

January 11, 2017

Word Count 220

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QuickPoint! – Kate Brown’s Math Problem

By John A. Charles, Jr.

For the past 18 months, the Oregon Land Board has been working to sell the Elliott State Forest. The decision to seek buyers was based on the fact that the Elliott is losing money, and it is supposed to be making money for Oregon schools.

At its December meeting, the Board was presented with a firm offer of \$221 million from a private buyer. Instead of accepting the offer, the Board did nothing. Governor Kate Brown said she wants to sell bonds to buy the Elliott so that it remains in public ownership.

The only problem is that the public already owns it. Selling bonds to buy ourselves out makes no sense.

Land Board members have a fiduciary obligation to maximize revenues from the Elliott for the benefit of students. Increasing taxes on the parents of those students to pay off bonds would be a breach of fiduciary trust.

The only way to ensure that taxpayers benefit is to sell the Elliott to private parties and place the proceeds in the Common School Fund, where the investment earnings are shared with school districts.

The two new Land Board members—Treasurer Tobias Read and Secretary of State Dennis Richardson—should work with the Governor to accept the private offer and move on.

John A. Charles, Jr. is President and CEO of Cascade Policy Institute, Oregon’s free market public policy research organization.

