

School Finance: Formula Revenue Distribution

Senate Committee on Finance and Revenue

Presented by

Legislative Revenue Office

State of Oregon

Legislative Revenue Office

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Operating Revenue of K-12 Public Education

- **The revenue for operating expenditures** of K-12 public education in Oregon has been primarily funded through a **combination of state and local resources**
- This combined revenue is often called the **formula revenue***
- **The relative shares** between state and local revenue resources **have shifted over time**, primarily in response to Measure 5 (1990) and Measure 50 (1997).

*Formula Revenue is not a statutory language





Sources and Distribution

- I. Background Information and Big Picture**
- II. Sources of Formula Revenue**
- III. About Formula: Fundamentals of Formula Revenue Distribution – commonly referred to as State School Fund Distribution**
- IV. A Hypothetical Case Study: Property Tax Exemption and Formula Revenue**

- V. A Primer on Local Option Property Tax**





I. Background and Big Picture

- **Operationally**
- **Distribution Charts 2019-23**
- **Big Picture**





Operationally

- **Revenue Available = State School Fund + Local Revenues of School Districts and Education Service Districts**
- **Shares: After carve-outs/set-asides from the top, School Districts (SD) receive 95.5%, Education Service Districts (ESD) 4.5%**
- **Within SD and ESD shares, there are statutorily defined grants and distributions**





The Distribution Chart (Example: 2021-23 Distribution*)

SB 5514 (2021)**

[61176 \(oregonlegislature.gov\)](https://legislature.oregon.gov/bills/2021/61176)

*Estimate as of May 12, 2021

Later in the session, **HB 5006 (2021) adjusted appropriations to the State School Fund (SSF) to align with the total amount in SB 5514 as enrolled. **HB 5202 (2022)** further changed the composition of the SSF. The net impact of these changes is to maintain the SSF appropriation of \$9.3 billion for FY 2021-23.





Big Picture I

State School Fund + Local Revenue = \$ available for SDs and ESDs

(-) Carve-Outs/Set-Asides off the top

- Small High School Grants
- Talented and Gifted; Speech Pathology
- Virtual School District
- Educator Advancement Fund (EAF)
- Long Term Care and Treatment; Pediatric Nursing Facility; State School
- Office of School Facilities; Healthy School; Feminine Hygiene Products
- English Language Learner; No Charge School Lunch
- Local Option Equalization Grant
- Reserves* and Others

= Formula Revenue to be distributed to SDs and ESDs (100%) (continued)

* Reserves will be eventually distributed according to formula





Big Picture II

(1) School Districts (95.5%)

(-) School District Share of EAF

(-) High Cost Disabilities Grant

(-) Facility Grant

= General Purpose Grant + Transportation Grant to SDs

(-) Transportation Grant

= General Purpose Grant (*ADMw and teacher experience factor come into play*)

(2) Education Service Districts (4.5%)

(-) 10th Grade Assessment

(-) ESD Share of EAF

= Formula Revenue available for distribution to ESDs





In One Big Picture

State School Fund + Local Revenue = \$ available for SDs and ESDs

(-) Carve-Outs and Set-Asides off the top

- Small High School Grants
- Talented and Gifted; Speech Pathology
- Virtual School District
- Educator Advancement Fund (EAF)
- Long Term Care and Treatment; Pediatric Nursing Facility; State School
- Office of School Facilities; Healthy School; Feminine Hygiene Products
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- Local Option Equalization Grant
- Reserves* and Others

= Formula Revenue to be distributed to SDs and ESDs (100%) (continued)

* Reserves will be eventually distributed according to formula

(1) School Districts (95.5%)

- (-) School District Share of EAF
- (-) High Cost Disabilities Grant
- (-) Facility Grant
- (-) Transportation Grant

= Formula Revenue remaining for distribution to SDs

= General Purpose Grant

(2) Education Service Districts (4.5%)

- (-) 10th Grade Assessment
- (-) ESD Share of EAF

= Formula Revenue available for distribution to ESDs





II. Sources of Formula Revenue: State and Local

- **State School Fund (SSF) – State contribution/support (mostly GF)**
- **Local Revenues – Local contribution (over 95% property taxes)**
- **Roughly 2/3 of formula revenue come from SSF, and 1/3 from Local Revenues**
- **For the 2021-23 school years**
 - **SSF = \$9.30 billion**
 - **Local Revenues (estimate*) = \$4.6 billion**
 - **Total Formula Revenue = SSF + Local Revenues = \$13.9 billion**

***As of Feb 2021. Since then, revised up. Property taxes came in higher than forecast.**





State School Fund (SSF)

- **General Fund**
- **Lottery Resources**
- **Marijuana Tax Revenue**
- **Transfer from the Fund for Student Success**





Local Revenues

ORS 327.011 explicitly lists local revenues for SDs for the purpose of SSF distributions

- **Permanent rate based property tax revenue (over 95% of total)**
- **Other sources: Common School Fund distribution, county school fund and state timber sales revenue from state managed forestlands, occasional federal funds without specific application, and not deemed non-supplantable under federal law, moneys in lieu of property taxes, local option property taxes above statutorily allowed limits**

Note: ORS 327.019 defines local revenues for an ESD – permanent rate based property tax revenue and state timber sales revenue, among other things





Local Revenue Forecast (FY 2023-25)

	March 2022 Forecast			March 2023 Forecast		
	2023-24	2024-25	2023-25	2023-24	2024-25	2023-25
School Districts (A)						
Total Available Local Revenue	2,317,593,056	2,397,109,767	4,714,702,823	2,362,259,792	2,458,137,041	4,820,396,833
Net Property Taxes	2,211,067,812	2,288,630,185	4,499,697,997	2,246,791,437	2,341,366,677	4,588,158,114
Property Taxes	2,247,627,076	2,326,294,023	4,573,921,099	2,284,414,405	2,380,359,810	4,664,774,214
Excluded from Formula	-36,559,264	-37,663,838	-74,223,102	-37,622,968	-38,993,132	-76,616,100
Other Revenues	106,525,244	108,479,582	215,004,826	115,468,355	116,770,364	232,238,719
Common School Fund	75,060,327	76,904,806	151,965,133	74,168,181	75,102,671	149,270,852
County School Fund	8,463,140	8,496,992	16,960,132	13,815,040	13,951,160	27,766,200
State Timber & Misc	19,001,777	19,077,784	38,079,561	23,485,134	23,716,533	47,201,667
ESD Equalization Sharing	4,000,000	4,000,000	8,000,000	4,000,000	4,000,000	8,000,000
Education Service Districts (B)						
Total Available Local Revenue	155,374,364	160,935,156	316,309,520	158,236,947	165,030,838	323,267,785
Net Property Taxes	158,815,959	164,374,517	323,190,476	161,612,895	168,400,637	330,013,532
Other Revenues	-3,441,595	-3,439,361	-6,880,956	-3,375,948	-3,369,799	-6,745,747
State Timber	558,405	560,639	1,119,044	624,052	630,201	1,254,253
ESD Equalization Sharing	-4,000,000	-4,000,000	-8,000,000	-4,000,000	-4,000,000	-8,000,000
Total Available Local Revenue (A+B)	2,472,967,420	2,558,044,923	5,031,012,343	2,520,496,739	2,623,167,879	5,143,664,618



A Closer Look into School District Property Taxes

(Imposed, \$1,000): FY 2021-22*

District Type	Permanent Authority			Local Option			Bonds		
	FY 20-21	FY 21-22	% CH	FY 20-21	FY 21-22	% CH	FY 20-21	FY 21-22	% CH
County	1,098,335	1,148,164	4.5	147,517	157,109	6.5	17,097	70,390	311.7
City	1,220,024	1,274,138	4.4	103,036	154,864	50.3	100,874	101,804	0.9
School	2,060,872	2,150,896	4.4	239,734	253,193	5.6	816,814	822,901	0.7
Education Service	145,629	151,981	4.4	0	0	0.0	0	0	0.0
Community College	201,322	209,916	4.3	0	0	0.0	106,237	107,925	1.6
Cemetery	3,310	3,469	4.8	0	65	0.0	0	0	0.0
Fire	368,530	383,531	4.1	60,997	66,965	9.8	23,480	23,551	0.3
Health	35,006	36,831	5.2	5,268	5,197	-1.4	5,525	4,794	-13.2
Park	95,010	99,125	4.3	1,538	1,558	1.3	15,099	15,652	3.7
Port	22,917	23,868	4.2	0	0	0.0	963	1,153	19.8
Road	13,520	13,958	3.2	152	158	3.8	8	8	0.0
Sanitary	1,315	1,390	5.7	0	0	0.0	1,404	1,403	0.0
Water Supply	3,078	3,148	2.3	1,315	1,361	3.5	1,409	1,403	-0.4
Water Control	20,533	26,059	26.9	0	0	0.0	284	300	5.9
Vector Control	5,365	5,630	4.9	1,948	2,063	5.9	0	0	0.0
Service	46,262	48,340	4.5	17,394	18,039	3.7	75,041	75,465	0.6
Other	263,454	274,925	4.4	19,219	19,741	2.7	0	12,553	0.0
Statewide Total	5,604,481	5,855,369	4.5	598,120	680,313	13.7	1,164,234	1,239,303	6.4





Imposed Property Taxes: School Districts

(\$ million)

FY	Permanent Rate	% ch	Local Option	% ch
2011-12	1,438.9	1.9%	94.8	11.2%
2012-13	1,457.7	1.3%	86.9	-8.3%
2013-14	1,504.1	3.2%	113.2	30.3%
2014-15	1,581.1	5.1%	134.1	18.5%
2015-16	1,658.0	4.9%	155.4	15.9%
1016-17	1,729.1	4.3%	170.4	9.7%
2017-18	1,809.8	4.7%	185.8	9.0%
2018-19	1,883.9	4.1%	200.1	7.7%
2019-20	1,969.1	4.5%	229.8	14.8%
2020-21	2,060.9	4.7%	239.7	4.3%
2021-22	2,150.9	4.4%	253.2	5.6%
2022-23*	2,258.3	5.0%		
Source: Oregon Dept of Revenue				
*preliminary				





III. About Distribution Formula

- **Mechanics**
- **What the Formula Is and Is Not About**
- **Distribution Principles**
- **Formula Revenue distributed to a school district = General Purpose Grant + Transportation Grant + High Cost Disabilities Grant + Facility Grant**
- **Some Terms in the Formula**
- **Weight and Cost Factors in the Formula**





SSF Distribution to Districts: Mechanics

- **Formula revenues to districts are determined (using formula, of course)**
- **Districts keep their local revenues in their accounts**
- **For a school district (SD),**
 - **If apportioned formula revenue > its local revenue, the district receives the difference from the state**
 - **An example: Salem-Keizer SD (details later)**
 - **Total formula grants = \$469.6 million**
 - **Local Revenue = \$91.6 million**
 - **SSF = \$469.6 mil - \$91.6 mil = \$378.0 mil**

Note: If apportioned formula revenue \leq local revenue, no additional money to the district; district keeps the difference (i.e., keeps the excess local revenue)





What Formula Is or Is Not About

- **Not about general cost reimbursement**
- **Not about revenue entitlement per student**
- **Not about funding adequacy or stability**
- **Not about outcomes or achievements**
- **Not about program quality or accountability**
- **About Quantifying Relative Need of Districts for Funding, Given Student Demographics and School/District Characteristics**





SSF Distribution: Principles

- **Share school funding sources statewide - Allocate all state and local operating revenue combined**
- **Let each district decide how to spend its allocation - Give state aid in lump sum, not categorical grants**
- **Adjust funding only for uncontrollable cost differences - Justify revenue differences in a rational manner**
- **Avoid incentives to increase district allocation - Minimize classifications and set limits**





Some Terms in Formula

- **ADM - Average daily membership (ORS 327.006 and Rules by State Board of Education)**
- **ADMw - ADM adjusted by student demographics and/or district characteristics**
- **Extended ADMw - Higher of current or prior year ADMw to alleviate financial burden of a district in coping with sometimes abrupt change in ADM and associated ADMw**





Factors in Formula

- **Student Demographics and School/District Characteristics**
 - Individualized Education Plan (or special education) and At Risk
 - Grades and School
 - Teacher Experience relative to the state average
- **Transportation Costs**
- **High Cost Disability Students**
- **New Facility Costs**





Formula Revenue distributed to a school district =
General Purpose Grant + Transportation Grant + High
Cost Disabilities Grant + Facility Grant

- **Formula Grants based NOT on ADMw**
 - **Transportation Grant**
 - **High Cost Disabilities Grant**
 - **Facility Grant**
- **General Purpose Grant**
 - **\$4,500 (or Target Grant)**
 - **ADMw (Student Demographics and School/District Characteristics)**
 - **Teacher Experience**
 - **Balance Ratio (or Percentage)**





Grants Not Dependent on ADMw

- **Transportation Grant** - 70% to 90% of approved transportation costs (depending on district's approved cost per ADM)
- **High Cost Disabilities Grant** – Up to district's sum of approved costs above \$30,000 per disability student; limited to \$55 million per year; prorated if statewide costs exceed the limit
- **Facility Grant** – Up to 8% of district's new buildings-related costs; limited to \$3 million per biennium in 21-23; prorated if statewide costs exceed the limit





General Purpose Grant

- **Equals Weighted Students multiplied by (\$4,500 + teacher experience adjustment), balanced to available formula revenue for distribution, or**

$$\left[\text{ADMw Extended} \right] \times \left[\$4,500 + \text{Teacher Experience Adjustment} \right] \left[\right] \times \text{Balance Ratio}$$

- A change in the way a weight is assigned, or a change in a set-aside, or a change in the application of the distribution formula, among other things, will impact the General Purpose Grant distributions.
- Impact on school district funding is often discussed in terms of **a change in \$ per ADMw for the General Purpose Grant for each school district.**





Student Demographics: IEP and At Risk

Each student has One Weight to begin with

	Additional Weight
Individualized education program (IEP)	1.00
English language learner (ELL)	0.50
Students in poverty	0.25
Neglected and delinquent	0.25
Students in foster homes	0.25
Pregnant and parenting	1.00





School and District Characteristics: Grades and School

	Weight	or	Additional Weight
Elementary district students	0.90		- 0.1
Union High district students	1.20		+ 0.2
Remote small elementary schools (K-8)	Varies		
Small high schools (9-12)	Varies		





Summary: SSF Distribution to School Districts

Equals

General Purpose Grant (using extended ADMw)

+ **Transportation Grant** (reimbursed at 70-90%)

+ **High Cost Disabilities Grant** (up to district's sum of approved costs above \$30,000 per disability student)

+ **Facility Grant** (up to 8% of district's new buildings-related costs)





An Example*: Salem-Keizer SD 24J (2021-22)

- **Local revenue = \$91.6 million**
- **Extended ADMw = 49,724 (ADM = 38,701), Teacher experience adjustment = - 0.71**
- **General Purpose grant = \$451.2 million, Transportation grant = \$13.7 million, High Cost Disabilities grant = \$4.7 million**
- **SSF Distribution to SD 24J = $(451.2+13.7+4.7) - 91.6$
= \$378.0 million**

*Estimates (Data Source - LRO, ODE)





VI. A Hypothetical Case Study: Property Tax Exemption and Its Impact on Formula Revenue

- Statewide Property Tax Data
- Assumptions
- A concrete example using Five School Districts and their data on ADMw, Local Revenues and General Purpose (GP) Grants (21-22 school year); Other Grants Are Not Impacted
- The analysis will show that a property tax exemption leads to
 - A reduction in formula revenue (due to less local revenues)
 - A similar decline in \$ per ADMw for all school districts including the school district in the area where the exemption is made available
 - Local revenue share out of GP Grant could change substantially for the school district but not much for the other districts combined or the state





SD and ESD Permanent Rate Based Taxes out of Total Property Taxes (Imposed, 21-22)

**Table 2.2 Tax Imposed from FY 2020-21 and 2021-22
by Category of Tax and Type of District (Thousands of Dollars)**

District Type	Permanent Authority			Local Option			Gap Bonds			Bonds			Total		
	FY 2020-21	FY 2021-22	% CH	FY 2020-21	FY 2021-22	% CH	FY 2020-21	FY 2021-22	% CH	FY 2020-21	FY 2021-22	% CH	FY 2020-21	FY 2021-22	% CH
County	1,098,335	1,148,164	4.5%	147,517	157,268	6.6%	0	0	0.0%	17,097	70,390	311.7%	1,262,949	1,375,822	8.9%
City	1,220,024	1,274,138	4.4%	103,036	154,864	50.3%	173,322	199,938	15.4%	100,874	101,804	0.9%	1,597,257	1,730,744	8.4%
School	2,060,872	2,150,896	4.4%	239,734	253,193	5.6%	0	0	0.0%	816,814	822,901	0.7%	3,117,420	3,226,991	3.5%
Education Service	145,629	151,981	4.4%	0	0	0.0%	0	0	0.0%	0	0	0.0%	145,629	151,981	4.4%
Community College	201,322	209,916	4.3%	0	0	0.0%	0	0	0.0%	106,237	107,925	1.6%	307,559	317,840	3.3%
Cemetery	3,310	3,469	4.8%	0	65	0.0%	0	0	0.0%	0	0	0.0%	3,310	3,534	6.7%
Fire	368,530	383,531	4.1%	60,997	66,965	9.8%	0	0	0.0%	23,480	23,551	0.3%	453,007	474,048	4.6%
Health	35,006	36,831	5.2%	5,268	5,197	-1.4%	0	0	0.0%	5,525	4,794	-13.2%	45,800	46,822	2.2%
Park	95,010	99,125	4.3%	1,538	1,558	1.3%	0	0	0.0%	15,099	15,652	3.7%	111,647	116,335	4.2%
Port	22,917	23,868	4.2%	0	0	0.0%	0	0	0.0%	963	1,153	19.8%	23,879	25,021	4.8%
Road	13,520	13,958	3.2%	152	158	3.8%	0	0	0.0%	8	8	0.0%	13,680	14,124	3.2%
Sanitary	1,315	1,390	5.7%	0	0	0.0%	0	0	0.0%	1,404	1,403	0.0%	2,719	2,793	2.7%
Water Supply	3,078	3,148	2.3%	1,315	1,361	3.5%	0	0	0.0%	1,409	1,403	-0.4%	5,802	5,913	1.9%
Water Control	20,533	23,638	15.1%	0	0	0.0%	0	0	0.0%	284	300	5.9%	20,817	23,938	15.0%
Vector Control	5,365	5,630	4.9%	1,948	2,063	5.9%	0	0	0.0%	0	0	0.0%	7,314	7,693	5.2%
Service	46,262	48,340	4.5%	17,394	18,039	3.7%	0	0	0.0%	75,041	75,465	0.6%	138,696	141,843	2.3%
Other	263,454	274,765	4.3%	19,219	19,741	2.7%	0	0	0.0%	0	12,553	0.0%	282,672	307,060	8.6%
Statewide Total	5,604,481	5,852,788	4.4%	598,120	680,472	13.8%	173,322	199,938	15.4%	1,164,234	1,239,303	6.4%	7,540,158	7,972,502	5.7%

Notes: This table does not include property taxes for urban renewal.

The category "Other" includes taxing districts such as library, transit, and public utility districts.

Gap Bonds refer to the City of Portland pension levy.

Source: Oregon Dept of Revenue





\$20 million reduction in local revenue; All Other Things Are Being Held Constant

- A Hypothetical, Highly Simplified, example – a property tax exemption is made available in an area where the school district “A” is a subset of all taxing districts of the area
- This Area Mimics the Entire State in the composition of four tax categories – permanent rate (or permanent authority), local option, gap bonds, and bonds
- As seen in the previous slide, SD and ESD permanent rate based property taxes are about 28-29% of total property taxes for a given fiscal year
- Suppose a utilized/granted exemption leads to \$20 million reduction in property taxes for the school district A (hence \$20 million reduction in local revenue). The qualified/utilized/granted exemption total for this area would be about \$70 million.



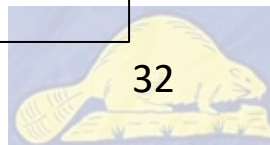


School District Data (21-22): Focus on General Purpose Grant

Data Source: ODE

School District	extended ADMw	extADMw share	Local Revenue	Local Rrvenue share	General Purpose Grant	GP Grant share	Local Revenue <u>Before</u> change	Local Revenue <u>After</u> change
A	7,482.2	1.1%	\$32,608,461	1.6%	\$67,793,283	1.1%	\$32,608,461	\$12,608,461
B	55,688.1	8.2%	\$276,965,000	13.3%	\$507,164,353	8.2%	\$276,965,000	\$276,965,000
C	23,774.0	3.5%	\$85,241,510	4.1%	\$216,887,802	3.5%	\$85,241,510	\$85,241,510
D	8,570.0	1.3%	\$16,892,203	0.8%	\$78,161,977	1.3%	\$16,892,203	\$16,892,203
E	439.6	0.1%	\$392,000	0.0%	\$4,106,543	0.1%	\$392,000	\$392,000
All Others	584,619.9	85.9%	\$1,676,707,727	80.3%	\$5,327,249,040	85.9%	\$1,676,707,727	\$1,676,707,727
State	680,573.8	100.0%	\$2,088,806,901	100.0%	\$6,201,362,998	100.0%	\$2,088,806,901	\$2,068,806,901

1. The difference between GP grant and Local Revenues is state support (SSF)
2. School District A experiences a local revenue reduction of \$20 million. Total local revenue at the state level declines by \$20 million
3. ADMw shares and GP Grant shares look the same but GP Grant shares reflect teacher experience adjustment





Consequences on \$ per ADMw

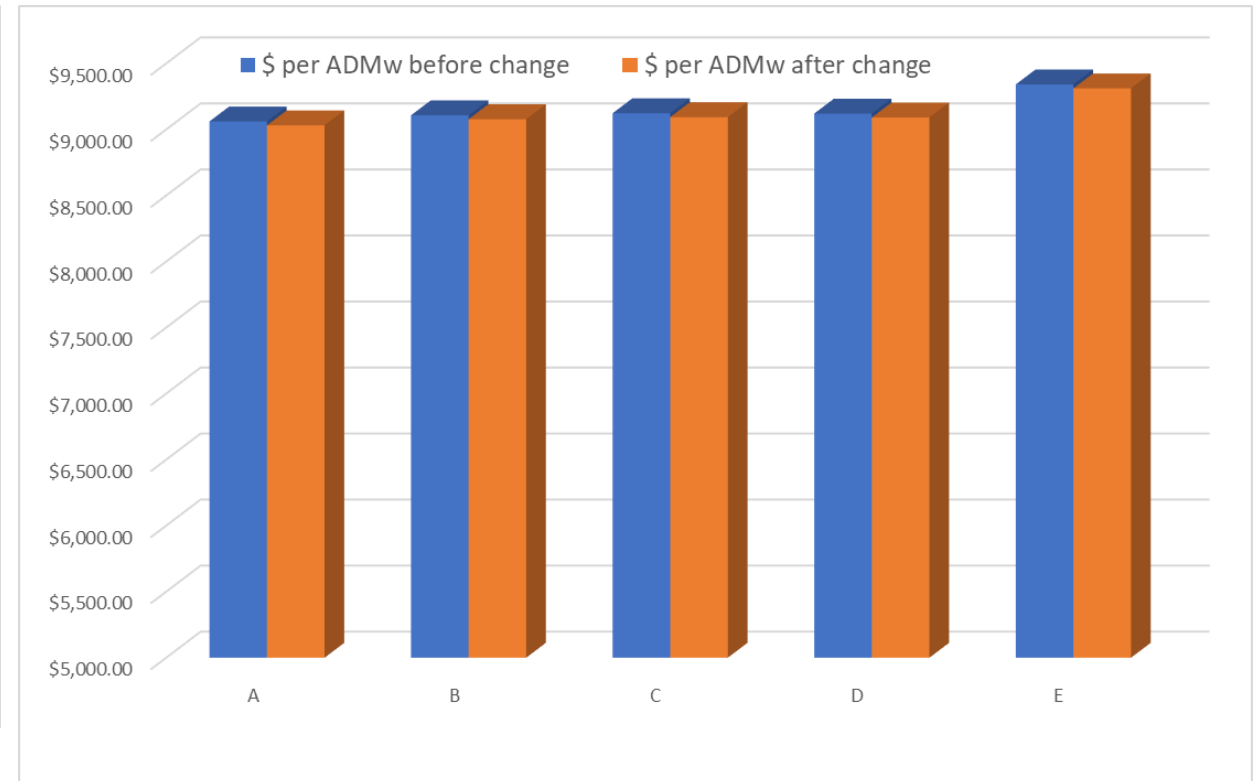
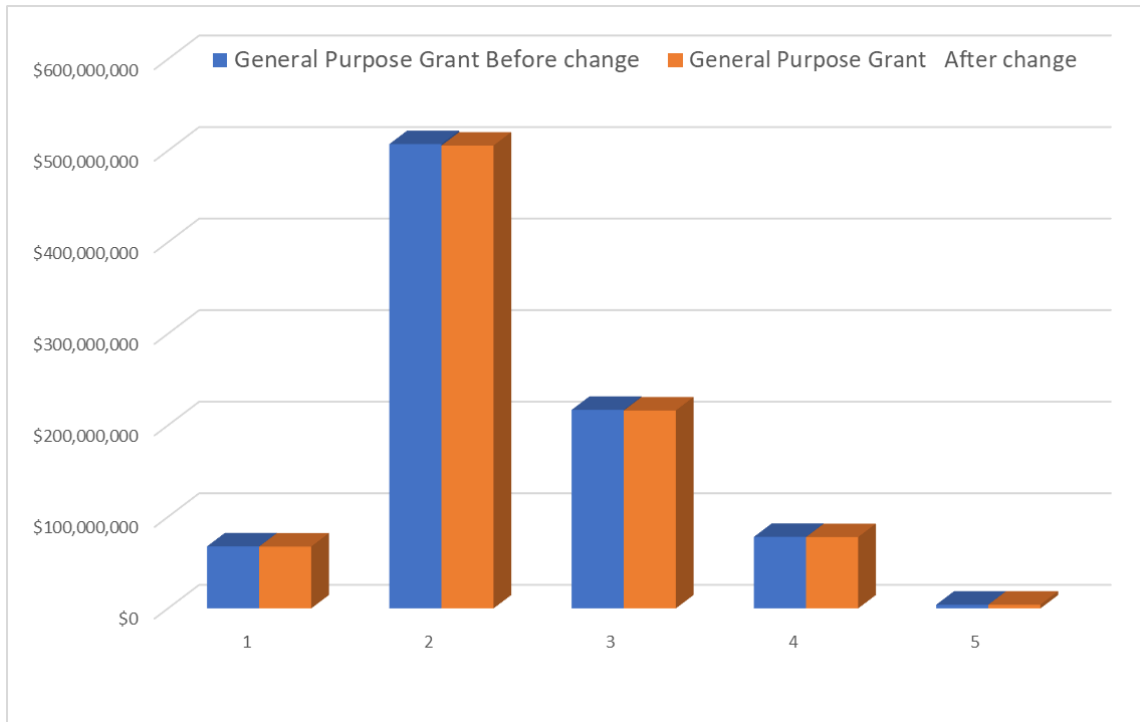
School District	General Purpose Grant <u>Before</u> change	General Purpose Grant <u>After</u> change	GP Grant difference*	\$ per ADMw <u>before</u> change	\$ per ADMw <u>after</u> change	Difference
A	\$67,793,283	\$67,574,643	(\$218,640)	\$9,060.66	\$9,031.44	(\$29.22)
B	\$507,164,353	\$505,528,698	(\$1,635,654)	\$9,107.22	\$9,077.85	(\$29.37)
C	\$216,887,802	\$216,188,317	(\$699,484)	\$9,122.91	\$9,093.49	(\$29.42)
D	\$78,161,977	\$77,909,897	(\$252,080)	\$9,120.38	\$9,090.97	(\$29.41)
E	\$4,106,543	\$4,093,299	(\$13,244)	\$9,341.57	\$9,311.44	(\$30.13)
All Others	\$5,327,249,040	\$5,310,068,143	(\$17,180,897)	\$9,112.33	\$9,082.94	(\$29.39)
State	\$6,201,362,998	\$6,181,362,998	(\$20,000,000)	\$9,111.96	\$9,082.58	(\$29.39)

1. \$20 million reduction in a local district becomes \$20 million reduction in local revenue at the state level
2. \$20 million reduction does not lead to \$20 million reduction in operating revenue for school district A
3. Reduction is spread across school districts based on GP shares (or roughly ADMw shares)



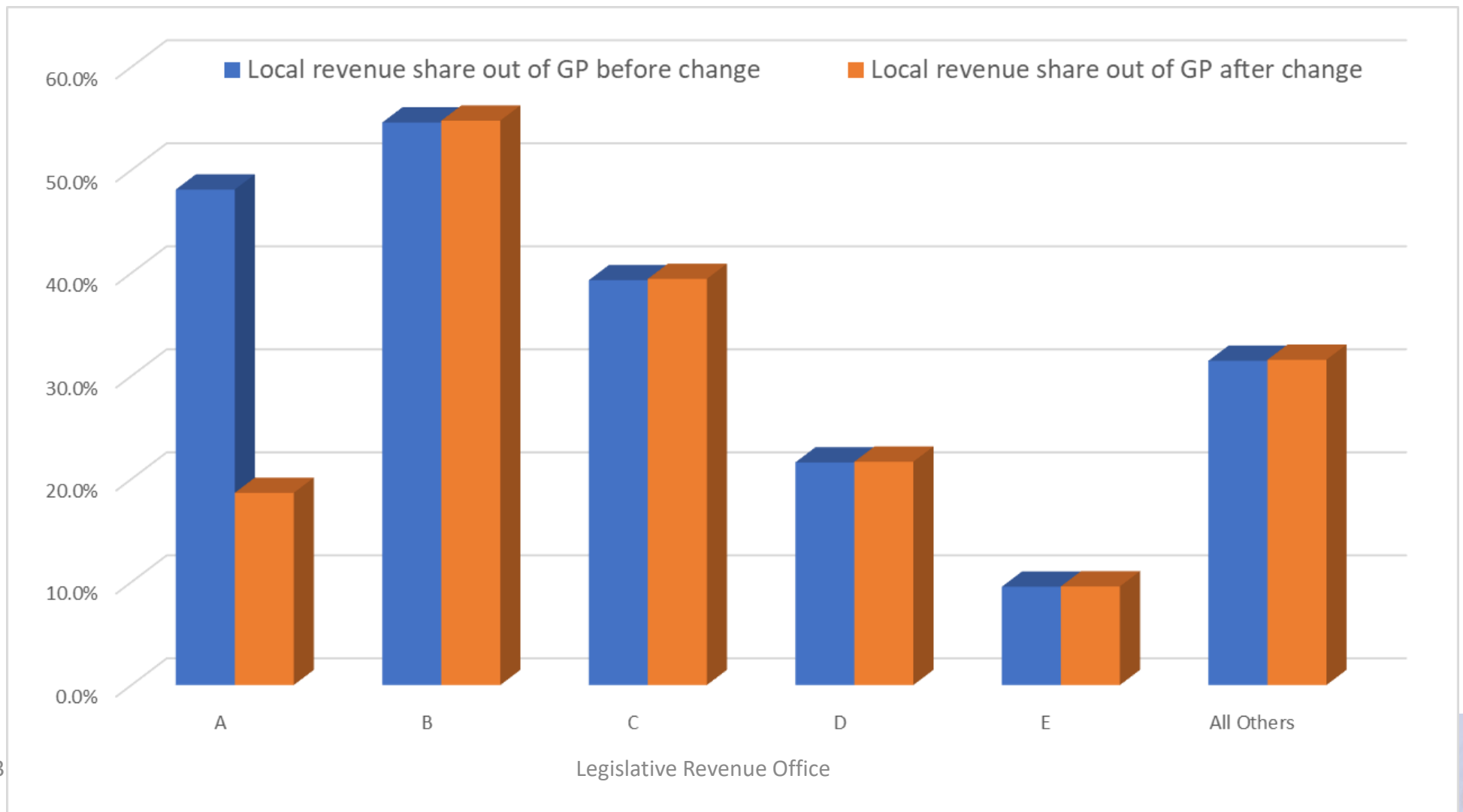


General Purpose Grant and \$ per ADMw: Graphically





Local Revenue Share out of GP Grant





VI. Local Option Property Tax

- **Measure 50 and Measure 5**
- **Inception of Local Option Property Tax (1999)**
- **Local Option Property Taxes excluded from Formula – cap has changed over time**
- **Data**
- **Local Option Equalization Grants**





Measure 50 and Measure 5

- In 1997, Ballot Measure 50 (revision to Measure 47 in 1996) amended the constitution to add a new limit to Oregon's local property tax system
- Measure 50 property tax limit is usually lower than the 1990 Measure 5 limit (Let's define the **difference** as M5 limit – M50 limit)
- Measure 50 allowed use of this difference with various restrictions
- School districts – needed legislative approval to use the difference





Inception of Local Option Taxes for Schools: HB 2753 (1999)

- Allowed school districts to seek voter approval of a local option property tax for operational expenses (5-year limit)
- **Excluded local option tax from local revenue in the school funding equalization formula**
- Made taxes excluded equal to the least of
 - (1) Measures 5 and 50 limit difference,
 - (2) 10% of formula revenue, or
 - (3) \$500 per weighted student (or per extended ADMw)
- Allowed districts to collect less than the full tax approved by voters
- **Excess collections over-the-cap flow into the pool of formula revenue**





Excluded local option revenue from formula

- **SB 550 (2003)** increased the limits on the amount of local option revenue that are excluded from the definition of local revenues in the formula revenue to the lesser of (1) 15% of the district's formula revenue or (2) \$750 per extended ADMw
- **HB 2641 (2007)** increased limits (1) to \$1,000 per weighted student or (2) to 20% of formula revenue; still the lesser of the two
- **HB 2641 (2007)** also escalated the \$1,000 limit by 3% per year beginning in 2008-09
- **HB 4117 (2018)** increased limits (1) to \$2,000 per weighted student with 3% annual escalation beginning in 2019-20, or (2) to 25% of formula revenue; still the lesser of the two



Imposed Local Option Property Taxes by School Districts (FY 2021-22)

District Name	Imposed
Portland Public Schools	109.0
Beaverton	38.4
Eugene	22.6
North Clackamas	22.1
Lake Oswego	14.8
West Linn	11.0
Tigard	10.9
Corvallis	8.9
Ashland	4.5
Hood River	3.1
Seaside	1.8
Sisters	1.8
Siuslaw	1.6
Philomath	1.1
Riverdale	1.0
Crow-Applegate-Lorane	0.3
Sweet Home	0.3
Falls City	0.1

(in \$million)

Source: Oregon Department of Revenue, Property Tax Statistics



Local Options Property Taxes: Imposed vs 25% Cap (21-22), \$1,000

District Name	extended ADMw	Total Formula Revenue	Local Option Imposed	Current Law Test		Usage		HB 3221
	(A)	(B)	(C)	ADMw (A)* \$2,185.45	25% cap = (B)*0.25	(C) divided by 25% cap	Margin to 25% cap	(A)*\$3,500
Philomath SD 17J	1,827	\$17,276	\$1,098	\$3,993	\$4,319	25.4%	74.6%	\$6,394
Corvallis SD 509J	7,482	\$72,677	\$8,853	\$16,352	\$18,169	48.7%	51.3%	\$26,188
West Linn-Wilsonville SD 3J	10,544	\$101,988	\$10,976	\$23,044	\$25,497	43.0%	57.0%	\$36,905
Lake Oswego SD 7J	7,655	\$73,175	\$14,849	\$16,729	\$18,294	81.2%	18.8%	\$26,791
North Clackamas SD 12	19,773	\$192,208	\$22,088	\$43,213	\$48,052	46.0%	54.0%	\$69,205
Seaside SD 10	1,823	\$17,378	\$1,842	\$3,985	\$4,344	42.4%	57.6%	\$6,382
Sisters SD 6	1,241	\$11,968	\$1,768	\$2,713	\$2,992	59.1%	40.9%	\$4,344
Hood River County SD	4,830	\$46,050	\$3,064	\$10,555	\$11,512	26.6%	73.4%	\$16,904
Ashland SD 5	2,901	\$27,061	\$4,485	\$6,340	\$6,765	66.3%	33.7%	\$10,153
Eugene SD 4J	19,102	\$182,135	\$22,603	\$41,746	\$45,534	49.6%	50.4%	\$66,857
Crow-Applegate-Lorane SD 66	402	\$3,990	\$346	\$879	\$997	34.7%	65.3%	\$1,408
Siuslaw SD 97J	1,454	\$13,841	\$1,578	\$3,177	\$3,460	45.6%	54.4%	\$5,088
Sweet Home SD 55	2,586	\$24,662	\$294	\$5,651	\$6,166	4.8%	95.2%	\$9,050
Portland SD 1J	55,688	\$540,173	\$108,957	\$121,704	\$135,043	80.7%	19.3%	\$194,909
Riverdale SD 51J	688	\$6,375	\$1,007	\$1,505	\$1,594	63.2%	36.8%	\$2,410
Falls City SD 57	331	\$3,040	\$121	\$724	\$760	16.0%	84.0%	\$1,160
Tigard-Tualatin SD 23J	13,888	\$138,500	\$10,899	\$30,352	\$34,625	31.5%	68.5%	\$48,609
Beaverton SD 48J	46,997	\$452,607	\$38,364	\$102,710	\$113,152	33.9%	66.1%	\$164,490





Local Option Equalization Grants (ORS 327.333)

- To provide substantial equity in opportunity among school districts in which electors support local option taxes for primary and secondary education
- Provide grant supplements to those districts that enact local option taxes and that have lower property wealth per student

Local Option Equalization Grants (2021-22, \$1,000)

<u>District</u>	<u>Grants</u>
Beaverton	\$1,328.8
Crow-Applegate-Lorane	\$12.9
Hood River	\$589.5
Philomath	\$539.9
Sweet Home	\$213.7
Falls City	\$173.4
State Total	\$2,858.3

Source: Oregon Department of Education





Again Data: Imposed Property Tax – School Districts

(\$ million)

<u>FY</u>	<u>Permanent Rate</u>	<u>% ch</u>	<u>Local Option</u>	<u>% ch</u>
2011-12	1,438.9	1.9%	94.8	11.2%
2012-13	1,457.7	1.3%	86.9	-8.3%
2013-14	1,504.1	3.2%	113.2	30.3%
2014-15	1,581.1	5.1%	134.1	18.5%
2015-16	1,658.0	4.9%	155.4	15.9%
1016-17	1,729.1	4.3%	170.4	9.7%
2017-18	1,809.8	4.7%	185.8	9.0%
2018-19	1,883.9	4.1%	200.1	7.7%
2019-20	1,969.1	4.5%	229.8	14.8%
2020-21	2,060.9	4.7%	239.7	4.3%
2021-22	2,150.9	4.4%	253.2	5.6%
2022-23*	2,258.3	5.0%		
Source: Oregon Dept of Revenue				
*preliminary				



For More Information

- LEGISLATIVE REVENUE OFFICE
- 900 Court St. NE, Room 160
- Temporary location - 255 Capitol St NE (5h floor)
- Salem, OR 97310
- 503-986-1266
- <https://www.oregonlegislature.gov/lro>