



Testimony on House Bill 2587
House Education Committee
March 22, 2017

Chair Doherty, Vice-Chairs Hernandez and Wilson, and members of the Committee. My name is Kyle Thomas and I am the Director of Legislative and Policy Affairs for the Higher Education Coordinating Commission. Thank you for the opportunity to testify on House Bill 2587.

ORS 350.014 (the 40-40-20 statute) is one of several goals that helps guide the work of the HECC. It is critical, as this bill contemplates a significant change to the 40-40-20 goal, to understand precisely how this goal informs higher education policy in Oregon.

The goal, adopted in 2011, and inextricably woven in to the HECC strategic plan adopted in 2016, serves as the single, clearest target for state policymakers as they consider modifications to higher education policy in this state. It accounts for the economic and educational aspirations of not only individual Oregonians but for the whole of Oregon.

In considering the targets of 40-40-20, policymakers and stakeholders recognized multiple considerations:

- The two groups of 40% are roughly aligned with the rates of the highest attaining states in the country
- Having 80% of adult Oregonians with a post-secondary credential leads to job growth and income increases beyond which are possible in a lower-attainment state
- Goals for long term attainment should account for anticipated future economic trends and conditions

Twenty-nine states, as of September 2016, have higher education attainment goals that are intended to increase adult attainment and address workforce conditions in the state. More than just a tagline for policymakers, these goals drive higher education planning, lead to the development of data systems to account for student progress, and focus budgets on areas needing improvement. The number of states with targeted goals is growing, as states grapple with scarce resources and an increasingly interstate and global competitive marketplace for jobs and opportunities for residents.

The HECC strategic plan and actions around college and university funding, student pathways, student support, affordability, and economic and community impact are outcomes focused. In fact, in the next biennium, state funding at the university level continues a steady shift toward a model that awards institutions for their ability to complete, not simply enroll, students.

In addition, as required by ORS 350.075, 40-40-20, along with other goals, serve as the basis for the comprehensive post-secondary budget that the Commission recommends biannually to the

Governor. Finally, we regularly monitor and report on the progress of our state and institutions towards reaching 40-40-20, with a focus on student outcomes and equity.

While it receives the most attention, 40-40-20 is not Oregon's only goal related to higher education. ORS 350.009 declares that "ensuring access for all qualified Oregonians to a high-quality post-secondary education" is a "fundamental goal" of public higher education. This statute also recognizes as fundamental goals creating an educated citizenry to support responsible roles in a democratic society, ensuring a high-quality learning environment, creating original knowledge and advancing innovation, and contributing positively to the economic, civic, and cultural life of communities in all regions of Oregon.

In essence, existing statutory goals for higher education recognize that opportunity is important, and that the benefits of higher education are much broader than merely certificate and degree production. Yet, 40-40-20 still provides state policymakers an important guiding light, and an aggressive target to reach for when deciding how to target critical investments.

The 40-40-20 goal makes explicit the notion the state should undertake significant efforts that will enhance post-secondary educational opportunities for all Oregonians in line with the language of the bill before you today—and it goes even further by implying that:

- The state must undertake every feasible effort it can to ensure that more students enroll in a post-secondary experience;
- Students that do enroll enter programs with clear pathways that are direct and directly applicable to their career and academic aspirations;
- Students are supported enough financially and academically such that the problem of student persistence is decreased;
- The pipeline is filled with credentials that are coherent and stackable, so that students can move up the 40-40-20 ladder while also experiencing the benefits at each rung; and,
- The state can measure all of these outcomes and effects to understand the positive and negative effects of state policy decisions on progress toward the 40-40-20 goal, which is representative of and a proxy for advancement and success for individual Oregonians

If the Legislature wishes to undertake a shift in statewide goals of this magnitude, we would encourage the Committee to engage in an extensive and inclusive process to gather input from stakeholders, including our higher education partners, that allows for a more detailed discussion.

The 40-40-20 goal implies opportunity for all Oregonians. The goal cannot be reached by 2025 without a significant effort to provide a greater number of students with enrollment opportunities, and the State is working to foster those. At the same time, we must also be focused on what comes next in the student experience and how it translates into outcomes that benefit both the student and Oregon. However our statutory goals for education are ultimately defined and packaged, they should continue to reflect the emphasis they have today on both opportunity and outcomes.

Thank you for your time today.