OSBA Revenue Reform Advisory Committee Recommendations – Executive Summary

One of the main goals of the OSBA Board of Directors is to promote comprehensive school funding in Oregon with the primary objective of attaining a stable, politically viable, fair, equitable and adequate system of funding public education. To meet this goal, OSBA President Doug Nelson appointed a Revenue Reform Advisory Committee to make recommendations for the OSBA membership to consider for implementation.

The OSBA Revenue Reform Advisory Committee met several times throughout 2016 and reviewed various data, revenue and funding options and proposals. It is the hope of the OSBA Board and the Advisory Committee that the membership of OSBA will discuss the recommendations, and propose any additional changes or modifications through Fall Regionals and similar means. We want to create a plan that can be supported by school board members across Oregon, and encourage support from our elected policy leaders at the state level and the Legislature. Additional details explaining the criteria and following recommendations are presented in the full Revenue Reform Advisory Workgroup draft report.

The initial recommendations of the Advisory Committee, subject to any new input from members, are as follows:

1. Amend Oregon’s Constitution to require the Legislature to provide adequate funding to meet the Quality Education Goals as established by the Quality Education Commission and the Legislature; and

2. Establish a Commercial Activity Tax on all businesses with sales of over $1 million and eliminate the current corporate excise tax system. ( Creates roughly $3.5 billion per biennium); and

3. Increase the Earned Income Tax Credit to 18 percent of federal credit and double the standard deduction for the personal income tax. (Costs roughly $1.5 billion per biennium); and

4. Address cost drivers in the education system (PERS and health care) and eliminate unfunded mandates; and

5. Provide accountability to local taxpayers and policymakers through transparent planning and communications of how new revenues generated would be spent to impact student achievement.

Again, these are recommendations based on the work of the Advisory Committee. If the membership has concerns, comments or would like to see modifications to any of the above recommendations, there will be an opportunity to discuss and provide feedback at your OSBA Fall Regional meetings. At the conclusion of the Fall Regional meetings the Advisory Committee will review all the feedback and make any necessary modifications, then submit a final report to the full OSBA Board for consideration.

The full draft Advisory Committee report can be viewed at: goo.gl/TV5lTk

The 2016 OSBA Fall Regional meeting schedule can be viewed at: http://www.osba.org/Calendar/Events/Fall_Regionals-2016.aspx