

Community Colleges Work for Oregon

Talking Points for the 2027–29 Community College Funding Request

CORE MESSAGE: Community colleges prepare workers, expand opportunity, strengthen local economies, and provide an affordable path to education in every part of Oregon. Continued state investment is essential to sustain this work.

Enrollment growth is good for Oregon—and it increases college costs

- Community college enrollment continues to grow, especially in Career and Technical Education (CTE) programs that prepare students for high-demand jobs across Oregon.
- This growth is good news for students, employers, and communities. It means more Oregonians are gaining skills for careers in health care, advanced manufacturing, construction, public safety, education, technology, and other critical fields.
- CTE programs are also among the most expensive programs colleges provide. They require specialized faculty, up-to-date equipment, laboratories, safety measures, technology, and often smaller class sizes.
- As enrollment and workforce demand grow, funding must grow with them.

Open access means serving Oregonians at every starting point

- Community colleges serve students pursuing GEDs, English-language learning, short-term workforce credentials, CTE certificates and degrees, transfer degrees, and applied bachelor's degrees.
- They serve more low-income, first-generation, rural, adult, and historically underserved students than any other sector of Oregon higher education.
- Open access also means providing the advising, financial aid assistance, tutoring, disability services, technology, basic-needs support, and other resources students need to persist and complete.
- Community colleges work for Oregon because they make education and workforce opportunity available to people who may not be able to attend a four-year institution or enroll full time.

Most community college students balance school with work and family

- Most community college students attend part time while working, raising children, caring for family members, or managing transportation, housing, and other responsibilities.
- Lightcast estimates that 73% of Oregon community college students are employed while attending college.
- Part-time attendance is not a sign of lower commitment. It reflects the realities of the working adults, parents, and other students community colleges are designed to serve.
- Funding policy should recognize the actual number of people colleges serve—not only the full-time-equivalent enrollment they represent.

Headcount shows the true number of students colleges serve

- In 2024–25, Oregon community colleges served 209,605 students, representing 73,786.7 student FTE—approximately 2.8 students for every 1 FTE.
- FTE is useful for measuring instructional activity, but headcount shows how many individual Oregonians a college is actually serving. That distinction matters because most community college students attend part time.
- A student taking four credits and a student taking sixteen credits still require many of the same base services: admissions and registration, records and transcripts, advising, financial aid processing, student accounts, technology access, tutoring, disability services, career and basic-needs support, and campus safety.
- Colleges also carry per-student and shared operating costs for facilities, utilities, custodial and security services, technology systems, cybersecurity, compliance, and other infrastructure. Those costs are driven in significant part by the number of people using college systems and campuses—not only the credits they take.
- Estimated public support is approximately **\$3,223.05 per headcount** and **\$9,155.69 per FTE**. These are estimates derived by dividing 2025–27 biennial public funding totals by two to approximate a one-year amount, then dividing by 2024–25 full academic-year headcount or FTE.

Important timing note: Enrollment is for academic year 2024–25, while the funding estimates are derived from 2025–27 biennial funding totals, so the time periods do not align exactly. Community college public support includes state support plus estimated property tax and timber tax revenues.

HECC approved the DAS recommendation because it reflects the cost pressures colleges are facing

- The Higher Education Coordinating Commission (HECC) approved the Department of Administrative Services (DAS) recommendation that the state contribution through the Community College Support Fund (CCSF) increase approximately 13.7% in 2027–29.
- OCCA supports the HECC/DAS recommendation because it more fully reflects the structural cost increases colleges are facing, particularly the loss of PERS side-account rate offsets as colleges' PERS revenue bonds and related side accounts expire.
- The DAS current service level, or CSL, is a statewide technical estimate of how much the CCSF should increase under state budget methodology. It is not a guarantee that every individual college will have enough total revenue to maintain its current service levels.
- Each college faces a different combination of enrollment changes, collectively bargained labor agreements, PERS costs, local property-tax revenue, tuition revenue, reserves, and other operating pressures.
- DAS estimates that maintaining the state's current funding contribution would require approximately **\$118.6 million** in additional CCSF funding. Fully funding the **13.7%** recommendation would help colleges absorb the PERS shift and other cost increases while reducing pressure for further tuition increases, service reductions, and reserve drawdowns.

The colleges' earlier 7.5% request was deliberately restrained

- Before HECC approved the DAS recommendation, Oregon's community colleges had requested a 7.5% CCSF increase. The colleges developed that request in an effort to be as restrained as possible while still reflecting projected cost growth.
- That 7.5% request assumed continued efficiencies, tuition revenue, reserve spending, and other difficult compromises. It was not an estimate that colleges' costs were rising by only 7.5%.
- A major reason the 13.7% DAS estimate is higher is the expiration of colleges' PERS revenue bonds and related side accounts. The DAS calculation reflects the loss of the PERS rate offset associated with those side accounts, while also recognizing that the related debt-service payments are ending.
- Many colleges have already used reserves, reduced budgets, or taken other steps to absorb the higher PERS costs as side accounts expire. Those actions do not eliminate the underlying structural cost increase.
- Colleges collectively face approximately **\$167 million** in reserve spending to make up operating shortfalls. Supporting the HECC/DAS **13.7%** recommendation will help mitigate that unsustainable draw on reserves and better position colleges to maintain programs and services for students.

Tuition cannot fill the gap

- Community college students are highly price sensitive. Even modest tuition increases can cause students to take fewer credits, delay enrollment, or leave college altogether.
- Many students are working adults, parents, or low-income students with little flexibility to absorb higher tuition and fees.
- Without adequate state funding, colleges must draw down reserves, increase tuition, or reduce courses, programs, staffing, and student services.
- Those reductions make it harder for students to complete credentials and harder for Oregon employers to find the skilled workers they need.

Community colleges produce a strong return on Oregon's investment

- Lightcast found that Oregon's community colleges generate **\$11 billion** in annual economic impact and support approximately **120,140 jobs—one out of every 23 jobs** in Oregon.
- Community college alumni account for approximately **\$9.9 billion** of that impact through increased earnings and greater workplace productivity.
- For every dollar invested, students receive an estimated **\$4.70** in higher lifetime earnings, taxpayers receive **\$1.40** in added revenue and public-sector savings, and Oregon society receives **\$6.50** in economic and social benefits.
- State funding for community colleges is not simply an expense. It is an investment in workers, businesses, taxpayers, and communities throughout Oregon.

Community college bachelor's degrees expand workforce pathways

- Oregon community colleges now offer bachelor's degrees in targeted workforce fields including applied leadership and management, business management, applied business management, cybersecurity, and nursing.
- Research summarized by the Community College Research Center found that community college bachelor's programs did not reduce enrollment or graduation at nearby public or private nonprofit four-year institutions; the enrollment decline was concentrated among private for-profit institutions.
- Community college bachelor's programs also reach students who often look different from traditional university bachelor's students. Research in Washington and Florida finds they tend to be older and more racially and ethnically diverse; Washington students are also more likely to receive need-based aid, have prior college credits, and be veterans.
- Oregon's six-college BSN Community College Collaborative - Central Oregon, Chemeketa, Klamath, Linn-Benton, Oregon Coast, and Treasure Valley - launched in Fall 2026 for associate-degree RNs. Each college has seven seats, creating a statewide cohort of 42 students. Lane also has an approved community college BSN program.
- In Fall 2027, a five-college statewide Bachelor of Applied Science in Education consortium will begin at Chemeketa, Columbia Gorge, Linn-Benton, Rogue, and Treasure Valley. It is designed for current K-12 employees and other working adults who can become licensed teachers with additional education.
- The education consortium will begin with about six students per college - 30 students statewide - and graduates can continue into master's-level education programs, including pathways available through Oregon public universities.
- These programs are intentionally small, workforce-focused, and collaborative, expanding access for working adults and rural or place-bound students without duplicating broad university offerings.

Closing ask

Community colleges work for Oregon, but they need Oregon's investment to continue that work.

Support the HECC/DAS recommendation for a 13.7% increase in the Community College Support Fund so colleges can serve growing enrollment, sustain high-cost workforce programs, preserve affordable access, maintain essential student services, and reduce reliance on unsustainable reserve spending.

Additional Background

State investment in higher education has grown over time

- Since 2011-13, the Public University Support Fund (PUSF) has increased 120%.
- Since 2011-13, the Community College Support Fund (CCSF) has grown 116%.
- Total state General Fund/Lottery Fund support for public universities, including debt service, has increased 146% over the period.
- Total state General Fund/Lottery Fund support for community colleges, including debt service, has increased 125% over the period.

These figures provide historical context on the growth in state investment over time. They are not intended as a measure of current funding adequacy or institutional costs.

Sources

- HECC, Community College Data Dashboard; State Funding and Formula Summary; Current Service Level Calculations.
- OCCA, Understanding the Revised DAS Current Service Level Estimate for Community Colleges (June 23, 2026); historical state funding figures.
- Lightcast, The Economic Value of Oregon's Community Colleges (April 2026).
- Community College Research Center, Community College Bachelor's Degrees (Jan. 2026), including student demographic findings and summary of Kramer, Ortagus & Donovan (2021).
- New America, When Community Colleges Offer a Bachelor's Degree (student access and demographic research).
- HECC, approved community college bachelor's degree programs; Oregon community college BSN Collaborative and BASE program materials.