

Today's Education, Tomorrow's Economy

April 14, 2011

Senator Richard Devlin, Co-Chair Ways & Means Committee Representative Peter Buckley, Co-Chair Ways & Means Committee Representative Dennis Richardson, Co-Chair Ways & Means Committee

Dear Co-Chairs Devlin, Buckley and Richardson,

As Board members of The Oregon Idea, a coalition of small business owners, CEOs, community leaders, and alumni of Oregon's Community Colleges and Universities, we are deeply concerned that for the first time in our state's history, the current generation of adult Oregonians is less educated than the generation that preceded it.

The economic crisis facing our state in terms of lagging job creation and declining per capita income compared to the rest of the nation has made it clear that if we want to create long-term economic vitality in Oregon, then we must improve the quality and output of our post-secondary education system.

In addition to implementing the university governance change proposal included in SB 242 we believe the legislature needs to increase investments in post-secondary education this session.

We know that states that invest in post-secondary education are more likely to have a prosperous economy and successfully compete with other states and countries; that is why we were pleased to see that you intend to increase investments above the Governor's recommended budget in three critical funding areas:

- Statewide services funded through the Oregon University System (OUS) including Agricultural Experiment Station, Extension Service, and the Forest Research Laboratory;
- Funding OUS and the Community College Support Fund near or above the Governor's recommended budget; and
- Funding for the Child Development and Rehabilitation Center, nursing, and rural health programs at the Oregon Health and Science University (OHSU).

However, we are concerned that these investment targets do not go far enough and ultimately pit the various interests within the post-secondary community against each other for funding.

We are requesting you identify a minimum of an additional \$32 million in state revenue and allocate it to Oregon's post-secondary system in the following manner:

• \$5 million increase in funding for OHSU: 4.2 million to preserve the six CDRC programs planned for elimination, and the remaining \$800,000 to the School of Medicine which would maintain the ratio of resident to non-resident students admitted each year at 70%.

- \$12 million to restore funding for the Agricultural Experiment Station, Extension Service, and the Forest Research Laboratory within OUS.
- \$15 million to meet the Community Colleges' request to fund the Community College Support Fund at a minimum of \$425 million.

Without identifying additional resources within the Ways & Means process we fear that any advocacy we do on behalf of OUS, OHSU, or the Community Colleges will lead you to target the \$14.2 million increase the Governor has proposed for the Oregon Opportunity Grant Program or the \$714,708,529 allocation the Governor has proposed to fund the University System. Reductions to these programs would be short-sighted for the economic future of our state.

The Oregon Idea recognizes the unique role the University System, the Community Colleges and OHSU each play in providing a qualified, skilled and educated workforce. We are not willing to accept a Ways & Means process that effectively "robs Peter to pay Paul" and in the process puts Oregon's economy at a competitive disadvantage.

In the months leading up to session many of us heard from numerous members that they intended to support investments in post-secondary education as a way to ensure that Oregon can recover from the worst economic downturn since the Great Depression. Based on those conversations we urge you to work with your legislative colleagues to identify an additional \$32 million and allocate it to Oregon's post-secondary education system.

Sincerely,

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Board Chair, The Oregon Idea

Partner, Haglund & Kelley

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