

different back then?

VA Well, it wasn't - again, I have to - the way the media sees it. We just happened to agree on this one issue. That didn't mean that we were joining the Democrats against the governor. It's just that in this case we happened to agree with him.

CH I notice, too, here, that they made the exception for the tobacco tax. It seems like the legislature grabs onto tobacco taxes as an easy way to raise money.

VA Yes.

CH But in this case did you and Joe Rogers both go along with an increase in tobacco tax?

VA I can't recall. Probably I did. Being a smoker - but I can't recall. I really can't. Do you know how many years we're going back here [laughter]?

CH I know it's a bit of a challenge.

In education there was an apparent mandate against - major increases in taxes doomed early any possibility of increases in the amount of basic school support, so that tied into what we were just talking about, wasn't it?

VA The continuing - well, even today, but from my Day One and before I got there, this whole matter of basic school support and basic school support formulas and distribution of basic school support has always been an issue. Always, at every session. Schools want more and...

CH Is that typical everywhere? I mean, having been governor, maybe you had a chance to look at other states. I mean, it seems like Oregon, as long as the legislature has dealt with these

issues, it's been the school support and taxes and property taxes. The whole combination has been just a fundamental problem that has never been solved. Is it a fundamental problem everywhere?

VA Oh, I think in many states it is. States that I would be aware of, certainly maybe the western states. You look at the southern states, I would have to say it appears it wasn't a big issue down there because for a long time they were not funding their education very well. As a matter of fact, always at the bottom of the heap. And so maybe down there it wasn't a big issue. Here in Oregon it was. They have a strong lobby, the Oregon Education Association, which, incidentally, brings me to tell you that - I keep hearing about the business lobby and business running the legislature, and I said so many times that's the biggest fairy tale that I've ever heard in my life. The lobby, a really, genuinely strong lobby, was the labor lobby. Whether it was the AFL-CIO or the Oregon Education Association and, of recent years, Public Employees Union, it's always been labor. Labor is the one that really has been the one that has pulled the chain for the legislature.

CH At the time, was the OEA very strong, in the fifties?

VA Oh yes. They've been a strong - I would say at that time, when I first went in, AFL-CIO was the strongest, but followed by OEA. And over the years, AFL-CIO has, in relative terms, been less important, but OEA is now the Numero Uno, and has been for a long time. But that relates, now, to - organized labor has been losing members, and in Oregon - I don't know what it is, I think 18- or 19 percent of the workers are union. And so if you say 18, that would mean, then, that 82 percent are not. So I suppose it's that relationship. But, you know, they keep talking about business and the business lobby, and, I'll tell you, it is a fairy tail, which I think the AFL-CIO, OEA, and Public Employees

Union would love to perpetuate, and nobody, then, looks at them, but they are tough. They're a big lobby.

CH I did notice that funds were passed for higher education and retarded children and in school reorganization. You had been a proponent of helping the disabled, and I presume that included the retarded as well.

VA Yes.

CH And so was this - perhaps this was a bill that you cosponsored?

VA I can't remember that, again, as I think I mentioned way back, because I never kept inventory of what I did. I couldn't remember. I did what I thought I should do at the time, and just never kept track of it. I will say that, thinking back, now, at Mark Hatfield and, then, in my own term as governor - terms as governor - I remember it was Mark Hatfield that really kind of took higher education to a higher plateau, and, then, through the terms of Tom McCall and Bob Straub, it just was there. It would get whatever percentage increases were coming along, but never really moved it to another plateau. I had made up my mind that I was going to move it to another plateau. I wasn't able to do it until - it began in the 1983 session, and I really did a good job in 1985 in terms of what I wanted to do, but I kept thinking back on Mark Hatfield days, and he was the only governor that I recall that had given prominence to higher education.

In terms of the retarded, there were two categories. One is trainable and the other educable. This session we deal with the educable. I do recall in later years, when I was in the senate I was on the Education Committee, and they came before us - they, those that were interested in the trainables - and wanted to get basic school support for them. I asked the question, Is this the best way to do this, which they didn't answer, which, of course,

was an answer for me as no, this is not the best way to do it, but we'll take money any way we can get it. And actually, we - because of me, we did not move into that area that session. But I did propose that we have a study on how we can legitimately deal with the trainables, and the following session we did pass what I considered to be a very good bill. Again, this is the peculiarity of politics. One would say, Well, Atiyeh's not concerned about the mentally handicapped because he had a chance to give money. But that, to me, was not the criteria, giving money. I wanted to do something with that money, and that's very hard for people to make a separation from. But I think out of it all we had a very good program for the trainables.

CH In agriculture - I don't know how much you identified or were familiar with agricultural issues at the time. Of course, you were representing Washington County, weren't you, so - and Washington County as a whole, too, because they didn't have the single-member districts.

VA That's right, the whole county, yeah.

CH So there was - at the time there was still a lot of agriculture there, wasn't there?

VA That's right, very much so.

CH The legislature passed regulations over farm workers' transportation, housing, and sanitation.

VA That was Don Willner's thing. They had an interim committee. That was a pretty big issue. Again, I'm trying to separate, but probably '59. I don't know, but in that period of time. Housing, yes, treatment ~~X~~. I came to the conclusion, and have held since then, that I don't understand these fellows that need the migrant workers. They need him. It would seem to

me, if I was - if that was the business I was in, I'm going to build the best housing that I could and take care of them the best because I would want the migrants to come to my farm. I want to go to Vic's farm because he takes care of us. It would seem to me it would be good business to do it. But that's been a lingering problem, and a lot of it is still in Washington County.

CH And to this day?

VA To this day, yeah.

CH Under the category of unemployment compensation, there was final legislation calling for both increased taxes from employers and tightening the benefits or workers. Did this go through your Tax Committee?

VA No, that went to the Labor Committee.

CH And the newspaper said that much of the friction between labor and management disappeared early in the session when a so-called anti-picketing law was repealed. What was the anti-picketing law? I remember at the time there was something about restricting union picketers from...

VA Are you talking about farm picketing?

CH No, I don't think - I think this was more a general labor situation than just agriculture.

VA I can't remember specifically. I can give you some generics, but it wouldn't relate specifically to what you're talking about.

CH The legislature created the legislative fiscal committee during that session.

VA Yes.

CH And it was going to operate on a full-time basis to provide the legislature with information on revenue and budget matters. Was this a priority for you?

VA No. It's hard for me to - in terms of how you run the state, where you want things to show up, but, you see, I can jump from there to my term as a governor. But I would tell you, at least at this stage, and maybe we'll come back to it, that what we had, even when I became governor, was a single economist who would annually give us reports on the economic condition of the state and what our revenues would be. And this fellow was highly regarded because he was never wrong. And the reason he was never wrong is the economy of Oregon was growing, so no matter what he predicted, we were going to get more. It's only when it became important when you predict something that you predict it too high. I made some changes when I became governor, and we can refer to that at another point in time. But the fiscal office, you say, okay, the governor has his, which is the executive department in the budget management section, and we ought to have ours to tell us so we get an independent view. I don't know what good it did. It cost more money.

CH How would you do your economic forecasting, then?

VA A single guy, one guy. One person, one economist. That's how we would do it.

CH Rather than have a whole committee.

VA There was nothing. We had one guy. And obviously he's not going to tell you what criteria he uses to arrive, because that's what he's selling to us. So we never knew what criteria he was using to arrive at his conclusions.

CH Why wouldn't he tell you?

VA Because that's what he was selling us. If he could tell us how he arrived at his conclusions, we could that ourselves.

CH So he just told you his...

VA So anyway, - well, I'll jump, and we'll come back to it, but when I became governor - and it was very fortuitous, very fortuitous - we embarked on, and it's used today, the econometric model. This was an actual model in terms of what our economy is all like, put into a machine and, okay, if this happens, what happens; and if this happens, what happens. And, then, in addition to that, I created an economic advisory council, and that was - and, then, we'd get quarterly reports. And that really was fortuitous as the state slid into its recession.

CH Was there anything else that happened in the 1959 session that you recall that was of importance?

VA You didn't read anything about House Bill 14?

CH House Bill 14? Tell me about House Bill 14.

VA That was the timber tax law.

CH That was in 1959?

VA That was '59, and it finally passed in '61. And I would tell you this also, is that I really couldn't - this was one of those how do you vote. Do you vote your own views or do you vote according to your constituents? And I can tell you very clearly that I suppose 99.9 percent of the time I just - you know, I would vote my own views. This was one time where I voted for my constituents, and the bill failed by one vote. It was presumed

all along that I was going to vote for House Bill 14, and I voted against House Bill 14. And that was the timber tax law. That was changing taxation for timber in Oregon.

CH This is in '59 or '61?

VA Well, both - well, '59, and it finally came up again in '61 and passed then. That was very heavily lobbied. My gosh, I can just still even today feel the tenseness by the lobbyists just hovering all over the place. But anyway, it was a big deal at the time.

CH Well, I have that in my notes for 1961, and I notice...

VA In '61 it passed.

CH In '61 it passed, and it would hit fast cutters a little harder and slow cutters a little less. Is that how it was working?

VA Well, that wasn't - that was a sort of a give-in to Clarence Barton. He wanted to get Georgia Pacific. That was his goal. And I kept telling him, "Clarence, you can't write a law just to get one company. It's going to affect everybody." So I suppose he got a piece of what he wanted to get a reasonable bill passed.

CH Hadn't timber tax, or severance taxes, in the past been used to provide money for research and also for fire protection?

VA For fire protection, yes, a little bit for research, but these were all small - well, I say small pennies. We had to build a fire protection deal. That still was small in terms of what they were getting. Research was even smaller yet. We did make a division, and the division was that eastern Oregon was severance tax and western Oregon was ad valorem tax. That came

about in the timber tax bill, and we were going to treat land and trees as a separate - you tax the land and you tax the trees. It eventually came to severance. Severance is really the best way to tax. The whole idea is that you pay tax when you cut the tree. You don't pay while it's standing because it takes fifty-, sixty-, seventy years, you know. How many times are you going to pay for that. So in terms of logic in terms of the industry, it made good sense.

CH And what was the opposition to it, then?

VA Well, everybody had their own - you know, they kept talking about, even as I was governor, the timber industry. There's no such animal as the timber industry. There are people in the timber business, but they all have their own different views. The small companies, they're interested in public timberland, and big companies don't care about public timberland, they've got their own. Their fractured all over the place. To try to say there is an industry and they're unanimous in their views, they're not. They fight each other. And so there were different parts of this bill that some didn't like, and small guys and the big guys and the middle guys, you know, they all had their own -

CH But it's still an issue. Is it still an issue now?

VA No, I don't think so, in terms of taxation. That's pretty well been put to rest. There are others, of course, obviously, in the timber industry, and we know about the spotted owl, but wilderness was an issue...

CH But at the time? What about at the time, the late fifties, early sixties.

VA No. The tax was, yeah, that was a big issue then. It was made an issue, yeah.

CH Were there any other issues that we haven't talked about that - was there any legislation that you particularly sponsored, either in general or specifically for constituents, that...?

VA I'm laughing because I do remember one, and I kind of use that as a - oh, a story about the influence of freshmen legislators. Our polls are open from 8:00 to 8:00. We've got a whole lot of sewer districts and water districts, and nobody goes to vote in those things, and so I thought, well, why stay open all that - how about from noon to 8:00 for water and sewer districts. God, you can get into a debate against this. You know, you're cutting off the voter and they have rights. Oh, it was terrible, it was terrible what I was doing to the people of Oregon. So it took me two sessions to get that bill through. It made sense. Nobody goes to vote there. Why should there be somebody sitting there from 8:00 to 8:00. So it took me two sessions to get that bill through. No, I didn't have anything important.

I do recall - again, this is all learning. I mentioned Leon Davis earlier, and he had a bill in, and what he wanted to do was to move the exhaust on the buses from down below - he wanted to move the exhaust up. I can remember going up Canyon Road, because that's the road I use, and my wife particularly mentioned going out there and all the stuff spewing out at the car level. Anyway, he said, "Would you be one of the cosponsors?" "Sure, fine. I'd like that." So I signed on. So I'm sitting there at my office, which, of course, was the desk, and somebody came up and said, "This bill's up before the House Transportation Committee. Leon Davis is in Ways and Means. Can you come up and testify?" "Oh sure." Boy, when I walked in the room, I was in deep trouble. Here were all these big shots, and there was a screen up there, and I said, something's going on here. I'm testifying in behalf of this bill, and my wife doesn't like it, I'm saying, and - but they were kind enough to not table the bill till after I left the room. But I can remember, whoo, I'm

getting into something here I didn't really expect.

CH How was such a force mobilized? What was the catalyst?

VA Oh, the bus companies, Greyhound, you know, they're all - the truck companies. They were telling you how expensive it is to do this and what it's going to cost. I didn't stick around. I went in, testified, and left. But they had a dog and pony show there, and films of doing something. I don't know what they did. You learn in a hurry.

And I can recall also - this is kind of the times. Mark Hatfield had a bill in there, and he wanted a property tax exemption for fallout shelters. If you build a fallout shelter, then you get a property tax exemption for the cost of that. And I'm saying to myself, I don't understand this. You're going to build a fallout shelter because you get a tax deduction, you're not going to build a fallout shelter, which would protect you in case of a nuclear attack. Now, this doesn't make sense to me. It would seem to me that you build it, not for a tax deduction, but to save your family. Anyway, I did not support that bill. It did pass, incidentally, and there was just an awful lot of family rooms and basement dens that got a tax deduction.

CH You know, being your first term, what did you learn about the legislative process that you didn't know before? I mean, I'm sure there were a lot of things...

VA Oh, pretty much like what I've been talking. You learn to do your homework. If you're going to testify on a bill, you better know what you're talking about. You learn that - certainly in terms of rules, you learn the rules, because so often the Turks, we'd get up and make a motion, which would succeed, but, then, the Democrats would caucus and they'd crush us. And if we just knew that there's a follow-up motion you make, that would prevent all that. So you learn the rules of how

you conduct - if you really want to do something by the rules, you learn the rules. And so we learned all about that. I think you began to learn that you can be an influence as a minority member, and you'd be an in committee, which, of course, served me well because I was a minority member all the time I was in the legislature. But we could have great influence, and that continues even today, in which you don't see much on the floor - if you're a minority you don't see much on the floor, you don't see much in the newspapers, but you get a lot of things done in committee. There, you have a chance.

CH Was there anything that surprised you that first term? Something that you didn't expect?

VA No, I can't think of anything offhand.

CH Any other assessments of your first term that you'd like to comment on?

VA No. I'm sure, if I think back on it - rather than remembering that time, it was really kind of interesting to be a part of the process. I had some very strong feelings about things, and I remember speaking about bills in committee and things of that kind, and it felt good to be a part of that kind of a process, which is what I was going after anyway. I certainly learned patience. I learned it then, and that remained with me for my whole career, that if you want to do something, you've got to be patient. You can't expect it to happen the moment you want it to happen. But that's all retrospective. You know, it's not something I thought of at the moment.

CH Do you have any interim committees?

VA Tax committee.

CH The tax committee, of course. And did anything happen during that interim period?

VA Of course, we worked on the timber bill, timber tax bill. That was a big issue again in the committee. I can't really remember much more than that. I'm sure there was, but I can't remember what it was.

CH What made you decide to want to run for reelection in 1960? Why did you want to go back down to Salem?

VA I suppose it was because of what I told you earlier. I could see where I could be a part of it and make some constructive changes in the light of the things I was interested in whenever I had a chance. And that may have been - if you were to ask the reason about '63 and '65 and '67 and, you know, on you go, that probably is the reason why I hung around all those years. I couldn't really answer it. Yeah, I think I'd like to do that and get some more. Yeah, I think I'd have chances of getting things done.

CH What was your reelection like? The primary campaign and the general election. Did you have much opposition?

VA I can't really remember elections because they really - I know I went out, and I went to candidates nights. I always made a point of going out and making speeches and whatever, but that was just my nature more than campaign. I think people [inaudible] who I am, and I'd go from there. But with rare exception, I really didn't have much what you'd call any serious opposition. As a member of the house of representatives, one time there was one of these folks that the media gets enamored with because he was the mayor of Tigard. His name was Bud ~~Kari~~ ^{KYLE} ~~[sp?]~~. Oh, they thought he was great. Actually, it turns out he wasn't great at all, either personally at home or as - he really

was one of these that just faded from sight. Not a particularly good guy. But I remember that campaign. However, I just always said, Okay, I'm going to gauge my campaign according to my opponent. In this case, with him, I just went around and dried up all the money. I mean, that was my campaign. I went out and - when I say that, I was out campaigning, but...

CH Was that in the primary or the general election?

VA The primary. He was a Republican. I just went around and dried up all the money. Beat him. But that's a campaign I remember. I remember, of course, the campaign that I ran when I ran for the senate against an incumbent Republican senator, and I remember that evening and - but by and large, I didn't have what you'd call strong opposition.

[End of Tape 5, Side 2]