

March 18, 2019

To: Chair and Members of the Joint Committee on Ways and Means Subcommittee on Education

From: Nathaniel Brown, OBI

RE: OBI Testimony in Support of Additional Investment in the Public University Support Fund

Chair and Members of the Committee:

On behalf of Oregon Business & Industry's (OBI) membership of more than 1,600 businesses that employ nearly 300,000 people in the state, thank you for the opportunity to comment on this issue. OBI members value Oregon's public education system and support efforts to establish stable funding for strategic, evidence-based investments that result in measurable outcomes in student achievement.

We believe that the Governor's budget, and the budget released by the Joint Committee on Ways and Means, falls short of the required investments in higher education. That is why OBI supports additional investment in the Public University Support Fund (PUSF) this session. Public universities, students, staff, faculty and the business community are unified in our support for a state budget that funds Oregon's education system, from cradle to career. However, state funding for higher education remains lower today than it was before the Great Recession, even with a prosperous economy.

Without additional support, public universities will face budget shortfalls that will have to be addressed through significant tuition increases and cuts to services, programs and staff. This will close the doors of opportunity for students across the state. We must do all we can to keep tuition increases as minimal as possible. We must also ensure state resources cover the full costs of the state portion of current services, and work to shift the costs associated with PERS increases off students and into the General Fund.

An adequately funded Public University Support Fund is a core component of a robust economy, as employers and businesses depend on universities to produce career-ready graduates who are equipped with the skills and experiences to meet the demands of a changing job market. Additionally, Oregonians with a bachelor's degree have higher lifetime earnings than their counterparts with only a high school degree, and high-demand, high-wage jobs of the future in STEM fields require a college education.

Beyond the dynamic needs of Oregon's workforce, postsecondary education delivers value for Oregonians in undeniable ways. It is a pathway out of poverty, especially for those who come from historically underrepresented backgrounds or are the first in their family to attend college.

Our goal is simple: Any student in Oregon who wants to go to college has access to that opportunity with the support required to succeed once they arrive on campus. We want them to graduate without a lifetime of debt, prepared and trained in critical fields that our economy and businesses need to flourish.

Thank you again for the opportunity to comment on these critical investments for our students, for our workforce and for our state's overall prosperity.

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