



February 23, 2017

The Honorable Jeff Reardon, Chair
House Committee on Higher Education and Workforce
900 Court Street NE, Room 431
Salem, OR 97301

Chair Reardon and Committee Members:

EDCO (Economic Development for Central Oregon) is our state's largest private, nonprofit economic development organization with six offices in the tri-county area. Serving this part of the state for the past 36 years, we have helped it transition from a group of resource-dependent communities to a diverse and robust region. Establishment and growth of a university here has been a key component of our strategy and top priority for EDCO. It remains so today with the expansion of OSU Cascades, which after more than three decades of work, finally has a campus in Bend.

Expansion of OSU Cascades is also the top priority of other regional efforts including the Central Oregon Business Plan, a partnership with the Oregon Business Council. Several years ago, the Governor's Regional Solutions Team Advisory Board for our region made expansion of OSU Cascades its top priority, including allocating the majority of its discretionary funding from the current biennium.

As state policy leaders and members of this committee, you don't need me to outline the importance of education for a thriving economy. **What I'd like to emphasize is that in our region, you have the opportunity to make an investment that will bear significant returns to the state in the form of personal income taxes.** Personal income taxes comprise more than 80% of Oregon's general fund and are a primary reason that yesterday's revenue forecast was \$200 million better than the December estimate. You may not be aware that our small region of the state comprises less than 5% of Oregon's population yet is generating between 15-20% of the state's growth. That includes growth in overall jobs, population, manufacturing employment and GDP.

In 2016, both *Forbes* and the esteemed Milken Institute ranked the Bend-Redmond area as the #1 small metro in the U.S. for diversified and sustained economic growth. In both studies, education – access and attainment – is a key factor in the rankings. OSU Cascades is mentioned specifically in Milken's analysis of why Bend-Redmond led all other small metros in the nation. An investment through HB 2782, will enable the region's economic engine to continue to make outsized contributions to the general fund through growth of well-paying jobs. **Please support HB 2782.** It is a critical building block for helping our regional economy, and supporting the state's economy as a whole.

Sincerely,

A handwritten signature in black ink, appearing to read 'Roger J. Lee', written in a cursive style.

Roger J. Lee
Executive Director