

Higher Education Coordinating Commission

Office of the Executive Director 3225 25th Street SE Salem, Oregon 97302 www.oregon.gov/HigherEd

April 9, 2025

Co-Chair, Senator Janeen Sollman Co-Chair, Representative Ricki Ruiz Joint Committee on Ways and Means, Subcommittee on Education

Dear Co-Chairs Sollman and Ruiz,

Thank you for the opportunity to answer questions that arose during the **April 8, 2025** Higher Education Coordinating Commission presentation to the Joint Ways and Means Subcommittee on Education.

On slide 270, we interpreted Sen. Frederick's question about federal funding, and research funding in particular, as an inquiry about the importance of federal funding to Oregon's public institutions of higher education. The federal government is a key funding partner, accounting for approximately one-third of all institutional revenue. In FY2022 alone, federal funding totaled \$1.58 billion. Of that total, \$739 million was for student financial aid (i.e., Pell grants and federal loans), \$369 million was for research at the public universities from all federal government agencies including the National Science Foundation, and \$468 million was for other programs (e.g., TRIO, Head Start, etc.).

Separately, OHSU received \$552 million in federal funding during FY2023. That total includes \$81 million for student financial aid, \$370 million for research, and \$101 million for other programs. OHSU also provides significant services to Medicare, Medicaid, and Oregon Health Plan patients. A collaboration with the state for garnering additional federal funding for Oregon's Medicaid program resulted in an additional \$268 million during FY2023. Significant uncertainty at the federal level could have potentially large financial consequences.

On slide 276, Rep. Ruiz asked for details related to the \$4.6 million in new unfunded requirements noted for the community colleges. Collectively, the colleges reported four areas as described below.

- **HB 2740 (2023) PERS/Healthcare costs**: this includes the employer contribution portion of benefit costs associated with part-time faculty.
- **Paid Leave Oregon**: this includes the employer contribution portion.
- **Certified Advocate for Title IX**: recent compliance changes have necessitated specialized training and certification for staff who support victims, as well as training for ensuring continued compliance with related federal regulations.
- GLBA federal compliance: community colleges, as financial institutions, must comply with the Gramm-Leach-Bliley (GLBA) safeguards rule requiring them to implement

comprehensive information security programs to protect student financial records. This includes administrative, technical, and physical safeguards. The FTC updated the Safeguards Rule with amendments becoming effective in 2023. The colleges continue working on implementing some of the technical safeguards from which they were previously afforded a level of flexibility in meeting.

If you have further questions, please do not hesitate to contact Kyle Thomas, Director of Legislative and Policy Affairs, at kyle.thomas@hecc.oregon.gov or at 503-480-9596.

Sincerely,

Ben Cannon

Executive Director