

# Senator says tax the lesser of many evils

**By Jane Stebbins**

Pilot staff writer

State Sen. Jeff Kruse is almost to the point of thinking the only cure for Curry County's woes is a tax measure he feels is the lesser of many potential evils.

At issue is a proposal crafted by a committee appointed last year by Gov. John Kitzhaber — but not officially endorsed by his office — to allow loggers back into O&C lands and set aside half those acres in a trust.

“The O&C lands, by law, are to be managed for timber harvest,” Kruse said. “That’s the beauty of the DeFazio plan. We don’t know how the environmentalists could object to having half of it set aside permanently. That’s a huge give.”

The DeFazio/Wayden/Schrader proposal was heard last month in the Senate Natural Resources Committee, which Sen. Ron Wyden chairs. Representatives at the hearing indicated they wanted more specifics in the “menu” the governor’s committee created.

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# KRUSE

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Kruse and state Rep. Wayne Krieger, R-Gold Beach, penned a press release in part expressing their frustration with the progress the proposal is making at the federal level. Krieger did not return calls for comment.

"We're not getting the action we need at the federal level, and Wyden seems to be reluctant to even consider their proposal," Kruse said. "We're still hopeful Wyden's got another stopgap (timber) payment in the mix but ... what sort of success he'd have on getting that through, I don't know. I truly don't know."

"We're dealing now with a Congress that hasn't been able to pass a budget in four years; for them to come to a resolution on anything at this point is wishful thinking," Kruse said. "If the bailout comes, it's a couple years too late. Even if we get the De-Fazio proposal through the chambers and signed by the president, it's still two years out."

## What then?

Comments made in a press release Kruse, R-Roseburg, and Krieger released last Wednesday indicated their feeling that the only solution to Curry County's financial woes could lie in the contentious ballot measure voters face May 21.

If approved, it will provide \$4.5 million a year for five years for public safety. City



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— Sen. Jeff Kruse

property owners would see an increase of \$1.84 per \$1,000 assessed valuation, while those in unincorporated Curry County would have their taxes increased by \$1.97 per \$1,000.

If it fails, the county will have to get by on a \$2.1 million budget, which even the county's budget committee says is impossible.

Discussions surrounding that budget have been postponed until after the election because a budget committee member has been on vacation. Additionally, Commissioner David Itzen said the committee and commissioners will have plenty of time after the election to discuss the budget — and then only if the ballot measure fails.

"The current ballot measure is a hard one to support, because it is asking more of the citizens of Curry County to solve a problem they did not create," Kruse said. "The fact is, we have run out of time, and the only other option appears to be shutting down the county. We simply cannot allow that to happen."

Another possibility is that House Bill 3453 will pass in the state Legislature, allowing the state to take over local government resour-

es and bill residents for their services.

But Kruse doesn't think HB 3453 is going anywhere. It was submitted to the House Rules Committee in Salem March 14 and has yet to even get a hearing scheduled.

"It is a very real reality that Curry County is in deep trouble," Kruse said. "If the county goes under, we don't have a template for dealing with it."

Earlier this year, Kruse tried to craft wording that would allow counties to reorganize under Chapter 9 bankruptcy, but he dropped the idea after officials from Josephine and Jackson counties indicated their lack of support.

## Measure 8-71

Kruse, who is not a Curry County resident, said he doesn't like the tax measure voters face May 21.

"But I see no other options on the table," he said. "It's the only way we can keep Curry County, Curry County. The worst thing that can happen is for the county to go out of business."

If HB 3453 dies, so goes the component of it that would allow the state to bill the county for its takeover of the

county. Then, Kruse said, the rest of the state would have to pick up the tab.

"Multnomah County is not going to want to pay for that," he said. "But years ago, we did a road show and brought everyone down to the timber counties and everyone was real concerned and they got back to Salem and Portland and forgot all about it."

Sheriff John Bishop noted the same thing when he went to Salem last week to address Congress about the situation Curry County faces.

"You should have seen the looks on their faces," he said. "They have no clue."

A "disaster situation," he said, is the "nuclear option," in which the Secretary of State could redraw county lines and merge counties. That would drag two counties into a fiscal abyss and create a domino effect throughout the state.

"It's not supposed to work this way," he said. "Everything that's been asked for has been stopped by somebody who's not necessarily part of Curry County. I'm frustrated, but we're trying to figure our way out of this. But we have no plan."

"I wish I had answers," he added. "They (tax levy supporters) have some surprising support for a ballot measure that I didn't think would happen. Do I like the ballot measure? No. But I like all the other options even less."