



# FACT SHEET: LEGISLATIVELY ADOPTED BUDGET Higher Education Coordinating Commission 2021-23

August, 2021

For budget and policy/legislative outcomes, see the [HECC Legislative Summary 2021-23](#).

All information is based on preliminary unaudited budget reports as of August 6, 2021.

The Higher Education Coordinating Commission (HECC) Legislatively Adopted Budget (LAB) for 2021-23 includes funding for: Oregon’s 17 community colleges; Oregon’s seven public universities and Oregon Health & Science University (OHSU); state financial aid and student access programs; capital bonding authority for the public institutions; Oregon’s nine workforce investment boards; workforce and state service programs; and HECC agency operations. This document focuses primarily on investments in the HECC budget approved by the Legislature in Senate Bill 5528 (the agency’s primary budget bill) as well as the final budget reconciliation bill House Bill 5006, capital investments approved through Senate Bill 5505 and House Bill 5006, and several additional legislative investments noted in the narrative.<sup>1</sup> The funding for all postsecondary education and workforce training entities in the HECC budget totals \$3.58 billion, including all fund types, Total Funds (TF), General Fund (GF), Lottery Funds (LF), Federal Funds (FFF), and Other Funds (OF); this is an increase of 23.2 percent in Total Funds from 2019-21 LAB and 25.0 percent from CSL. **State General Funds total \$2.49 billion, an increase of 14.1 percent from 2019-21 LAB and 7.9 percent from CSL.** State Lottery Funds decreased 15.3 percent from 2019-21 LAB and decreased 20.8 percent from CSL.<sup>2</sup>

	2019-21 LAB	2021-23 CSL	2021-23 LAB	Change in TF from 19-21 LAB	Change in TF from 21-23 CSL
<b>TOTAL OREGON POSTSECONDARY EDUCATION AND TRAINING BUDGET<sup>3</sup></b> Not showing FF and OF.	\$2.90B TF including: \$2.18B GF \$144.4M LF	\$2.86B TF including: \$2.30B GF \$154.3M LF	<b>\$3.58B TF including \$2.49B GF \$122.3M LF</b>	<b>+23.2%</b>	<b>+25.0%</b>
<b>SUPPORT TO COMMUNITY COLLEGES, including COMMUNITY COLLEGE SUPPORT FUND (CCSF)</b>	\$645.8M TF including: \$645.8M GF	\$673.2M TF including: \$673.1M GF	<b>\$714.2M TF including \$703.0 GF, \$11.2M OF<sup>4</sup></b>	<b>+10.5%</b>	<b>+6.1%</b>
<b>PUBLIC UNIVERSITY SUPPORT FUND (PUSF)</b>	\$836.9M TF including: \$836.9M GF	\$886.1M TF including: \$886.1M GF	<b>\$904.0M TF<sup>5</sup> including: \$901.1M GF<sup>6</sup></b>	<b>+8.1%</b>	<b>+2.1%</b>
<b>OREGON OPPORTUNITY GRANT (OOG)</b>	\$164.2M TF including: \$109.5M GF \$40.0M LF \$14.7M OF	\$171.3M TF including: \$114.2M GF \$41.7.0M LF \$15.3M OF	<b>\$200.0M TF including: \$166.4M GF \$12.3M LF \$21.3M OF</b>	<b>+21.8%</b>	<b>+16.8%</b>

## PUBLIC COMMUNITY COLLEGES AND UNIVERSITY OPERATING FUNDS

**STATE SUPPORT TO OREGON’S 17 COMMUNITY COLLEGES for educational and operational expenses:** The total community college funding is a 10.5 percent increase from 2019-21 LAB, and is the level the institutions requested to accommodate actual cost growth. Based on calculations, the HECC’s expectation is that this level of investment will allow the community colleges to limit the annual, average tuition and fee increases among all institutions to 3.5 percent for both years of the biennium. The LAB also continues funding at CSL for the Sabin-Schellenberg and Margaret Carter Skills Centers and a program providing grants to

<sup>1</sup> SB 5528, SB 233, HB 2092, SB 762, and SB 553 are pending the Governor’s signature as of the date of this report.

<sup>2</sup> Abbreviations include: LAB (Legislatively Adopted Budget), CSL (Current Service Level), TF (total funds), GF (General Funds), LF (Lottery Funds), OF (Other Funds). Dollars are rounded to the first decimal point when in millions and second decimal when in billions.

<sup>3</sup> Includes all special payments, personal services, services and supplies, and debt service funds. Excludes most capital investments.

<sup>4</sup> Community College OF includes Corrections funding as well as ARPA support for Umpqua CC capital project.

<sup>5</sup> Public University TF includes ARPA support for SOU capital demolition project.

<sup>6</sup> Public University GF includes funding for tuition equity for students in the U.S. under COFA.

colleges to support students who are first-generation and underserved learners. Additional funding of \$10.5 million is added for an interagency arrangement with the Department of Corrections (DOC) for education services for adults in custody.

**STATE SUPPORT TO OREGON'S SEVEN PUBLIC UNIVERSITIES for educational and operational expenses:** The LAB increases the Public University Support Fund (PUSF) to \$904.0M General Fund for educational and operational expenses. This is an 8.1 percent increase from 2019-21 LAB, and is the level the institutions requested to accommodate actual cost growth. Based on calculations, the HECC's expectation is that this level of investment will allow most universities to keep tuition and fee increases at or below 5 percent for both years of the biennium.

**OTHER NEW INSTITUTION SUPPORT:** In addition to the funds above, HB 2835 invests \$5.0 million GF to support public institutions in **employing benefits navigators to support students with accessing public benefit programs**. SB 551 invests \$12.9 million GF to support **health care benefits for public institution part-time faculty**. HB 2378 invests \$200,000 dollars GF to HECC to issue one or more grants to fund start-up costs related to a **competency-based education (CBE) pilot program**. The Oregon Legislature also appropriated a total of \$16.9 million to higher education in **federal American Recovery Plan Act (ARPA) funding to address pandemic related issues and to affect economic recovery**. This includes \$9.8 million supporting 15 different special projects (appropriated through HB 5006 to the Department of Administrative Services and designed for various higher education related projects), in addition to \$7.1 million for three capital projects.

## FINANCIAL AID AND ACCESS PROGRAMS

**THE OREGON OPPORTUNITY GRANT (OOG),** Oregon's longstanding need-based financial aid program increased 21.8 percent from LAB and 16.8 percent from CSL, to a total of \$200.0 million TF. The OOG provides grants to low-income students and families, including both recent high school graduates and adults, who attend eligible public and private Oregon colleges and universities. In 2019-20, 32,526 students received the grant, and HECC Office of Student Access and Completion (OSAC) expects the new funds to support approximately 11,000 additional grants over the 2021-23 biennium. This investment allows the program to grant to students with expected family contribution (EFC) over the federal Pell Grant eligibility level.

**THE OREGON PROMISE,** Oregon's grant program to defray tuition at Oregon community colleges for recent high school graduates and GED® recipients, is funded at CSL, which is \$42.2 million GF. In 2019-20, 11,625 students received Oregon Promise grants. The funding allows OSAC to award grants in 2021 to eligible students at all EFC levels.

**THE OREGON NATIONAL GUARD STATE TUITION ASSISTANCE PROGRAM** is funded at \$4.2 million GF; this restores the program to a current service level budget after a mid-biennium reduction to the program, and a 14.0 percent increase from the previous LAB, helping support program modifications made in SB 101.

**COLLEGE ACCESS PROGRAMS:** HB 5006 invests \$5.0M in new GF dollars in the HECC budget to fund college outreach and support programs, including \$1.0 million each to: **ASPIRE:** Office of Student Access and Completion program that trains volunteer mentors to work with middle and high school students on college and career planning; **AVID** (Advancement Via Individual Determination), a non-profit that partners with K-12 schools on equitable, student-centered approaches to preparing all students for college and career through differentiated social and academic supports; **BUILD EXITO DIRECTORS FUND,** a program at Portland State University providing comprehensive research training through tailored curriculum, developmental mentoring, and long-term research internships for students historically underrepresented in the health and biomedical sciences; **COLLEGE POSSIBLE,** a non-profit that supports college admission and success for students from low-income backgrounds through an intensive curriculum of coaching and near-peer support from high school through college graduation; and **OREGON TRIO ASSOCIATION,** non-profit representing 45 TRIO programs across the state focused on promoting educational equity by increasing access for low-income, first-generation, and traditionally underserved students in higher education.

**IN-STATE TUITION FOR COFA STUDENTS:** SB 553 included \$1.1 million GF to support tuition equity (eligibility to pay in-state instead of out-of-state tuition) for eligible students who are citizens of the Republic of Marshall Islands, the Federated State of Micronesia, and the Republic of Palau who live in Oregon under the Compact of Free Association (COFA).

## OTHER UNIVERSITY FUNDING

**PUBLIC UNIVERSITY STATE PROGRAMS:** The Public University State Programs are funded at \$61.8 million TF. Existing programs in this category are funded at the 2019-21 CSL level. Funding of \$162,753 is added for the **Veterinary Diagnostic Lab** which was previously included in the distribution of the PUSF. One-time funding of \$4.7 million is also added for the **Strong Start Program** across all the universities intended to provide pipeline students with the strategies and skills needed to successfully enroll and complete degree programs (Note: an additional \$1.4 million for Strong Start is funded through another section of the HECC budget.). Additional State Program funding includes \$5.5 million for **OIT's applied computing and clinical laboratory facilities,** \$1.0 million for **PSU's Center for Women's Leadership,** and \$1.1 million for **OSU to create a wildfire risk map.**

**STATEWIDE PUBLIC SERVICE PROGRAMS (The Agricultural Experiment Station, Extension Services, and Forest Research Laboratory):** The total funding is \$208.5 million. The three existing statewide public services (The Agricultural Experiment Station, Extension Services, and Forest Research Laboratory) are funded at the current service level (CSL). Funding is added for **building maintenance** (previously included in the university funding model distribution), the **Berry Research Initiative** and the **Wine Research Institute**.

**SPORTS ACTION LOTTERY**, which funds scholarships for underrepresented and women’s intercollegiate athletes and graduate student scholarships, is funded at \$16.5 million LF, a 17.1 percent increase from LAB, based on the expected funding distribution from the Oregon Lottery Commission. The formula by which HECC distributes the funding to institutions will remain unchanged from the 2019-21 biennium.

## OREGON HEALTH & SCIENCE UNIVERSITY (OHSU)

**OREGON HEALTH & SCIENCE UNIVERSITY (OHSU):** OHSU’s existing state-funded programs are funded at \$82.5 million GF. This supports the existing state-supported programs—OHSU schools of Medicine, Dentistry, and Nursing; the Office of Rural Health; the Area Health Education Centers; the Child Development and Rehabilitation Center; and the Oregon Poison Center—at CSL. In addition, two million is added on a one-time basis for the Children’s Integrated Health Database.

## HECC AGENCY OPERATIONS AND WORKFORCE FUNDING

**HECC Agency Operations:** The LAB for HECC’s agency office operations **sustains and enhances its work as the statewide coordinating agency for postsecondary education and workforce training and development** with a total of \$78.0 million TF including \$37.7 million GF, adding five positions and 5.3 FTE. Total for HECC is 152 positions and 143.36 FTE. In total funds, the agency budget represents an increase of 25.6 percent from CSL and 24.4 percent from LAB due to the new investments described here as well as a fund shift of positions and services and supplies to GF in order to comply with the U.S. Department of Labor’s approved Indirect Rate Model. The agency’s General Fund budget represents a 3.6 percent increase from CSL. Funding is added for the **HECC Salem Building lease**, supporting the consolidation of HECC staff into one building, located at 3225 25<sup>th</sup> Street SE, Salem. The HECC received funding for **two new positions to enhance diversity, equity, and inclusion (DEI) efforts**, as well as positions restored or added in other offices of the HECC to support ongoing work. Additional investments are detailed below.

**Employment and Workforce Training:** Through HB 2092, the Oregon Youth Employment Program is funded for the first time at \$9.0 million GF, supporting paid work experience and workforce training to underserved youth ages 14-24. The HECC will use the funding to make grants to local workforce development boards, community-based organizations, and other youth-serving organizations that manage these programs. HB 2092 also consolidates the Oregon Youth Corps into the Oregon Youth Employment Program. In addition, SB 762 creates the Oregon Conservation Corps, funding \$11.6M in GF for paid work for youth and young adults in wildfire prevention activity.

**Transfer Portal and Common Course Numbering:** The LAB invests a total of approximately \$1.4 million in fostering transfer student pathways, supporting Common Course Numbering through SB 233 and the Transfer Portal proposed by the HECC. The Transfer Portal funding builds on the work of HB 2998 (2017) to fund the research and consulting necessary for an actionable plan for future technology investments; The Common Course numbering bill places HECC in the position of final authority in the development of a common course numbering system and system of transfer and articulation, and creates a Transfer Council.

**FAMIS Replacement:** HB 5006 provides \$5.1 million for modernization of the Financial Aid Management Information System (FAMIS), the primary technology the agency uses to administer financial aid programs to Oregonians, a system that is currently 40 years old and with substantial security risks and process inefficiencies.

## CAPITAL BONDING AUTHORITY

The LAB supports the authorization of \$485.5 million in state bonds in 2021-23 for 16 new capital projects at the community colleges and universities. This includes funding for capital improvement and renewal (CIR) for the public universities which increased by \$15 million to a total of \$80 million. Separately, \$7.1 million in ARPA funding is provided for three projects. **In total, six new projects are funded at the community colleges, and six projects are reauthorized. Ten new projects are funded for the universities.** The project list can be found in the full [HECC Legislative Summary](#), with [details on our website here](#).

## PK-20 INVESTMENTS

In addition to the investments in the HECC budget, the Legislature and Governor supported numerous investments in the Oregon Department of Education budget that have an impact for future students in postsecondary education and higher education programs. [Learn about the PK-12 legislative outcomes on the ODE website here.](#)