



April 26, 2023

TO: Members of the Joint Subcommittee on Education

FR: Katie Koenig and Scott Bruun, Oregon Business & Industry

RE: Oregon Business and Industry's Support of Higher Education Investments

Co-Chairs Frederick, McLain and Members of the Committee,

Oregon Business & Industry (OBI) is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

Thank you for the opportunity to offer comments in support of HB 5025. We know that you are making difficult budget decisions this session but hope you will consider supporting Oregon's students and public universities by funding the Public University Support Fund (PUSF) at \$1.05 billion and the Engineering Technology Sustaining Funds (ETSF) at \$31.4 million.

Oregon's employers depend on our higher education institutions to produce a prepared workforce. For Oregon's economy to continue its recovery from the COVID pandemic and subsequent challenges, the state must help students regain pandemic-related learning losses, and we must continue investments in our public universities.

We know that students, universities and employers have greater needs than ever before. Oregon is currently 45th in the nation for per-student state funding of public universities and invests less than half the national average in financial aid per public university student. This level of state support is troubling in the eyes of many Oregon employers.

Employers are facing significant workforce challenges across nearly every sector. One of the most important ways we can invest in Oregon's workforce is by providing our public universities with the tools they need to create a highly skilled workforce to support essential industries. Our universities have made great strides in recent years – and many are national leaders in research and innovation – but we must continue to invest in them to create a diverse pipeline of highly skilled workers to power our economy.

We would also note the critical importance that university engineering and STEM programs play in the state's semiconductor industry and the ability of Oregon companies to successfully compete for federal CHIPS Acts grants.

Finally, we urge you to fully fund need-based aid programs for students in post-secondary programs such as the Oregon Opportunity Grant and the Tribal Student Grants with existing resources. These critical financial aid programs allow students to access higher education and workforce training who otherwise would be unable to consider a four-year degree.

Thank you for supporting Oregon's employers by investing in our students and public universities.