

## AP Government

### State of Oregon Budget Shortfall solution

In pairs, examine the current expenditures for Oregon, and devise a \$3 billion package of cuts in spending and increases in revenue to close the gap. The Oregon Constitution requires a balanced budget, based on the economic forecast.

Consider the long-term impacts of your decisions (e.g., businesses leaving the state, higher education attracting business to the state, higher crime rate due to lax enforcement, etc.)

For each budget cut, identify what will be reduced, and how much money will be saved. For each revenue increase, identify what will be increased and by how much, and how much revenue will be generated.

The budget cuts and revenue increases should add up to \$3 billion.

Teams will present their solution to the class. This activity will serve as a lab grade.