

Secretary of State Elections Division
255 Capitol St NE, Ste 126, Salem, Oregon 97310

Measure Ballot Statement
2024 General Election

September 5, 2024

**Referred to the People by the
Legislative Assembly**

Measure 115

Amends Constitution: Authorizes impeachment of statewide elected officials by Oregon Legislature with two-thirds vote by each House; establishes process

Result of "Yes" Vote: "Yes" vote authorizes and establishes a process for the Oregon Legislature to impeach statewide elected officials; House initiates impeachment with two-thirds vote; Senate tries and convicts with two-thirds vote; Chief Justice of Oregon Supreme Court oversees impeachment trial. **Yes**

Result of "No" Vote: "No" vote retains current law that does not authorize the Oregon Legislature to impeach and remove statewide elected officials. **No**

Summary: Amends the Oregon Constitution to grant the Oregon House of Representatives the power to impeach statewide elected officials in the executive branch, and to grant the Oregon Senate the power to try an impeachment received from the House. Currently, the statewide elected officials of the executive branch are the Governor, the Secretary of State, the State Treasurer, the Attorney General and the Commissioner of the Bureau of Labor and Industries. At present, the only way to remove these officials is through recall election. The measure permits the House to impeach for malfeasance, corrupt conduct in office, willful neglect of constitutional duty or other felony or high crime. Requires "yes" vote of at least two-thirds (40) of Representatives to send impeachment resolution to Senate. Requires Senate to conduct impeachment trial and requires "yes" vote of at least two-thirds (20) of Senators to convict. The Chief Justice of the Oregon Supreme Court would preside over an impeachment trial. A convicted official is removed from office and disqualified from other public office.

Estimate of Financial Impact: This measure amends the constitution to allow the House of Representatives to impeach statewide elected officials. The measure requires the Senate to try any impeachment received from the House. The Chief Justice presides over the trial. The financial impact on state government is indeterminate because impeachment trials do not have a set length and could happen outside of regularly scheduled sessions. There is no fiscal impact on local governments.

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Measure 116

Amends Constitution: Establishes "Independent Public Service Compensation Commission" to determine salaries for specified officials; eliminates legislative authority to set such salaries

Result of "Yes" Vote: "Yes" vote amends Oregon Constitution to establish a commission to determine salaries paid by state to specified officials, replacing current practice of establishing such salaries by legislation; provides that determinations of the commission are automatically funded. **Yes**

Result of "No" Vote: "No" vote retains current law whereby salaries paid by state to specified officials are established by legislation. **No**

Summary: Under current law, the salaries paid by the state to many public officials are set by statute and can be changed only through legislation. This measure authorizes establishment of a body named the Independent Public Service Compensation Commission to determine salaries paid by the state to the Governor, the Secretary of State, the State Treasurer, the Attorney General, the Commissioner of the Bureau of Labor and Industries, judges of the Supreme Court, judges of other courts under the administration of the judicial branch of state government, state Senators, state Representatives and district attorneys. Determinations of the commission would not be subject to review or modification by the Legislative Assembly, the Governor or any other official. The measure provides that the membership of the commission is to be established by law, except that the following classes of individuals are ineligible for membership: officers and employees of the state, lobbyists, and immediate family members of such officers, employees and lobbyists. The measure provides that moneys sufficient to pay for the commission's salary determinations are automatically appropriated from the General Fund without the need for a further appropriation by law.

Estimate of Financial Impact: This measure amends the Constitution to create a Commission responsible for deciding the salaries of certain elected officials. The money for the salaries will come from the General Fund. The measure itself does not decide the moneys needed to cover the salaries. The fiscal impact to the state, for chosen salaries and commission staff, could not be determined. There is no fiscal impact on local governments.

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Measure 117

Gives voters option to rank candidates in order of preference; candidate receiving majority of votes in final round wins

Result of “Yes” Vote: “Yes” vote gives voters the option to rank candidates in order of preference for specified federal and statewide offices. Establishes process for tallying votes in rounds, with the candidate receiving the fewest votes in each round being defeated and votes for the defeated candidate going to the voter’s next-highest ranked active candidate. Requires that candidate must receive majority of votes in final round of voting to win election. Yes

Result of “No” Vote: “No” vote maintains current voting system. Voter selects one candidate for federal and statewide offices. Candidate with most votes wins. Majority of votes not required for candidate to win election. No

Summary: Current state law requires voters to select only one candidate for each office on the ballot. The candidate with the most votes after a single vote tally wins, even if not a majority. This measure gives voters the option to rank candidates in order of preference using “ranked choice voting.” Under the measure, voters may choose to rank only one candidate or multiple candidates for each office, as well as write in candidate(s). Votes are counted toward each voter’s highest-ranked candidate. If no candidate receives a majority of votes, votes are tallied automatically in rounds. The candidate receiving the fewest votes in each round is defeated. A defeated candidate’s votes go to the voter’s next highest-ranked candidate. The process continues until one candidate has a majority of votes. The measure applies to the nomination and election of President, United States Senator, Representative in Congress, Governor, Secretary of State, State Treasurer and Attorney General, and election of the Commissioner of the Bureau of Labor and Industries. The measure requires the Secretary of State to establish a program to educate voters about how ranked choice voting elections will be conducted. Authorizes local governments to adopt ranked choice voting for elections for local offices. Local governments that adopted ranked choice voting before 2025 may continue to use current method or modify it. The measure applies to elections beginning in 2028.

Estimate of Financial Impact: This measure establishes ranked choice voting for federal, state, and some local elected offices. The Secretary of State must create rules for carrying out ranked choice voting and educate voters about ranked choice voting. The Secretary of State and County Clerks must present two reports to interim legislative committees by September 15, 2026. If the measure is passed by Oregon voters, ranked choice voting must be effective by January 1, 2028.

The measure is estimated to cost the state government \$0.9 million during the 2023-25 biennium. This cost is to pay for needed staff and consulting services for the Secretary of State to begin carrying out the measure. In the 2025-27 biennium, the cost of the measure is estimated to grow to \$5.6 million. This is to continue funding staff and consulting services, as well as outreach and IT needs.

The cost of the measure is less known for local government. County Clerks estimate that the measure will cost \$2.3 million initially. This funding will be used to improve technology, train staff, and test the new system. Every statewide election will cost an additional \$1.8 million for added printing and logistics. Software and maintenance contract costs will cost an additional \$0.4 million per year.

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Measure Ballot Statement
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Proposed by Initiative Petition

Measure 118

Increases highest corporate minimum taxes; distributes revenue to eligible individuals; state replaces reduced federal benefits

Result of "Yes" Vote: "Yes" vote increases corporate minimum tax on Oregon sales exceeding \$25,000,000; eliminates tax cap; distributes revenue to eligible individuals; state replaces any reduced federal benefits. **Yes**

Result of "No" Vote: "No" vote retains existing corporate minimum taxes on Oregon sales; twelve tax brackets impose different tax amounts, capped at \$100,000 tax on sales exceeding \$100,000,000. **No**

Summary: Current law requires corporations to pay higher of either tax on taxable income or corporate minimum tax. Except S corporations, minimum tax amount determined by tax bracket based on corporation's Oregon sales; minimum tax capped at \$100,000 for \$100,000,000 or more in sales. Beginning 2025, measure removes minimum tax cap; increases minimum tax on all corporations with Oregon sales exceeding \$25,000,000 by imposing additional tax of 3% for sales above \$25,000,000. Measure directs Department of Revenue to equally distribute increased revenue (minus certain costs) to all individuals residing more than 200 days annually in Oregon. Revenue distribution does not affect individual eligibility for state benefits; measure requires replacement of reduced federal benefits if distribution negatively affects individual's benefits under any need-based program. Other provisions.

Estimate of Financial Impact: The measure establishes a new gross receipts tax as the minimum tax for certain corporations. According to the Legislative Revenue Office, indirect economic costs of the measure include a 1.3 percent increase in prices of goods and services and reductions in jobs, wages and personal incomes. Corporate tax revenues are estimated to increase by \$1.3 billion in 2023-25, \$14.7 billion in 2025-27, and \$15.6 billion in 2027-29.

New revenue raised will be used to issue annual rebates to eligible individuals in Oregon. An estimated \$13.6 billion will be required for rebate distributions in 2025-2027 and an estimated \$17.1 billion will be required in 2027-29. Administrative costs and any additional payments will be deducted from the amount to be distributed.

Known administrative costs are estimated to be \$1.6 million General Fund and 22 permanent positions in the 2023-25 biennium and \$48.2 million General Fund and 199 additional permanent positions in the 2025-27 biennium at the Oregon Department of Revenue. The measure will generate a significant workload increase processing applications for the rebate, verifying the identity and eligibility of those applying for the rebates, reviewing payments and tax refunds for fraudulent activity, handling appeals, increasing customer inquiries, increasing audit and collections activity for the new tax, and increasing technology programming. Other major expenses are unknown but could be significant for expenses such as payments for rebate checks, prepaid debit cards, mailings associated with the program, legal fees, and public information costs.

Individuals who lose federal benefits because of the rebate will be held harmless with additional payments. The costs associated with this provision are unknown. Rebates that are declined by eligible individuals will be available to fund services for senior citizens, health care, and public early childhood education through high school. The impact from these declined rebates is unknown.

Following the initial phase-in, total biennial costs of the rebate program are expected to exceed the new biennial revenue. Estimated indirect impacts on personal income tax revenue are reductions of \$12 million in 2023-25, \$199 million in 2025-27, and \$207 million in 2027-29. Lastly, changes to the economy are projected to reduce state revenue by roughly \$11 million in 2023-25, \$150 million in 2025-27 and \$400 million in 2027-29.

The corporate kicker will increase by an estimated \$1.3 billion in 2025-27, and transfers to the Rainy Day Fund from the General Fund will be reduced.

Impact to local governments is unknown.

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Proposed by Initiative Petition

Measure 119

Cannabis retailers/processors must remain neutral regarding communications to their employees from labor organizations; penalties

Result of “Yes” Vote: “Yes” vote requires cannabis retailers/processors to agree to remain neutral when labor organizations communicate with employees about collective bargaining rights; licensure/certification penalties possible. **Yes**

Result of “No” Vote: “No” vote retains current labor laws; no requirement that cannabis retailers/processors agree to remain neutral on communications between their employees and labor organizations. **No**

Summary: Current law generally guarantees employees’ rights to organize and collectively bargain. Measure requires agreement between cannabis retailers/processors and a labor organization that meets the definition of labor organization under the National Labor Relations Act and whose operations are independent of the retailer/processor. At minimum, agreement must require that retailer/processor will remain neutral when labor organization representatives communicate with employees about collective bargaining rights. Oregon Liquor and Cannabis Commission must require such signed agreement or attestation of such agreement, in addition to existing licensure or certification requirements for cannabis retailers/processors. Failure to have a signed agreement or attestation, or to follow the agreement, may result in penalties, including fines or the denial, suspension, or revocation of retailer’s/processor’s license or certificate.

Estimate of Financial Impact: This measure will increase state government costs by approximately \$0.6 million in the first year. Ongoing costs will increase by approximately \$0.8 million each subsequent year. The estimated costs include six new positions to verify application documents and monitor compliance. The increased costs will be paid for by license application fees. There is no financial impact to local governments.