



Senate Republicans

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Democrats vote to uphold massive pay increases to political supporters

\$1 billion in new taxes funds out-of-touch increases

Salem, OR – Senate Democrats refused to rescind \$291 million in pay increases Governor Kulongoski handed out to public employee unions last year, despite record setting budget shortfalls and skyrocketing unemployment rates. Republicans introduced a bill on the Senate floor Wednesday that would have demanded the Governor to either rescind the raises or negotiate equivalent savings with public employee unions, but Democrats killed the bill with a party line vote.

“These massive pay increases are out of touch with the reality of working Oregonians who are facing hourly reductions or layoffs,” said Senator Ted Ferrioli (R-John Day). “With their words Democrats are talking about egregious cuts at the expense of children, the elderly and the infirm, but with their votes they are spending money on their political supporters. It is blatant hypocrisy.”

One out of every six Oregonians is on food stamps. More than 260,000 Oregonians aren’t collecting a paycheck at all.

“Public employee unions believe they own this building,” said Senator Larry George (R-Sherwood). “While everyone else in Oregon is suffering, they are getting pay increases and plush benefits. I have watched fee bill after tax bill come across this floor, asking taxpayers to shoulder a bigger burden. The fiscal irresponsibility of this Governor is appalling.”

Last year the Governor handed out pay increases to agency CEOs, political employees and the rank and file public employee unions despite dire economic predictions. Not only will public employee union workers receive raises while the private sector is laying workers off, but they will continue to be one of the only workforces in the nation that contribute nothing to the cost of their healthcare premiums.

“Facing a choice between funding our schools or paying for salary increases, the Governor and legislative budget writers seem to be choosing public employee unions over classrooms,” said Senator Chris Telfer (R-Bend). “We feel that those are broken priorities. This bill says education should come first, and these raises need to be put on hold.”

Earlier this session, Legislative Democrats passed more than \$1 billion in new taxes on small and family businesses around the state, in part to fund these massive pay increases.

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