



SB 118 Protect Local Education Dollars?

\$322 million per biennium of k-12 funding is lost in local property tax decision making. That's enough for more than 13 days of school.¹

Oregon's school funding formula means a local decision in one community effects k-12 funding throughout the state. And the cost is significant.

In 2017-19 abatements and re-direction of funds will cost k-12 \$322 million:

Property Tax Abatements -- \$245 million²

Urban Renewal Districts -- \$77 million³

Solution:

Protect k-12 funding from future local abatements and diversions as do a number of states, including Maryland, Florida, Texas, and even Alabama.

Examples:

- Florida - with voter approval, cities can abate or divert their own property taxes and counties can abate or divert their own property taxes.
- Alabama - All of the state and local portion of the property tax not earmarked for education on the real and personal property incorporated into a qualifying capitalized reinvestment project can be abated.

Pass SB 118

¹ K-12 for all of the state's public school children costs roughly \$25 m/day. \$322 m divided by \$25 m = 13 days.

² 41% for k-12 excludes bonding dollars. 2017-19 Tax Expenditures Report: E-zone Businesses-\$74.0 m, Long Term Rural E-zone-\$55.1 m, Rural Renewable Energy Development Zone-\$4.1 m, Electronic Commerce-2.1 m, Reservation E-zone-.1, Construction in Progress zones-15.1, SIPs-\$447.1m = total of \$597.3 x 41% = \$244.9m

³ DOR Property Tax Statistics Report for 2015-16, Urban Renewal Districts take \$77 m from education