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FOR IMMEDIATE RELEASE

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Joint Subcommittee on Education approves increase to Community College Support Fund, Opportunity Grant

SALEM, Ore. – The Joint Ways and Means Subcommittee on Education this morning (June 1, 2023) approved House Bill 5025 – the Higher Education Coordinating Commission (HECC) agency budget – which as amended allocates an increase to the Community College Support Fund (CCSF) for the 2023-2025 biennium. The bill proposes funding the CCSF at \$800 million, which is an increase of \$97 million above the 2021-23 legislative adopted budget. It also includes a \$100 million increase to the Oregon Opportunity Grant, the state's primary need-based financial aid program, bringing that budget to \$308.4 million, as well as funded the Oregon Tribal Student Grant on a continuing basis at \$24.2 million.

The HECC had requested an \$855 million allocation to the CCSF – what colleges consider to be the true current service level – plus an additional \$50 million in one-time transition funds to support colleges as they adjust to lower enrollments and revenue post-pandemic. Oregon Community College Association supported that recommendation, as well as advocated for a \$200 million increase to the Oregon Opportunity Grant.

In January, Gov. Tina Kotek's Governor's Recommended Budget (GRB) proposed allocating \$748.8 million to the CCSF, while the co-chairs' budget from the Joint Ways and Means Committee originally penciled in \$744.9 million. The higher-than-expected revenue forecast released in May gave legislators more funding to work with.

"We're very appreciative of the proposed increase to the CCSF and the Oregon Opportunity Grant approved this morning by the Joint Subcommittee on Education," said Karen Smith, Interim Executive Director of the Oregon Community College Association (OCCA). "This increase demonstrates a commitment from legislators to supporting the needs of community colleges and their students.

"A funding level of \$800 million still falls short of what the colleges truly need to continue to support students and communities at the same level of service. Community colleges are recovering from pandemic enrollment and revenue declines, and student basic needs are greater than ever. Many colleges will need to make program and service reductions at this funding level, but the increase is a step in the right direction."

To fill the gap, colleges could face programmatic and service cuts while placing even more pressure on tuition, even as enrollment across the state is now trending upward. Community colleges have reached a critical point where further decreases in funding are unsustainable. The pandemic has exacerbated the challenges faced by students, particularly in terms of mental health and basic needs. These challenges persist even as colleges emerge from the pandemic, and community colleges must have the capacity to



support students in their pursuit of skills and knowledge for success. Community colleges need the capacity to support these students as they strive to improve their economic mobility and contribute to their local workforce. Sufficient state funding is critical to ensure the success of these students.

The CCSF funding in HB 5025 did not include the \$50 million in one-time funds colleges requested to continue transitioning to pandemic enrollment changes as well to transition to a new student success-based support fund distribution model.

"We still hope to find other avenues this session or in upcoming sessions to secure further investment into the transition to a new funding model so students and colleges aren't negatively impacted by unexpected funding losses due to a new and more complex distribution formula," Smith said.

HB 5025 now heads to the full Joint Ways and Means Committee for consideration.

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The Oregon Community College Association (OCCA) represents the 17 publicly chartered community colleges and their locally elected board members in Oregon. Founded in 1962, OCCA's purpose is to support the colleges before policy-makers and partners whose actions affect the well-being of community colleges across the state.