# DAILY EMERALD

Friday, October 5, 1990

## Funding, districts facing change



Third-grade teacher Jan Golick works with Luke Syrios at Edison Elementary School, part of Eugene's 4J School District. The future funding of all state public school could be decided in the November election.

#### School officials fear Measure 5 disaster

By Don Peters **Emerald Associate Editor** 

High property taxes and school funding controversies are nothing new to Oregon residents.

It's been a part of life for a long time. While other states restructured their education systems. Oregon got left behind, relying on archaic means for funding its

In an attempt to combat surging property tax rates, some voters have come up with state Ballot Measure 5. While proponents argue the measure is designed to force lawmakers to come up with an alternative form of school funding, some opponents - including local school district officials, contend Measure 5 could have catastrophic effects if passed.

"If Measure 5 passes, it would be a disaster," said Nancy Heiligman, financial services manager for the Eugene 4J school district. "This just won't impact schools, this will have ramifications throughout the lo-

Measure 5 would limit the amount of property taxes Oregon homeowners pay toward school funding. In five years, that amount would shrink to almost nothing. Any loss of school revenue would have to be made up out of the state General Fund.

Property taxes account for the majority of local school district budgets. Experts and local leaders agree that to be suddenly shut off from that source of revenue could send many school districts into bankrupt-

"Some districts are operating at the breaking point already," said Ahn Nguyen, research analyst for the School Finance office. "Budget-wise, they're at the bare bones. The effect of Measure 5 could be catastrophic."

The measure has received little local backing. The Eugene City Council recently passed a resolution condemning Measure 5. Estimates of financial loss to the city of Eugene in just the first year run between

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### Ballot measures stir controversy in schools

By Joe Kidd

**Emerald Associate Editor** 

Oregon voters will have a variety of political predictions to choose from in November when they decide the fate of Ballot Measure 5, the most recent move in the continuing saga of funding the state's public

Opponents and proponents of Measure 5 are each trying to paint their own pictures of Oregon's future if it passes. Predictions range from a healthy education system with happy taxpayers to financially strapped schools and a rupturing state

Measure 5 calls for a constitutional limit on property taxes, establishing a limit on property taxes collected for schools and a separate lid on property taxes for non-school government operations.

The measure -- the sixth election attempt since 1978 to change the way Oregon's public schools are funded — would set a 1991-92 property tax limit lems, relieve citizens and busi-

for schools at \$15 for every \$1,000 of assessed value. The measure would continue to lower that ceiling over a five year period, resulting in a 1995-96 limit of \$5 per \$1,000.

Property taxes taken for nonschool government operations would be limited to \$10 per

The co-authors of the measure say the move would solve a number of state-wide problems: It would quickly cure the state's school funding prob-

nesses of a heavy property tax load, and distribute education dollars more evenly around the

Meanwhile, opponents say the measure would throw Oregon's budget into chaos, later demanding at least one of several bitter medications to remedy the situation. They claim Measure 5 would strangle the state's school system and result in either higher income and corporate taxes, a sales tax, or

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#### Choosing a child's place of education now up for vote

By Joe Kidd

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**Emerald Associate Editor** 

Two measures on the Nov. 6 ballot have thrown not only the state's system of funding public schools back on the drawing board, but also the very design of the school system itself.

And the move has drawn national atten-

tion as a result.

While property tax-limiting Measure 5 would restructure the way the state funds its public schools, Measure 11 would virtually erase school district boundaries, supplanting current attendance rules and giving tax breaks to those who learn outside the public school system.

Measure 11, on the ballot by initiative

petition, would amend the Oregon Constitution, calling for what is now termed "educational choice" — an open enrollment system that would allow parents to send children to the school of their choice. The measure would also give income tax credit to those who pay for students to learn at secular or religious private schools or those who learn at home.

Because the initiative would make Oregon the second state, following Minnesota, to establish such an open enrollment policy, the measure has received wide-spread

In August The New York Times ran a page-one article calling the measure "The most ambitious plan yet," citing the fact that the Oregon initiative would give a

\$2,500 tax credit - more than twice the size of the tax credit in the Minnesota plan.

Moreover, Vice President Dan Quayle's trip to Salem last week was partly designed to draw attention to the measure. Although Quayle's trip was to provide support to the campaign of Rep. Denny Smith, R-Ore., in Smith's bid for re-election, the vice president also met with about a dozen supporters of Measure 5.

"We know the system is not working." Quayle said. "There is competition in every sector of society except in our school system. There is competition in higher education, and our higher education system is the envy of the world."

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