

ALISSA KENY-GUYER
STATE REPRESENTATIVE
DISTRICT 46



HOUSE OF REPRESENTATIVES
900 COURT ST NE
SALEM, OR 97301

August 11, 2020

Timothy G. Sekerak
Chief Clerk of the House
State Capitol Building, H271
Salem, OR 97301

RE: Vote Explanation on HB 4303

Dear Chief Clerk Sekerak,

I voted No on HB 4303, which will draw down \$400 mil from the Education Stability Fund.

I strongly support keeping our commitment to the early childhood and K-12 programs we funded through the Student Success Act and the biennial budget in 2019. Educating our next generation is one of the most important endeavors our state can and should do. With the school year starting under extraordinarily challenging circumstances in a matter of weeks, school and early childhood administrators need the budget adequacy and certainty now.

However, we also need to ensure adequate funds in the 2021-2023 biennium, when tax revenues are expected to drop by \$4 billion - compared to the \$1.2 billion we face this biennium. To keep our education programs and workforce stable, we will likely need to dig into the Education Stability Fund yet again, for an amount none of us can estimate.

Yet here is one thing that we can count on. Disconnecting from three CARES Act tax breaks that flow overwhelmingly to wealthy business owners and corporations would save Oregon an estimated \$225 million over the rest of this biennium, and \$104 million in 2021-2023.

Of the states whose tax codes are connected to the federal tax code the same way Oregon's does, red states such as North Carolina and Georgia, and blue states such as New York and Colorado, have already "disconnected" in order to fund desperately needed services, such as early childhood and K-12 education. We need to do the same.

While I support using some of the Education Stability Fund to fund our education budget, I will not vote to remove \$400 million now when we are giving up \$225 million in desperately needed revenue.

I urged my colleagues to vote NO, to take the time to pass LC 02 to disconnect from three CARES Act tax provisions, and then to *reconsider how much to dip into the Education Stability Fund*. Since HB 4303 passed and the disconnect bill was not introduced in this special session, I urge the Legislature to introduce the disconnect bill in the next special session (which may happen in September) to restore some of the funds that HB 4303 removed from the Education Stability Fund to prepare for hard times ahead.



Sincerely,

A handwritten signature in black ink, consisting of a stylized lowercase 'm' followed by a long, sweeping horizontal line that curves slightly upwards at the end.

Rep. Alissa Keny-Guyer
House District 46, NE/SE Portland



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RE: Vote Explanation on SB 5273

Dear Chief Clerk Sekerak,

I voted NO on SB 5273, the main budget bill.

As to be expected, there are expenditures I strongly support and others I disagree with. I am grateful that education is mostly held harmless, but disappointed in cuts to the Student Investment Account, where school districts and communities co-developed plans to support underserved students.

What's mostly disappointing is what is not included.

I acknowledge the tremendous amount of work by Ways and Means subcommittee chairs and the Tri-Chairs over the past few weeks to try to minimize harmful cuts. However, their task of finding \$1.2 billion by making budget cuts and raiding the Ed Stability Fund was made harder by losing \$225 million this year (and \$104 million next biennium) in CARES Act tax breaks.

At a time when COVID-19, George Floyd's murder, and the Black Lives Matter movement have highlighted the racial disparities in our criminal justice system, health, education, housing, and wealth, we should be working to *close* disparities rather than exacerbate them through tax breaks that go overwhelmingly to wealthy business owners and corporations.

I have fought alongside colleagues for years to pass bills that aim to close racial and economic disparities. In 2020, I supported the bipartisan bill to narrow the racial inequities in home ownership at the cost of roughly \$6 mil. That is not included in this budget.

In 2019 and 2020, our Human Services and Housing Com fought hard for bipartisan bills to help at risk children:

- 1) Child Abuse Intervention Centers
- 2) CASA for foster kids
- 3) Independent Living Program for youth aging out of foster care
- 4) Unaccompanied homeless youth

These combined requests added up to less than \$10 million for this year. While I appreciate that \$1 mil of the \$3 mil request was granted to the Child Abuse Centers, the need is far greater.



Other programs helping at risk kids, such as TANF, in home support for children with disabilities, and Healthy Families home visiting program, all got cut, despite vulnerable, isolated families needing support more than ever under COVID.

These programs would especially benefit Black, Indigenous and People of Color because of their disproportionate representation in poverty, child welfare, homelessness, and lack of home ownership. After all the Black Lives Matter protests, emails, and zoom calls, now is the time to act... and invest.

The main argument not to expand or even to cut these programs is the fear of roll up costs in the next biennium. This was the same response following the 2008 recession, when programs for vulnerable populations were cut and often never restored. *Caseloads and numbers of homeless youth soared.* We must make a long-term commitment to invest in these areas and *expect* roll-up costs, knowing that the cost of prevention is far less than the cost of high caseloads from untreated childhood trauma.

Lastly, there are one-time funding needs not in this budget that could be funded by disconnecting from CARES Act tax breaks:

- 1) targeted support for the truly “mom and pop” businesses hit by COVID
- 2) providing water infrastructure for historically under-served communities
- 3) purchasing distressed motels for COVID-positive patients to be converted into shelters and affordable housing later.

In our next tax and budget decisions, I urge the Legislature to prioritize equity and prevention and do all we can to reverse the decades of growing disparities in our state.

Sincerely,



Rep. Alissa Keny-Guyer
House District 46, NE/SE Portland