

# THINGS TO KNOW ABOUT OREGON'S BUDGET

Right now, economists say Oregon is about \$1.8 billion shy of having enough money in our budget to fund current services for the next two years.

To balance the budget, lawmakers will need to either:

- ▶ Make huge cuts to the programs and services that families rely on, or
- ▶ Find new revenue to fund these critical services.

Even before potential new budget cuts, on average, Oregon schools have the 3rd largest class sizes in the country<sup>1</sup>, as well as the 3rd lowest graduations rate in the country.<sup>2</sup>

Nearly 280,000 Oregonians (roughly 1 in 14) are currently uninsured.<sup>3</sup> That number could rise to 475,000 if Congress repeals the Affordable Care Act and our state does not find a way to protect coverage for vulnerable Oregonians.<sup>4</sup>

In 2015 there were over 47,000 Oregon seniors in poverty, a 22% increase over the past decade.<sup>5</sup> About 17,180 Oregonians are eligible for Oregon Project Independence, a program that provides in-home care and services to seniors and people with disabilities to help them live with dignity and independence. Currently only 1,000 are being served.<sup>6</sup>

Because of the way our tax system is structured, Oregon ranks dead last in corporate taxes in the country when all fees and taxes are factored in.<sup>7</sup>

Oregon is the third largest corporate welfare state in the country. For every \$1 Oregon businesses receive in the form of a publicly educated workforce, highways and other services, those business pay just 80 cents on average. Only two states -- Alaska and Maryland -- have a lower tax-to-benefit ratio for businesses.<sup>8</sup>

In the 1973-75 budget period, corporations paid 18.5 percent of all Oregon income taxes. Today they pay just 6.7 percent, a decline of nearly two-thirds.<sup>9</sup>

Comcast has over \$145 million in unpaid taxes in Oregon.<sup>10</sup> Comcast's unpaid taxes could fund:

- ▶ Oregon Project Independence for 5,000 more Oregon seniors each biennium.
- ▶ Send 5,000 students to community college
- ▶ Pay for lead and radon testing in every Oregon school
- ▶ Fully staff child welfare programs to prevent abuse and neglect

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1. NEA State Rankings Report

2. National Center for Education Statistics

3. Census, Health Insurance Coverage in the United States; Our Oregon analysis of data from American Community Survey, 2005-2014

4. Economic Policy Institute, 2017

5. American Community Survey, 2006 and 2015.

6. Email from Mike McCormick, Oregon Department of Human Services Aging & People with Disabilities Deputy Director, 9/16/16; calculation based on SSI Disability, DHS APD/IDD caseload and OPI caseload for FY 2014.

7. Anderson Economic Group, 2015 State Business Tax Burden Rankings

8. Ernst & Young, Total state and local business taxes: State-by-state estimates for fiscal year 2015

9. Oregon Center for Public Policy

10. Data provided by county tax assessors.