

LEGISLATIVE FISCAL OFFICE

900 COURT ST. NE, RM. H-178
SALEM, OR 97301
(503) 986-1828
FAX (503) 373-7807



JOINT COMMITTEE ON WAYS AND MEANS

SEN. KURT SCHRADER, CO-CHAIR
REP. MARY NOLAN, CO-CHAIR

SEN. MARGARET CARTER, VICE-CHAIR
REP. NANCY NATHANSON, VICE-CHAIR

May 15, 2007

Co-Chairs Focus Final Budget Strategy on Higher Education

More Resources Earmarked for Community Colleges, University System

Salem – The Oregon Legislature’s lead budget writers announced today that their top priority in finalizing the state’s 2007-09 budget will be increasing the state’s investments in higher education. The announcement by the co-chairs of Ways and Means, Senator Kurt Schrader (D – Canby) and Representative Mary Nolan (D – Portland) followed a statewide round of public hearings in which nearly 500 Oregonians testified in 10 cities around the state.

“Everywhere we went during our budget tour, the message was the same: find a way to get more resources into higher education,” said Schrader. “Senators and Representatives heard that message loud and clear, and they have worked overtime to find ways to bolster support for community colleges and public universities.”

The initial co-chairs budget, released in March, proposed \$656 million for the seven public universities, including \$33 million more than needed to continue current course offerings. In March, the co-chairs also recommended \$458 million for the 17 community colleges, which provides \$30 million enhancement above this year’s programs. The co-chairs have concluded that an even greater investment is needed to repair the damage done during the last recession:

- More frequent course offerings to help students earn their bachelors’ degree within four years or their associates’ degree in two years
- More technical classes to support training needs for growth businesses like health care, technology, and electronics
- New classroom buildings and laboratory facilities
- Continued support for expanded scholarships under the Shared Responsibility Model
- Improvements in compensation to retain and recruit top-notch faculty

“It’s time to get serious about building truly world-class universities and colleges,” said Nolan, “so future generations have the skills they need to lead Oregon through the challenges that lie ahead.”

The co-chairs announced a balanced plan to bolster higher education programs and to shore up public safety and job creation, while continuing to reserve for “rainy days.”

- more -

Schrader and Nolan proposed the following changes to rebalance the budget:

Oregon University System

- General Support up \$8 million (to \$664 million)
- Statewide Services up \$3 million (to \$107 million)
- ETIC up \$3 million (to \$31 million)
- Other Specified Enhancements up \$1 million (to \$8 million)

Higher Education Capital Construction

- Debt Service/Building Repair up \$25 million (to \$ 81 million)
(supports approximately \$200 million construction/renovation)

Community Colleges

- Community College Support Fund up \$35 million (to \$493 million)
- Health Care Programs up \$2 million

Department of Education

- Headstart (Pre-K) up \$10 million (to \$96 million)

Public Safety

- Judicial Branch up \$6 million
- Defending Criminal Convictions up \$4 million

Economic and Workforce Development up \$5 million

Reserves up \$50 million
(county services, fuel costs, economic uncertainties, one-time revenues)

“Budgeting is about priorities, and education – from pre-school through post-graduate – is our top priority,” said Schrader. “There are some other critical areas in the budget that need enhancing, including human services and health care, and we’re asking the subcommittee to augment these key areas from rebalances and savings found in the human services program area.”

The co-chairs expressed appreciation for the bipartisan cooperation they have received in the Ways and Means committee during the budgeting process, and praised individual Republican members, but expressed frustration with roadblocks erected by Republican leadership that have made it more difficult to fully invest in education, children’s health care, and public safety.

“Our job is to govern responsibly,” said Nolan, “and the hallmark of governing responsibly is making strategic investments to ensure sustained prosperity for our state. Oregon students, businesses, workers, and families are counting on high quality services, and we’re going to deliver them.”