

## Testimony of Oregon Community Foundation on HB 5025

*Good Morning, I'm Belle Cantor, Senior Program Officer for Education at the Oregon Community Foundation*

Co-Chairs Frederick and McLain and Members of the Joint Subcommittee on Education:

Access and success in higher education has long been a priority for the Oregon Community Foundation. Throughout OCF's 50-year history, we have seen the impact that focused scholarship and financial aid dollars can have on addressing critical affordability barriers for students who face the opportunity gap. OCF's own \$12 million scholarship program awards significant dollars to students who have historically been marginalized from the education system. Approximately half of our scholarships go to students who are the first in their family to attain a post-secondary degree or certificate.

In particular, we urge your support for increased funding for the Oregon Opportunity Grant; continuation and funding of the Oregon Tribal Student Grant; and the funding of the Early Learning Educator Grant, a key strategy to address the shortage of qualified early childhood professionals. In addition, it is critical to invest in the Tech Modernization Project (LEARN) to ensure that accessible and secure systems are in place for students to access financial aid.

Economists are firm on the long-term financial benefits of a postsecondary credential. In Oregon, people with a degree earn 80% more than people of similar race/ethnicity with a high school diploma. While higher education has the potential to improve quality of life and economic mobility, affordability remains a major barrier due to attendance costs and student debt. Higher education is expensive in Oregon. Oregon students pay more in postsecondary tuition compared to their peers nationally, and state tuition costs have increased 58% over the last 10 years compared to 26% nationally. For community college tuition specifically, Oregon ranks 45th among states in terms of affordability.

One of the most common reasons students leave school temporarily or permanently is to earn more money. Extensive national research tells us that every \$1,000 increase in financial aid leads to a 2.5-point increase in graduation rates. These increases in aid shift student circumstances, allowing them to borrow less and/or work less, this leading to higher success rates.

Funding for the state's financial aid programs is a key component of student success in school and life. Thank you for your commitment to Oregon's students, and please consider Oregon Community Foundation to be a partner and resource in this important work.