



Oregon School Employees Association

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February 5, 2020

House Committee on Revenue
Rep. Nancy Nathanson, Chair

Dear madam Chair and members of the committee:

The Oregon School Employees Association (OSEA) represents more than 22,000 workers in nearly all levels of public education, including Head Start programs, K-12 school districts, ESDs and community colleges. OSEA members perform many of the thankless tasks that keep Oregon public schools safe and functional for students, administrators and teachers.

OSEA strongly supports House Bill (HB) 4010, which will disconnect Oregon's tax code from the federal opportunity-zone tax giveaway created by Congress at the end of 2017. OSEA represents school employees in many smaller and more rural school districts and might be expected to support opportunity zones. We should be excited to see more in local property taxes, which should help fund schools, right?

The reality is that **without HB 4010, Oregon is simply along for the ride on opportunity zones. We have no guarantee that the revenue lost by our continued connection will translate into any more investment in Oregon communities than would have happened anyway.** It *is* guaranteed that Oregon will see an escalating cost over time – total cost unknown. Meanwhile, the revenues that provide the majority of funding for education and other crucial services will be even farther strained than they are today. This is a gamble that we shouldn't take without any guarantee of additional investment.

The way that we do guarantee additional investment in our communities is through the study group created by Section 6 of HB 4010. Oregon absolutely should consider ways to achieve the investments that we agree are needed in our communities – and the study group provides an efficient process for such a discussion.

Passage of HB 4010 is the prudent choice to safeguard Oregon tax revenue and the urgently needed choice to try to bring critical investment to our communities. Oregon can improve upon the bare frame of this federal program and we should do so. We **strongly urge this committee to pass HB 4010.**

Thank you for your attention,

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