

**CHARTER FINANCE SUBCOMMITTEE
PRESENTATION OUTLINE**

- I. INTRODUCTION
 - A. Primary concern to me
 - B. The most significant matters addressed by the Charter Committee in the formation of a Metro home rule charter.
 - C. Metro's budget deliberations have shown the tenuous nature of our funding base and clearly demonstrate the fact that we cannot perform our functions now
 - D. Very interested in the development of a Charter that is consistent with Metro's position as a forward looking regional government
- II. General grant of authority vs. Enumerated powers
 - A. Much discussion has centered on above
 - B. Proposal that had merit gave Metro grant of authority while limiting broad-based taxing authority to vote
- III. Empowering Regional Government
 - A. Development of a home rule charter stems from a desire to see the residents of the district empowered to have control of regional government and ensure that it is positioned to respond to the needs of the voters of the district.
 - B. Metro has been asked to perform functions from which it lacks sufficient and appropriate funding authority.
 - 1. Greenspaces--operations
 - 2. PCPA
 - 3. End of Oregon Trail
 - 4. Housing
 - 5. Water supply
 - 6. Emergency preparedness
- IV. Enumerated Powers
 - A. As Dan Cooper, Metro General Counsel, has indicated; even if the charter includes reference to a general grant of authority, specific enumeration of certain taxing authority may result in the ultimate constraint of Metro's taxing authority beyond the level contemplated by the committee. Subsequent rulings in a court of law could determine that the specific enumerated powers were an indication that

Charter Committee actually meant to limit Metro's funding authority and not grant broad authorization.

- B. Regardless of the research conducted by staff or consultants on listing the possible variety of taxes, the Subcommittee will have difficulty sorting out all the possible variations of authorities and types of taxes. An enumeration of specific powers is very likely to lead to the possibility of precluding Metro from consideration of all the alternatives.
 - C. It is not possible to foresee all of the responsibilities that may be in store for Metro. Our current difficulties in financing our responsibilities stem from the inability to anticipate all of the possible roles for regional government. Restraining funding authority may result in Metro being unable to fulfill its mission and respond to the needs of its constituency.
 - D. Certain Subcommittee members have stated that, if specific revenue-generating authorities were prohibited by Charter, future Metro Councils would have the option of amending the Charter to provide for those authorities not granted or considered in the original Charter development process. It may not be prudent to assume that oversights in the Charter development process could be repaired through the amendment process. Both the Metro Council and district voters may resist "opening" the Charter for reexamination each time change is advocated. I have to assume that the Charter Committee is striving to construct a document that will have lasting value and provide a long-term solution to the voters of the region.
- V. Closing Remarks
- A. Recognize political reality of restricting Metro's broad-based taxing authority
 - B. consider the pitfalls in constraining Metro's financing authority in a manner that is inconsistent with the vision contemplated for Metro in the charter document.
 - C. If this government's power to react properly and decisively is constrained by its financing authority, it will lose its credibility with other jurisdictions in the region, have difficulty attracting qualified

leaders to its elected offices, and, ultimately, lose the support and enthusiasm of district voters.