

April 18, 2019

RE: Support for HB 3427 – Student Success Act

Chairs Roblan and Smith Warner and members of the committee,

Children First for Oregon represents the interests of Oregon's almost 875,000 children and believes that together, with communities and leaders, we can build a state where all children thrive.

The Student Success Act moves us closer to that goal. Thank you to the committee and the staff for your work, for traveling the state for the past year, and for listening to so many different people. We are at an exciting moment that has been long in the making.

Oregon made the promise to its school districts almost 30 years ago that it would make up all the lost local property tax revenue with state revenue. This has not happened. Instead reports are written to explain how much more money our educational system needs to meet the Quality Education Model with no way to reach that goal.

Advocates and legislators have been working on adequate school funding for decades, and we cannot delay any longer. You have the opportunity to make targeted investments to improve educational outcomes paid for with a dedicated revenue source that can make historic improvements for the current generation of children in school.

The revenue floor for what we need is \$2 billion per biennium, including \$400 million for early childhood programs which will help children be prepared for the K-12 system.

The corporate activity tax being considered in the -1 amendment will allow Oregon to raise adequate revenue to support the investments we need in our schools and move us away from our overdependence on volatile personal income taxes. Oregon corporations have one of the lowest tax burdens of any state - as shown in national reports produced by Ernst and Young. In addition, corporate income tax receipts has dropped as a percentage of the income tax over the last two decades. This amendment asks them to step up and share the burden to help children have the educational opportunities and supports they deserve.

Speaking for early childhood, longitudinal research with control and treatment groups has demonstrated that quality early childhood investments offer a high return on investment that will improve outcomes for children not only entering Kindergarten, but throughout their lives. Research from the University of Chicago puts the yearly return on investment for quality early childhood programs at 13%.

**Together we can build an Oregon where all children thrive.**

Thank you again for your work. Oregon's children need action now to raise the funds to make the difference. Please support HB 3427.

James Barta  
Strategic Director

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