



**FOR IMMEDIATE RELEASE**  
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**PORTLAND BUSINESS ALLIANCE: DON'T TAP THE RAINY DAY FUND**  
*Alliance Statement Regarding the Oregon 2007-09 budget shortfall*

Portland, Ore. – The Portland Business Alliance today issued a statement supporting the decision to balance the FY 2007-09 budget shortfall without accessing the state's rainy day funds.

"We understand the difficulty of adjusting budgets this late in the fiscal year. But we need to take a long view regarding use of the state's rainy day funds to ensure we can bridge the anticipated deep budget gap in next fiscal biennium," said Sandra McDonough, President and CEO of the Portland Business Alliance.

Oregon's most recent revenue forecast projects a shortfall of \$855 million for the current biennium and \$3.1 billion for the 2009-11 biennium.

"We're fortunate in that we have a rainy day fund," said McDonough. "In 2007, Oregon businesses gave up a more than \$300 million in corporate kicker funds to seed the new rainy day fund. Our understanding was that the state would use those dollars only after other budget-balancing options no longer worked. With the anticipated budget gap and more problems expected in the next biennium, we need to be especially cautious about tapping that savings account too soon. Individuals and businesses across the state are cutting costs in the face of this economic downturn. Government must do the same."

McDonough said business leaders are sensitive to the potential impact on human services and education, but noted that those impacts may worsen in the next biennium.

"We support leadership's decision now to make judicious use of the stimulus package and thoughtful budget reductions to put us in the best position for the tough choices we face in the next biennium," she said.

The Oregon Business Association (OBA) issued a similar statement calling on the state legislator to not use rainy day funds for the 2007-2009 budget shortfall.

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***The Portland Business Alliance is Greater Portland's Chamber of Commerce representing more than 1,300 businesses in the region. The Alliance focuses on central city and regional issues and recognizes that the vitality of the central city and the region depend on one another, and Portland's vibrant, growing downtown is a regional asset.***