

## **SB 106 -3 STAFF MEASURE SUMMARY**

### **Senate Committee On Finance and Revenue**

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**Prepared By:** Chris Allanach, Legislative Revenue Officer

**Meeting Dates:** 6/16, 6/18, 6/24

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#### **WHAT THE MEASURE DOES:**

Requires the Legislative Revenue Officer to conduct a study on the interdependence of the state and local tax systems in Oregon. Requires a report be submitted to the legislative interim committees on revenue by September 15, 2026. Takes effect on the 91st day following sine die.

#### **ISSUES DISCUSSED:**

##### **EFFECT OF AMENDMENT:**

-3 Replaces the bill.

Prohibits a county from imposing an income tax where the proceeds are used for the provision of preschool or early childhood learning services that are not aligned with the standards and criteria required of state preschool or early learning programs. Applies to taxes imposed in tax years 2025 or later. Does not apply to a county with a population under 700,000 (as of January 1, 2025). Requires the Governor and the Board of Multnomah County Commissioners to enter into an intergovernmental agreement to establish terms for the provision of how county-funded preschool programs using income tax proceeds shall be phased out by June 30, 2027. Requires such agreement to provide access to publicly funded preschool programs for all children who are at least 3-years-old as of September 1, 2025 but not older than 5-years-old as of September 1, 2027. Takes effect the 91st day following adjournment sine die.

##### **BACKGROUND:**

The Legislative Revenue Office consists of non-partisan staff with expertise on tax and revenue systems. The Office directly supports the work of the legislative committees on revenue.