



NEWS

AMERICANS FOR TAX REFORM

1920 L Street, NW • Suite 200 • Washington, DC 20036
202.785.0266 • Fax 202.785.0261

WWW.ATR.ORG

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CONTACT: Karen Bailey
202-785-0266

There's No Such Thing as a Free Lunch – Or Free Health Care, Either.

Taxpayer advocacy group urges Oregon voters to not approve a single-payer health system

WASHINGTON — Ask voters if they want more government programs and the answer will almost always be yes. But toss the cost of the new program into the survey, and the answer will often flip-flop.

Which is all the more relevant, as Oregon taxpayers are again being called upon to foot the bill for massive new government expenditures. On Nov. 5, Oregon voters will be asked to approve Measure 23 – a single-payer health care system that, if approved, could increase health care expenditures by approximately \$2.2 billion to \$6.5 billion or \$600 to \$1,800 per Oregon resident in 2005 in total health care expenditures (according to a study prepared for the American Association of Health Plans, AAHP).

Supporters of the initiative have failed to address the insurmountable costs of this program – costs that even outrageous tax increases can't fund. In the proposed measure, payroll taxes can be increased up to a maximum of 9.5% and state income taxes increased to a maximum of 3.9%. The combined maximum collections will only bring in an estimated \$11 billion, leaving a \$3.5 billion - \$10.4 billion shortfall to fund the program.

"Here is a program that is based on money that doesn't exist at a time when government spending should be reduced," said Grover Norquist, who heads Americans for Tax Reform (ATR) in Washington. **"The State of Oregon already has a \$1.3 billion budget shortfall, so why are the taxpayers being asked to foot the bill for a new program when money isn't even available for the current crisis?"**

According to the AAHP report, in order for taxpayers to pay for this program an average increase in state income tax rates of 6.9% - 12.6% would be required if Measure 23 passes – this would bring the total state income tax range to 11.5% - 17.2%. Furthermore, language in the proposed measure allows for non-residents to participate in this program and allots up to 2% of the 2005 operating budget to train displaced workers – displaced as a result of this program.

"Not only are taxpayers being stripped of their hard-earned money, they are being forced to foot the bill of non-taxpaying non-residents and to put people out of work," continued Norquist, **"thankfully the initiative process allows voters and taxpayers to make the decision for themselves and to defeat Measure 23."**