

2013 Session
Joint Committee on
Ways and Means
Full Committee
Date: 4.25.13

Bill #: State Budget
Pages: 40
Exhibit #: 1

Oregon State Bar

**Joint Ways and Means Committee
Tillamook, Oregon
April 25, 2013
Testimony on behalf of the
Oregon State Bar**

I am appearing on behalf of the members of the Oregon State Bar to advocate for adequate funding for the courts, low income legal services and indigent defense, the bar's three budget priorities for the 2013 legislative session:

Provide adequate support for the Oregon Judicial Department.

- Fund the department sufficiently to keep courts fully operational during business hours, five days a week, and provide funds to hire back staff lost over the last two biennia. Hiring back staff will enable courts to meet basic time lines in case disposition and public safety.
- Continue funding for Oregon eCourt, the department's ongoing project to make courts more efficient and to increase access to information.
- Fund the additional three judge panel of the Court of Appeals that was authorized in the 2012 session.
- Address judicial compensation. Oregon's judges are among the lowest paid in the nation.

Support for legal services for low income people.

- Maintain current funding levels derived from state court filing fees that support legal services.
- Use interest on certain pooled escrow accounts to provide additional funds for legal services.
- Establish a 50 percent tax credit for donations to the Campaign for Equal Justice, a private non-profit that raises funds to support legal services.

Support adequate funding for indigent defense services in criminal cases – a crucial part of the public safety system.

- Ensure fair compensation for publicly funded attorneys in the criminal and juvenile justice systems.
- Reduce caseloads for attorneys representing parents and children.

Respectfully submitted,

Bill Sargent

**Testimony to the Joint Ways and Means Committee
Support for the Statewide Public Service
Stephanie Jenck, Oregon State University Student in Crop and Soil Science
April 25, 2013**

Senator Devlin and Representative Buckley and members of the Committee, I am Stephanie Jenck, a Crop and Soil Science student at Oregon State University. I am here today to ask for your continued support of the Oregon State University, Statewide Public Services.

I wear many hats: growing up on a dairy farm, participating in 4H after-school extension programs, following my passion by majoring in Crop and Soil Science, and now offered a job as a faculty research assistant with OSU after I graduate.

There is much to say, but the largest impact of my life came from the very soil laying under our feet today: my family's dairy farm located here in Tillamook. The unique experience of the extension programs through OSU has brought the one dairy extension agent for Oregon- Troy Downing- to Tillamook as he helped provide irrigation efficiency on my family's farm. He brought climate-specific grass varieties to Tillamook and uncovered how my father could produce better feed for our cows.

The Co-Chairs of the Ways and Means Committee addressed a \$7 million shortfall in the Governor's budget by adding \$5.7 million to the budget for the Statewide Public Service Programs. This is a significant and appreciated step in the right direction, but it still leaves us \$1.3 million short of what is needed to provide the same level of services that we are providing.

We are holding the line right now. Holding that one dairy extension agent. Holding the programs the Statewide Public Services are funding. I am not asking for an investment; I'm asking for holding the service one man does for all dairies in Oregon. I'm asking for holding onto programs that drive this Oregon economy and not letting them drift away like pollen in the spring wind.

As I drove into town this afternoon from Corvallis, just to be here tonight, I saw the beauty and progress the Statewide Public Services helped create with the economy in Tillamook- and I was blown away when I realized the great capacity that it doesn't just stop here but reaches all of Oregon.

Please consider funding the Statewide Public Services fully by recovering the additional \$1.3 million needed to meet the current level of service.

Thank you so much for your time and your continued support of the Statewide Public Services.



TILLAMOOK COUNTY PIONEER MUSEUM

2106 2nd St., Tillamook, Oregon 97141 | www.tcpm.org • 503.842.4553

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503-842-4553

director@tcpm.org

April 25, 2013

Dear Oregon Legislative Budget Committee,

I am writing in support of the Extension Service of Oregon State University during the budgeting process.

I have been an OSU Extension Service Master Gardener since 2002. During that time I received excellent training about soil, insect and disease problems, vegetables, tree care, and so much, much more. I was able to apply for and get a job using my MG training at the Tillamook County Pioneer Museum and have been working in the gardens there since 2002. Doing the gardening also led to other positions at the Museum. I also write a gardening column for Tillamook's weekly newspaper, the Headlight Herald, and I have had a book published on *Coastal Gardening for the Pacific Northwest*. The Master Gardeners designed and installed the beautiful gardens at the Pioneer Museum in 2003. They also work with disadvantaged youth at the Trask School, teaching skills the boys can take into life with them. Since the scholarship program was initiated by the Tillamook Master Gardeners in 2005, scholarships worth from \$500 to \$1000 have been granted to over 16 local students to make their college experience a little easier. In a more personal aspect, I met a wonderful and dedicated group of volunteers through the MG program, many of whom have become good friends.

I am also a thrice-weekly participant of the Extension Service's Strong Women Program, which has changed my life. What began as severe osteoporosis has now been downgraded to osteopenia, partly because of this exercise class that focuses on building strong bones.

In a poor, rural community such as Tillamook County, the Extension Service is a life-line to many, from children in 4H, to Hispanic families taught how to use local foods, to people looking to grow their own food, to seniors striving to improve their fitness levels. We simply can't do without them!

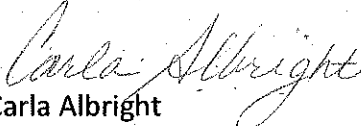

Carla Albright

Exhibit & Program Coordinator



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503-842-4553

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April 25, 2013

To Whom It May Concern;

The Oregon State University Extension Service has been a critical component of the recent successes achieved by the Tillamook County Pioneer Museum. The specific areas I would most like to address are (1) education, (2) infrastructure and development, and (3) seeding a sense of place.

The Master Woodland Manager Program (MWM) provided by the Extension Service to the Museum employees in 2011 was the educational baseline for our stewardship of 200 acres that the Museum owns along Tillamook Bay. In fact, the MWM program actually included field trips to Kilchis Point Reserve and refined practical infrastructure development through a tidal spruce forest and highlighted the environmental and conservation concerns as we proceeded. Further, the direct, on-site academic instruction identified indigenous salmonid species and anadromous species on Doty and Joe Champion Creeks which immediately translated to cash donations for the Reserve's development. The instruction for the forest management substantially improved our overall master plan and the MWM program citations we subsequently included in grant applications enhanced both our funding successes and growing public involvement. Finally, it must be said that our love of Kilchis Point Reserve became quantified and intensified by learning from the very best educators because the Extension Service moves academia to practical application. And for that reason, the Museum, Tillamook County and Oregon continue to benefit. Please know that the Extension Service is where the rubber hits the road.

Please provide the state funding to continue the Master Woodland Manager Program, and please contact me if you have questions or would like to discuss the many other ways the OSU Extension Service enriches our professional and personal lives.

Sincerely,

Gary Albright
Director

TBCC BUDGET SCENARIOS AT VARIOUS COMMUNITY COLLEGE SUPPORT FUND LEVELS*

		\$510M
\$428M	\$460M	<p>SUMMARY: Community Colleges/ OCCA recommended budget (note the legislature allocated \$500M in 2007-09).</p> <p>This funding level with a \$2 tuition increase will advance TBCC 40/40/20 goals.</p> <p>DEFICIT: \$316,000 deficit</p>
<p>SUMMARY: A good place to start and better than the \$395M currently received but will still result in significant tuition increases and program and services cuts. Would negatively impact our ability to reach 40/40/20 goals.</p> <p>DEFICIT: \$486,000 or 10% of the budget</p>	<p>SUMMARY: Would still need to implement a combination of increased tuition and less severe cuts. Would not move us aggressively toward our 40/40/20 goals.</p> <p>DEFICIT: \$421,000</p>	
FOR TBCC THIS WOULD MEAN		
<ul style="list-style-type: none"> • \$5-\$6/year tuition increase • Use \$150,000 from strategic fund • Significant class reductions • Significant reduced access • Significant reductions in staffing and services • Continue furlough days, no cost of living or longevity steps 	<ul style="list-style-type: none"> • \$ 4 year tuition increase • Use 150,000 from the strategic fund • Some classes/program eliminations • Some reductions in staffing and services • Continue furloughs and no cost of living 	<ul style="list-style-type: none"> • \$2 tuition increase • No reductions in staffing • Some limited reductions in contracted services
IMPACT ON 40/40/20		
<ul style="list-style-type: none"> • Diminish ability to meet the 40/40/20 goals • Significant cuts to investments to improve student outcomes and completion; no new investments • Cuts to classes that respond to business needs for a trained workforce; no new investments 	<ul style="list-style-type: none"> • No new investments to improve student outcomes and completion • No new investments to respond to business' needs 	<ul style="list-style-type: none"> • Strategic reallocations of investments to improve student outcomes and completion • Strategic reallocations of investments to improve workforce and economic development

*Currently, \$395M for the 11-13 biennium

Tillamook County



Land of Cheese, Trees and Ocean Breeze

Board of Commissioners
Mark Labhart, Bill Baertlein, Tim Josi
201 Laurel Avenue
Tillamook, Oregon 97141
Phone 503-842-3403
Fax 503-842-1384
TTY Oregon Relay Service

April 24, 2013

Honorable Arnie Roblan
900 Court St NE
S-417
Salem, OR 97301

RE: Support of SB 331

Dear Senator Roblan:

The Tillamook County Board of Commissioners is urging passage of Senate Bill 331 to increase the recreational vehicle licensing split from the current 35%, scheduled to drop to 30% on July 1, 2015, to a 45% share for our Oregon County Parks. The increase in the split will mean a \$90,000 increase in the budget for Tillamook County Parks.

Tillamook County Parks is responsible for over 2,700 acres of park lands. The system provides over 574 overnight RV and tent camping sites at six campgrounds. Recreational opportunities include 21 boat launches as well as ten day-use areas, which provide for passive recreation such as hiking, horseback riding, picnicking, bird watching, and access to rivers, bays and beaches.

Due to budgetary constraints our park system is not funded with county funds. All revenue comes from the vehicle license split, fees charged for camping, and various grants. This has led to a deferred maintenance backlog. Our boat launches, used by boaters from all over Oregon, need grading, seal coating, striping, and signage. The restroom facilities in Pacific City need to be rebuilt. The Trask Park needs a potable water system, play structures for children, showers, and a new septic system. All of our parks need additional sites developed. We also have a dream to build cabins or yurts for the elderly and disabled.

The additional \$90,000 will enable us to do some of the deferred maintenance and increase our camp sites, which will bring in more tourists. The tourist industry is a large part of our local economy; the more campers we can accommodate, the more tourist dollars will be flowing into our local businesses.

Honorable Arnie Roblan
April 24, 2013
Page 2

We would like to emphasize that this is not a new fee but a more equitable distribution of an existing fee. Many of our campsites are used by motor homes and camping trailers. County parks provide 49% of Oregon's combined Oregon Parks and Recreational Department and yet county park campsites only receive 35% of the funding.

We support Senate Bill 331 which has bi-partisan support and passed unanimously out of the Senate Committee on Rural Communities and Economic Development. We also support the Oregon Parks and Recreation Department's budget including their fee increases and SB #7 which would turn the State Fair/Expo Center over to a public corporation.

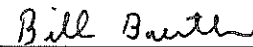
We respectfully urge your support of this bill.

Sincerely,

BOARD OF COMMISSIONERS FOR
TILLAMOOK COUNTY, OREGON



Mark Labhart, Chairperson



Bill Baertlein, Vice Chairperson

Tillamook County



Land of Cheese, Trees and Ocean Breeze

Board of Commissioners
Mark Labhart, Bill Baertlein, Tim Josi.
201 Laurel Avenue
Tillamook, Oregon 97141
Phone 503-842-3403
Fax 503-842-1384
TTY Oregon Relay Service

March 27, 2013

Representative Jules Bailey
House Energy and Environment
Committee Chair

RE: Support of HB 3451

Dear Representative Bailey:

Thank you for providing an opportunity for the House Energy and Environment Committee to consider HB 3451. This bill appropriates \$330,000 during the 2013-15 biennium for the operation of a research vessel in a manner designed to address issues of concern to Oregon scientists and public policy makers. It is an important step toward ensuring that Oregon will continue to play a leadership role in the research and management of our marine environment.

Tillamook County supports this bill for four reasons:

1. Funding research vessel operations assures the continued presence of a federally-funded vessel in Oregon;
2. Maintaining a vessel in Oregon provides over \$3 million in economic benefits that accrue to the central coast and the research community;
3. Federally-funded research vessels provide invaluable scientific information necessary to better understand the changes occurring along the Pacific Coast – changes that affect the safety, environmental quality, and productivity well beyond the territorial sea; and
4. Funding will support an effective opportunity for Oregon students to engage in research and see first-hand the exciting aspects of environmental research.

1. State support will help keep a Federal research vessel in Oregon.

For nearly 40 years Oregon has benefitted both economically and scientifically as from the presence of federally-funded research vessels operated by Oregon State University (OSU). Among those states that operate federally-funded vessels, Oregon is unique: We are the only state that provides no support for the operation of the vessels that are located in our ports. Rhode Island, with a coastline a fraction of ours and a population about a quarter of Oregon's, currently invests \$1 million per biennium to support a federal research vessel operated by the University of Rhode Island.

Representative Jules Bailey
House Energy and Environment
Committee Chair
March 27, 2013
Page 2

As the federal government replaces its aging fleet, the lack of state support places Oregon in jeopardy of losing "our" vessel in favor of other states that contribute to the operation of their vessels. Lack of state support for operations translates to the loss of vessel days. And when evaluating its fleet, the federal government will more likely opt to dry-dock or not replace those vessels that are limited in their operation.

This issue is particularly important now, because earlier this year the National Science Foundation (NSF) recently awarded a \$3 million contract to OSU to design the next generation of research vessel intended to replace the vessel currently ported in Newport. This lucrative responsibility provides Oregon with a distinctive edge when it comes to deciding where to locate this vessel once it is constructed. However, lack of state support for vessel operations may counteract the benefits created by OSU's successful competition for the design contract.

2. Oregon currently realizes well over \$3 million/year in economic benefits as a result of the presence of the vessel in Newport.

The investment of \$330,000 during the 2013-15 biennium will begin a track record needed to retain an enterprise that currently provides over ten times that amount each year to the Central Oregon coast. The research vessel *Oceanus* currently contributes these economic benefits through the salaries paid to its crew, the maintenance contracts needed to keep it seaworthy, the fuel, supplies and other elements that support its operations, and the scientists and scholars who come to Newport to conduct their research. While the operation costs are expected to increase when the *Oceanus* is replaced by the next generation vessel, the return on investment will also increase given the magnitude of the expected economic benefits.

3. Federal research vessels create invaluable knowledge and information important to Oregon's economy, environment, and safety.

Ocean research is vital to all Oregonians, regardless of where we live. Ocean research vessels enable scientists to better understand the short-term and long-term changes in our coastal environment and how these changes affect our ocean resources – fisheries, coastline hazards, and other significant resources.

Ten days of ship time each year would enable a variety of scientific research and observation programs, as well as state agency operations and tasks. These efforts could include:

- Mapping of the sea floor in Oregon's territorial sea and analysis of marine ecosystems as part of proposed marine protected areas;
- Assessments of fisheries in conjunction with ODFW's new Nearshore Strategy; and

Representative Jules Bailey
House Energy and Environment
Committee Chair
March 27, 2013
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- Deployment of instrumentation to support monitoring of the impacts of wave energy systems and marine reserves, etc.

The signs of significant and perhaps long term changes in our ocean ecosystems are now appearing and demonstrate the need for new investments that will ensure the long-term health and sustainability of our ocean and the people who depend on it. If Oregon fails to sustain operations of the Oceanus, it is quite possible that the West Coast leading edge ocean observation, research, and modeling would be conducted solely by the states to the north and south of us.

4. Funding will enable Oregon students to engage in environmental research

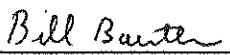
Education in science, technology, engineering and mathematics (STEM) has been shown to be more effective when students are exposed to practical challenges and real-world opportunities. HB 3451 will provide Oregon students enrolled in any public university an opportunity to participate in science-based activities aboard an OSU research vessel. Students will be given advantages in a learning environment that are already provided to thousands of students in states throughout the country. By enabling students to define and compete for research efforts of their own, HB 3451 will create a leadership role for Oregon in the design of new curricula in STEM fields while also providing progress toward the State's 40-40-20 educational goal.

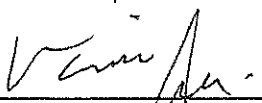
For these reasons Tillamook County urges the committee to approve HB 3451 so that it can be considered by the Joint Ways and Means Committee.

Sincerely,

BOARD OF COMMISSIONERS FOR
TILLAMOOK COUNTY, OREGON


Mark Labhart, Chairperson


Bill Baertlein, Vice Chairperson


Tim Josi, Commissioner

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THE OREGON IDEA

SUPPORTING STUDENTS, COMMUNITY COLLEGES, AND UNIVERSITIES TO BUILD A BETTER OREGON

INVEST IN POST-SECONDARY EDUCATION

Make College Affordable, Improve Oregon's Competitiveness

- 1. Build a path to 40/40/20:** Provide funding to state's goals for career training and college completion.
- 2. Make Tuition Affordable:** Don't make it harder for Oregonians to complete their educations.
- 3. Spawn New Jobs:** Develop a well-trained workforce through research and innovation investment.

Top Priority	Co-Chairs' Budget	Our Request
Community Colleges	\$428 M	\$510 M
Oregon University System	\$737 M	\$798 M
OHSU Education	\$56 M	\$67 M

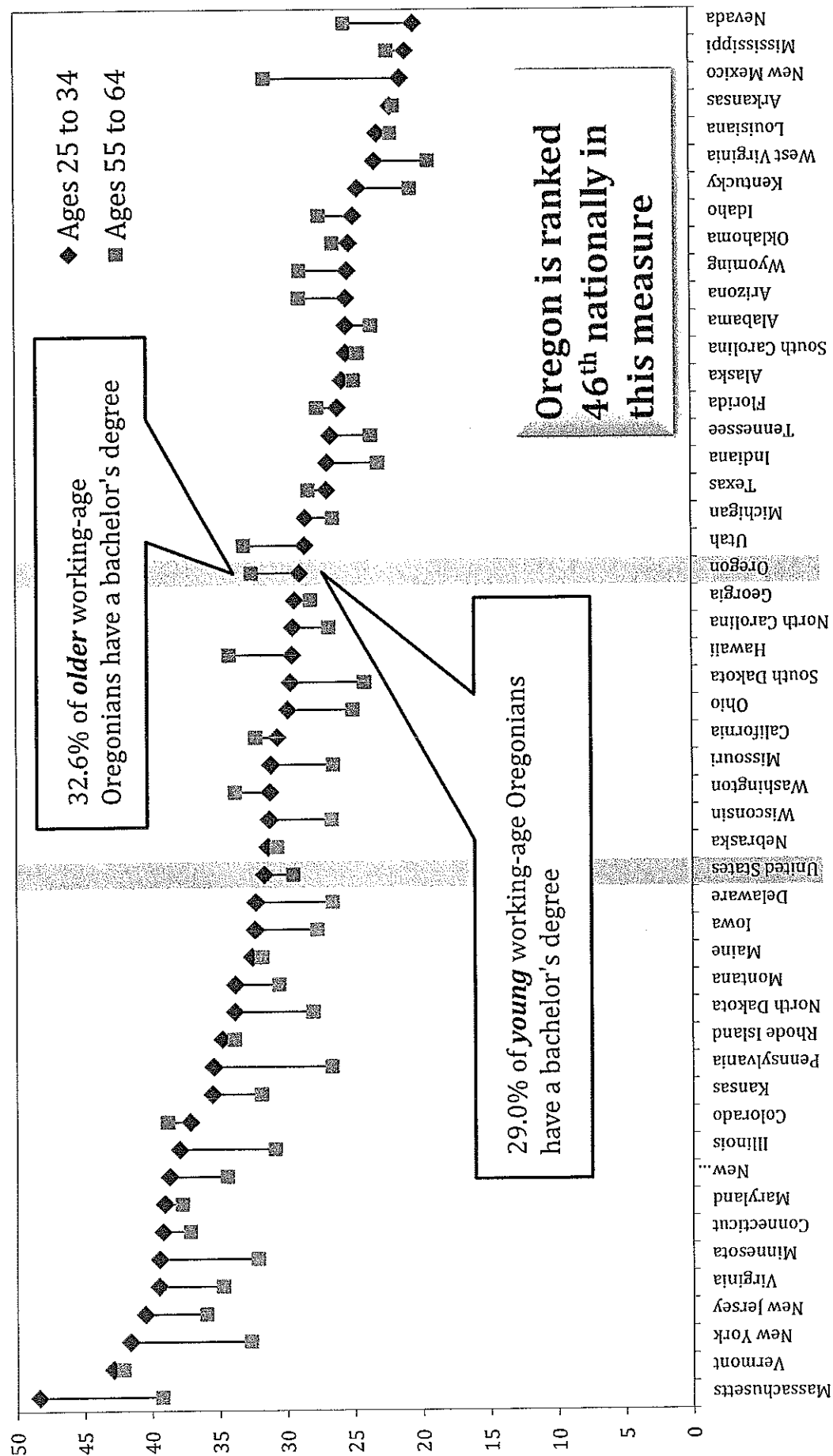
WHY FUNDING IS CRUCIAL

Oregon is approximately 46th in the country in state support of post-secondary education. Students are paying more, working more, and borrowing more to complete their educations. Greater state investment is needed to support our students; our community colleges and universities need state investment to train students with skills tied to real-life jobs and to support research that can grow Oregon's economy in health care, engineering, and high tech.

ABOUT THE OREGON IDEA

For the first time in Oregon's history, a coalition of business and community leaders, students, and alumni of Oregon's community colleges and public universities have come together to ensure that our post-secondary institutions have the resources needed to serve all Oregonians - from all backgrounds and all corners of the state - to meet the challenges and fulfill the potential of a dynamic economy.

Succession planning for our workforce



Source: U.S. Census Bureau, 2011 ACS

Post-Secondary Education in Oregon Facts and Stats

- ***State funding has declined***

Oregon is 46th of the 50 states in funding (per student) for community colleges and universities [Source: SHEEO]. OUS is 44th in per student funding [Source: IPEDS].

Adjusted for inflation, state support per OUS student has declined by 18% since 1990.

- ***Enrollment has climbed***

Enrollment rose 22% at OUS from 2007 to 2011. Enrollment rose 37% at Oregon's community colleges in the same period. These were the largest enrollment gains of any state in the country.

- ***Universities are becoming more efficient***

Our universities are producing degrees at a much lower cost than their counterparts in other states. OUS research universities are 47th of the 50 states in terms of the total costs for degrees produced. OUS regional universities are 45th.

- ***Donors are stepping up***

Support from alumni foundations and donors (of unrestricted gifts) has nearly tripled during the last ten years (+175%).

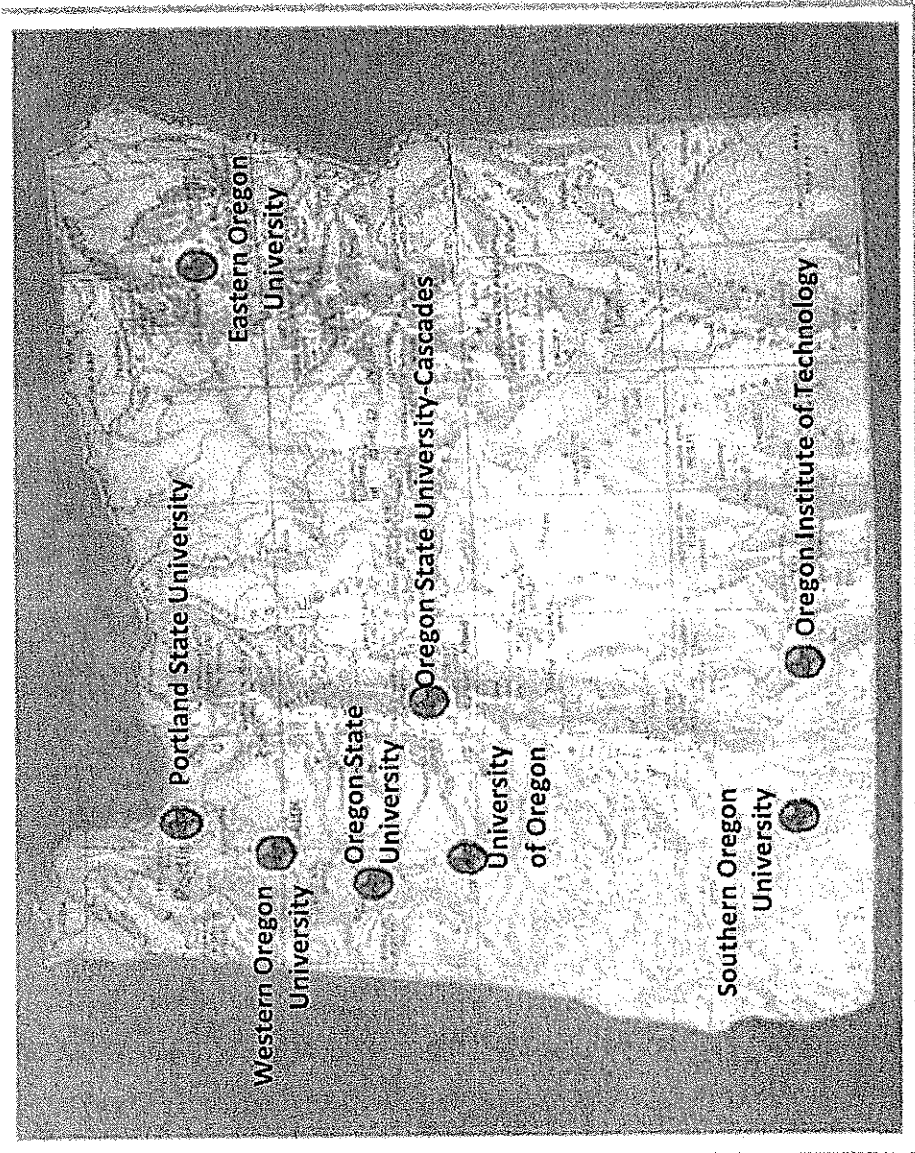
- ***Students are paying more and borrowing more***

Tuition at community colleges and OUS has nearly doubled during the past ten years (+97% OUS, +96% CCs.) Oregonians attending OUS institutions are now paying two dollars in tuition for every one dollar provided by the state. At our community colleges, students are paying fully half the costs.

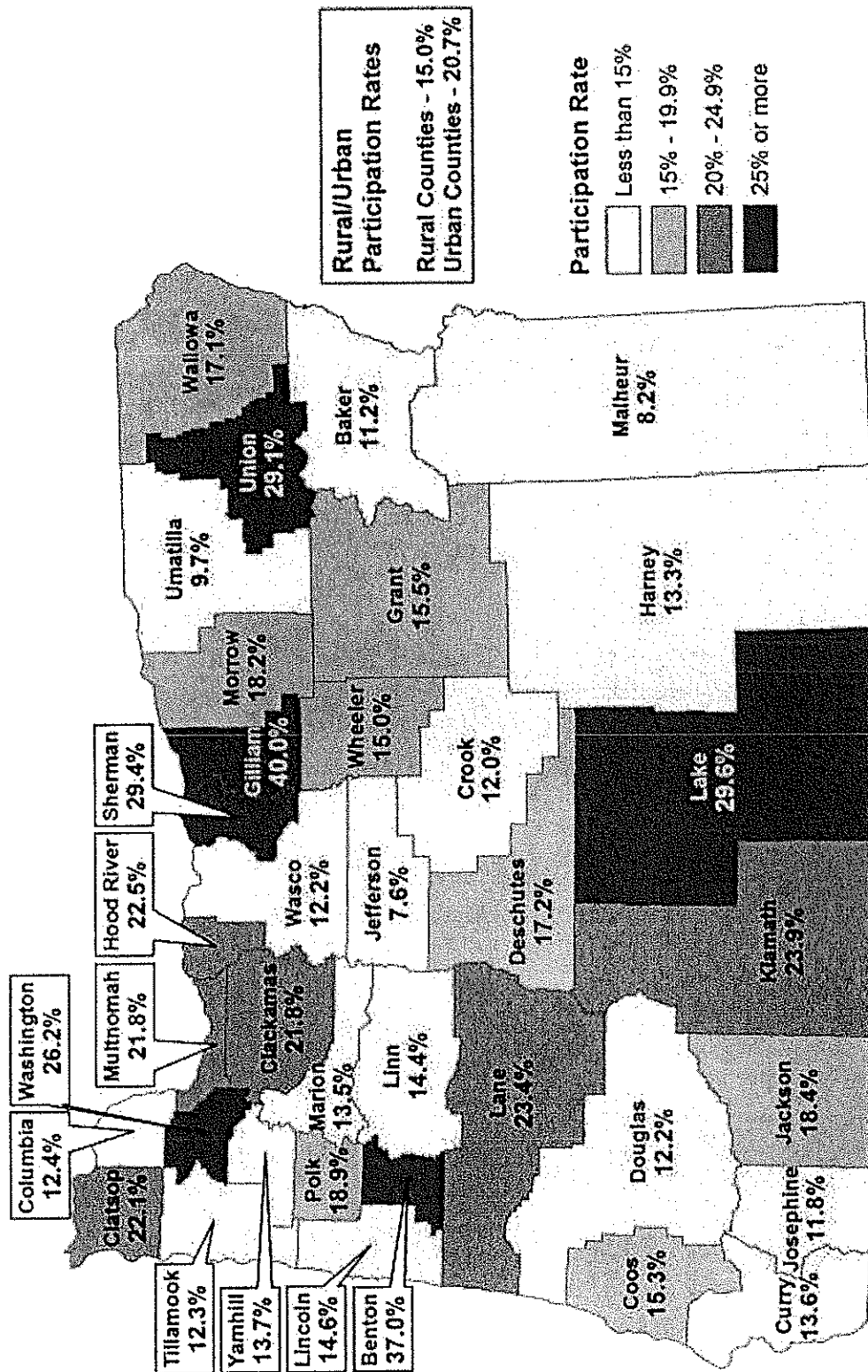
As a result, students are being forced to take on more debt. More than half of OUS graduates are taking our loans to complete their educations and are graduating with an average debt load of \$24,600 (Class of 2011).

We've grown faster than any other state

**Highest 5-year
postsecondary
enrollment
growth increase
(%) in the U.S.
(SHEEO)**



Rural student success: critical to Oregon's economy



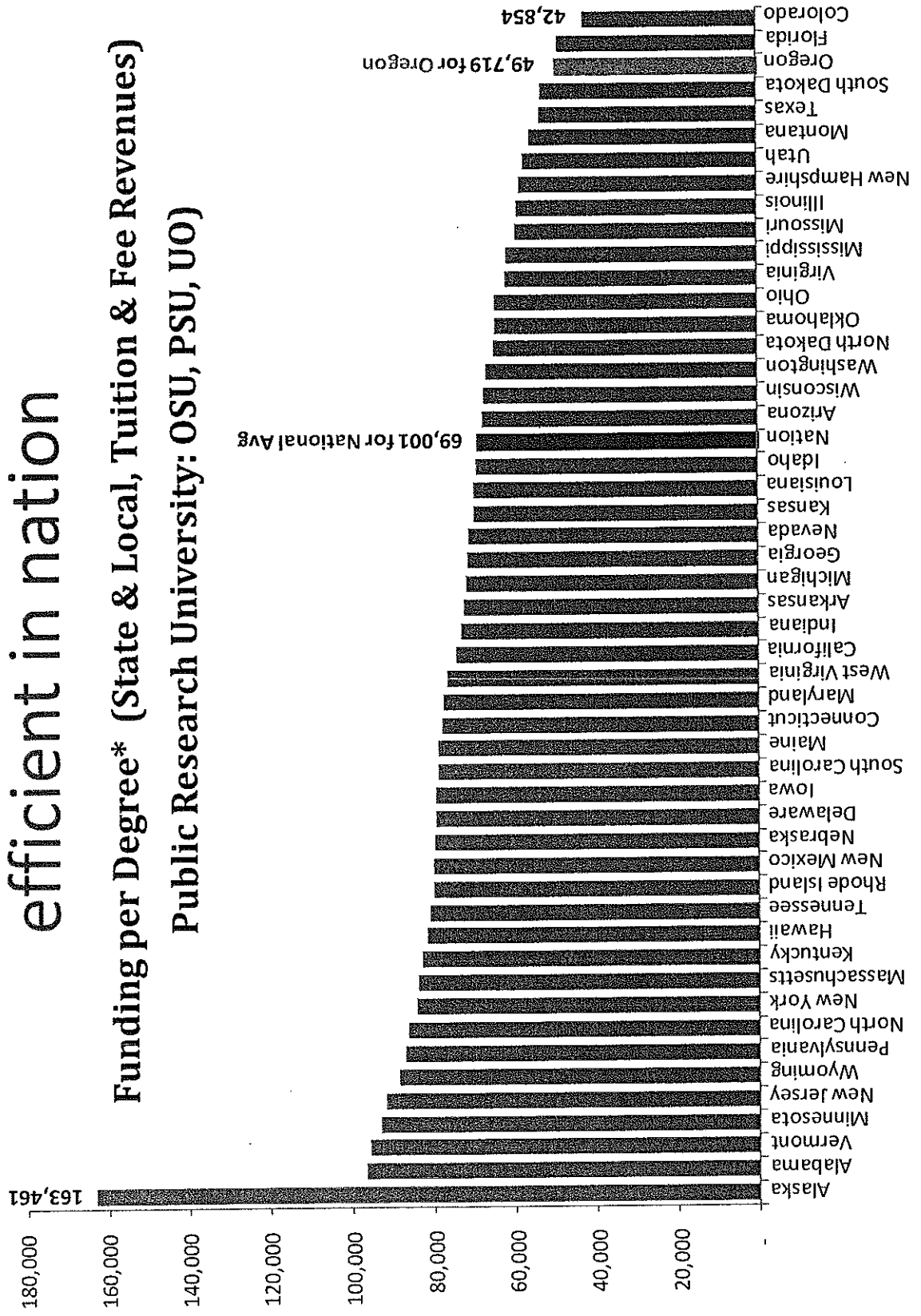
OUS Freshman Participation Rate 2011-12 as a Percentage of Oregon Public High School Graduates, 2010-11

Source: OUS Institutional Research; Excludes home school completers and private high school graduates.

Cost per degree among lowest, most efficient in nation

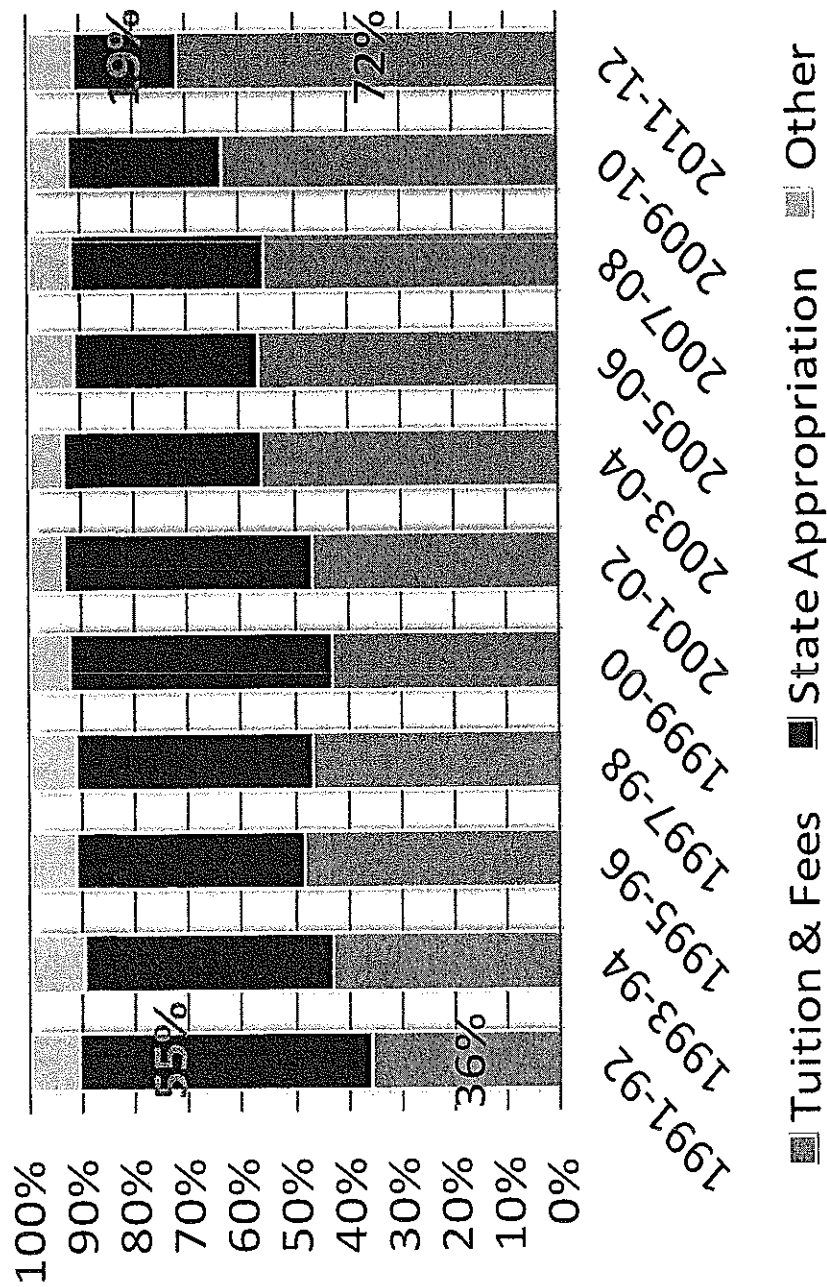
Funding per Degree* (State & Local, Tuition & Fee Revenues)

Public Research University: OSU, PSU, UO)



Student Share of Higher Education Costs is Increasing

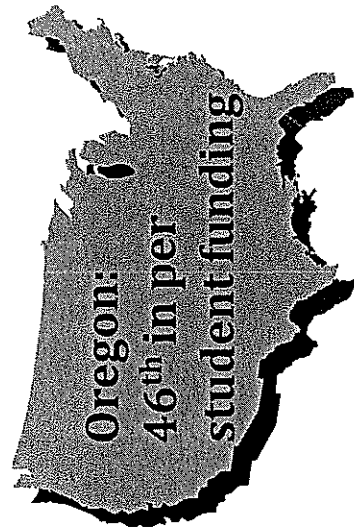
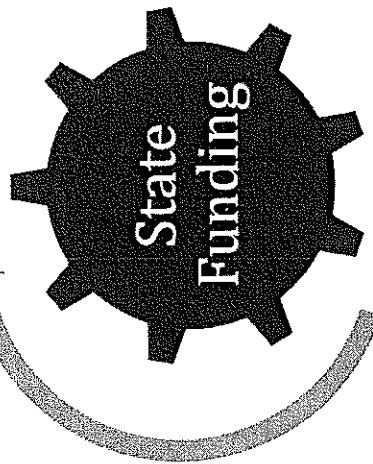
State/ Student Share of Higher Education Costs 1991-2 to 2011-12



State funding and tuition

	2003		2012		Inflation adjusted		2003		2012		% Change		% Change		\$ Change	
Resident Tuition	\$3,170		\$6,237		\$3,857		\$3,857		\$6,237		61.70%		61.70%		\$2,380	
State GF per student FTE	\$4,677		\$3,347		\$5,691		\$5,691		\$3,347		-41.19%		-41.19%		(\$2,344)	
Total	\$7,847		\$9,584		\$9,548		\$9,548		\$9,584							
Cost per student	\$8,868		\$12,505		\$10,790		\$10,790		\$12,505		15.89%		15.89%		\$1,715	

Tuition driven by state funding



Achievement Compact with OEIB - OUS Summary

Campus breakouts can be found on the OUS website at www.ous.edu/factreport/mp/.

Completion	2010-11			2011-12 Projected			2012-13 Targets		
	Disadvantaged Students ¹			Disadvantaged Students ¹			Disadvantaged Students ¹		
	All Oregonians	Minority	Pell Eligible	All Oregonians	Minority	Pell Eligible	All Oregonians	Minority	Pell Eligible
# of bachelor's degrees awarded to Oregonians	11,132	1,063	5,511	11,917	1,138	5,900	12,529	1,196	6,203
# of bachelor's degrees awarded to rural Oregonians	1,487	147	883	1,548	153	919	1,639	162	973
# of advanced degrees awarded to Oregonians	2,976	239	-	2,803	225	-	2,788	224	-

Quality	2010-11			2011-12 Projected			2012-13 Targets		
	Disadvantaged Students ¹			Disadvantaged Students ¹			Disadvantaged Students ¹		
	All Oregonians	Minority	Pell Eligible	All Oregonians	Minority	Pell Eligible	All Oregonians	Minority	Pell Eligible
Employer satisfaction	Future Submission			Future Submission			Future Submission		
Alumni satisfaction	Future Submission			Future Submission			Future Submission		

Connections	2010-11			2011-12 Projected			2012-13 Targets		
	Disadvantaged Students ¹			Disadvantaged Students ¹			Disadvantaged Students ¹		
	All Oregonians	Minority	Pell Eligible	All Oregonians	Minority	Pell Eligible	All Oregonians	Minority	Pell Eligible
# and % of newly admitted Oregon freshmen entering with HS dual credit or other early college credit	3,308	476	1,194	3,321	529	1,189	3,332	532	1,200
	42%	36%	39%	44%	38%	40%	44%	38%	41%
# of bachelor's degrees awarded to transfer students from Oregon community colleges	3,269	384	2,106	3,573	420	2,302	3,748	440	2,414

¹ A student is defined as being disadvantaged per OEIB 705-0010-0040 by being either a member of an under-represented racial or ethnic group and/or eligible to receive a Pell Grant. The Federal Pell Grant is a need-based grant from the federal government intended for undergraduate students who have not earned a bachelor's degree; eligibility is subject to change by criteria set forth by the federal government. For this report, only Pell recipients are counted. Students self-identify both race and ethnicity. Inclusion in the multi-racial category is determined by identification with more than one race and inclusion of one or more of the underrepresented groups. A student may be a member of both an underrepresented minority group and be Pell eligible.

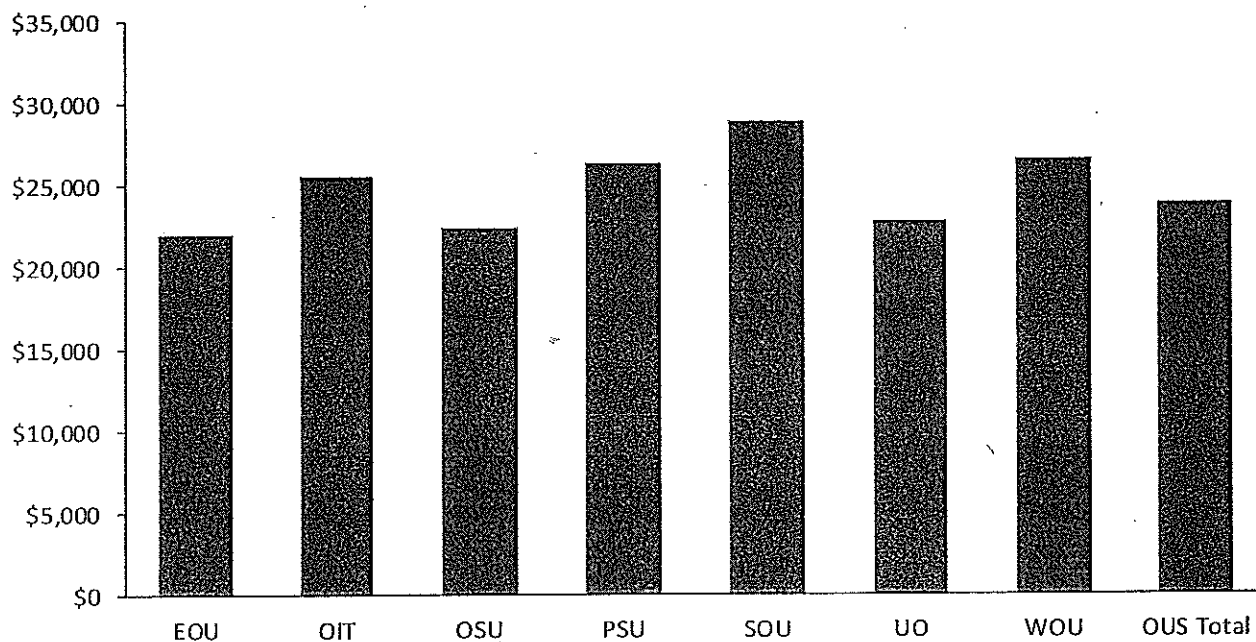
Average OUS Student Debt at Graduation per Borrower Bachelor's Degree Completers¹, Class of 2011

Institution	Average Debt of Graduates	Percentage of Graduates with Debt
Eastern Oregon University	\$21,973	92%
Oregon Institute of Technology	25,546	67%
Oregon State University	22,410	60%
Portland State University	26,287	64%
Southern Oregon University	28,907	72%
University of Oregon	22,736	53%
Western Oregon University	26,504	57%
OUS Total	\$23,839	59%

¹ Only bachelor's degree completers who started at the institution as first-time students are included.

Sources: SOU Common Data Set, OIT & OSU Financial Aid Offices, projectonstudentdebt.org.

Average OUS Student Debt at Graduation

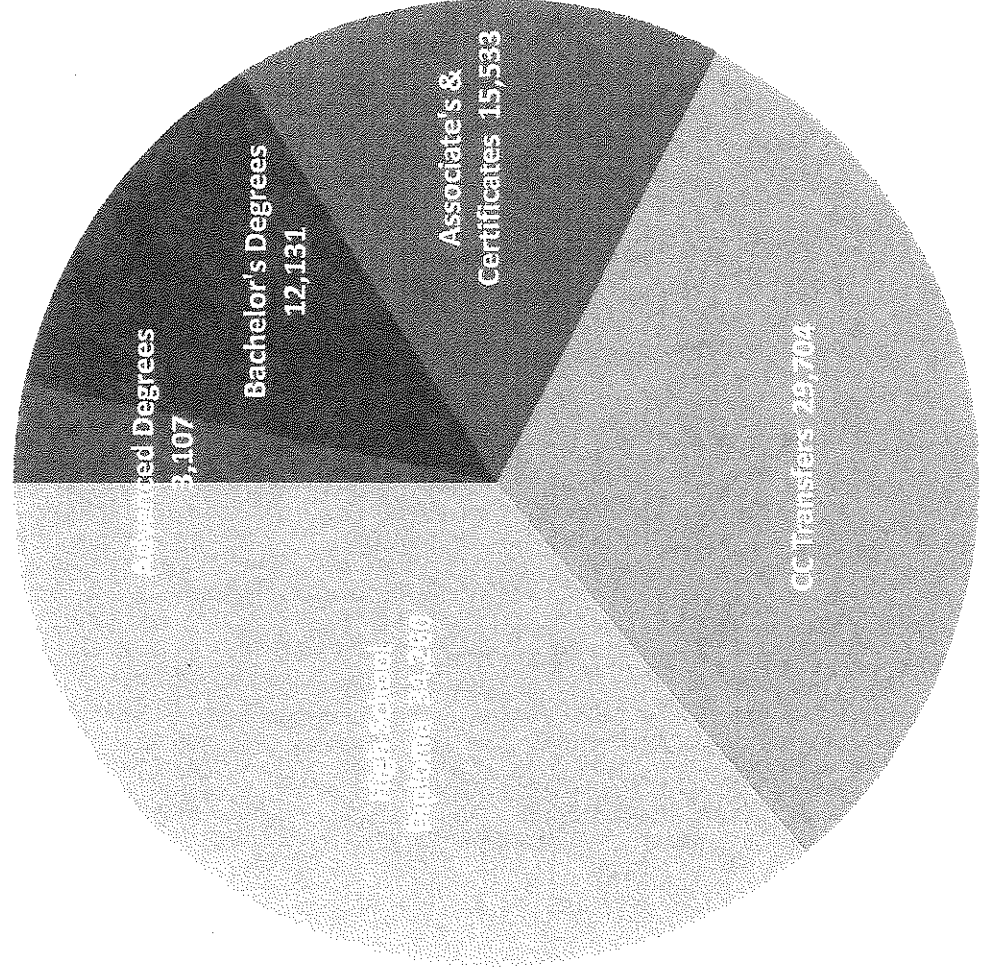




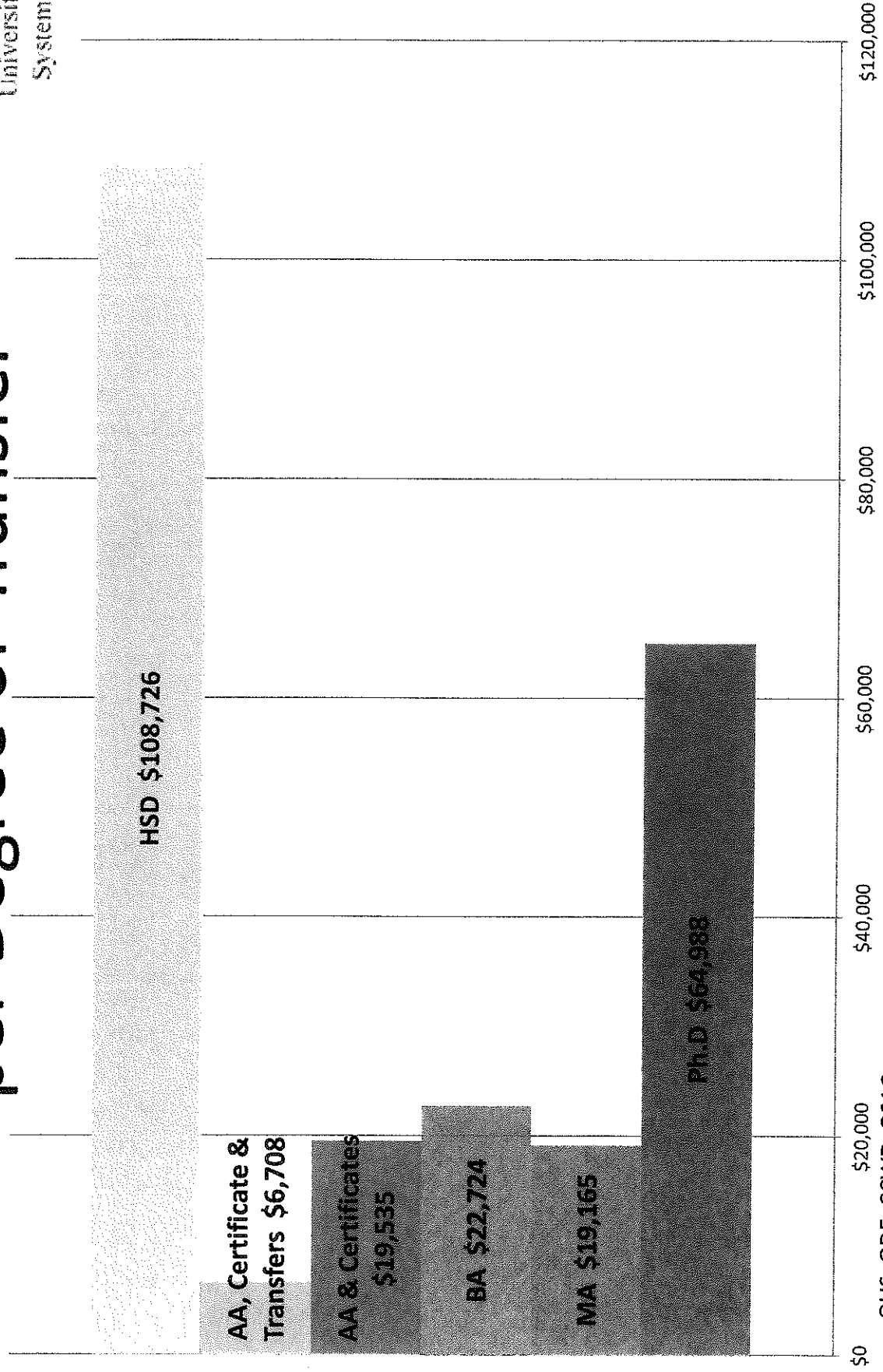
Oregon's Investment & Return from Education

Oregon University System

2011-12 Oregon Degree Production



2011-12 State Funding per Degree or Transfer



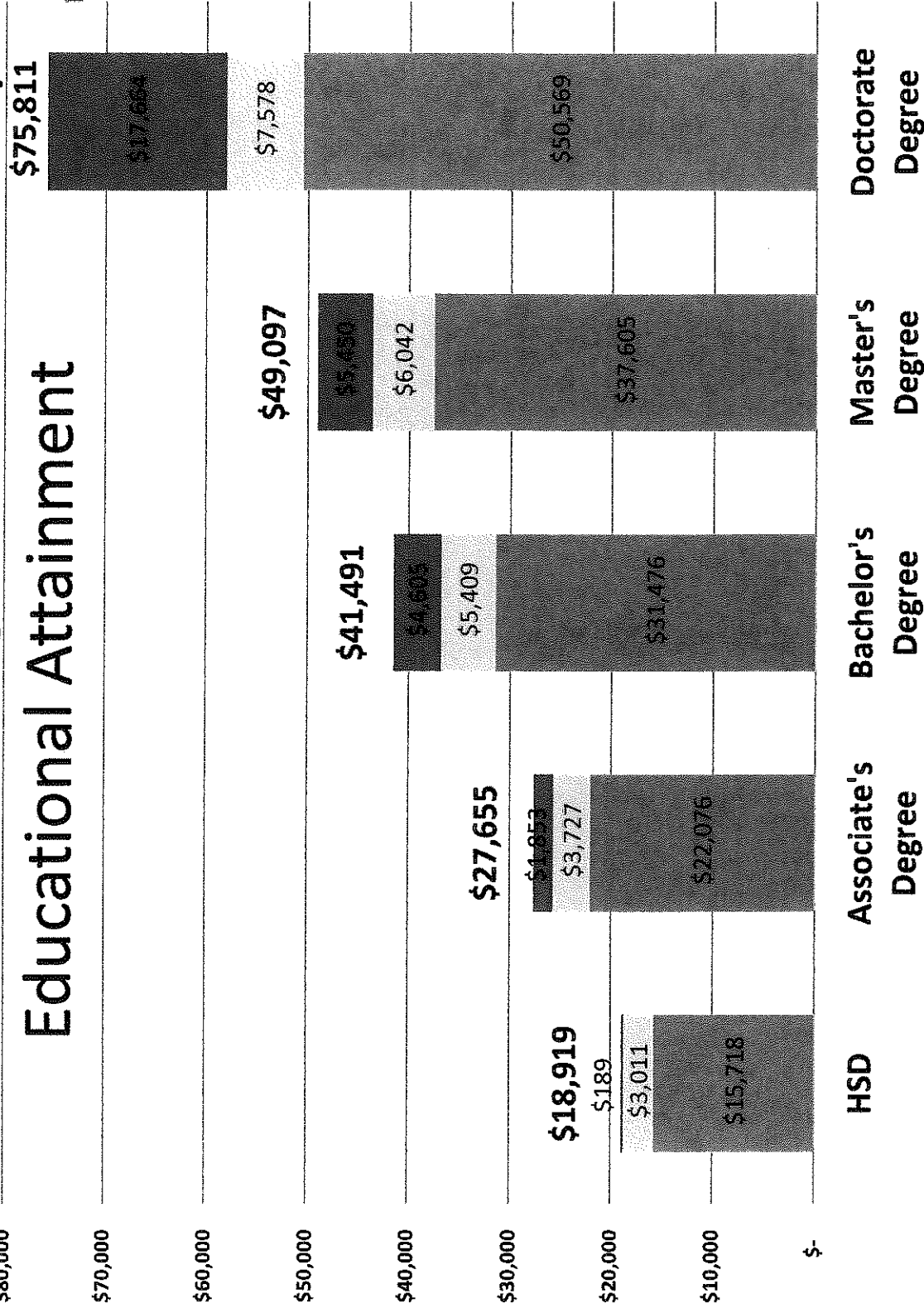
Sources: OUS, ODE, CCWD, OSAC
Legislative Fiscal Office, Budget Highlights 2011-13 Legislatively Adopted Budget

Expected Annual Earnings and Taxes Paid by

Educational Attainment



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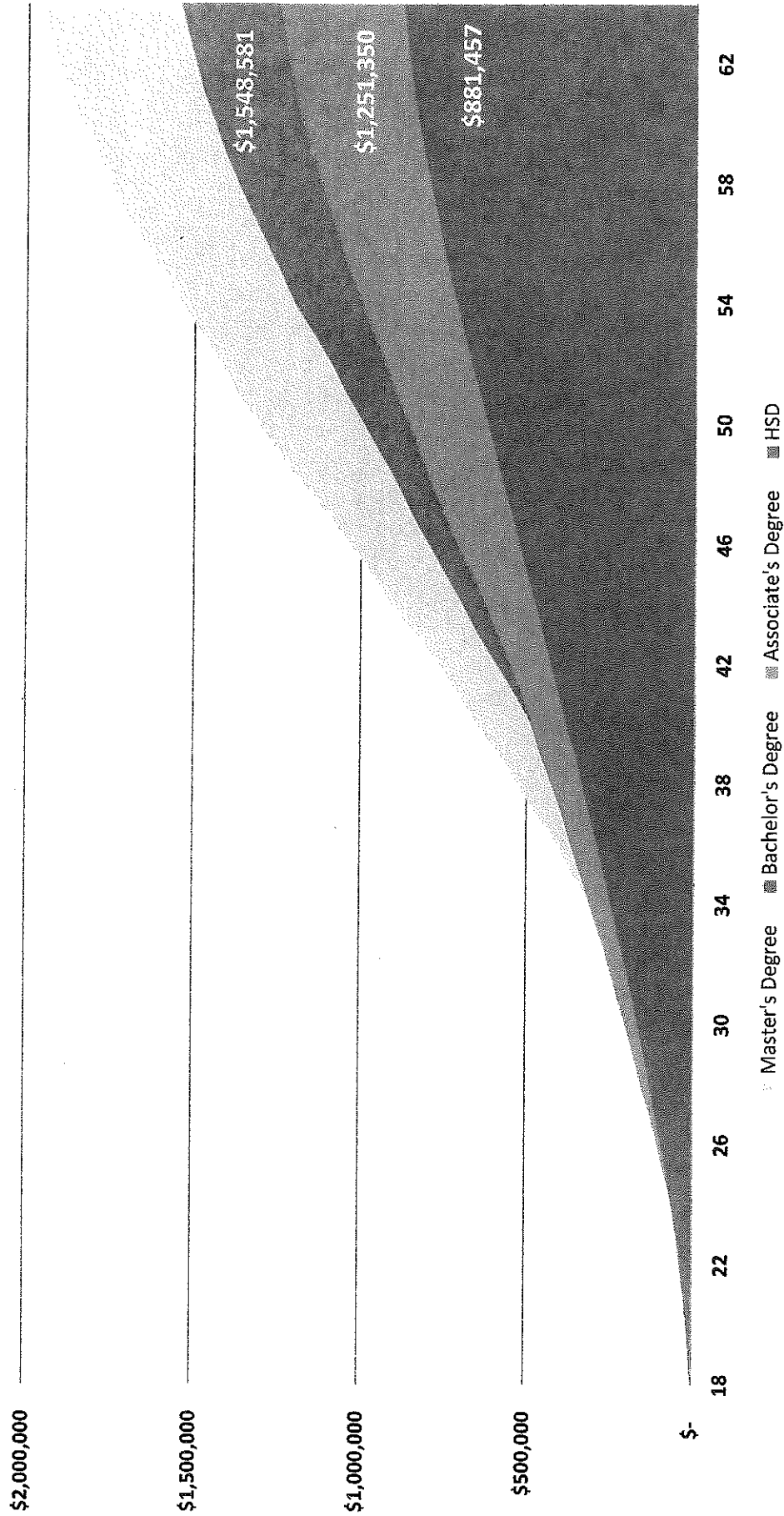


Sources: U.S. Census Bureau, American Community Survey 2009-2011
 Congressional Budget Office, The Distribution of Household Income and Average Federal Tax Rates, 2008 and 2009
 Institute on Taxation and Economic Policy, Who Pays? A Distributional Analysis of the Tax System in All 50 States



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Cumulative Wage Earnings Net of Student Loan Repayment

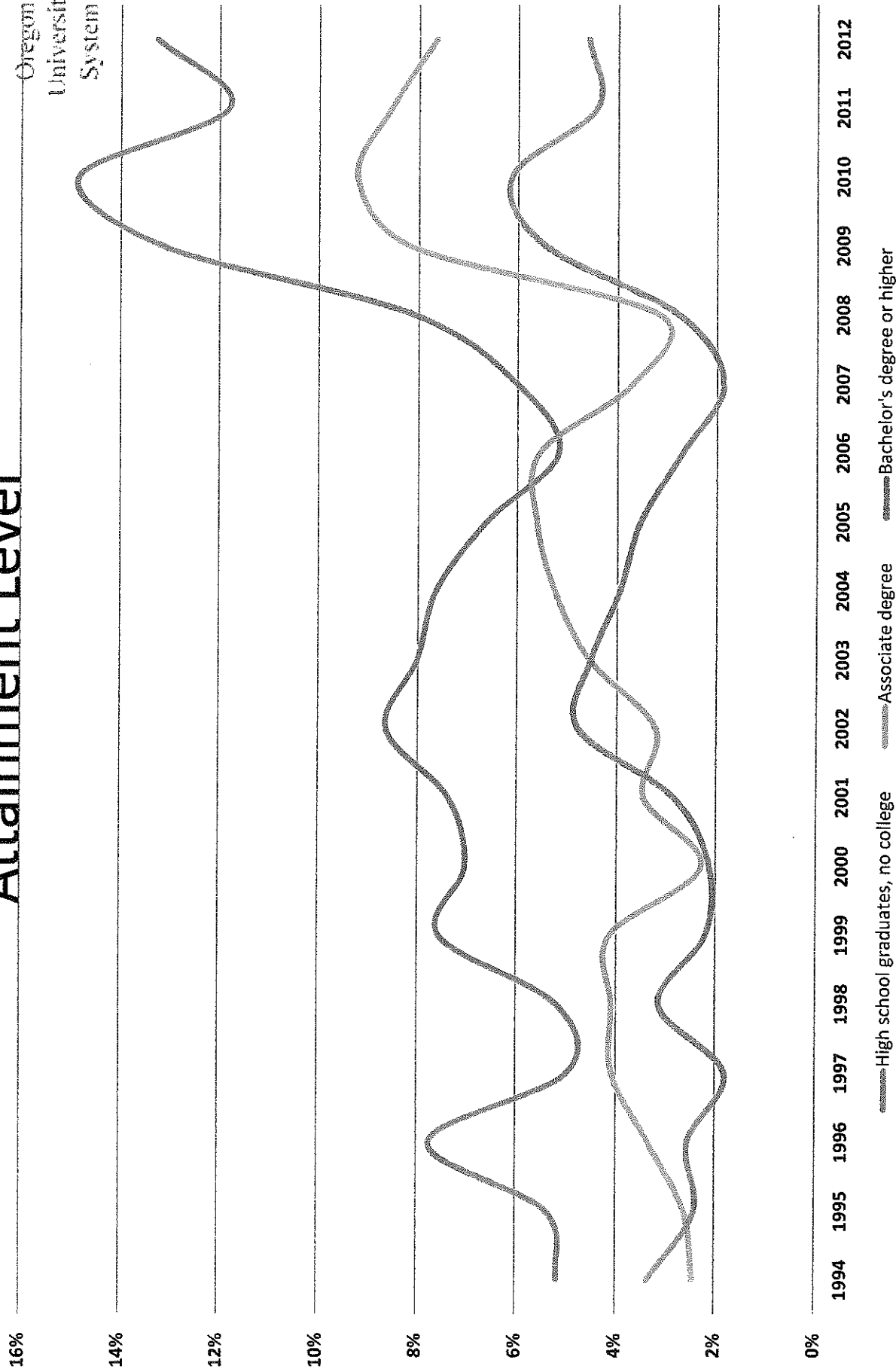


Sources: U.S. Census Bureau, American Community Survey 2009-2011, OUS, CCWD

Oregon's Unemployment Rate by Educational Attainment Level

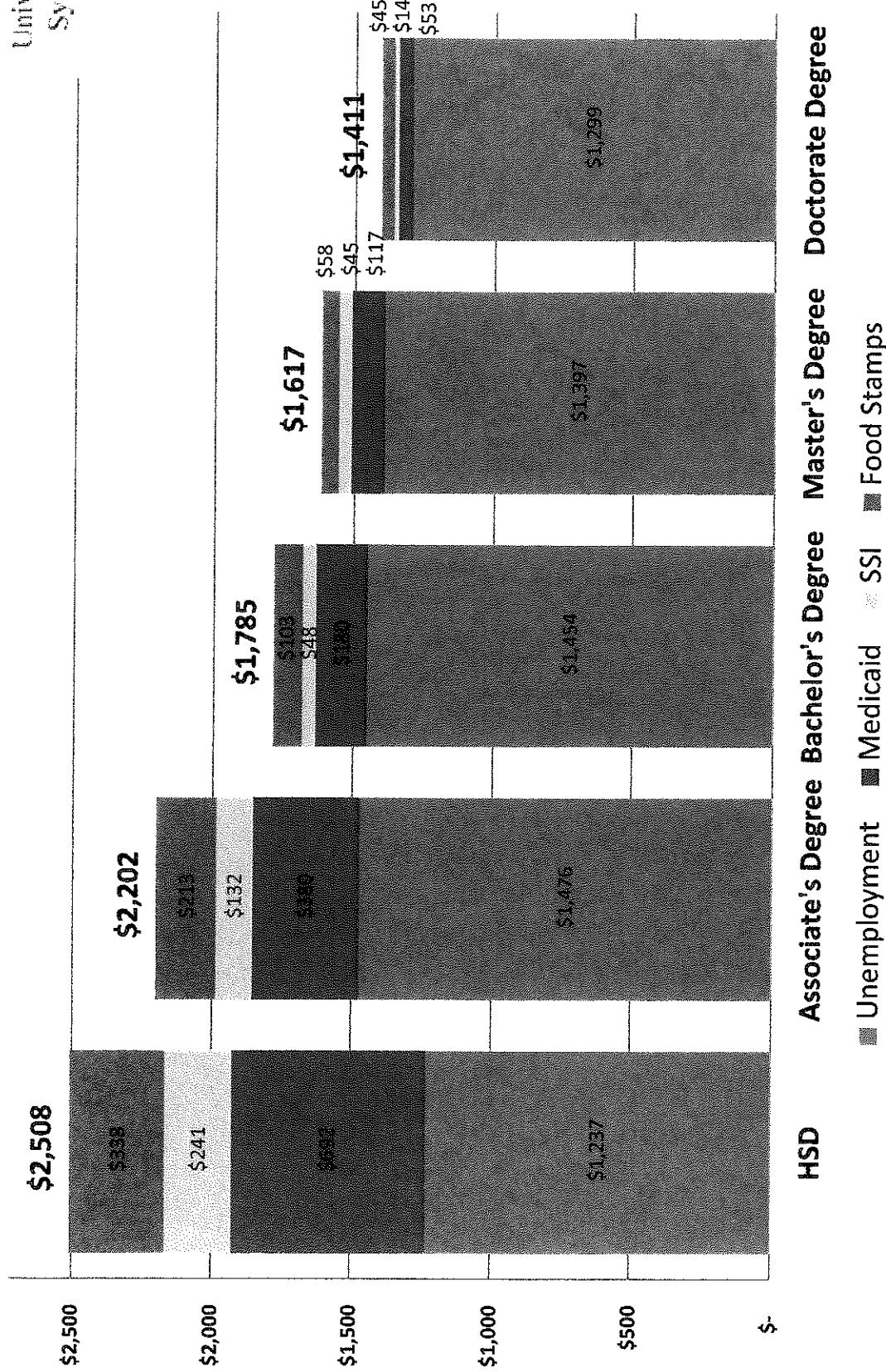


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Sources: Bureau of Labor Statistics, Current Population Survey

Average Annual Social Benefits by Educational Attainment Level

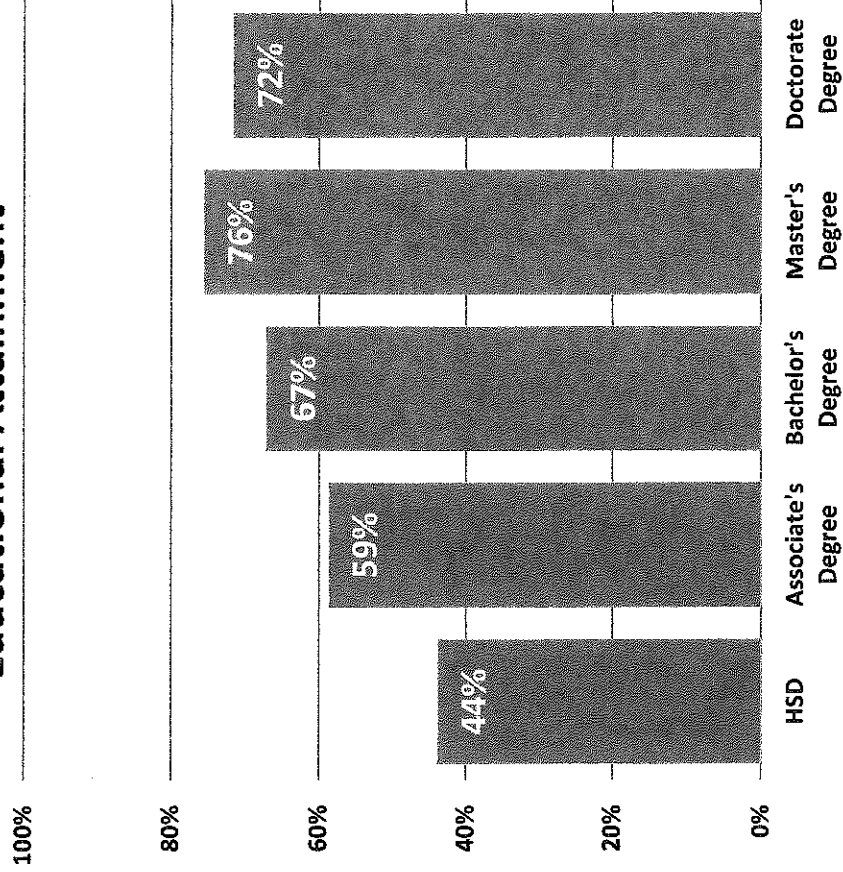


Sources: U.S. Census Bureau, American Community Survey 2009-2011, ORS 657.150, US Health and Human Services, Medicaid Enrollments and Payments, OR, FY 2006-2010 US Department of Agriculture, Supplemental Nutrition Assistance Program

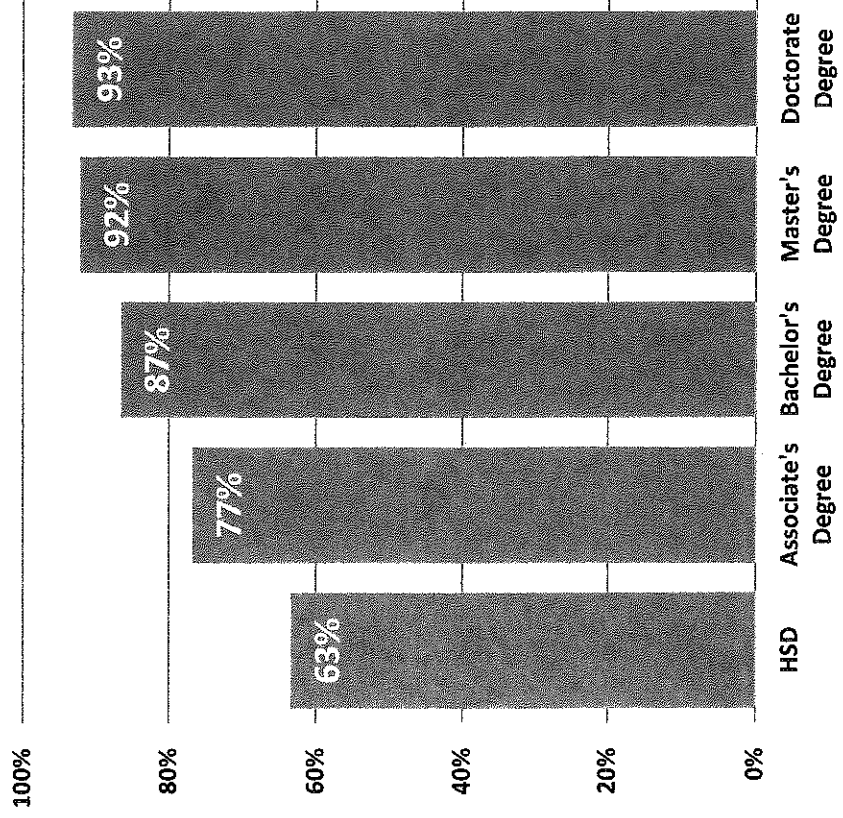
Private Healthcare and Pension Enrollment by Educational Attainment



**Participation Rate in Employer
Provided Pension Plans by
Educational Attainment**



**Private Health Insurance by
Educational Attainment**

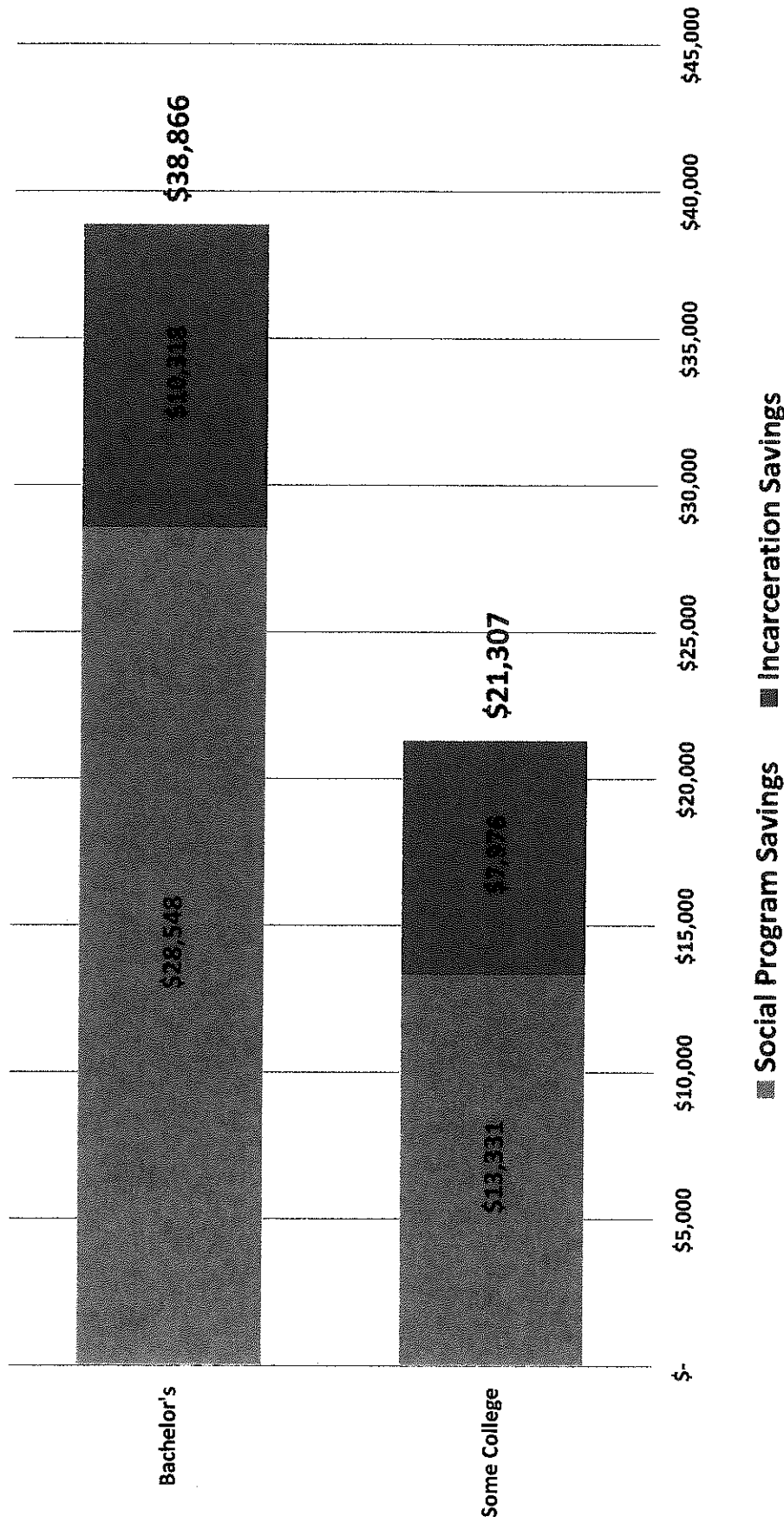


Sources: U.S. Census Bureau, American Community Survey 2009-2011
Bureau of Labor Statistics, Current Population Survey, March, 2012 Supplement



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Expected Lifetime Social and Incarceration Savings in Oregon by Educational Attainment



Sources: Carroll & Erkut, The Benefits to Taxpayers from Increases in Students' Educational Attainment
US Census Bureau American Community Survey Population Profile 2011



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Oregon's Costs and Returns

	State Cost Per Degree	Total Cost to Educate	State Taxes	Local Taxes	Federal Taxes	Social Savings	Incarcer- ation Savings	Volunte- erism	Net Return
HSD	\$ 108,726	\$ 108,726	\$ 21,011	\$ 48,609	\$ 4,369	-	-	\$ 1,849	\$ -32,887
AA & Trans.	\$ 6,708	\$ 115,434	\$ 30,683	\$ 55,452	\$ 42,832	\$ 13,331	\$ 7,976	\$ 3,894	\$ 28,896
BA	\$ 22,937	\$ 131,663	\$ 50,830	\$ 74,198	\$ 106,444	\$ 28,547	\$ 10,317	\$ 5,880	\$ 123,525
MA	\$ 19,378	\$ 151,041	\$ 60,148	\$ 79,515	\$ 125,976	\$ 28,547	\$ 10,317	\$ 5,880	\$ 138,314
PhD	\$ 64,988	\$ 196,651	\$ 84,113	\$ 91,049	\$ 408,299	\$ 28,547	\$ 10,317	\$ 5,880	\$ 410,527

Notes: 26.6% of Social Savings accrues to Oregon, while 99.4% of Incarceration Savings accrues to Oregon.
Sources: Carroll & Erkut, The Benefits to Taxpayers from Increases in Students' Educational Attainment
 Congressional Budget Office, The Distribution of Household Income and Average Federal Tax Rates, 2008 and 2009
 US Census Bureau, Consolidated Federal Funds Report for Fiscal Year 2010
 US Census Bureau, American Community Survey 2009-2011
 Bureau of Labor Statistics, Current Population Survey September 2011 Supplement
 US Census Bureau, American Community Survey Population Profile 2011
 Institute on Taxation and Economic Policy, Who Pays? A Distributional Analysis of the Tax System in All 50 States
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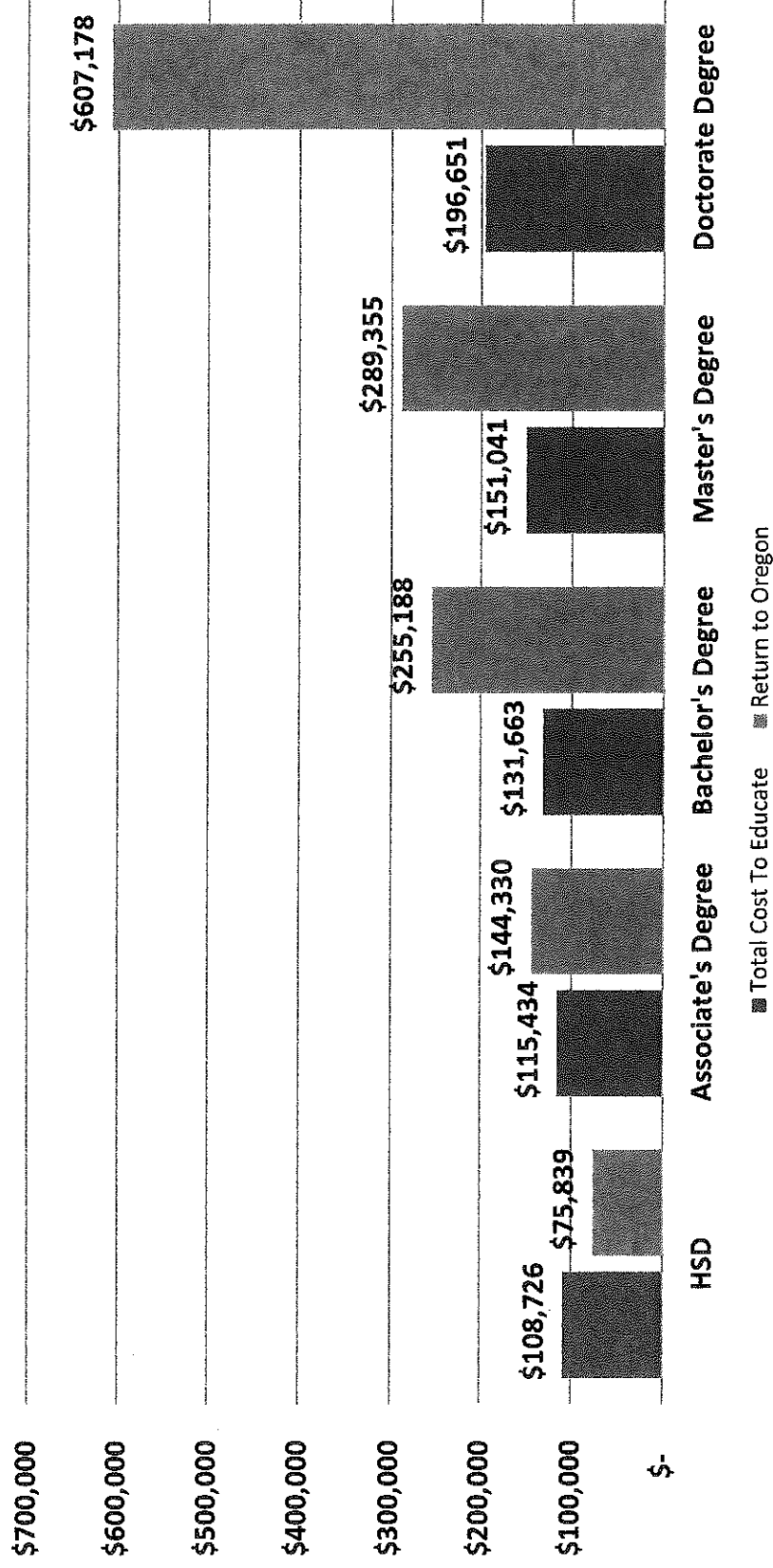
Oregon's Incremental Educational Investment Costs and Net Returns to the State

	State Cost Per Degree	Net Return	Incremental Cost	Incremental Return
HSD	\$ 108,726	\$ -32,887	-	-
AA & Trans	\$ 6,708	\$ 28,896	\$ 6,708	\$ 61,784
BA	\$ 22,937	\$ 123,525	\$ 22,937	\$ 156,413
MA	\$ 19,378	\$ 138,314	\$ 42,315	\$ 171,201
PhD	\$ 64,988	\$ 410,527	\$ 87,925	\$ 443,414

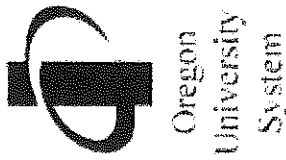
Sources: Carroll & Erkut, The Benefits to Taxpayers from Increases in Students' Educational Attainment
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Oregon's Costs and Returns

Oregon's Lifetime Direct Cost per Degree and Expected Return

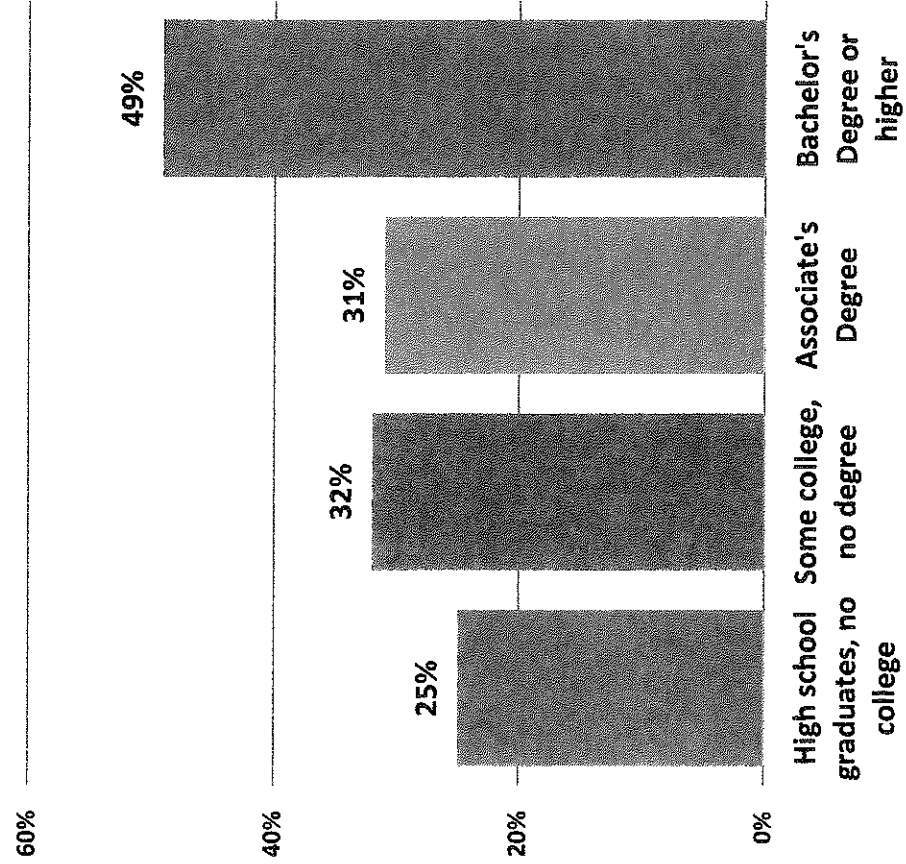


Sources: Carroll & Erkut, The Benefits to Taxpayers from Increases in Students' Educational Attainment
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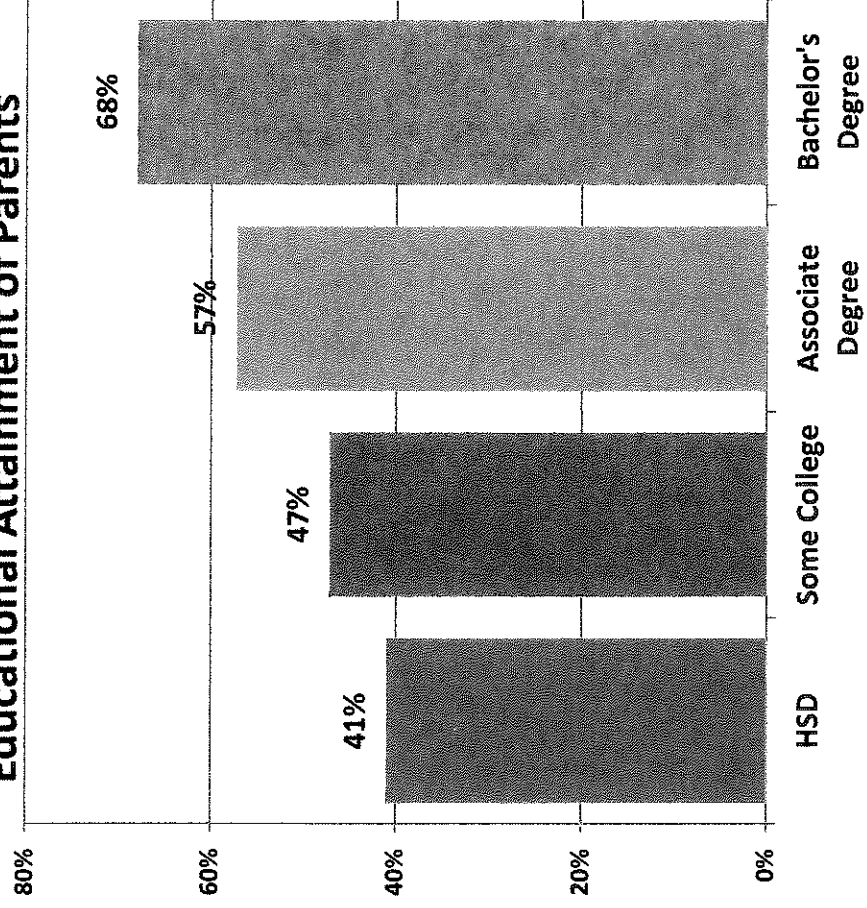


Societal Benefits of Education

**2011 Oregon Volunteerism Rates
by Educational Attainment**



**2010 Children Age 3-5 Who Were
Read to in the Past Week by
Educational Attainment of Parents**



Sources: Bureau of Labor Statistics, Current Population Survey September 2011 Supplement
The College Board, Education Pays 2010



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Additional Benefits to Higher Levels of Educational Attainment

- People with a college education on average...
 - Exercise more
 - Have lower obesity rates
 - Their children have lower obesity rates
 - Smoke at less than $\frac{1}{2}$ the rate of those with only a high school diploma
 - Vote at higher rates
 - Are imprisoned less
 - Have higher job satisfaction
 - Lower rates of poverty



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Oregon public colleges face some of the nation's most staggering financial straits

By Betsy Hammond, The Oregonian

on March 05, 2013 at 9:02 PM, updated March 05, 2013 at 11:15 PM

Against a national landscape of battered state budgets and declining taxpayer support for colleges and universities, Oregon stands out as a place where public colleges are enduring some of the most dire straits in the nation, a new report says.

Since 2007, Oregon's universities and community colleges were flooded with the most staggering enrollment gains of any state: the equivalent of 36 percent more full-time students, according to the report by the Association of State Higher Education Executive Officers.

But higher education in Oregon didn't get an infusion of money, so colleges had to raise tuition, limit financial aid and spend a lot less per student, the report says.

Nearly all states contributed less per-student to higher education in 2012 than in 2007, it noted. But Oregon saw the 10th largest plunge in per-student public support when inflation is taken into account: a 32 percent decrease to about \$3,650 per student, the report says.

Only four states -- Colorado, New Hampshire, Vermont and Ohio -- provided less taxpayer support per student, according to the report. Neighboring Washington, by contrast, chipped in \$1,000 more for every student, and the national average was \$6,500 per student.

One upshot is that Oregon universities and community colleges pack more students into classes and pay below-market salaries to professors and instructors because they have so little money, said Bob Kieran, assistant vice chancellor for institutional research and planning. Per-student, they spend 10 percent less than the national average, the report says.

Another is that students and families are increasingly asked to pay the tab, through rising tuition and fees.

With a 6 percent tuition hike forecast for next fall, students from working-class families are finding themselves shut out of higher education -- something that will hurt not just them but the Oregon economy, said Jim Francesconi, a member of the State Board of Higher Education and chairman of a new higher education advocacy group, The Oregon Idea.

"We are dooming future Oregonians to a high school education because they can't afford college," he said. Referring to Oregon's 40-40-20 plan, he said, "We want 40 percent of our students to graduate from college, and we want another 40 percent to get a degree or certificate from the community colleges. But our policy has been, yeah, let's meet state goals but let's have the students pay for it."

Oregon used to be considered a low-tuition state. But payments from students and their families now average \$6,100 a year across public universities and community colleges, about 20 percent above the national average, the report found. Only 17 states ask students to pay more. Washington students, on average, pay 55 percent as much as students in Oregon.

Part of that is due to Oregon's low rate of state financial aid. At about \$200 per student, on average, it is less than half the national average and one-quarter of what Washington awards.

Paul Zido, a Silverton resident in his third year at Lane Community College, feels that pain. He studies hard and gets good grades. But he has to work 15 to 25 hours a week -- and still ends up unable to afford three meals a day or the textbooks for many of his classes.

Meanwhile, he says, the student resource center has cut back on tutors and the number of books it can lend. "They are becoming less and less available as more students need them," he said.

Oregon Treasurer Ted Wheeler has proposed that the state borrow \$500 million to create a permanent endowment for financial aid that would eventually triple how much money Oregon awards to low- and moderate-income students.

Normally, the state issues such debt only for capital projects.

Wheeler's plan, which has yet to be voted on by any lawmakers, would have to be approved by Oregon voters, perhaps in fall 2014. If approved, it would increase yearly spending on college aid from \$50 million to \$75 million within two years.

Lamar Wise, a University of Oregon junior who graduated from Century High in Hillsboro, said he comes from a middle-class family but struggles to afford rising tuition, housing costs and books. Last year, after covering tuition, fees and books, he ended up having to couch-surf because he couldn't afford rent.

"I had to make decisions between buying my next book or buying food for the week," he said. "I think it's time for a change in the state Legislature."

Oregon State University President Ed Ray has led his university through years with layoffs, furloughs, pay freezes and painful tuition hikes. He's not interested in being pitied and said OSU and other Oregon colleges were able to do smart belt-tightening to insulate students from what could have been worse effects.

But, he said, the pattern of raising tuition and cutting spending must be reversed.

"We are dooming future Oregonians to a high school education because they can't afford college," he said. Referring to Oregon's 40-40-20 plan, he said, "We want 40 percent of our students to graduate from college, and we want another 40 percent to get a degree or certificate from the community colleges. But our policy has been, yeah, let's meet state goals but let's have the students pay for it."

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But, he said, the pattern of raising tuition and cutting spending must be reversed.

"The reality is, we're running out of steam. These trends cannot persist for the next two to four years without doing substantial damage to the universities' ability to meet the educational needs of Oregonians.

"I am hopeful we can figure out a better way forward. ... You look at the numbers, and it's incontrovertible that this is not sustainable. I see a sense of determination in the governor's office and the business sector and elsewhere to turn things in a more positive direction."

-- Betsy Hammond

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From: Lois Fitzpatrick <loisfitzpatrick@yahoo.com>
Sent: Wednesday, April 24, 2013 5:55 PM
To: waysandmeans budget
Cc: Sen Johnson; Rep Boone
Subject: Tobacco Master Settlement Agreement

24 April 2013

To: Sen. Devlin, Co-Chair
Sen. Buckley, Co-Chair
Ways and Means Committee Members
CC: Rep. Boone
Sen. Johnson
From: Lois Fitzpatrick

Dear Co-Chairs and Committee Members,

As your constituent and an advocate for the American Cancer Society Cancer Action Network (ACS CAN), I urge you to include the Tobacco Master Settlement Agreement proposal endorsed by ACS CAN and other leading healthcare advocacy organizations into the Joint Committee on Ways and Means Co-Chairs' Budget.

The investment proposal fulfills the original intent of the settlement agreement, by reducing the cost of tobacco-related disease on the state, in addition to raising the profile of chronic disease in Oregon and putting efforts towards prevention. Specifically, the proposal:

- Invests \$35 million in children's health and prevention
- Invests \$73 million federally matchable dollars to equip community care organizations for success and fund community-based health initiatives
- Invests \$12 million in Oregon's Tobacco Prevention and Education Program

These allocations advance children's health and disease prevention, leading Oregon's children into a brighter, healthier future. The proposal equips coordinated care organizations for success and provides the foundation for Oregon to achieve greater health transformation through community based health initiatives. Significantly, a \$12 million investment in Oregon's Tobacco Prevention and Education Program is also included,

As a cancer survivor, I feel strongly about saving lives and reducing health care costs. When I was 17, I watched my father die of lung cancer due to smoking. The pain he went through was horrible, and I hope that others do not have to suffer. Community care organizations, working towards disease prevention, along with healthier children in our schools and communities, are sound investments for our state government and a win for all Oregonians.

These are important issues to our state and these proposed health and prevention allocations will achieve substantial health care savings and improved health outcomes for Oregon. Please support this policy proposal, so we can build a healthier future for our state.

Thank you,

Lois Fitzpatrick

2335 S. Columbia Street
Seaside, OR 97138
503-440-4496

Sent from my iPad

April 25, 2013

To: Co-Chair Devlin; Co-Chair Buckley; Ways and Means Community Members
CC: Sen. Johnson; Rep. Roblan
From: James R. Becraft, M.P.H., Tillamook County, Oregon

Dear Co-Chairs and Committee Members,

I want to address how I think the Oregon Legislature needs to use the Tobacco Master Settlement Agreement funds.

I testify as a private citizen, a public health worker, and member of the Oregon Public Health Association, supporter of the Lung Association, and as an advocate for robust preventive action against tobacco as the leading cause early chronic disease and death in Oregon and the USA.

For 50 years I have tracked tobacco as a public health challenge. I wrote my first term paper in high school, 1964, about the first Surgeon General's report against tobacco prepared by Luther Terry's team, against the opposition of Big Tobacco (attached is an original copy an original copy of the Report).

Much progress has occurred but we have many miles to go before tobacco as a scourge to American—and Oregonian—health is solved.

Now, for the first time in 10 years, legislators have an opportunity to allocate funds from the Tobacco Master Settlement Agreement toward health and wellness efforts.

In the 1990's millions of us thought master settlement money would applied to prevention. Ironically, very little has. Many of us in public health, indeed, think the money has often been squandered on a national basis, as only 2-3 percent has gone for prevention.

In Oregon, in fact, of the \$1 billion in settlement funds incoming to the State since 2003, not one penny has been dedicated toward tobacco prevention according to the Tobacco Free Coalition of Oregon.

Tobacco costs Oregon \$1.25 billion in annual direct medical expenditures.

Oregon is one of many states that tied up Settlement Agreement funds in ways not envisioned in the settlement. Personally, as a taxpayer I have found this quite disgusting.

But that's all water under the bridge. Oregon now has an opportunity to lead by example as it's doing in some many ways. It can fulfill the promise of the 1998 settlement agreement.

In 2013-2015 Oregon has access to \$120 million in Tobacco Settlement funds.

Here's how I urge you to use them:

1. \$73 million for health system transformation to fund CCO's and community health initiatives to improve health outcomes and leverage federal matching funds.
2. \$35 million for children's health by investing in physical education and school-based health care centers, and encourage healthy behaviors.
3. \$12 million to reduce smoking by investing in the tobacco prevention and education program.

Thank you for visiting Tillamook and for listening to our communities concerns. We could go into the costs of tobacco to Tillamook County specifically, but I have retained a statewide focus, for as you, we are all here as Oregonians wanting to create a healthier state for future generations, and to maintain the excellence we already see in our State.

Thank you for the opportunity to submit testimony.

Regards,

James R. Becraft, M.P.H., Tillamook County, Oregon