



*The League of Women Voters of Oregon is a 99-year-old grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.*

April 16, 2019

To: [Joint Committee On Student Success \(JCCS\)](#)

Co-Chair Senator Arnie Roblan  
Co-Chair Representative Barbara Smith Warner  
Co-Vice Chair Senator Tim Knopp  
Co-Vice Chair Representative Greg Smith  
[jcss exhibit email](#)

Re: HB 3427-1/HB 2019-9 – Student Success – Support

The League of Women Voters (LWV) has tax policy positions applicable to the -9 amendment to HB 2019.

- LWV supports a tax system that is:
  - Based on ability to pay
  - With a broad base
  - Fair and equitable
  - Understandable to the taxpayer and encourages compliance
  - With minimal tax preferences, i.e. exemptions, deductions, and special rates
- LWV criteria in evaluating tax preferences include:
  - Whether the tax preference is the most efficient means of achieving its purpose
  - Whether the revenue loss from the tax preference is justifiable

LWVOR commends the thoughtful and hard work of the Subcommittee on Revenue and the Legislative Revenue Office (LRO), exploring taxes, offering stable education funding, while leaving the General Fund intact for other vital services including: health care, social services, public safety, and natural resources.

Oregon businesses benefit from a literate workforce. LWVOR supports businesses contributing more to educating their future work force. We support the -9 amendment's proposal for a new business tax to fund Student Success that taxes businesses equitably across business structures, and that progressively excludes businesses with Oregon receipts under \$1 million. We also support pairing the new tax with progressive tax cuts for individuals.

We are concerned about exemptions. LWVOR expects JCCS will hear many proposals for exempting additional goods and services. Often the argument will be that low-income Oregonians must buy the good or service and it would be a hardship to have a tax on the sector providing it. Hearing those arguments, we request committee members ask whether better-off Oregonians also buy the good or service and would be subsidized as well, how much higher the tax rate would need to be as the tax base narrows – or how many of the committee's excellent proposals would need to be cut, and whether the additional exemption is the most efficient means of countering the effect on the lowest income Oregonians of a tax of one-half of one percent on businesses.

The League of Women Voters of Oregon (LWVOR) has [testimony](#) supporting HB 2019-6, the education programs portion of Student Success. Here we support HB 2019-9, and urge the full measure's passage.

Thank you for the opportunity to discuss this legislation and for your dedication to Student Success in Oregon.

Norman Turrill  
LWVOR President

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Revenue Policy Coordinator