



Oregon

Tina Kotek, Governor

Higher Education Coordinating Commission

Office of the Executive Director

3225 25th Street SE

Salem, Oregon 97302

www.oregon.gov/HigherEd

April 29, 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,

At the **April 29, 2025** hearing on Public Universities, we noted that members had several questions about national context, institutional cost drivers, funding history, enrollment, and institutional stewardship of state dollars.

While HECC did not participate in this presentation, we can nonetheless assist members in answering these questions. We understand the legislative perspective that underlies these questions: the current budget environment is difficult. Institutions have benefited from real dollar state budget increases in recent years, even as their enrollment has mostly flattened or declined. Spending decisions, cost drivers, and institutional efficiency can be hard to monitor or impact at the legislative level.

Generally, HECC agrees with the institutions' assertion that they are underfunded relative to other Western states. We also recognize that state funding has not increased at the rate that would be required to flatten tuition, given cost drivers that institutions only have partial ability to control. We also agree with the observation that even with recent state funding increases, institutions are forced to make difficult decisions to control spending to meet constrained revenue.

However, we also believe that transparency in these factors is important to generate trust amongst legislators and the public that state investment in higher education institutions is appropriately managed and linked to results. We also understand that legislators may want to ensure that the dollars they budget for public universities are going to meet state needs and state goals.

We welcome the subcommittee to invite HECC to analyze any of the issues that arose today, and would be happy to provide a detailed response to any questions you submit to us. 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