

Date: 4-26-2017

To: Co-Chair Smith Warner, Co-Chair Monroe, members of the Joint Ways and Means Education Subcommittee

From: Joel Fischer, Senior Policy Analyst, Oregon Business Association, Associated Oregon Industries

RE: HB 5524

Co-Chair Smith Warner, Co-Chair Monroe, members of the Joint Ways and Means Education Subcommittee,

We are committed to finding solutions to Oregon's budget challenge. Polling shows Oregonians are concerned that Oregon experiences structural budget deficits while we enjoy record revenue growth that is outpacing 45 states in America.

First, we need to balance the current budget by slowing the unsustainable growth in state spending. Second we need to grow the economy, then we can consider new revenue in areas that truly move the needle on student achievement and growing the economy.

Growing the economy is the most reliable way to generate new revenue for public services and our universities have an excellent track record of producing graduates and doing research that add value to the Oregon economy.

Every .01% in economic growth generates over \$70 million to the general fund in Oregon.

We need to make progress on issues that are driving the deficit, then consider new revenue for strategic investments that will improve outcomes. Just a few examples of what those important investments are that we need to fund: Early Literacy programs, fully funding Measure 98, expanding CTE and STEM courses, and the universities request of an additional \$100 million in funding.

Joel Fischer, Senior Policy Analyst, Oregon Business Association, Associated Oregon Industries

Joel@oba-online.org