Printed herein for presentation, discussion and action at the luncheon meeting on Friday, October 23, 1970:

REPORTS
ON

AUTOMATIC ADOPTION, FEDERAL INCOME TAX AMENDMENTS
(State Measure No. 2)

CONSTITUTIONAL AMENDMENT CONCERNING COUNTY DEBT LIMITATION
(State Measure No. 3)

MEASURE FOR CONSOLIDATION OF THE PORT OF PORTLAND AND COMMISSION OF PUBLIC DOCKS
(Port of Portland Measure No. 22) and
(Municipal Measure No. 61)

LIMITS TERM OF DEFEATED INCUMBENTS
(State Measure No. 6)

"To inform its members and the community in public matters and to arouse in them a realization of the obligations of citizenship."
REPORT
ON
AUTOMATIC ADOPTION, FEDERAL INCOME TAX AMENDMENTS
(State Measure No. 2)

Purpose: To simplify preparation of income tax returns, the 1969 Oregon Legislature passed a law which provides that the Oregon income tax will be computed by a method closely corresponding to the Federal income tax. This Constitutional Amendment provides that when U.S. Congress changes method of computation, the changes are automatically adopted into Oregon law. The Oregon Legislature, however, must review such changes when it meets in regular session and may modify or reject them.

To the Board of Governors,
The City Club of Portland:

The Committee was assigned to study and report on State Ballot Measure No. 2, to be voted on at the General Election on November 3, 1970.

I. BACKGROUND

In 1969 the 55th Legislative Assembly of Oregon enacted House Joint Resolution 3, referring the bill to the people in the General Election on November 3, 1970 as State Ballot Measure No. 2. If ratified by the voters at that election, the following new section would be added to Article IV of the Oregon Constitution:

Notwithstanding any other provision of this Constitution, the Legislative Assembly, in any law imposing a tax or taxes on, in respect to or measured by income, may define the income on, in respect to or by which such tax or taxes are imposed or measured, by reference to any provision of the laws of the United States as the same may be or become effective at any time or from time to time, any may prescribe exceptions or modifications to any such provisions. At each regular session the Legislative Assembly shall, and at any special session may, provide for a review of the Oregon laws imposing a tax on, in respect to or measured by income, but no such laws shall be amended or repealed except by a legislative Act.

State Ballot Measure No. 2 is an enabling bill in the form of an amendment to the Oregon Constitution. Its passage is necessary to implement and make effective that provision of the Oregon Personal Income Tax Act of 1969 which would automatically adopt as a part of the Oregon Personal Income Tax Law any future changes in the federal income tax laws. This provision would require automatic adoption of federal amendments to income tax law without specific action by the Oregon Legislature. However, each regular session of the Legislature shall review, and each special session of the Legislature may review, changes in federal income tax law. The Legislature would have to take positive action to modify or repeal any of the federal income tax law changes; all other federal income tax law changes not so reviewed would automatically remain in effect.

The relationship between State Ballot Measure No. 2 and the Oregon Personal Income Tax Act of 1969 caused the Committee to consider the pros and cons of the latter as an essential part of its assignment. (See further explanation and discussion in Appendix I)

Arguments supporting the use by Oregon income tax payers of the amount of federal taxable income shown on their current federal income tax return include:

1. Preparation of Oregon tax returns would be simpler and easier.
2. Much technical legislation would be unnecessary.
IV. RECOMMENDATION
The Committee unanimously recommends that the City Club go on record as favoring this measure, and urges a “Yes” vote on State Ballot Measure No. 2.

Respectfully submitted,
Thomas L. Gallagher, Jr.
Mortimer H. Hartwell, Jr.
Donald D. Kennedy
Lloyd B. Rosenfeld
Ron Rothert
R. E. Schedeen, and
Michael L. Emmons, Chairman

Approved by the Research Board October 2, 1970 for transmittal to the Board of Governors.

Received by the Board of Governors October 14, 1970 and ordered published and presented to the membership for consideration and action.

APPENDIX I
PERSONAL INCOME TAX ACT OF 1969
In 1969 the 55th Legislative Assembly of Oregon enacted House Bill 1026 (Personal Income Tax Act of 1969—Chapter 316 of the Oregon revised statutes) to simplify Oregon’s personal income taxes. The method of achieving simplicity was through conforming Oregon’s definition of taxable income to “federal taxable income” as defined in the Internal Revenue Code with a few adjustments. To maintain conformity, it is essential that as future changes in the federal income tax laws occur, these changes are reflected in the definition of “federal taxable income” adopted for Oregon income tax purposes. Failure by the state to adopt such changes would recreate the two sets of rules which the Personal Income Tax Act of 1969 was intended to eliminate. Accordingly, future federal income tax law changes must be reflected promptly and easily in the state tax laws.

Presently, the Personal Income Tax Act of 1969 contains three alternative methods of conforming with federal income tax laws. If State Measure No. 2 is not enacted, the federal tax laws as of December 31, 1968, are adopted. If the taxpayer does not want to use federal tax laws as of December 31, 1968, he has the option of choosing current federal income tax laws. If State Measure No. 2 is enacted, the taxpayer must use the same federal income tax laws he used in preparing his current federal income tax return.

APPENDIX II
RESOURCE PERSONS
Members of your Committee, singly or in groups, have interviewed or obtained information provided by the following persons:
Victor Atiyeh, State Senator
Henry Blauer, Chairman of the 1968-1969 Taxation Committee of The Oregon Society of Certified Public Accountants
Harry D. Boivin, State Senator
Vernon Cook, State Senator
Arthur B. Custy, Dean, The College of Law, Willamette University
Alexander Davidson, Associate Professor of Business Administration, Portland State University
Mrs. David McCarthy, Chairman of the State Voters Service Committee for the League of Women Voters

Dean Ellis, Former Commissioner of the Oregon State Tax Commission

Rob Fell, Head of the Project Task Force '70's Committee on the Department of Revenue

Gerald Froebe, Chairman of the 1969 Taxation Committee of the Oregon State Bar Association

Earl Goddard, Dean, School of Business and Technology, Oregon State University

Harl H. Haas, State Representative

Ted Hallock, State Senator

Edward B. Igoe, Director of New York Income Tax Bureau during 1968. (A letter from Mr. Igoe dated May 13, 1968 to OSCPA)

Clyde Koontz, Chairman of the Idaho State Tax Commission during 1968. (A letter from Mr. Koontz dated May 2, 1968 to OSCPA)

R. W. Lindholm, Dean, College of Business Administration, University of Oregon

J. E. Luckett, Commissioner of Revenue for the State of Kentucky during 1968. (A letter from Mr. Luckett dated June 4, 1968 to OSCPA)

Charles H. Mack, Director of the Department of Revenue, State of Oregon

Arthur A. Schulte, Dean, School of Business Administration, University of Portland

Donald C. Seymour, Assistant Attorney General, Tax Division, State of Oregon

Howard O. Vralsted, Director of Montana's Income and Corporation License Tax Department during 1968. (A letter from Mr. Vralsted dated May 8, 1968 to OSCPA)

APPENDIX III. — BIBLIOGRAPHY

BIBLIOGRAPHY

Articles, cases and other written information reviewed by members of your Committee, singly or in groups, included the following:

Exchange of Information for Purposes of Federal, State, and Local Tax Administration by Bureau of Internal Revenue, 1949.

Federally-Based State Income Taxes by Robert M. Kamins (Professor of Economics at the University of Hawaii)

Simplification of Income Tax Returns for New York State Taxpayers—Report to Senate Committee on Finance and Assembly, Committee on Ways and Means by Peter Miller (in response to a 1957 resolution of the executive committee of the N. Y. State Bar Assn.)

State Income Tax Simplification in Vermont by J. K. Lasser, CPA (consultant to the Governor).

The Battle for Income Tax Simplification—The Oregon Story by Dean Ellis (former Commissioner of the Oregon State Tax Commission).

Report of the Legislative Tax Study Committee to the 55th Legislative Assembly (January 1969).

Minutes of the House Committee on Taxation, 55th Legislative Assembly for March 5, March 7 and May 6, 1969.


Foeller v. Housing Authority of Portland, 198 OR 205, 256 p2d 752 (1953).


REPORT
ON
CONSTITUTIONAL AMENDMENT
CONCERNING COUNTY DEBT LIMITATION
(State Ballot Measure No. 3)

Purpose: The Oregon Constitution prohibits counties from incurring an indebtedness in excess of $5,000. This Constitutional Amendment exempts from the debt limitation: (1) Contracts for services with state government; and (2) contracts to purchase or lease property if the term of the agreements do not exceed 10 years and the total payment in all such contracts is not more than $50,000 annually.

To the Board of Governers,
The City Club of Portland:

I. ASSIGNMENT

Your Committee was appointed to study and report on the proposed Constitutional Amendment placed on the State Ballot for the general election to be held November 3, 1970, by House Joint Resolution No. 22 (HJR 22) and appearing as State Ballot Measure No. 3.

II. TEXT OF AMENDMENT

The full text of the measure is as follows (italicized matter is the proposed amendment):

Section 10, Article XI of the Constitution of the State of Oregon is amended to read:

"Sec. 10. No county shall create any debt or liabilities which shall singly or in the aggregate, with previous debts or liabilities, exceed the sum of $5,000; provided, however, counties may incur bonded indebtedness in excess of such $5,000 limitation to carry out purposes authorized by statute, such bonded indebtedness not to exceed limits fixed by statute. This section does not apply to agreements, entered into by a county pursuant to law:

(1) To purchase or lease real or personal property for a public purpose, if the duration of the agreements are for a period not exceeding 10 years and if the amount payable annually on the debts created by the agreements, in the aggregate, is no more than $50,000 or

(2) To contract with an agency of the State of Oregon for services to be rendered by such agency for the county."

III. BACKGROUND AND RESEARCH

A similar proposed amendment to the county debt limitation provision of the Oregon Constitution was referred to the voters at the 1968 general election and was the subject of a City Club report of October 28, 1968, resulting in a vote by the membership favoring its adoption. The measure failed at the polls where 331,617 voted for with 348,866 against.

The same section of the Constitution was the subject of a City Club report ten years earlier on October 17, 1958, which reported favorably on the amendment adopted by the people in that year.

Your Committee studied these prior reports of the City Club and materials discussed therein and also, as a whole or by individual committee members, interviewed the following persons:

M. James Gleason, Chairman, Board of Commissioners, Multnomah County
Gilbert Gutjahr, Executive Secretary, Tax Supervising and Conservation Commission, Multnomah County
Senator Ted Hallock, Oregon Legislature
The $5,000 county debt limitation included in the original Constitution of 1859 still prevails. The debts prohibited are those known as "floating indebtedness," meaning legal obligations not payable out of the current year's revenues. The 1958 amendment gave counties, for the first time, with general authority to incur bonded indebtedness. Under present statutes, such bonded indebtedness may be incurred only after a vote of the people. The unsuccessful 1968 amendment would have rendered this constitutional debt limitation inapplicable to authorized purchases and leases of real or personal property over a period not exceeding ten years.

The current Measure No. 3 differs from the unsuccessful 1968 proposal in that it not only limits such purchase and lease agreements to a ten-year period, but also limits them to those calling for payments not exceeding $50,000 annually. It goes further, however, in that it provides that the constitutional debt limitation is completely inapplicable to service contracts with agencies of the State of Oregon.

The Association of Oregon Counties strongly supports the measure. Your Committee found no organized opposition. Some individual legislators and others are opposed.¹)

IV. ARGUMENTS ADVANCED IN SUPPORT OF THE MEASURE

1. For all counties the purchase and lease provisions would add an important and useful degree of flexibility in the management of county business.

2. For the smaller counties the high cost of acquiring or leasing equipment and real property and obtaining needed services from the state by contract makes it essential that such counties be authorized to incur debt obligations which exceed the existing $5,000 limitation.

V. ARGUMENTS ADVANCED IN OPPOSITION TO THE MEASURE

1. The constitutional debt limitation has helped produce the pay-as-you-go system of financing local government. This system should not be changed except upon a vote of the people on particular bond issues.

2. The present debt limitation does not significantly interfere with the operations of Multnomah and other large counties but the proposed amendment would authorize some of the smallest counties to incur indebtedness up to $500,000 (10 years times $50,000), far out of proportion to their budgets and emergency requirements.

¹) The vote in the House of Representatives was 40 yes and 7 no; in the Senate, 27 were in favor, 2 were opposed.
VI. DISCUSSION

Measure No. 3 is not a tax measure. The amount of taxes which may constitutionally be levied by a county in any one year will continue to be governed by the six percent limitation contained in Article XI, Section 11 of the Oregon Constitution. A lack of understanding of this fact by substantial numbers of the voters probably contributed to the defeat of the similar measure referred by the Legislature to the people in 1968.

The measure also would not affect the present bonding capacity of counties or the requirements of voter approval for the issuance of bonds.

The impact of the proposed measure would be on time-purchase contracts and leases of equipment and real property and on service contracts with state agencies. The "debt" aspects of such agreements arise from numerous opinions of the Supreme Court of Oregon and the Attorney General to the effect that obligations under such agreements which extend beyond the current fiscal year, and thereby beyond the currently budgeted revenues, constitute debts payable in the succeeding years. Consequently, as a practical matter, counties may not now legally enter into time-purchase agreements or long-term leases in any substantial amount but must acquire such property by outright purchase (1) with funds budgeted in the current year, (2) with funds built up over several years in a reserve fund, or (3) with funds raised by voter-approved bond issues. According to informed witnesses, bond issue elections for particular purchases are notoriously unsuccessful and, in any event, the election and issue costs are high.

The measure is not as important for larger counties as it is for smaller counties. Their multimillion dollar budgets and their contingency funds (sometimes in the hundreds of thousands of dollars) by their nature provide the governing bodies of these counties with considerable flexibility in shifting expenditures between various accounts. Nevertheless, rising costs of government, especially rising salaries of government personnel in recent years, have exceeded the increased revenues permitted under the six percent limitation provision of the Constitution and, consequently, even the large counties are frequently hard pressed to maintain needed services. Your Committee believes, therefore, that even in large counties, the proposed amendment would add an important degree of flexibility in the management of county business and probably ultimately result in savings and efficiency.

For instance, key real property may become available on relatively short notice, or pending improvements or possible price increases can make it penny-wise and pound-foolish to delay acquisition until the county can purchase for cash. Again, some real property which the county should acquire for park or other purposes can undoubtedly be obtained at a lower effective price if the seller is permitted to spread a substantial capital gain on the transaction over a period of years and thereby obtain the federal and state income tax savings available to some who sell on installment contracts. The time-honored practice of building up a substantial building fund or other reserve fund for the acquisition of needed equipment and property is not always adequate to serve the best interests of a modern county. For one thing there is the constant temptation to divert such funds to more immediate purposes.

One example frequently cited by proponents of the amendment is the need to lease modern devices, such as voting machines, data processing equipment and road building equipment, for a period longer than one year. Although it has not been demonstrated that the inability of counties to make a commitment for more than one year results in higher rental rates on such equipment, it seems reasonable to assume that the restriction tends in that direction.

Your Committee believes that the proposed amendment would be of major benefit to many smaller counties. It is apparent that the $5,000 debt limitation initially established in 1859 seriously handicaps county officials of the smaller counties in the orderly management of county affairs. Even a substantial unanticipated repair job on modern equipment used in road building can have a serious impact on their budgets. The 1958 City Club report observed that the proliferation of special service districts was in part attributable to the restrictions on the financial
operations of counties. The same reasoning would seem to apply to the present low
debt limitation.

While the monetary limits for purchase and lease agreements render the 1970
measure more conservative than the 1968 proposal, and thus perhaps increase its
chances of adoption at the polls, the current amendment eliminates all time and
monetary limitations for service contracts with state agencies. Reportedly, this
service contract provision was suggested by the Department of Revenue which per-
forms appraisal services for some of the smaller counties on a cost-sharing basis.
The costs are so great and the need for the services are so immediate that adequate
arrangements cannot be made within the present $5,000 limitation. It seems
likely that this provision will result in substantially increasing the use of the state-
contract device to provide many other services to counties. This should help pro-
vide more effective and efficient government at both the state and local levels.

Your Committee sees no danger that counties would abuse the rather modest
debt capacity provided in the proposed amendment. Passage of the proposed
amendment would place county officials in relatively the same position as school
districts and many cities which are not so handicapped by any constitutional or
charter debt limitations. The limitations of the Local Budget Law would continue
to apply. Any needed restrictions can be imposed by statute. In 1962, Oregon
voters recognized the practicality of change in this area when they rendered the
similar constitutional debt limitation for the state government (Article XI, Section
7, of the Constitution) inapplicable to purchase and lease agreements extending
over periods up to twenty years, regardless of amount.

VII. CONCLUSIONS

1. Modern business practices require that the $5,000 county debt limitation,
originally established in 1859, be liberalized.

2. There are no substantial dangers in a $50,000 per year debt limitation.
The devices for voter control of elected representatives and the constitutional six
percent limitation are adequate assurance against abuse.

VIII. RECOMMENDATION

Your Committee unanimously recommends that the City Club go on record as
favoring this measure and urges a vote of “Yes” on State Ballot Measure No. 3.

Respectfully submitted,
Richard Lee Blankenship
Jeffrey L. Grayson
Mark C. McClanahan
John S. Morrison
David E. O'Keeffe
John D. Picco, and
Charles M. Chase, Chairman

Approved by the Research Board October 13, 1970, for transmittal to the Board of
Governors.

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sented to the membership for discussion and action.
REPORT
ON
MEASURE FOR CONSOLIDATION OF THE
PORT OF PORTLAND AND COMMISSION
OF PUBLIC DOCKS
(Port of Portland Measure No. 22)
and
(Municipal Measure No. 61)

Purpose: To strengthen Portland's competitive position and to achieve economies in the use of its waterfront resources through consolidation of the Port and the Dock Commission of the City of Portland, as presently authorized by the Oregon Legislature in ORS 778.020.

Measure No. 22: Shall the Port of Portland be authorized to acquire all or any of such docks, wharves, elevators, terminals, dry docks and other properties of the City of Portland as are under the charge and control of the Commission of Public Docks of the City of Portland and in payment therefor assume the payment of all or any part of the bonds, debentures and other obligations of the City of Portland issued, sold or incurred for the purpose of acquiring funds to construct, purchase or otherwise acquire the docks, wharves, elevators, terminals, dry docks or other properties?

Yes. I vote for consolidation
No. I vote against consolidation

Measure No. 61: Consolidation of Portland Dock Commission and Port of Portland authorized when City Council, after public hearing, finds that consolidation is in the best interest of City. Provisions for procedures and results of consolidation.

Yes ☐ No ☐

To the Board of Governors,
The City Club of Portland:

Your Committee is charged with a study of the operation and development of the Lower Columbia River Basin (including Portland) as a world port, and the recommendation of changes, if any, needed for improved operation and development. Because of the ballot measures' relevance to this broader subject area, your Committee was assigned to study and report on Ballot Measure No. 22 (Port of Portland) and Ballot Measure No. 61 (City of Portland) to be voted on at the general election on November 3, 1970.

I. SCOPE OF COMMITTEE RESEARCH

1. The Committee interviewed the following persons:
   Tom McCall, Governor, State of Oregon
   Terry D. Schrunk, Mayor, City of Portland
   Donald Drake, President, Commission of Port of Portland
   Raymond Kell, Commissioner, Commission of Public Docks
   George Baldwin, General Manager, Port of Portland
   Keith Hansen, then Assistant General Manager and now General Manager, Commission of Public Docks
   Ed Westerdahl, Executive Assistant to the Governor, State of Oregon
   Rudy Cabell, International Shipping Company
   Jack Hering, General Stevedoring Company
   Dennis Lindsay, Portland attorney and representative of Maritime Development Committee
2. In addition, the Committee has also interviewed the following persons (either in the course of its broader study or in the course of studying earlier consolidation measures removed from the May, 1970 Primary election ballot) whose statements were also relevant to the pending measures:

John Fulton, Director, Department of Transportation, State of Oregon
Fritz Timmen, Director of Public Relations, Commission of Public Docks

3. The Committee has also reviewed the following documents and reports (either during its broader study, its study of the Primary Election consolidation measures prior to their removal from the ballot, or its study of the pending measures):

Port of Portland, "Statement of Resources—All Funds—Budget Fiscal Year 1970-71."
Port of Portland, "Statement of Requirements — All Funds — Budgeted Fiscal year 1970-71"
Port of Portland, "Resources Available for Capital Programs by Source Excluding Portland International Airport—Fiscal Years (1971-81) ending June 30"
Port of Portland, "Long Range Capital Program excluding Portland International Airport 1971-81"
United States Army Corps of Engineers, "Report on Water Borne Commerce, 1968"
Battelle Northwest, "Port and Water Transportation Planning Study for the State of Oregon"
Oregon Port Authorities Commission, Final Report to 55th Legislative Assembly (January, 1969)
Daniel, Mann, Johnson & Mendenhall, "Rivergate & the North Portland Peninsula"
Pacific Northwest River Basins Commission, "The Columbia-North Pacific Region—Its People and Economy"

II. HISTORY AND BACKGROUND

In a 1965 report(1) a City Club Committee metaphorically noted the “unique duet under which the medley of marine dockage, dredging, aviation, planning and promotional activities [in Portland] is arranged.” That description, referring to operations of The Port of Portland and the City of Portland’s Commission of Public Docks remains apt.

The Port of Portland (hereinafter referred to as “the Port”) was created by the Legislative Assembly in 1897. Maritime activities, including development of a 35-foot channel in the Willamette and Columbia Rivers from Portland to the sea were the main objectives of the original statutory powers. Those powers have been augmented by many amendments and today are much broader than the actual operations of the Port reflect.

The Port’s activities encompass three main areas:

1. Marine and harbor activities, including channel and harbor maintenance and Swan Island ship repair facilities, but excluding dock construction, maintenance and operations;

2. Industrial development and real estate operations, including Swan Island Industrial Park, Portland International Airport Industrial Park, and the Rivergate Industrial District; and

3. Aviation activities, including Portland International Airport, Troutdale Airport, Hillsboro Airport and a helicopter station on Swan Island.

The Port cannot be classified as either a municipal corporation or a state agency. It is a hybrid. The Port's district coincides with the boundaries of Multnomah County, and the Port has local taxing powers. Its nine-man Board of Commissioners is appointed by the Governor. The Port’s Commissioners are empowered to enact ordinances to aid the Port's statutory powers and to issue bonds. The Port derives its financial support from operating revenues and from property tax levies for general purposes limited to one-third of one percent of the assessed valuation of real property in Multnomah County. The Port may also levy taxes to service bond issues. Those issues may include general obligation bonds of $2 million per year without special authorization, as well as revenue bonds. The Port is prohibited by statute from using the general obligation bond funds for docks, wharves, or maritime commerce.

The Commission of Public Docks (hereinafter referred to as “the CPD") was created in 1910 to meet a serious need to construct and rehabilitate docks and wharves in the Portland harbor. Like the Port, the CPD's legal powers are broad and far exceed the actual scope of agency operations. Unlike the Port, the CPD has long been a single-purpose agency. Its operations include the development, construction, maintenance and operation of dock and marine terminal facilities and, through sales offices, the promotion of their use.

The CPD operates Terminal No. 1 at 2100 N.W. Front Avenue; Terminal No. 2 at 3630 N.W. Front Avenue; and Terminal No. 4 at the foot of North Burgard Street. The CPD's fiscal powers are limited. The City Charter authorizes a levy of up to one-tenth of a mil (presently producing about $200,000 per year) on the City of Portland's assessed valuation for operating funds. The CPD may also issue revenue bonds. All other bonds must be authorized by the people. The most recent bonds issue, approved by the voters in 1968, raised $10 million of which about one-half of this amount is dedicated but is as yet unspent.

Efforts to consolidate the Port and the CPD began as early as 1920. That year the State's voters narrowly defeated an initiative measure authorizing the Port to purchase, acquire or operate all City of Portland properties under CPD control and to assume the outstanding indebtedness of the CPD. That same year (1920), Portland voters approved a charter amendment authorizing the CPD to sell its properties to the Port if the CPD itself approved the sale. In 1921 the Legislature[2] empowered the Port to "purchase or otherwise acquire any or all" of the properties of the City of Portland "as at any time are under the charge and control of the dock commission of the City." The statute also authorized assumption of the CPD's bonded indebtedness. The CPD did not implement consolidation under the 1921 charter amendment before January 1, 1923, when the authority given by the charter expired.

In 1932, 1947, and at other times prior to 1969, the consolidation issue was revived but without results.

After the 1969 Legislative Assembly approved most of his executive reorganization plan, Governor McCall appointed John Fulton, the chairman of the CPD, first Director of the State's new Department of Transportation. Initial contacts by Mr. Fulton with the Port and CPD, which met with Governor McCall's approval, set in motion a six-month sequence of meetings between special negotiating committees, between the two Commissions, and between Governor McCall and Mayor Schrunk. These meetings clarified but did not resolve the differences between the two bodies. The Port urged an administrative takeover under existing statutes. The CPD asserted the need for a preconsolidation expansion of Port boundaries, and assurance of local representation on the new commission, and enhanced financial authority for the new Port. The two bodies also disagreed over the proper roles of the Governor and Mayor. The CPD proposed that issues not settled during negotiations be submitted to the Governor and Mayor for final decision. The port instead urged further meetings.

A meeting of the two Commissions, the Governor and the City Council was held on March 13, 1970. At that meeting the Governor agreed to proposals for an expanded Port district, proportional representation, and appointment of four

Commissioners by the Mayor, four by the Governor and one jointly. The Governor also suggested that separate measures be placed on the ballot only if the Port and the CPD reached an impasse on the details of consolidation. The Port, despite lack of agreement with the CPD, decided to place its enabling measure on the ballot. The City, regarding the Port's step as a pressure tactic, countered by referring a measure that made boundary expansion, local representation on a proportional basis, and assurance of adequate financing the conditions of City Council approval of consolidation. That measure, if adopted, would have made those conditions City charter amendments and would have drastically reduced Council flexibility in negotiating terms of consolidation. In short, the Primary Election ballot measures were not the final step in an agreed consolidation process, but were instead the escalation of the ongoing Port-CPD dispute to a new plane—the ballot.

The inconsistent character of the measures soon produced demands for their removal in favor of renewed negotiations. The CPD expressed its willingness to remove its measure if the Port would take a parallel step. The Port, however, delayed approval even in the face of explicit demands by Governor McCall. In early May the Port finally capitulated. Although the measures physically remained on the ballot, the Port and the CPD agreed the results would not be certified.

Renewed negotiations after the May election were delayed until July by the CPD's dispute with Local 8 of the Longshoremen. When discussions resumed, the old areas of disagreement soon reappeared. CPD continued to express concern about (1) the financial ability of a consolidated Port adequately to service and develop maritime activities and (2) the need for guaranteed local representation on the new Commission. The CPD still sought legislative consideration of these matters before consolidation, and continued to urge the Governor and the Mayor to be the final arbiters of disputes that could not be settled by the negotiating committee. The Port, on the other hand, continued to urge consolidation under existing legislation. It defended its ability to finance maritime activities adequately and continued to support appointive power in the Governor (although it proposed an initial \textit{modus operandi} giving the Mayor the designation of four commissioners and a shared role with the Governor in appointing one). The Port still rejected making the Governor and Mayor final arbiters of disputes that arose during negotiations.

With the Commissions themselves still divided on several points, affected interests spoke out more forcefully than before. The maritime community strongly supported consolidation and representatives of steamship, stevedoring, ship repair, tug, barge and other interests formed what is now known as the Maritime Development Committee. They retained Dennis Lindsay, Portland attorney and former President of the Port of Portland Commission, to advance their point of view with the Commissions and their political superiors. Local Union No. 8 of the ILWU initially opposed consolidation, arguing that step would concentrate power in too few hands. The longshoremen, however, later adopted a "wait and see" attitude.

By early September negotiations remained deadlocked. The Governor and the Mayor then seized the initiative and reached an agreement which was accepted by the City Council, the Port and the CPD. Embodied in a September 17, 1970 Consolidation Position Paper signed by the Governor and the Mayor, the agreement specified three steps to consolidation:

1. The City Council would adopt and refer an appropriate charter amendment (the City measure No. 61 now pending) when the Mayor and Governor received the undated resignations of all commissioners of the CPD and the Port (as they later did).

2. Prior to the General Election, the Governor and Mayor would announce the new Commissioners to be appointed if the voters approve the measures. Although the Governor would formally appoint all nine Commissioners, the Mayor would designate four and the Governor and Mayor would jointly designate one. Formal appointment of the designated Commissioners would occur when all undated resignations had been accepted and the City Council had authorized consolidation. Appointments of the Commissioners designated by the Mayor would serve four-year terms. (However, the Governor and the Mayor recently announced they would not designate the appointments before the election.)
(3) The new Commission would prepare and submit to the 1971 Legislature appropriate legislation affecting the consolidated agency, and the "status quo covering representation on the new Port of Portland Commission shall continue until, or unless, the Legislature adopts modifying legislation."

The causes of the Port-CPD agreement, and the resulting ballot measures, are hard to analyze with complete confidence. However, it seems fairly clear that a newly aggressive, articulate and determined attitude by the Portland maritime community and other influential citizens was crucial. The willingness and ability of the Governor and Mayor as individuals to work together and, where necessary, to compromise, was also essential.

III. ARGUMENTS IN FAVOR OF THE MEASURE

1. Consolidation of the Port and CPD will strengthen Portland in the competitive struggle with other West Coast ports by making possible a good, coordinated plan for a basic and inclusive system:
   (a) to link land, water and air transportation;
   (b) to move goods and people through all forms of such transportation that can be effectively administered; and
   (c) to locate and develop industry within the territory served by the Port.

2. Consolidation of the Port and CPD will provide an organization of adequate power and responsibility to plan, build, maintain and operate:
   (a) water-land terminals and docks;
   (b) auxiliary services for water transport, including repair facilities;
   (c) rail and highway freight and passenger terminals;
   (d) air terminals with auxiliary services;
   (e) interchange facilities among water, land and air transport; and
   (f) industrial parks equipped with basic facilities and services.

3. Consolidation offers the opportunity for coordinated planning for Portland, the Willamette Valley and the Lower Columbia River Basin in at least the following areas:
   (a) geographical distribution of facilities;
   (b) future maritime development; and
   (c) promotion.

4. Consolidation should provide significantly increased funding for maritime operation and development.

5. Consolidation is a necessary step for improved development of the Lower Columbia River Basin as a world port.

6. The pending measures are the simplest way to provide needed authorization for acquisition of CPD assets and assumption of its liabilities by the Port.

IV. ARGUMENTS AGAINST THE MEASURE

Your Committee heard no arguments against the pending measures.
V. DISCUSSION

The threshold issue raised by these or any consolidation measures is the wisdom of consolidation under any terms. The 1965 City Club Committee extensively considered this question. Your Committee has also considered it in meeting its original charge to study the Lower Columbia River Basin as a world port, in studying the two ballot measures submitted and withdrawn from the Primary Election ballot, and in studying the pending Measures 22 and 61. Your Committee has neither heard nor read any evidence that contradicts the 1965 Majority Committee findings: consolidation of the Port and the CPD "would insure a more coordinated and aggressive programming and implementation of Port development to take fuller advantage of the growth opportunities the future holds [and] would result in more efficient and more productive operations for the money expended."

The need (which consolidation should meet) for unified coordination, planning, development and administration of a metropolitan port area is more urgent now than in 1965. Even considering the two primary election measures, which as noted were inconsistent with one another and a reflection of the continuing dispute between the Port and the CPD, your Committee heard no testimony opposing consolidation as such but only disagreements as to the details of its achievement.

The pending measures, unlike those on the Primary Election ballot, are consistent in their provisions and afford a simple approach toward effecting consolidation. The Port's measure is merely an authorization expressly required by statute. Measure No. 61 is a basically open-ended authorization for the City Council to effect consolidation by ordinance "whenever the Council after public hearing finds the consolidation is in the best interests of the City of Portland." This charter amendment also requires the consolidation ordinance to contain provisions:

(a) requiring that the transferred property be specified;
(b) relating to the handling of carryover earmarked bond proceeds;
(c) providing for continued employment of CPD employees and preservation of their pension and other rights;
(d) providing for specification of the consideration for transfer and conveyance of CPD properties;
(e) prohibiting tax levies for principal or interest payments on outstanding bonded indebtedness related to the transferred properties or funds unless the Port of Portland fails to make payment when due;
(f) prohibiting post-consolidation tax levies for expenses of operation of the CPD;
(g) terminating the CPD functions and duties; and
(h) revesting powers previously conferred upon the CPD in the City Council.

Absent are the vital substantive restrictions that appeared in the City's primary election measure.

The Committee's only reservation about the City's measure is that it leaves the City Council free to delay consolidation indefinitely. Most of the witnesses interviewed, however, anticipated prompt and favorable action by the Council.

Apart from solution of administrative problems that may accompany unification of any governmental units, your Committee believes the success of consolidation will require attention to and action on the following:

(1) Preparation of a master plan for development and administration of a modern metropolitan port district that combines maritime, industrial development and aviation;

(2) Preparation of a program to assure both proper funding of the master plan and sufficient flexibility to meet exigencies that may arise, including removal of the restrictions on the use of the Port's general obligation bonds for harbors and wharves;

(3) Resolution of the question of representation for the period after the agreed *modus operandi* between Governor McCall and Mayor Schrunk has expired. Alter-
natives (among others) include election of Commissioners on the basis of districts or component political units; continued power of appointment solely by the Governor of persons residing within the Port district; or appointment by the Governor with the Mayor having the power to designate some of the Commissioners to be appointed and to share in the appointment of one or more Commissioners;

(4) Expansion of the Port geographic boundaries to include the thousands of persons in the Portland metropolitan area who, although now outside the Port district, benefit directly or indirectly from the port operation.

VI. CONCLUSION

Your Committee believes that consolidation of the Port of Portland and the Commission of Public Docks is in the best interests of the Portland metropolitan area and of the Lower Columbia River Basin and that the pending measures are an appropriate way to effect that consolidation.

VII. RECOMMENDATION

Your Committee recommends that the City Club go on record as favoring the measures proposing consolidation of the Port of Portland and the Commission of Public Docks, and urges a "Yes" vote both on the Port of Portland Measure No. 22 and the Municipal Measure No. 61.

Respectfully submitted,
John B. Des Camp
Robert E. Dodge, Ph.D.
Warren Lindstedt
Ben Lombard, Jr.
Leo Samuel and
Hardy Myers, Jr., Chairman
REPORT  
ON  
LIMITS TERM OF DEFEATED INCUMBENTS  
(State Measure No. 6)  

Purpose: Constitutional Amendment provides that an incumbent who seeks re-election and is defeated cannot hold over in office beyond his elected term. It further provides for appointment of temporary successor if an election contest is pending in courts, and no one has otherwise qualified for office.

To the Board of Governors,  
The City Club of Portland:

I. ASSIGNMENT

Your Committee has studied the above cited proposed constitutional amendment which attempts to change the existing constitutional provision that allows incumbents, defeated or otherwise, to hold over in office until their successors are elected and qualified. The proposed amendment is directed specifically at the situation where a defeated incumbent would hold over in office because of an election contest which prevents his successor from qualifying for the office.

The measure was placed on the General Election ballot by passage of House Joint Resolution 51, sponsored by the House Committee on Elections and Reapportionment. Passage of HJR 51 referred the amendment to the voters at the November 3, 1970 General Election.

The proposed amendment as contained in HJR 51 states (the new matter to be added by the amendment is italicized):

Be It Resolved by the Legislative Assembly of the State of Oregon:
Paragraph 1. Section 1, Article XV of the Constitution of the State of Oregon, is amended to read:

Sec. 1. (1) All officers, except members of the Legislative Assembly and incumbents who seek reelection and are defeated, shall hold their offices until their successors are elected and qualified.

(2) If an incumbent seeks reelection and is defeated he shall hold office until only the end of his term; and if an election contest is pending in the courts regarding that office when the term of such an incumbent ends and a successor to the office has not been elected, or if elected, has not qualified because of such election contest, the person appointed to fill the vacancy thus created shall serve only until the contest and any appeal is finally determined notwithstanding any other provision of this constitution.

Paragraph 2. The amendment proposed by this resolution shall be submitted to the people for their approval or rejection at the next regular general election held throughout the state.

II. SOURCES

In investigating the proposed amendment, the Committee reviewed the Oregon statutes regarding election contests and the constitutional and statutory provisions providing for the filling of vacancies in various elective offices. The Committee also obtained the views of the following persons:

Clay Myers, Secretary of State, State of Oregon
Lee Johnson, Attorney General, State of Oregon
Robert Y. Thornton, Justice of the Court of Appeals and former Attorney General, State of Oregon
State Representative Irvin Mann, Jr., Chairman of the House Committee on Elections and Reapportionment
State Senator Betty Roberts, sponsor of the resolution in the Oregon Senate
Robert Duncan, John Faust and Leo Levenson, attorneys involved in the case of Thornton v. Johnson
Jane Gearhart, attorney, Office of the Legislative Counsel, State of Oregon

III. BACKGROUND OF PROPOSAL

The proposed amendment is designed to eliminate the possibility that a defeated incumbent would remain in office as a result of challenges to the election of his successor. In order to understand why a constitutional amendment is necessary to accomplish this result, a review of the existing constitutional and relevant statutory provisions is necessary.

Article XV, Section 1 of the Oregon Constitution presently provides that:

All officers, except members of the Legislative Assembly, shall hold their offices until their successors are elected and qualified.

This provision enacts the common law rule regarding holdover of public officers beyond the ends of their terms. Many other states have similar constitutional or statutory provisions. The purpose behind such rules is to provide continuity in the office where for some reason there is no person to succeed to the office at the expiration of the incumbent's term.

A problem that has frequently arisen as a result of this holdover rule is whether, during the period when an incumbent is holding over, there is a vacancy in the office to be filled by appointment. Decisions in different states have gone both ways on this question. In Oregon the Supreme Court has held that no vacancy exists in an office where the incumbent is holding over and his successor has not qualified (State ex rel Smith v. Tazwell, 166 Or. 348, 111 P2d 1021 (1941) ). Where there is no vacancy, there can be no appointment to fill the office. Another problem that has arisen under the incumbent holdover rule is whether the incumbent can hold over for a full additional term. The Oregon rule on this point was also settled in the Tazwell case, which decided that the incumbent who holds over cannot do so for another whole term. Rather, he can hold over only until his successor is elected and qualified, which in the usual case would be two years later at the next general election. Thus, it is clear that existing law does not permit a holdover incumbent to obtain another full term where his successor fails to qualify.

Attention was directed to the problem of holdover incumbents by the 1968 race for Attorney General of Oregon, where incumbent Robert Y. Thornton was defeated by Lee Johnson. Thornton promptly filed an action contesting the election and, before Johnson had qualified for office, obtained a judgment setting aside Johnson's election because of alleged violations of the Oregon Corrupt Practices Act. The judgment also awarded the office to runner-up Thornton. Johnson appealed the trial court's judgment, and some five months later the Supreme Court held that he had been validly elected and was entitled to the office.

At the time of Thornton v. Johnson, an Oregon statute provided that if an election to office was set aside because of violations of the election laws, the office would be awarded to the runner-up (See Oregon Laws 1957, Chap. 2, Sec. 7 (amended 1969)). It was this statute that resulted in Thornton's retaining his office following the judgment that Johnson's election should be set aside. The fact that Thornton was also an incumbent had nothing to do with his retention of the office. This is a fact that does not appear to have been well understood by some proponents of the amendment under discussion.

With Thornton v. Johnson fresh in its mind, the 1969 Legislature took steps to prevent recurrence of such events. The first such step was amendment of the election contest laws to eliminate the provision awarding the office to the runner-up,
where the election of the “winner” is set aside. ORS 251.080 was amended to provide that:

“(2) If the judgment sets aside the nomination or election of a person, it shall also declare that the nomination or office is vacant. Any vacancy so declared shall be filled as provided by law.”

Thus, under the new statute, a successful election contest does not elevate the runner-up to the office; rather the office supposedly becomes vacant to be filled “as provided by law.”

The problem with this new statute is that it conflicts with Article XV, Section 1, of the Oregon Constitution as that section has been interpreted in the Tazwell case discussed above. The new statute purports to create a vacancy in the event of a successful election contest, but under the existing Article XV, Section 1, no vacancy can exist where the incumbent holds over and no successor has been elected and qualified. The attempt by the amended statute to create a vacancy in case of a successful challenge to an election is futile, unless this constitutional provision is amended. However, as will be noted below, there is some question whether the proposed amendment to Article XV, Section 1 adequately solves the problem.

IV. ARGUMENTS FOR AND AGAINST THE AMENDMENT

A. Arguments For:

1. The amendment eliminates the possibility that a defeated incumbent officeholder could stay in office for up to two years as a result of the disqualification of his elected successor. This is desirable because a defeated incumbent is often one who has been rejected by the voters. Allowing him to remain in office would be contrary to the will of the majority.

2. The amendment eliminates a significant incentive for defeated incumbents to contest the legality of their successor’s election.

3. Without the amendment, Article XV, Section 1 as it now reads renders inoperative the statute declaring an office vacant when the winner’s election is set aside; with the amendment that statute can operate in the case of a defeated incumbent.

B. Arguments Against:

1. The amendment attempts to solve only one of the problems created by holdover incumbents. It does not eliminate the possibility that an incumbent who did not run for reelection could hold over in the event that no successor was elected and qualified. Neither does the amendment prevent a victorious incumbent, whose election is set aside, from continuing in office as a holdover incumbent. Any constitutional change in the law regarding incumbents holding over should deal with these problems.

2. The amendment may not operate as intended when applied to the office of governor, where vacancies must be filled by succession rather than appointment. There is sufficient uncertainty as to how the amendment would operate when applied to the office of governor, that litigation might be necessary to decide who would be entitled to hold the office.

V. DISCUSSION

At the outset, the operation of the amendment should be explained to prevent overestimation of its significance. One would think from reading the amendment and its ballot title that the mere filing of an action to contest an election would prevent the person elected from taking office. This is not the case. A person elected to office qualifies by taking the oath of office and any other necessary formalities on or before the day on which his term of office commences (which is the first Monday in January for most offices). The only way an action contesting the election can prevent such qualification is for a judgment to be entered, setting aside the election prior to qualification of the person elected.
The real significance of the amendment is that it prevents a defeated incumbent from ever holding over, regardless of the reason why no successor has been elected and qualified. In those cases where the absence of a qualified successor results from an election contest that prevented qualification of the person elected, then the amendment operates to limit the term of the appointee who fills the vacancy. It is this latter feature of the amendment that generates confusion. The amendment does not state how the temporary appointee is to be appointed. Presumably, the general authority of the governor to fill vacancies in office by appointment would apply. (See Oregon Constitution, Article V, Section 16.)

A second and even more significant criticism of the proposed amendment is its lack of coherence when applied to the office of governor. As stated above, the amendment relies on the governor's general appointive power to fill vacancies created by the amendment. Obviously then there is a question as to how the amendment will operate when applied to elections for the office of governor where vacancies are filled by succession rather than appointment. Suppose, for example, that an incumbent governor is defeated but the election of his successor is set aside prior to the successor's inauguration. The first problem in applying this amendment to this situation is determining when the term of the defeated incumbent governor ends. Article V, Section 7 provides that the governor's official term is four years, commencing at such a time as provided by law. ORS 176.010 states that the governor's official term commences immediately upon publication of the election returns by the Speaker of the House (or upon his election if elected by the Legislature). Further, ORS 175.020 states:

"The term of office of the governor ceases when his successor, having been declared elected by the Legislative Assembly as provided in the Constitution, is inaugurated by taking the oath of office."

Would this statutory definition of the term apply so that the defeated incumbent could hold over despite the amendment, or would the amendment cause the office to become vacant as soon as the defeated incumbent had served a "term" of four years? One can easily foresee that a defeated incumbent governor might well seek a court determination that he was entitled to stay in office until a successor was elected and qualified, despite the amendment to Article XV, Section 1.

Assuming that the amendment operates as it is intended to do, it is the opinion of the Committee that it focuses too narrowly on the situation of defeated incumbents, overlooking a similar problem that exists in other situations involving holdover incumbents. Two situations which the amendment does not cover are:

(a) Under existing law, and under the proposed amendment, an incumbent who doesn't run for reelection can hold over for as long as it takes for the successor to be elected and qualified.

(b) Under existing law, and under the proposed amendment, a victorious incumbent who is prevented from succeeding himself in office because of election law violations, would still be entitled to stay in office as a holdover incumbent.

Neither of the above results is desirable, and the second is ludicrous. Admittedly, the holdover incumbent situation seems most objectionable when the incumbent is one who has been rejected by the voters. However, in any case, it is an awkward and haphazard way of meeting a situation which in effect is a vacancy in office and should be treated as such.

In addition to the above problem, there is an additional problem as to how the vacancy in the governor's office would be filled if the amendment did apply to prevent holdover of the defeated incumbent. Any vacancy created in the governor's office by operation of the amendment would necessarily be filled according to the succession procedure stated in Article V, Section 8:

"Section 8. Vacancy in office of Governor. In case of the removal from office of the Governor, or of his death, resignation, absence from the state or other inability to discharge the duties of the office, the president of the senate, or if there be none, or in the case of his removal from office, death, resignation, absence from the state, or other disability, then the speaker of the house of representatives, if there be none or in the case of his removal from office, death, resignation, absence from the state, or other disability, then the secretary of state, or if there be none, or in the case of his removal from office,
death, resignation, absence from the state, or other disability, then the state treasurer, shall become governor until the disability be removed, or a governor be elected at the next general biennial election. The governor elected to fill the vacancy shall hold office for the unexpired term of the outgoing governor.”

Thus, in a contested election for governor where the “winner” did not qualify prior to the expiration of the defeated incumbent’s term, a vacancy would exist that could only be filled by elevating the president of the senate or other person in the above line of succession. Since such person would not be an appointee, the provisions of the amendment stating that “the person appointed . . . shall serve only until the contest and any appeal is finally determined” might well be inoperative. This raises the question whether the person filling the vacancy would have to step aside in the event that, on appeal, the legal contest was determined to be without merit. Arguably, once a vacancy exists in the governor’s office, it is filled by succession “until the disability be removed, or a governor be elected at the next general biennial election” as stated in the above quoted constitutional provision. Would the ultimate reversal of this setting aside of the successful candidate’s election be treated as equivalent to the removal of disability? No one can be sure of this point.

VI. CONCLUSIONS

Your Committee is of the opinion that the problems created by the amendment, and the fact that it is a half-a-loaf approach to the problem of incumbency holdovers, outweigh the positive arguments in favor of the amendment. Your Committee does not think that elimination of incentives for election contests is a valid reason for supporting the amendment. However, the Committee does agree that the prospect of an overwhelmingly defeated candidate staying in office as a result of an election contest is undesirable. Such a result is unlikely to occur very frequently in the future. This is because the Oregon Supreme Court, in Thornton v. Johnson adopted a rigorous standard of proof to be met in order to set aside an election. Furthermore, if the defeated incumbent does hold over, it will only be for two years at the most (and could be less if a special election is held). Nevertheless, the Committee agrees with the basic premise that a defeated incumbent should not be allowed to remain in office beyond the end of his term. Were it not for the undesirable side effects of the amendment, the Committee would support it.

Of these undesirable features most serious of the amendment’s undesirable side effects is the confusion created regarding the governor’s office. It would be unwise to create even a remote possibility of uncertainty as to who is legally entitled to fill the office of governor. Added to this is the objection that the amendment is too narrow. It does not solve other incumbency holdover problems and goes only part way toward eliminating the conflict between the statute creating vacancies in office and the constitutional provision for holdover. Your Committee objects to constitutional amendments of a piecemeal nature on the ground that they forestall meaningful, well-thought-out constitutional revision.

VII. RECOMMENDATION

Your Committee therefore recommends that the City Club go on record as opposing the constitutional amendment to limit the terms of defeated incumbents, and urges a “No” vote on State Ballot Measure No. 6.

Respectfully submitted,
Richard Lee Barton
Mel R. Henkle
Robert W. Redding
Wm. T. C. Stevens, and
David P. Miller, Chairman

Approved by the Research Board October 15, 1970 for transmittal to the Board of Governors.

Received by the Board of Governors October 19, 1970 and ordered published and distributed to the membership for consideration and action.
LIVELY DEBATE ON MEASURES ENDS IN SUPPORT OF COMMITTEES

The three education measures considered and acted upon by the City Club membership at the Friday luncheon meeting on October 16th ultimately supported the motions of the committees, but not without some heavy discussion on Measure No. 10.

State Measure No. 7, "Education Bonds," presented by Committee Chairman Stephen B. Herrell, was unanimously accepted without comment, after Herrell's motion for a "Yes" vote on the measure.

Also, State Measure No. 4, "Investing Funds Donated to Higher Education" was unanimously supported by the membership when Chairman Ronald Ragen moved for a City Club "Yes" vote on the measure.

Both were referendums sent to the voters by the last session of the Legislature. However, an initiative measure, State Measure No. 10 entitled "New Property Tax Bases for Schools" was hotly defended on the floor after Chairman John P. Bledsoe presented his committee's unanimous "No" recommendation.

Spokesmen for the initiative's sponsors and other proponents presented arguments on behalf of the measure. Chairman Bledsoe had presented a heated argument against the measure, incensed by irate phone calls he had personally received from some proponents since publication of the report. Bledsoe heeded every City Club member to read the actual measure in full very thoroughly before coming to his decision. At adjournment time, a counted vote showed 50 members voting to support the committee's "No" motion, and 39 supporting the initiative.

In addition to the five measures being reported on in this week's Bulletin, three further reports are in process for October 30th presentation: Municipal Measure No. 51, "City Income Tax," Metropolitan Service District Measure No. 12 on a district tax base, and Multnomah County Measure No. 13 for a $5,500,000 bond issue for courthouse expansion.

KOIN RADIO BROADCASTS
KOIN Radio tapes each City Club luncheon program for broadcast Friday evenings at 10:15 p.m., as a public service.

ELECTED TO MEMBERSHIP


Gary L. McClellan, Structural Engineer. Associate Partner, EPI (Engineering Pacific Inc.) Sponsored by Roland A. Haertl.


PROPOSED FOR MEMBERSHIP AND APPROVED BY THE BOARD OF GOVERNORS

If no objections are received by the Executive Secretary prior to November 6, 1970, the following applicants will be accepted for membership:

Denzel E. Ferguson, Professor of Biology and Coordinator of Environmental Sciences, Portland State University. Proposed by Karl Dittmer, Ph.D.

Jeffrey M. Kilner, Attorney: Lindsay, Nahstoll, Hart, Duncan, Dafoe and Krause. Proposed by Robert B. Conklin.


Kenneth H. Pierce, Associate Professor and Chairman of Department of Business Administration, Lewis and Clark College. Proposed by Guenter Mattersdorff, Ph.D.

FOUNDATION CHECKS DEDUCTIBLE

Members are reminded that all donations to "Portland City Club Foundation, Inc.", the corporation whose special funds are used for such specific research activities as the Student Internship program, are tax deductible.

ADDRESS, PHONE CHANGES REQUESTED FOR RECORDS

Members are urged to keep the City Club staff posted on any changes in home or business phone or address, as well as occupation, so that the membership punch-card system can be as up to date as possible. Phone changes to 228-7231.