



NEWS

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FOR IMMEDIATE RELEASE
24 OCTOBER 2006

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Rainy Day Amendment: Beaver State's Dam to Hold Back Big Spenders

Oregon Voters face choice on spending limit

Washington, DC- On November 7th, Oregon voters will decide whether or not to approve Measure 48, the Rainy Day Amendment, an initiative that would amend the state constitution to limit the annual growth in government. Measure 48 would restrain state expenditures, allowing for growth no faster than the rate of annual population growth plus inflation, and restrict tax increases or spending above the limit unless approved by voters.

Any surplus revenue above the expenditure growth limit will accrue in a Rainy Day fund with a portion returned to the taxpayers. The Rainy Day fund would be 'unspendable,' providing security against future recessions. The measure does not cut spending or existing programs. At most it will keep spending at the previous year's level. The measure not only permits spending for essential public services, it allows such spending to increase year after year, consistent with the growth of population and inflation.

"The time is right for a spending cap in Oregon," stated Grover Norquist, President of Americans for Tax Reform, **"Beaver State taxpayers have had to put up with big spenders skinning their wallets for far too long. The Rainy Day Amendment is a step in the right direction"**

The rate at which the spending of the Oregon government increases, far exceeds the actual growth of the state. According to the Cascade Policy Institute, from 1989 to 2003 state spending increased 151 percent while population plus inflation growth amounted to only 77 percent. Had a spending limit been in place during that time, taxpayers could have saved an estimated \$3 billion.

"State governments need to operate within a budget, just like individuals and families do everyday," continued Norquist. **"It's time for taxpayers to build a protective moat against big spenders' traps by passing Measure 48."**

Americans for Tax Reform (ATR) is a non-partisan coalition of taxpayers and taxpayer groups who oppose all federal, state and local tax increases. For more information or to arrange an interview, please contact John Kartch at (202) 785-0266 or at jkartch@atr.org.

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