

## Time is up for personal kicker

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For some time now, a yellow kickball has rested on a shelf in my office at the state Capitol. Scribbled on the ball are the words: "Stop Dodging the Kicker!"

That phrase is haunting me more than usual these days as it looks more and more like the country is heading toward a recession.

To me it's déjà vu all over again. At the end of my first year as state treasurer in 2001, the state sent out \$254 million in personal kicker checks at the exact time Oregon went into a deep recession. And last month, just before Christmas, we sent out a record \$1.1 billion kicker even as signs of a recession were on the horizon.

I have no doubt that most Oregonians who got kicker checks were delighted. But the kicker, which no other state implements, is a crazy way for government to do business and certainly throws a kink in our financial system. For example, this last kicker was so large that we had to borrow money to keep the state government afloat, costing the state an additional \$23 million in interest.

The Legislature showed real foresight when it diverted last year's corporate kicker to create the Rainy Day Fund. But a one-time deposit is not enough. Although we did set up some cushion to help us through the next recession, we missed a golden opportunity to better stabilize our long-term future when we failed to address the more popular personal kicker.

About the only consistent argument kicker supporters have offered is that it stimulates holiday shopping when the checks go out in December. However, despite the last kicker being a record \$1.1 billion, economists say Oregonians spent less on gifts this past holiday than they typically do.

We'll better know where the state economy stands when the next revenue forecast comes out Feb. 8. But regardless, I will raise the issue of the kicker from my position as a member of the Task Force on Comprehensive Revenue Restructuring. We've dodged this issue far too long.

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