

Appendix B: Narrative Version **Oregon Opportunity Trust – Reasons to Support**

Postsecondary education has become crucial to Oregon's future as a leader in the information age and global economy, which is a big shift from our past. We depend on having more highly educated workers as we evolve from a majority natural resource- and manufacturing-based economy (timber, fisheries, chemicals and agriculture) to a majority "knowledge" economy (high tech, service industries). Even in our traditional industries of timber, for example, high tech machinery with highly skilled operators has replaced many of the manual jobs. It's been hard for Oregonians to accept that the old days are not coming back.

By 2010, nearly 9 out of every 10 jobs in Oregon will require an associate's degree or higher, with 6 out of 10 requiring a bachelor's degree. High paying, higher skilled jobs will go to workers imported from other states if Oregonians don't have the right skills and education. Companies won't want to locate or stay in Oregon if they can't find the talent they need. Top executives say that the educational attainment of the area residents is the top factor they look at when determining where to locate new company sites. Thus, investment in higher education is a major driver of economic growth in the state, bringing in and "incubating" new companies and new jobs for Oregonians in rural and urban areas.

A college education is the key to higher incomes, which generates more state income tax revenue to meet other state needs. In 2002, high school graduates made, on average, under \$30,000 a year, while those with a bachelor's degree had an average salary of almost \$50,000, and those with professional degrees made almost \$86,000 a year on average. With Oregon highly dependent on personal income to cover state operations, the higher the educational attainment of our citizens, the better off the state economy.

Those with higher educational attainment use fewer social services such as welfare, prisons, public health care, drug treatment, and the like. It seems wiser for a state to proactively invest in helping students get a college education, which benefits the whole state, rather than invest reactively after a citizen commits a crime that requires serious and expensive intervention.

We cannot raise the standard of living for all Oregonians and reduce the income gap between the haves and have-nots unless Oregonians have the opportunity to gain the skills and education they need to command high wages in the knowledge-based economy. Yet, tuition and fees have increased so much in the last five years – over 50% – that Oregon high school graduates increasingly cannot afford to go to community college or university. Students shouldn't be shut out from getting a college education just because they cannot afford to go without financial assistance or because they happen to have been born into a lower- or moderate-income family.

Unlike in the “old days,” students cannot possibly work enough hours to cover their college costs. In the 1960s, students could work for 22 hours a week and cover the full costs of a 4-year public college education. Now that number is 55 hours a week of work to cover full costs, obviously impossible to do and also go to college.

Oregon students who aspire to a college education should not be shut out because they cannot afford it, or because there is not enough state “need-based” financial aid to go around. Creating a separate, constitutionally protected financial aid trust fund ensures that Oregon’s investment in higher education creates a legacy of college affordability for future generations. Never again would the ability to go to college rest on whether or not the legislature could fund financial aid programs that year given the current budget. Oregon’s current “F” in affordability is holding our state back from being able to attract jobs, keep top students in our state, stabilize our economy, and ensure that all Oregonians have an equal right and access to college.

As more students go to college, the effect multiples as their children are then more likely to enter and graduate from college. The greatest indicator of whether a student will go to college is whether their parents went. And the greatest indicator of a state’s economic well-being and stability is the educational attainment level of its citizens.