

TO: Joint Committee on Ways and Means Subcommittee on Education

FROM: Brent Wilder, President
Oregon Alliance of Independent Colleges and Universities

DATE: April 18, 2023

RE: Increase Investment in the Oregon Opportunity Grant

I am writing to urge you to increase the minimum investment of the Oregon Opportunity Grant for the 2023-25 biennium to \$400 million, the level of investment requested by the three higher education associations and the Oregon Student Association.

Increasing investment in the Oregon Opportunity Grant should be the state's top higher education priority. It is the single most important thing the Legislature can do to increase college access, affordability, and completion and provide marginalized communities with a realistic possibility of social mobility. The Oregon Opportunity Grant is a well-known and proven program that has the administrative structures to efficiently and effectively deliver grant aid to make college possible.

We want you to know that private, nonprofit colleges and universities want to be part of the affordability and competition solution. By partnering with federal and state governments, and using institutional resources, the participation of all sectors in affordability solutions will help ensure that all students, no matter their family income, can attend the college or university that best fits their educational goals.

We appreciate that students choosing to attend private, nonprofit colleges have always been equitably supported by the Legislature and are a contributing partner to Oregon's education attainment goals. [One in three students](#) attending The Alliance member colleges and universities receive Federal Pell Grants and most recent data indicates that [6% of the students](#) that receive an Oregon Opportunity Grant attend a private, nonprofit college or university.

With more than 260 areas of study, The Alliance member institutions confer the following percentages of the state's high-demand undergraduate and graduate degrees, contributing significantly to Oregon's talent pool:

- 46.8% - Health Professions and Related Programs
- 33.9% - Education
- 30.8% - Biological and Biomedical Sciences

The Alliance member colleges and universities also contributes **\$3.5 billion** in economic impact to the state of Oregon. By comparison, this contribution is larger than the entire

utilities industry in the state. The total impact supported 43,396 jobs in FY2020-21. For perspective, this means that one of every 59 jobs in Oregon is supported by the activities of The Alliance member institutions and their students. In addition, an estimated **66% of students remain in Oregon** after finishing their time at The Alliance member institutions.

In return for their investment, students graduating from The Alliance member institutions will receive a cumulative present value of \$3.1 billion in increased earnings over their working lives. This translates to a return of \$3.50 in higher future earnings for every dollar students invest in their education, resulting in a **student average annual rate of return of 12.5%**.

For every dollar invested in The Alliance member institutions in FY2020-21, people in Oregon will receive \$6.90 in added income and social savings, for as long as our member institutions' FY2020-21 students remain active in the state of Oregon's workforce and Oregon taxpayers gain \$929.4 million in added tax revenues and public sector savings.

With low-income students struggling in the wake of the coronavirus pandemic, the urgency of this much needed action is apparent. The Oregon Opportunity Grant is the fairest and most efficient way to get education funding to those who need it most. It's a program that will not only open the doors of college and opportunity to more students, but also addresses the issue of student debt head on. Oregon Opportunity Grants have proven to be the most effective and equitable investment in students. Increasing the minimum investment in the Oregon Opportunity Grant to \$400 million will also increase student access and college affordability, reduce the burden of college debt, help meet students' basic needs, increase access and degree completion, and help the state of Oregon to achieve a post-COVID economic recovery.

I urge you to invest in Oregon's human capital by increasing investment in the Oregon Opportunity Grant. It is in the best interest of our state.

Thank you for your time and dedication to Oregon. I hope that by working together with all the institutions in our state we can strengthen the success and diversity of Oregon higher education and the students we serve.