



## SENATE MAJORITY OFFICE

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### NEWS RELEASE

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### **Oregon writes a new chapter for its students with Student Success Act**

*HB 3427: Invests in school programs, counseling, educational improvement*

SALEM – Senate Democrats are turning the page on the state’s track record of low graduation rates and writing a new chapter where all of Oregon’s students can succeed.

The Student Success Act – [House Bill 3427](#) – passed today in the Oregon Senate, and now will go to Governor Kate Brown for her signature. The landmark legislation is designed to counter years of disinvestment in public education dating back to passage of Ballot Measure 5 and Ballot Measure 50 in the 1990s.

“This is the culmination of 16 months of work, beginning with traveling across the state to hear what students, teachers, administrators, business leaders and community members have identified as educational priorities,” said Sen. Arnie Roblan (D-Coos Bay), who co-chaired the Joint Committee on Student Success, which authored this legislation. “We listened to people and, based on those conversations, we developed a plan of action. This is a targeted investment in our schools and our kids that this state has never seen before. Every dollar that we collect will go into the classroom, and we have written that into the legislation. The bill requires that all funding goes to hiring teachers and staff and purchasing supplies to serve our students; not for covering PERS liabilities or any other costs.”

The bill includes a transformational plan to provide students and schools with the resources they need to be successful, as well as training to help teachers better serve students. It also includes a dedicated funding package to pay for those elements.

“This is the most significant and historic education bill I have been involved in,” said Sen. Mark Hass (D-Beaverton), who headed the Student Success SubCommittee on Revenue. “It will set Oregon on a new path of longer school years and smaller class sizes and will help students to reach their highest potential.”

Elements of the bill include fulfilling needs that have been identified universally across the state. These include career and technical education, school counseling, longer school years and days, mental health services and making certain that all student populations have access to the resources they need. It also includes opportunities for individual school districts to develop programming that is tailored to their communities’ unique needs. An accountability component in the bill requires regular legislative reports and audits to ensure the money is being invested effectively and state taxpayers are realizing a return on that investment.

“We cannot do enough when it comes to helping our state’s students succeed, and we need to provide the wrap-around mental health and academic supports to ensure today’s young people become healthy and successful adults,” Sen. Kathleen Taylor (D-Milwaukie) said. “This bill provides those supports, as well as strong accountability measures to make sure we are getting the most on these crucial investments.”

Funding will come from a Corporate Activities Tax that will affect only Oregon’s largest businesses. Businesses with less than \$1 million in annual taxable commercial activity will not pay a single penny. For businesses that would be affected, House Bill 3427 sets a \$250 flat tax on the first million in taxable commercial activity and 0.57 percent on taxable commercial activity over \$1 million. Only about 8.6 percent of Oregon’s businesses – 40,000 out of 460,000 operating in the state – will pay anything at all under this structure. The legislation creates a dedicated, stable and adequate funding source for schools without disrupting small businesses and individual Oregonians. Taxpayers will see a reduction in their personal income tax rates and sales on groceries and fuel will not be taxed.

“When we went to Coos Bay as part of the Student Success Committee I was stunned to hear a teacher, fighting back tears as she spoke, tell us that she had read a third-grader’s essay where the child wrote about how, when and why he was going to commit suicide,” said Sen. Lew Frederick (D-Portland), who served on the Student Success Committee. “To hear that kind of talk from any child is tragic, but to hear it from an 8-year-old is over the top. We have reached a crisis point in our state with our education system. Our kids – whether they live in Portland or Salem or Coos Bay or Burns – deserve better. We can do better and, with this bill, we will do better.”

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