

May 10, 2021

To: Co-Chairs Frederick, McLain and Members of the Joint Committee on Ways and Means  
Education Subcommittee  
From: Morgan Beltz & Scott Bruun, OBI  
RE: OBI Testimony in Support of Higher Education Investments

---

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

Thank you for the opportunity to submit testimony on this important issue for Oregon Business & Industry (OBI). OBI is Oregon's largest and most comprehensive business association representing approximately 1,600 businesses that employ more than 250,000 Oregonians.

Investments in higher education are investments in our future workforce and in our state's equitable recovery from the COVID-19 pandemic. OBI urges you to support robust investments in public higher education, including funding the Public University Support Fund at \$900 million, Engineering Technology Sustaining Funds (ETSF) at \$29 million, and the Oregon Opportunity Grant at \$200 million.

Oregon employers depend on our state's public education system to produce a diverse and educated workforce. In order for businesses to thrive and diversify, we need to protect opportunities for Oregon's Black, Indigenous and people of color (BIPOC) communities through an increase in funding for our higher education institutions and need-based aid programs. The pandemic has exacerbated existing inequities for BIPOC, lower-income, and rural students. It is critical that colleges and universities have adequate resources to address these disparities and ensure that all students have access to opportunity. Our businesses depend on it.

Historically, during economic downturns, Oregon has made deep cuts to colleges, universities, and need-based aid programs. In 2020, when forced to balance the budget, the Legislature protected funding for the entire education continuum. I urge you to continue this approach and ensure that investments in students from Pre-K through postsecondary are shielded from disproportionate cuts that will exacerbate opportunity gaps and lead to a lifetime of debt students cannot afford to pay back.

The budget needs of Oregon's education sector are a recipe for an equitable recovery from the pandemic, and budget cuts to higher education would be particularly harmful during this critical time. The willingness of policymakers to commit resources to protect the state's public higher education system may determine whether the impact of COVID-19 is measured in years or in generations, and accordingly, Oregon businesses urge this committee to invest \$900 million in the Public University Support Fund.

We also encourage the committee to fund the ETSF at \$29 million to continue to support student career readiness in STEM fields that are vital to Oregon's economy. Technology is constantly changing which is why it is even more important to continue to fund the Engineering Technology Sustaining Funds to ensure our student have the resources they need for the workforce of tomorrow.

In addition to investments in ETSF and the Public University Support Fund, which will allow Oregon's public universities to keep tuition increases as low as possible, it is critical that our state increases funding for student need-based financial aid. The Oregon Opportunity Grant is Oregon's largest state-funded, and only need-based grant program for college students. Approximately 40,000 students receive Opportunity Grants each year. Funding limitations have meant that the grant is not available to thousands of students who demonstrate significant financial need. Funding for the Oregon Opportunity Grant should be increased to \$200 million in order to provide a realistic possibility of college affordability for Oregon's lower- and middle-income students.

Thank you for serving our community. I know you will be forced to make tough budget decisions this session, and I hope you will prioritize funding for public education, including Oregon's public universities.

Contact: Morgan Beltz, OBI, [morganbeltz@oregonbusinessindustry.com](mailto:morganbeltz@oregonbusinessindustry.com), 503-715-6191  
Scott Bruun, OBI, [scottbruun@oregonbusinessindustry.com](mailto:scottbruun@oregonbusinessindustry.com), 503-720-1329