Warrenton, but I know we aren't the only levee system in the state. It's even conceivable that the final cost for our levees could ultimately be twice that amount, although we are hoping that is not the case.

The State of Oregon has correctly recognized that funding for levee improvements is necessary if this state to realize its full economic potential. Often in rural communities, significant infrastructure and economic development projects require a partnership with the State of Oregon in order to be achieved. HB 5025 would help continue Regional Solutions' mission of providing communities valuable assistance in reaching economic development goals. And, we anticipate completing a loan application for geotechnical evaluation of our levee to the Business Oregon IFA special public works fund if and when SB 5530 becomes effective.

I want to thank Senator Betsy Johnson who remains accessible and supportive of our city goals. Thank you all for your time and thought on this issue for the City of Warrenton as you go into a new budget process.

Sincerely,

A handwritten signature in cursive script, reading "Mark Kujala".

Mark Kujala  
Mayor, City of Warrenton  
(503) 791-2513 mobile  
mkujala@ci.warrenton.or.us



**LETTER: John Peterson – Lincoln City**

*[John Peterson is the husband of Ellen Dammel.]*

My name is John Peterson, and I've lived in Lincoln County for about 23 years. I've been disabled for about the last 10 years with emphysema, cancer, heart disease, nerve damage, and dearly dementia. I am also required to use a CPAP breathing machine and oxygen. My wife Ellen was my unpaid care provider until about a year ago, when both she and I qualified for the Oregon homecare program. Since then, I have had a state paid homecare worker, Amanda, who comes in to help me for part days about 3 days a week. Amanda's work is important because I need to be in a dust free environment due to my emphysema and she helps me with daily activities, so that I can continue to have support in my home. I'm currently taking about 20 different medications, and need help making sure I get the right ones at the right times.

If the Oregon budget shortfall ends up meaning my homecare services are reduced, that will also reduce my ability to lead as normal a life as possible, and my quality of life.

I know that this is a very difficult process for you, but legislators need to increase the state revenues instead of cutting essential services for me and other Oregonians needing help. It is not alright that we are looking at cutting services, while being last in corporate taxes. Thank you.

**Statement: Ellen Dammal, Lincoln City**

*[Ellen Dammal is the wife of John Peterson.]*

My name is Ellen Dammal, and I've lived in Lincoln County about 23 years. I've been disabled about 8 years with degenerative bone disease that has required multiple joint surgeries, and left me with fused bones and a plate in my neck. My husband John has been disabled about 10 years, and until about a year ago I was his unpaid care provider. What made this more difficult is that sometimes I need to also look after my grandchildren so my daughter can work, since she can't find affordable daycare in Lincoln City.

About a year ago both my husband and I qualified for the state homecare program. I now have a caregiver, Jodi, who helps me 4 days a week. She helps with personal care, housekeeping, the kitchen and preparing food. If I didn't have her help, it would mean I would be in constant pain and unable to lead as normal a life as possible, and unable to care for and have fun with my grandchildren.

I know the state is in a difficult position with the budget hole, and you guys have to make some difficult choices, but your decisions can result in making my life even more difficult, especially when we haven't tried all our options to find new revenue. Please keep this in mind, because cuts aren't the solution while we're dead last in corporate taxes. Thank you.

**Statement: Jeannie Williams, Lincoln City**

My name is Jeannie Williams. I'm 70 years old and I've lived in Lincoln City about 16 years. My late husband and I moved here when I was medically retired from my job as an RN because we could get subsidized housing, which was unavailable where we lived in southern Oregon.

I was medically retired about 18 years ago when my back was broken in several places. My broken back injured my spinal cord, and the orthopedic surgeon treating me thought I'd never walk again. I also have osteoporosis, osteoarthritis, COPD, and fibromyalgia, as well as requiring a gluten free diet. My husband was my unpaid care provider until he developed colon cancer, at which point I became his unpaid care provider, until we both qualified for the Oregon homecare program. After he died several years later, I have continued to receive home care services. Cindy, my home care worker, helps me 5 days a week. She helps with housekeeping, food preparation and cooking, and personal care. Without Cindy, I wouldn't be able to prepare my own food, and I can't take a shower if Cindy's not there to make sure I don't fall. If I fall once more, I may never walk again.

I know the state has a huge budget shortfall, but if you cut my homecare services, you may as well just take me out and shoot me. I hope, instead, you can find more revenue sources to address this budget problem. Thank you.