



State Representative **Michael Dembrow**



February 17, 2009

Dear Friends and Constituents,

The Capitol has been teeming with Oregonians this week! This weekend over 6,000 people came to celebrate Oregon's Sesquicentennial by eating cake, learning about Oregon's history and watching legislators debate relocating the state capital. The capital is staying put, but it was nice to celebrate Oregon's birthday by recognizing the diversity within our state.

Yesterday was President's Day and we saw an influx of people advocating for schools. It is wonderful to see school kids eating their lunches in the rotunda between lobbying their representatives and attending a rally in support of school funding.

The question I posed in last week's newsletter about whether or not to use the rainy day fund has generated a lot of conversation. When we hear the latest revenue forecast this Friday, February 20th, we should have a clearer sense of what our shortfall looks like so that the conversation about how much of the rainy day fund to use can begin in earnest. If you'd like more information now, check out this week's video.

Increasing the Beer Tax

As some of you may know, I am co-sponsoring HB 2461, which would increase the state excise tax for beer. There has been a lot of media coverage on this issue over the past few days, so I want to clarify a few things and ask for your input.

The current tax of \$2.60 per barrel has not been increased in 32 years. Several legislators and I have introduced HB 2461 to start the conversation about increasing this tax, to help fund drug and alcohol abuse treatment and prevention programs. It's important to understand that this piece of legislation is intended as a starting point, and we want to work collaboratively to find a compromise that everybody can live with.

The lobbyists for the brewers and beer distributors have done a pretty good job of muddying the waters with a number of extreme claims that have been repeated in the media. Some people have even suggested that the tax would increase prices by as much as \$1.50 per pint. Here are the facts: The tax increase, as proposed, is 20 cents per pint. The tax is paid only on beer that is sold in Oregon, and applies equally to beer produced in-state and out-of-state.

It is my hope that we can accomplish a moderate increase in the tax. I am not interested in hurting Oregon microbreweries, and I understand that any tax increase like this needs to be done in a careful, deliberative manner. I welcome your thoughts on the issue, and any questions you might have about the bill: rep.michaeldembrow@state.or.us.

Housing Opportunities Bill

I had my first chance to speak to a bill on the floor today. I spoke in favor of HB 2436, which will create an ongoing dedicated revenue source for affordable housing for the first time. This \$15 increase in the document recording fee for real estate transactions will create an estimated \$19.6 million in new, dedicated affordable housing funds for the next biennium. This money will go to create new affordable housing developments for the people who need it most.

As a community college teacher for many years, I know that one of the greatest challenges that my students face, term after term, is finding affordable housing for themselves and their families. One of the primary reasons that students fail in their courses or drop out of school entirely is that they have lost access to safe, secure, and stable housing. The Housing Opportunities Bill will leverage a modest investment into dignity, security, and safety for numerous low-income families, senior citizens, and people with disabilities. It will create good, family-wage construction jobs all over the state. It has garnered enthusiastic support from a broad range of public and private organizations. It is timely and necessary, I am glad to have spoken to it on the floor.

Constituent Coffee & Town Hall

I will be holding a town hall next Tuesday, February 24th at 4pm in the PCC-Cascade cafeteria. I hope to see you there!

Our next “Constituent Coffee” is coming up on Saturday, February 28th from 9:30-11:00 AM. We are still working on nailing down a location, but it will be in the eastern part of the district. Please put the time on your calendar now, and stay tuned for more details. If you have any suggestions for a location, please let us know!