

Tape 20, Side 2

CH This is an interview with Governor Atiyeh. This is Tape 20, Side 2.

I was suggesting that having a unilateral - or, not a unilateral, but an across-the-board cut of maybe - whatever it has to be, 5 percent, 10 percent, and if the legislature doesn't - or, if the people don't accept a bipartisan or nonpartisan agreement to a package of tax cuts, and you were suggesting putting some kind of a circuit breaker in there for income levels...

VA I always worry about the small constituencies. The big constituencies, they've got plenty of muscle, but there are small constituencies, and small constituency in the line of what were talking about. Social security; there are some that are getting a fairly decent amount for social security, there are some that are getting a rather low amount for social security. Obviously, the low amount of social security, that's a smaller constituency. Somebody has to watch out for those folks. And those on welfare. Some just barely are getting into welfare, and some are really in very desperate shape. A smaller constituency, those in very - really in desperate shape. You've got to take care of them. Then there's larger, you know, a more defined group of small constituencies. You always have to worry about it.

It may very well be that the - you follow the theory to what you said. You have some kind of a bipartisan group of people that sit down and work out a budget, and you've got to raise this much revenue and you've got to cut this much budget, and, then, that's presented as a package, and you vote on the package. But then you say, at some point somebody's going to have to sit down and figure this all out. And so, okay, now, that's it, that's

your package. Now, you go now and work it out as to who gets what out of that package.

You know, the elected legislator has got to do something at some point in time. We've got to stand up at some point in time. And it doesn't get down to, Keep your base open and close mine. The fact is, you've got to cut, you've got to make a cut. We all know that, all of us that now voted for this formula of increased revenues and decreased budgets. You can't expect this body which we're going to put together to understand the complexity of all budgets that are in the federal government, or even in the state government. You can't expect that. They have to look at the large picture. So, then, you say, Okay, now we've done that. You've got to do that; you've got to do that. They may figure - say you have to raise revenues, and they might tell you how to raise revenues. That's a little bit different, rather than cutting budgets. That's by far more complex. But they say, Okay, that's how we're going to raise the revenue, and now we have to figure out the other half of this, which is cutting the budgets, and go about doing it. It could be done, it could be done. There's no question. You bring up the point, we've got to do something.

CH Well, I've never that suggested before, doing it like base closures are done. I've never heard that suggested by anyone, and, yet, it seems like on the state level and on the national level people are just incapable of making those difficult decisions, and even though it would be best for them to be able to stand up and be counted. If it's not going to happen, then it needs to be - I mean, maybe that's a failing of democracy and it needs to be...

VA Well, it is, to a degree. I have taken the personal

position, while I was a legislator and people would say that the taxes are too high; you've got to cut budgets, my answer to them was always, Okay, I don't disagree with you, but are you willing to cut the budget of your special interest? If you're not willing to cut the budget of your special interest, then you really don't want to cut budgets. You can't say, Cut all of those guys but not me. Then you're not committed to cutting the budget. Once you say, Cut mine and all those others, then I'll believe you. I'm not sure that message will ever become that clear because you're right, in some instances - let's talk about small constituencies. You talked about an airbase, which in fact was the town, and so they closed the airbase, effectively closing down the town. It's got to be a small town. And, then, there's an airbase in Portland, Oregon. So they close the airbase in Portland, Oregon. That's not the whole city of Portland. And so Portland may not like it, but it's those other, smaller number of people that are losing their jobs. But in Toledo, Oregon, where that airbase was, I mean, this is really bad news. The whole town is out of work, back to this small constituency thing.

I have to tell you that over the years we're always trying to find simple answers to complex questions, and part of the dodge of a politician is to make it complex, like I'm just doing with you. I'm not being political about it, I'm being more practical about it. I knew I had to cut. While I was governor, I cut and raised revenue. So I've gone through it and I understand it and I know about it. We'll talk about it when the time comes. My own personal view is, you do what you think is right. I do what I think is right, and if people don't like it, they won't elect me. That's our system of government. But everybody doesn't face it that way. As a matter of fact, most people don't face it that way, most elected officials don't.

CH Well, when you were in the legislature and when you later became governor and now with the current economic crisis, you hear a lot of people talking about cutting the fat out of government. Where is that fat, and is it just one person's fat or is another person's meat, or is there really fat to be cut?

VA Yeah, there is, there is. However, it never measures up to the size of the dollars you're dealing with. Let's take Ballot 5 now, and they say that they're going to come up short a billion, two or three hundred million. By using that as my example, there is fat, but not a billion, three hundred million of fat. How much there is, I'm not sure, but far short. You can't cure half of the problem, two-thirds of the problem with fat. You might cure 5 percent of the problem, maybe 10 percent of the problem. But it's nowhere - you can't do it by just saying, Cut fat. This isn't going to work. There is fat in - you take any large corporation, and there's fat. There is. So government is not really any different than business. Maybe at times they're sloppier. There I think they're sloppier because that's - having been a retail businessman, having been a legislator, I understood some things in a large picture, and one of the really dangers of government is that it's a monopoly, and so you get monopoly thinking. You know, if you don't like what the Department of Motor Vehicles is doing, you don't have an alternative to go to some other department of motor vehicles; there's only one, and that's the state's. And so if you don't like it, tough. Well, that's not the way business operates. Business - the fact is, there's competition out there. And if I want to keep you as a customer, then I've got to do something about it, or get you as a customer. But government isn't that way.

CH But going back to the idea of cutting something across the

board, couldn't you just tell an agency, Look, this is where we would cut 10 percent out of your budget. Now, if you want to cut it out 5 percent out of this agency and 15 percent out of that agency within your department, you could solve that within your department as to where you cut that, but overall, you have to be cut 10 percent, so that they could be a little more selective. Wouldn't that give them enough leverage to be able to make the adjustments?

VA Now we're going through the exercise that I went through. We didn't really - well, we did in terms of dollars; however, we didn't apply that uniformly on every state agency of state government. The Department of Geology and Mineral Industries is a small department in Oregon. I don't know what their budget is, but it's a small budget. I'm not going to apply a 10 percent or 15 percent cut on them because they're out of business if I do that. Or the Board of Aeronautics. But if we start dealing with Human Resource, that's a huge budget. Somewhere in there we can find some money that will take care of the Board of Aeronautics and the Department of Geology and Mineral Industries.

So first of all, the executive, the governor, president, whomever, says, Look, this is the whole pie - and, obviously, the president can't do it. Very few governors can do it. I did it because of my twenty years in the legislature. I knew an awful lot about almost every agency of government - and you sit down and work it out. That's the way I feel about it now. They call it a serious problem. It's a serious problem, but it's not one that can't be dealt with, and it can be; and it can't be - and it doesn't necessarily be involved with all the gyrations that are going on right now, because it can't be, and it can be done. Not painlessly. Forget pain; pain is going to be there. But it can be done. How many times have I told people - matter of fact, as

recently as yesterday. They're going to close - effectively close down the Department of Veterinary Medicine at Oregon State University, and so they were appealing to me, and I said, You know, when they tell you, as they do, we can't afford it, we've got a billion, three hundred million dollar shortfall, we can't afford it, that's not the right answer. They can afford it with what's left, they just can't afford that, because there's still a lot of money left, another \$5- or \$6 billion out there. So the answer, I can't afford it, is not the right answer. I just can't afford that. So they're making a priority decision, which, incidentally, all budgets are priorities. That's all they are.

CH Well, we don't have the same problem that, say, California has in that we can't operate in a deficit, so we...

VA California is a crazy state. And they shouldn't let things get away from them like they have. They've run this tide before [?], before Deukmejian came in, and he had eight years; there was this huge deficit, and then he worked his way through it till they got a balanced budget, and it began to slide because of the economy. By that time Pete Wilson comes in, and now they're really behind the eightball. But that's the responsibility of the elected officials, that's what they're there for.

Let's go back to what we were talking about earlier, should the legislative body do all this cutting and raising revenues or should this independent body do it. Again, I've said I was elected to make decisions. That's what I was elected for. I wasn't elected to make just the easy decision, I was elected to make the hard ones and the easy ones, and I wasn't elected to say, Okay, here's a tough one; okay, I'm going to hand that off to you. I'll just keep making these easy decisions over here, and then you make the hard ones. But, you know, we get down to

the real world, and that's not the way things operate. But that's always been my theory. I have voted on some very controversial things, but I said, Yeah, I was elected to make these decisions; I have to make a decision. I have to vote yes or no. I can't just keep saying I'm going to - okay, on all these easy ones I'm going to do it, and I'm not going to hurt too many people, but on these real tough ones where I might hurt a large constituency, I'm going to pass that one off to somebody else. But I know what the real world's like [laughter]. Well, we sure got far afield.

CH Well, I guess we did.

Going back to 1977, some of the other issues of that term, there were measures passed to levy a two-cent per gallon increase in the gas tax and double the auto license fee to twenty dollars a year and raise truck weight mile taxes. So does this fit into that whole scheme of raising revenue for the...?

VA Well, in this case, of course, it was for highways, maintenance of highways. That was the argument at the time. We had this huge investment in our interstate and state and county roads, and they're going to hell in a handbasket, and we've got to raise some money for maintenance. So basically, it was a maintenance thing. Strange. Oregonians just - you know, we pay ten dollars a year for an automobile license, and they just won't budge. It is a good deal, I'll say that. They just won't budge, because I don't know how many times they tried to raise the license, it just never - it never flies. They somehow don't mind raising the tax on the gasoline, but they sure don't want to raise the license fee.

CH There were measures approved in an effort to cut employers'

cost for workmen's compensation insurance by eliminating circuit court reviews of injury awards and shifting more of the share of benefits for permanently and totally disabled workers to the federal social security system. Were you involved in that debate?

VA I don't recall that, but that's - that brings up a subject of what really is all of these mixed signals. Social security was meant for retirement; workers' compensation was meaning to be compensated for injuries. And if you watched over the years, all kinds of social problems that have crept in, they're going to solve it with social security. They've got Medicare, Medicaid, we're going to solve injured worker, the widows, all kinds of things. All of these other social programs creep in, and its purity has been lost in the process. I don't recall being involved in that particularly.

CH Well, going to some of the legislation that you sponsored, you had a bill which authorizes police officers to stop motor vehicles for inspection of registration cards and license that was left in committee. Was that regarding drunk driving?

VA Yep. It was all part of the same, the driving while suspended licenses. There's a whole bunch of those folks out there. You were interviewing Ted Hallock. I could recall that argument with Ted Hallock, because what I wanted to do was that we would have a few inspectors out there who would - if I lost my driver's license, that they would be kind of patrolling to see if I'm driving my car. Now, it would be an at-random thing. You've got a whole lot of them out there, so you really don't - you know, you don't have enough inspectors to cover everybody, but this at-random thing is very much like your tax return. You

CH That was for the Oregon Rail Association.

VA I don't remember it.

CH You had another one that was left in committee that was at the request of Jim Allison [~~sp~~], a land-use consultant, regarding farmlands. Requires county assessor making special assessment for farmland to make notation on assessment and tax rolls of assessed value of taxpayer's property not used for farming and assessed value of farmland if it had not received special assessment for farm use. That was left in committee. Senate Bill 709.

VA I'm trying to - would you read that again?

CH Sure. [Tape stopped.]

VA I don't recall that. By that, I mean specifically what we were trying to solve. Jim Allison, I remember vividly Jim Allison from various accounts, but first of all he was a Republican chairman, Washington County chairman. But he was very activist in terms of ag land, the whole matter of - remember we talked earlier about a son wanting to build a house, and that was - he was livid about that kind of thing. I'm not quite sure what we were trying to deal with. It nonetheless would have some bearing on the designation of farmland, how it was being used, the goals that related to it, but I can't get any more definitive than that.

CH Could it have had something to do with the aftermath of the LCDC?

VA Oh yeah. This all comes after adoption of the goals and guidelines of Senate Bill 100.

CH The nineteen goals that you were talking about the other day?

VA Yeah.

CH Another one that was signed by the governor, Senate Bill 867 for the state treasurer requires certain information to accompany general obligation bond issues of local governments.

VA I can't recall. Generally - again, I'm giving you general answers - it would relate to offerings and bonding, but I don't - there was a reason for it, but most of these are relatively obscure, tinkering a little here, a little there.

CH I guess I just mention them in case there's something that might come up.

VA I understand.

CH Senate Bill 919 was signed by the governor. It allows state military department to seek and receive monetary grants and donations for Oregon National Guard military museum and to donate property.

VA Yeah. I remember that one.

CH Maybe you could tell me a little bit about that.

VA I have a great interest in, and high regard for, the

know, it's at-random audited. They don't have that many auditors, but it keeps you kind of honest because you don't know when they're going to start looking at yours. The same idea. Well, old Ted, he thought this was spying; what a terrible thing to - I thought it was a hell of a good idea. Ted, he thought it was a terrible idea. This spy - this is a democracy, and it's terrible that the government would be doing something like that. Difference of opinion. I think it would have worked. But anyway, yes, the answer is yeah. There's a whole lot of people out there driving with suspended driver's licenses, uninsured, and the whole thing.

CH You had a number of bills which were signed by the governor in this term. One was Senate Bill 655, which would allow people to become candidates for precinct committeeperson within the same county and adjoining precinct of his residence. So in other words...

VA You could be a precinct committeeman or woman either in yours or the one contiguous to yours. All parties have problems getting precinct committeepople. You might have several people who would be willing to serve, but you only have two in each precinct, so this gives you a chance to get more coverage..

CH You had one for the Oregon Rail Association that the governor signed. Senate Bill 662 exempts certain agreements between carriers approved by Federal Interstate Commerce Commission from being considered illegal under Oregon antitrust laws. Do you recall anything about that?

VA No, I don't. There's got to be some reason there, but I don't remember what that is.

military, and particularly our national guard. Also, as you know, I have a great interest in history. The concept was that there be an established Oregon military museum. The idea related to those that had served or had some relationship to Oregon or something that would designate that. The museum is going now. It's sort of in limbo right now, to be honest with you. They have a fine collection of things. [They had] a great scrounger, who was part of the national guard and now is actually somewhere in the Midwest; I think Iowa. Things like, beside the - you know, the rifles and machine guns and - there's photographs and medals and uniforms, but they also have a Japanese tank. He went over to Utah, I think, and got it. They were using it for gunnery practice, and so he got, I think, two or three of them so he could make one good one. [He] got the only - not only; I think one of two or three real PT boats, original PT boat. There's some argument about that; why do we have a PT boat. I'm not quite sure why we do. But anyway, those are the large things. I'm quite familiar with it. We got it started, got it going, but it's kind of limped along. A lot depends on the adjutant general and their view of it. Dick Miller was quite interested, and his successor, Rees ~~124~~, after I left office, was less so. I've talked to the adjutant general now, because it is kind of languishing, and he has an interest in it, he does believe in it, believes it ought to continue. So we started it, but it's sort of limped along over the years, and - but there's a lot of good things out there, some really first-rate items that have been collected. I think it would be great, but - I remember that.

CH Then you had another bill for the state highway fund for foot paths and bicycle paths defined - it defines expended. That was the only information I could find on that.

VA Again, I can't remember that specifically. It was quite controversial to spend some money, highway funds, to make bicycle paths. There was a lot who thought was for automobiles, not people on bicycles. Stathos down in Medford was the one that cranked that up initially. I'm not sure - and maybe this is related to some kind of limitation, because there was a constant argument as to how much money to spend on these things, but I, again, can't remember. I'm just giving you sort of general comments about that subject.

CH You had another bill, Senate Bill 922, which was at the request of Oregon Common Cause and the Oregon Gray Panthers for board members to be selected from public at large of certain regulatory and advisory boards. It was left in committee. I guess it's kind of interesting that Common Cause would come to you.

VA Particularly the Common Cause of - Common Cause and I weren't that far apart. Which panthers?

CH Gray Panthers.

VA Gray Panthers is the old folks [laughter], us old folks. Read it one more time. I'm trying to make a connection.

CH To - board members to be selected from public at large of certain regulatory and advisory boards.

VA Of or for? I don't know. Well anyway, no, I can't remember that. There was always the concept that these folks are taking advantage of us and secretive, and we got the public to peek in there, but I'm not sure that relates to that.

CH Another one was at the request of Oregon Security Association regarding private security industry in the Department of Commerce.

VA Yeah. That one - it's strange how that little thing I remember, but it was a matter of trading requirements for one that's going to call themselves a security guard. That one basically came from the more professional ones, where you had a lot of mom and pop people that would offer themselves out as security guards with not necessarily any particular training or ability to deal with an emergency. However, it was the mom and pop thing that kind of stopped it. You know, You're taking away our bread and butter. So that didn't pass, I don't think.

CH No, that was left in committee. And you had another one here that was tabled, Senate Bill 1000, at the request of Utility Security Association of Oregon makes firing guns at electric power facilities a criminal offense.

VA Yeah. Well, there's a lot of people shooting insulators on these power lines as target practice, and they were just - obviously, it's very costly to them, to ratepayers and - well, these things, they're way out in the middle of nowhere. There's usually hunters out hunting, you know, so to try to make it a stronger offense to hopefully reduce the size of that kind of vandalism.

CH And finally, you had another, Senate Bill 1047, regarding fuel tax other than gas to pay tax at pump. Prohibits service stations from refusing to sell diesel where posted. I remember reading something else about this, too, and that if a station had a sign out there saying that they sold diesel that they had to

service everyone, they couldn't have a...

VA Yeah. They sold diesel - they really didn't want to fool around with cars with five- or ten gallons of diesel. They wanted to deal with trucks and with - I don't know how much they'd take. I suppose a hundred or two hundred gallons of diesel. I don't know. It's not one of those earth-shaking bills.

CH Well, you mentioned it a little bit before, but how would you characterize your relationship with Governor Bob Straub's administration this time around, after having been opponents in the previous election.

VA I never was a combatant. Remember earlier we talked about my relationship with Tom McCall. I always dealt with the issue; never took into account that it's Bob Straub, for example, or any single legislator. I either liked the issue or I didn't like the issue, and it had nothing to do with whether I liked or disliked the person. I had personal high regard for Bob Straub, I always had, even as an opponent, although reading through some of my campaign stuff over the past few years since I left, I did say some harsh things about him during the campaign. Oh, not him personally, but some of his programs and things of that kind. I like Bob. Our relationship was good.

[End of Tape 20, Side 2]