



To: Joint Committee on Tax Reform  
From: Jim Green, Executive Director  
Re: House Bill 2830  
Date: June 13, 2017

Co-Chairs Hass and Barnhart, and members of the Committee:

On behalf of OSBA's membership, thank you for the opportunity to provide written comments on House Bill 2830 and related revenue reform issues. OSBA supports HB 2830, and revenue reform generally, to fund Oregon's chronically-underfunded schools, if revenue reform is paired with cost containment measures.

The passage of Ballot Measure 5 in 1990 moved education funding in Oregon from a primarily locally funded system, to the state funded system that exists today. In the intervening years since the state took over school funding, the education system in Oregon has not been funded to meet the needs of students. Every biennium the Quality Education Commission (QEC) issues a report to evaluate and refine the model for education funding, the Quality Education Model (QEM), and every biennium that report contains abysmal news about funding. The 2016 report indicates that education funding has grown recently, but "needs to increase further."

In February 2017, OSBA conducted, and subsequently released publicly, the OSBA State Funding Survey conducted by DHM Research. Oregonians were surveyed, with each Oregonian giving an average of 23 minutes of response time to the more than 60 questions in the survey. The purpose of the survey was to assess Oregonians' budget priorities, support for revenue reform proposals, and values they use to appraise the state's tax system.

The results of the survey are clear and undeniable. Oregonians care deeply about fully funding education, and would support changes to the state's revenue system to do so. They strongly support K-12 education, and they believe both education funding and quality education should be priorities for the Legislature. Furthermore, most voters would prefer large businesses and corporations pay more taxes to do so.

However, the survey also clearly indicates that Oregonians want any changes in revenue to be paired with cost-control mechanisms. Many voters believe that Oregon has a spending problem, and most voters supported balancing the budget with some mix of tax increases and cost reductions.

This is the blueprint that OSBA supports and the poll clearly indicates is viable and supported by Oregonians.

For years the education system has been underfunded. For months, the OSBA State Funding Survey has given legislators a clear look at what Oregonians desire and expect from the legislature: revenue reform, cost control, and proper funding of our education

#### OFFICERS

President  
**Betty Reynolds**  
*West Linn-Wilsonville SD*  
President-elect  
**LeeAnn Larsen**  
*Beaverton SD*  
Vice President  
**Tass Morrison**  
*North Santiam SD*  
Secretary-Treasurer  
**Don Cruise**  
*Philomath SD*  
Past President  
**Doug Nelson**  
*High Desert DSD*

#### DIRECTORS

**Paul Anthony**  
*Portland PS*  
**Kevin Cassidy**  
*Baker SD*  
**Carlos Castañeda**  
*Gladstone SD*  
**Sherry Duerst-Higgins**  
*Lane ESD/South Lane SD*  
**Susan FitzGerald**  
*Yamhill-Carlton SD*  
**Cheri Helt**  
*Bend-La Pine SD*  
**Kris Howatt**  
*Gresham-Barlow SD*  
**Kaye Jones**  
*Jefferson SD*  
**Greg Kintz**  
*Vernonia SD*  
**Hank Perry**  
*Douglas ESD*  
**Craig Prewitt**  
*Phoenix-Talent SD*  
**Scott Rogers**  
*Athena-Weston SD*  
**Lori Theros**  
*Klamath Falls City SD*  
**Maureen Wolf**  
*Tigard-Tualatin SD*  
**Michelle Vo**  
*Corbett SD*

#### EX-OFFICIO DIRECTORS

COSA/OASE  
**Craig Hawkins**  
OAESD  
**Joel Robe**  
State Board of Education  
**Charles Martinez, Jr.**

#### EXECUTIVE DIRECTOR

**Jim Green**

#### DEPUTY EXECUTIVE DIRECTOR

**Mary Paulson**

system. Now is the time to act, to take the difficult step forward and pass a bi-partisan revenue reform plan with cost containment measure, to solve Oregon's chronic education funding problem.

Again, thank you for the opportunity to provide comments on this critical issue. If you have questions or concerns, please feel free to contact me at your convenience.