

Higher corporate minimum tax proposed to cover state education budget

by Bend_Weekly_News_Sources

Governor Kulongoski rallies for increased funding for higher education -- urges legislature to raise corporate minimum income tax and pass his education budget Salem, Oregon -â€“ Yesterday Governor Ted Kulongoski addressed students, faculty, administrators and staff of Oregonâ€™s seven universities and seventeen community colleges and asked for their help to pass his higher education budget, and to raise the stateâ€™s corporate minimum income tax to expand financial aid and the Oregon Opportunity Grant. â€œThe opportunity to afford a higher education has slipped away from too many young people in Oregon,â€• the Governor said on the Capitol steps. â€œAnd at this critical point in our educational system, we should do everything we can to help those with the interest and ability to pursue a college education.â€• The Governor told the crowd that his 2007-2009 budget begins to reverse the years of disinvestment in post-secondary education, starting with a 17% increase for community colleges and 15% increase for public universities. The increased funding would help upgrade classrooms, laboratories, residence halls and reduce student-faculty ratio. The Governorâ€™s recommended budget also includes increasing the Oregon Opportunity Grant through a new financial aid program called the Shared Responsibility Model. The model would be funded by raising the corporate minimum income tax and would help all middle-class Oregonians again afford college.

The corporate minimum income tax is currently set at \$10 a year and has not been increased since 1931 -â€“ when tuition at the University of Oregon was \$78.57 a year. Today tuition at the University of Oregon is \$6,000 a year. â€œThrough the Shared Responsibility Model no student in Oregon would be denied access to college or a professional program because he or she could not afford it,â€• the Governor told the crowd. â€œIf we enact this program, we can ensure everyone who wants to go to college, will go to college.â€• On Tuesday, the Governor testified before the Senate Education Committee to advocate for the Shared Responsibility Model (SB 334). Under the program, the cost of attending college would be distributed between students, their families and the government based on a sliding scale. Students would be required to work full time during the summer and part time during the school year to contribute to their education. Under the Governorâ€™s Shared Responsibility Model, it is estimated that 42,000 students would be eligible for the Oregon Opportunity Grant, which would be phased in over the next two biennia. The average Oregon student would see a \$900 increase in the grant to \$2,103 in 2008-2009. â€œIn order to stay ahead, we need the best-educated, best trained, most-skilled workforce in the country,â€• continued the Governor. â€œBut, to accomplish this, we must again invest in Oregoniansâ€”and that begins with investing in their education.â€• For more information about the Shared Responsibility Model, go to: <http://governor.oregon.gov/Gov/pdf/letters/srmodel.pdf> To read the Governorâ€™s full testimony from Tuesday, go to: <http://governor.oregon.gov/Gov/pdf/letters/sb334.pdf>

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