

OCCA: A Historical Timeline from 1957-2006

Since its creation in 1962, the Oregon Community College Association has faced many challenges. The recession of the 1980s, funding formula debates, unfunded enrollment growth and property tax limitations all created obstacles for the organization and the colleges it represents.

However, in the face of these and other setbacks, the Oregon Community College Association has always found a way to move forward on its strengths and common goals.

1957: The legislature enacts the first legislation providing for the formation of community college districts. It provides the first direct state funding to community colleges. Prior to this, adult education programs were operated out of the high schools.

1961: Howard Cherry serves as the Oregon School Board Association president during 1961-62. Mr. Cherry is a Portland school district member, whose board jurisdiction includes the Portland Education Center (the precursor to PCC). His dual interest in community college services and K-12 public schools leads to discussions within OSBA on whether it should represent community colleges in addition to its K-12 interests. Debate is centered on the conflict between OSBA's structure as a strictly board member association and the desire for community colleges to include administrators, faculty and students in its statewide association. In addition, there is a strong desire to have a statewide association that is separate from the Department of Education. Key leaders see the need for community colleges to have a distinct voice from the Department of Education and other K-12 entities.

1962: The Oregon Community College Assembly is established. The charter members include: Southwestern CC, Treasure Valley CC, Central Oregon CC, and Blue Mountain CC. In the beginning, OCCA is informally structured. OCCA facilitates statewide meetings with outside experts to provide guidance to the new community colleges. OCCA has no full-time staff; it initially relies on OSBA staff and then employs part-time doctoral students to help organize annual meetings and do other work.

1967: By 1967, the original five colleges have been joined by five new districts: Umpqua CC, Mt. Hood CC, Clackamas CC, Linn-Benton CC and Lane CC. PCC is in the process of being formed into a district and joins shortly thereafter.

Since its original state allocation in 1957, the community colleges have received limited state funding increases for operations and construction costs.^[1] The desire to improve state funding leads the colleges to want to work in a more uniform manner at the state level. They decide to increase the OCCA dues, establish a Salem-based office and hire a full-time Executive Director. The first full-time Director (called Executive Secretary) is Don Shelton, a former Department of Education administrator. One of his first duties is to prepare a draft legislative platform for the OCCA members to adopt. This first legislative platform addresses the need to improve state funding, design state statues specific to community college administration^[2], initiate state financial aid for community college students and

create a separate state board exclusively for community colleges. Shelton also begins working with a newly formed President's Council on the financial part of the legislative platform. The role of the council is to make recommendations on budget issues to the OCCA for ratification.

The 1967 session proves to be successful under this new OCCA structure. The colleges receive an extra \$2 million for the previous biennium's unfunded FTE. The legislature implements a "tiered" formula and increases the FTE reimbursement rates for the 1967-69 biennium. Lastly, the capital construction formula is increased from \$1,300 per FTE to \$1,560 per FTE.

1969: As OCCA is preparing for the 1969 session, it suffers a setback. OCCA discovers that Dale Parnell, the newly appointed State Superintendent of Education, is unwilling to recommend an inflationary increase for community colleges to the state Board of Education. Upon becoming aware of this position, OCCA holds an emergency meeting that includes board members, presidents, faculty and students from all the colleges. Later that day, this group attends the State Board meeting and testifies in support of their inflationary increases. After hearing the colleges' plea, the Board votes to support the inflationary increases (and it has supported regular increases for the community college budget ever since). The colleges carry the momentum from this board meeting into the legislative session. The legislature adopts the State Board's recommended funding increases. At OCCA's request, it also establishes two interim committees to study community college laws and to investigate offering state scholarships to community college students.

1971: OCCA builds on the success of the previous session. The legislature approves the OCCA's recommended code changes³¹ and makes community college students eligible for state scholarships. It also increases the FTE requirement rate and authorizes advance payment of 25 percent of state money to colleges.

1973: OCCA wins a significant funding victory when the legislature authorizes the State Board of Education to redistribute state operating funds from under-enrolled colleges to those colleges exceeding the FTE allocation. Under previous law, the unused funds simply went back into the general fund. Colleges also receive an end-of-session extra appropriation of \$2.2 million for community college construction. While the funding is welcomed, the legislature tells the colleges that this funding will serve to "eliminate the state's unmet obligation for community college construction."

With OCCA support, the legislature also passes a collective bargaining bill. This legislation causes a great division between administrators and faculty members of OCCA. As a result of this conflict, OCCA decides to reorganize itself to scale back the student and faculty participation. It institutes several changes: establishes a board of directors comprising only board members and presidents; institutes a one-vote, per-college, policy and changes its name from Assembly to Association.

1974: In the fall of 1974, the colleges receive word that the newly elected Governor Bob Straub is not going to provide the colleges the same inflationary funding as other state

agencies. OCCA is able to convince the State Board of Education staff to appeal this decision, but the appeal is not granted. The OCCA members then make a personal appeal to the Governor. Even though his budget has already been printed, the Governor acquiesces and provides an additional \$5 million to the colleges. This last minute rewrite of the budget makes front-page news.

1975: In addition to increasing operational dollars, OCCA is successful in reversing the 1973 legislature's position on capital construction dollars for unmet obligation. The colleges receive \$5 million for new construction and \$6.9 million for pre-1973 unmet need.

1977: OCCA secures an amendment to move community colleges out of the school districts' PERS rate and into the state's rate. This means that community colleges' rate is the same as all state agencies, including the public universities. This proves to be a good move for the colleges. Since 1977, the state rate has been considerably lower than the school districts' rate. During this session, OCCA also secures a statutory exemption from paying unemployment compensation to nine-month classified staff. In the area of funding, colleges receive an increased FTE reimbursement rate and approximately \$20 million to satisfy unmet state obligation for capital projects.

1979: By the end of the 1970s, it becomes apparent that OCCA needs to play an even greater role in state policy making. OCCA now represents 14 colleges with the addition of Clatsop CC, Chemeketa, Rogue CC and Columbia Gorge (formerly Treaty Oak) CC. All the colleges are experiencing rapid FTE growth and expanding their campus structures as well. When Don Shelton retires in 1979, OCCA loses its first director. In the face of this transition, the OCCA Board holds a retreat at Tu Tu Tun lodge to chart a new course for the organization. Just prior to this retreat, the board hires Roger Bassett as its next Executive Director. Out of Tu Tu Tun, comes OCCA's strategic direction for the next ten years. OCCA makes as its primary goal to raise the visibility of community colleges in Oregon in order to enhance the colleges' influence on state policy. OCCA concludes that increasing the participation of board members and forging ties with education and business partners will be key to accomplishing this goal. Tu Tu Tun also marks an important transformation in OCCA legislative strategy. From now on, the board wants to have a more aggressive agenda that leads, rather than reacts to, legislative proposals.

1980: As a part of its more aggressive legislative strategy, OCCA takes a request to the Emergency Board for additional funding in response to enrollment growth. The funding that the legislature allocated the colleges for the 1979-81 biennium is not enough to reimburse all the FTE at the full amount. The Emergency Board denies the request because the economy has begun to falter and state funding shortages loom.

In July 1980, Governor Vic Atiyeh announces that all state agencies should prepare for budget cuts ranging from 5 percent to 30 percent because of an anticipated state funding shortfall. He calls a special session in August to institute the cuts. Clearly the colleges are at risk for large cuts. A 30 percent cut in the budget would cause colleges to lose reimbursement dollars for 16,000 FTE. In the face of this, the colleges rally together. They decide to prepare budgets with only 15 percent reduction, hoping to forestall deeper cuts.

They tirelessly lobby their legislators and the Governor. In the end, they receive only 10 percent reduction in their 1979-81 budget.

1981: Even though the recession continues, OCCA prepares an ambitious agenda that includes: a budget request of \$148 million for operations; \$18 million for capital projects; and several policy changes. The results are mixed. Because of funding shortages, OCCA has to settle for holding funding cuts to 5.4 percent in the biennium. The legislature also freezes the FTE reimbursement rates to the 1979 levels. It does pass, however, two pieces of legislation: a bill allowing the community colleges to negotiate annuity agreements and one prohibiting employees from serving on community college boards.

1982: The economic problems persist, and another special session is called to meet a \$314 million state deficit. Again budgets are cut. Community colleges lose \$4.7 million (9.1 percent) of their budget.

1983: The legislature continues to freeze the colleges' FTE reimbursement rates and provides an insufficient budget.^[4] After five years of preserving budgets rather than increasing them, OCCA members resolve to create an even more aggressive agenda that moves away from strictly budget issues to more complex concerns.

1985: In 1985, community colleges finalize 16 position papers on various issues concerning community colleges. Now that OCCA has articulated its positions on these issues, it can use these unified goals to influence state policy. Tackling policy issues this way proves to be very successful. In the 1985 session, OCCA successfully opposes a plan by the Oregon Board of Nursing to deny Associate Degree Nursing graduates the chance to become registered nurses. The colleges also receive a 12 percent increase in state funding, with a \$1.5 million allocation in lottery funds.

1987: Encouraged by the successes of 1985 session, OCCA develops its most ambitious agenda ever for the 1987 session. At the annual April convention, the OCCA board instructs the legislative committee to take the position papers and turn them into a proposal for the 1987 session. The committee comes up with 14 legislative proposals. OCCA estimates that it will take two or three sessions to accomplish these proposals. To its surprise, the 1987 legislature and the Governor act on each of the 14 proposals:

- Operating budget request to increase from \$122.5 million to \$125.2 million by legislature – a 7.2 percent increase over the previous biennium;
- Construction request to increase from \$7.8 million to \$8.5 million;
- Maintenance and instructional equipment request of \$6.1 million declared by Governor to be a priority for 1989-91 funding;
- Governor, legislature, OCCA and the Department of Education compromise on a proposal for a separate state office and commissioner for community colleges;

- Targeted training network request for \$3.5 million funded at \$755,000 in lottery funds;
- Small Business Development Centers' request for \$2.75 million funded at \$955,000 in general fund;
- Passage of two OCCA job training initiatives: Creation of a state job training council and establishment of a welfare training program;
- A funding request of \$3 million for 2+2 program referred to the Emergency Board;
- Legislature authorizes a leadership role for each community college in addressing literacy issues in their districts;
- Telecommunications request of \$7.8 million funded at \$250,000 to refine proposal for next session;
- Legislature declares policy of statewide access to community college services through Contracts out of District;
- Delay of the two-year nursing degree issue until next session; and
- Task of finding state funding of reciprocity is assigned to the Office of Community College Services.

In addition, to these tangible achievements, OCCA learns several lessons about itself during this arduous and productive session. The following "lessons learned" are printed in the 1987 OCCA Legislative Report:

- State leadership and local choice are compatible goals, especially when local districts control the purse strings;
- Independent community college districts can develop a single statewide agenda and provide the resources for the accomplishment of that agenda – and do it on purpose;
- The almost flawless credibility of community colleges in state policy and funding circles does not suffer when we aggressively pursue state-level objectives;
- Community colleges can present a multiple-item agenda to the Governor and legislature without sacrificing our collective focus and discipline;
- Strong legislator loyalties to individual districts contribute to our success rather than detract from it;
- An association decision process based on informed individual opinions provides more solid group for acts of leadership than does one based on rubber stamp support for what leadership thinks is right; and

- Properly managed opportunities for participation by district staff in state initiatives get the job done better and provides significant recognition and professional growth to the individual involved.

The success of the 1987 session is heralded as the realization of the Tu Tu Tun goals set out eight years earlier. OCCA has survived the state funding cuts of the early eighties intact and is stronger than ever.

1989: Although the 1987 achievements encourage OCCA members, much remains to be done. Roger Bassett leaves in March 1988 to pursue other opportunities in the governor's office and Karen Garst becomes the new executive director. OCCA develops another agenda that includes ten proposals for the 1989 session. With the assistance of Sen. Joyce Cohen, OCCA decides to package these ten proposals into one omnibus bill, the Workforce 2000 bill. The Senator, who chairs the Trade and Economic Committee, thinks using one workforce-related bill will capture the attention of legislators who are worried about a workforce shortage projected for the 1990s.

This strategy pays off. By the end of session, many of the components of the Workforce 2000 bill are passed or acted upon:

- Lawmakers approve the full current service level budget at \$132.8 million; Lawmakers approve \$1.5 million of the \$4.6 million OCCA request for additional operational dollars;
- Lawmakers approve the OCCA request for \$6 million for equipment; \$2 million for maintenance is not approved;
- Legislators approve \$394,000 of the \$855,000 OCCA request for Contract out of District funding;
- Lawmakers approve the OCCA request for \$743,000 to reimburse for out-of-state students;
- Lawmakers approve the OCCA request for \$2.36 million for 2+2 programs;
- Lawmakers approve the full OCCA request for SBDCs at \$1 million
- Lawmakers approve the full OCCA request for targeted Training at \$755,000;
- Lawmakers approve the full OCCA request for New JOBS at \$5.2 million;
- Lawmakers approve \$1.75 million of the \$2.22 million OCCA request for child care programs;
- Legislature increases the OCCA request for financial aid of \$4.2 million to \$6 million;
- Lawmakers approve the OCCA request for \$150,000 for literacy hotline; and

- Lawmakers pass OCCA legislation related to corrections, 2+2 programs, parent education, childcare, service districts and property financing.

By the end of this successful session, OCCA is already focused on the 1991 legislature. Over the past ten years and despite increased appropriation, state funding has declined from 40 percent to 29 percent of community college funding. To remedy this situation, the OCCA board decides to move away from programmatic funding and turn its attention to substantially increasing the base budget.

1991: OCCA's 1991 legislative agenda, developed during the interim, makes a substantial request for renewed state investment in community colleges. It calls for \$148 million base budget plus \$50 million in a base budget enhancement. Prior to session, board members, presidents and other college advocates meet with every legislator to garner support for their budget request. They use an outcome-based approach to sell the increase in base funding – promising legislators certain measurable results if they increase the colleges' operational funding. Momentum for this request is building when a devastating blow is struck: the voters pass Measure 5, the property tax limitation bill, in November 1990. The legislature will now be obligated to use state dollars to replace local property taxes instead of funding new programs. OCCA is forced to re-think its strategy. It decides to concentrate on the \$148 million base budget and continue to discuss the \$50 million enhancement as a long-term goal. After Governor Roberts places only \$135.5 million for the base budget in her recommended budget, the colleges redouble their efforts at the Capitol. After a session of intense lobbying by OCCA, the legislature funds the colleges' budget at \$141.1 million, a 4.2 percent increase. In addition, the legislature provides \$50.5 million in replacement property tax dollars. The session also provides other successes: \$3.3 million increase for 2+2 programs, continued funding for childcare and literacy programs, \$5 million for dislocated workers and \$1 million increase for SBDCs. As in previous sessions, the role of board members and presidents is crucial to the advocacy process. College representatives are able to translate statewide legislation into specifics about how the programs will meet the needs of their local communities.

1992: In order to prepare for this post-Measure 5 environment, community college board members, presidents and staff meet for a three-day retreat in August 1992 to discuss the "preferable future" for community colleges. On the final day, they draft strategies for implementing this future. These strategies involved becoming more politically active, assuring a common vision for all 16 community colleges (Tillamook Bay CC and Oregon Coast CC have now joined OCCA), becoming the state's education and training leader, exploring new and alternative ways of funding community college programs, and developing accountability measures with uniform data collection and definitions. The theme that emerges from the retreat is "Network 92", a recognition that in the future community colleges must build upon their strengths in serving local communities and must work more collaboratively in order to meet statewide needs.

1993: The 1993 legislative agenda is built in the shadow of enormous demands of Measure 5 on the state's general fund. Governor Barbara Roberts' mandated budget for community colleges contains only \$110.8 million, a 26.5 percent cut, but adds \$17 million in lottery

dollars to support professional/technical program capacity. Due to the lack of state funding, OCCA decides to support the governor's budget in hopes of avoiding even more severe cuts. In the end, after lobbying by OCCA, the legislature supports the governor's level of funding for community colleges, but relies more heavily on lottery funds to do so. It also replaces \$117.6 million in property taxes for the colleges. Because of their increased reliance on state funding, the colleges begin to fight over the funding formula during session. Legislators urge the colleges to deal with this issue themselves prior to coming to the legislature in 1995.

1995: The 1995 session can be characterized as playing defense while looking for opportunities to gain a few inches here and there. John Kitzhaber is elected governor in the fall of 1994. The colleges start out the session with a recommended budget of \$322 million from the governor, lower than his campaign figure of \$340 million. His budget completely eliminates funding for skill centers, OATC, the literacy hotline and staff development. OCCA works uphill all session to get that funding put back in the budget and succeeds in getting continued funding for the skill centers and OATC. OCCA also gets legislative support to extend community college services to Jackson, Curry and Klamath counties.

The colleges go into the session knowing that whatever money comes from Salem will be distributed according to a new funding formula. This new formula incorporates a three-year weighted average for FTE, funding floors and caps and includes 50- percent of property taxes in the formula for the first time.

In 1996, Karen Garst decides to leave OCCA for another position. She is replaced by Vickie Totten Chamberlain.

1997: In November 1996, Measure 47 passes, instituting another limitation on property taxes. Once again state funding is diverted to replace schools' lost property taxes. In addition, term limits have become effective, bringing 23 new legislators to the Capitol. In light of this scenario, OCCA and OCCS⁵¹ bring a more modest agenda to the legislature: fund the current service level budget, fund \$14.8 million for equity, fund \$9.2 million for enrollment growth and secure Ballot Measure 47 replacement dollars. The results were mixed. Early in the session, the Legislative Fiscal Office (LFO) recommends no funding for equity be allocated to the colleges. Consequently, the legislature provides no such funding. Other funding requests prove more fruitful: The legislature funds the current service level budget, replaces the \$36 million in Measure 47 (now Measure 50) losses; provides \$14 million for annexation costs for Jackson County and \$2 million for Klamath; and allocates \$3.2 million for skill centers and \$1.6 million OATC. In addition, the colleges receive \$2 million out of the \$9.8 million request for enrollment growth (During the following interim, the colleges are allowed to keep the excess replacement tax dollars that are generated when property taxes come in higher than projected. Due to these excess replacement dollars, most of the enrollment growth ultimately does receive funding.)

1999: For the 1999 session, OCCA and OCCS decide to devise joint legislative agenda. By this time Roger Bassett has returned to community colleges as the Commissioner of

Community College Services. Using the successful 1987 session as a framework, OCCA/OCCS develop a multi-faceted, nine-point agenda:

- Current service level budget (Request for \$415.7 million)
- Equity funding for formula (Request for \$10.2 million)
- Student Enrollment Growth (Request for \$9.2 million)
- Distance Learning (Request for \$14.3 million)
- Capital Projects (Request for \$300,000 for statewide facilities audit and \$17 million Lottery Bonds for \$1 million for each campus. For 1999-2000 community colleges estimated they have \$380 million in capital needs)
- Audit Literacy/Basic Skills (Request for \$14.9 million)
- Targeted Training (Request for \$7.5 million)
- Oregon Partnership Initiative (Request for \$21 million)
- Services to all counties (Request for \$2.2 million)

The OCCA board approves the agenda as a prioritized list with current service level funding, the first priority. (Equity is taken off the table by OCCA and OCCS after both the governor and the legislature indicate they have no interest in funding equity.)¹⁶¹

Unlike in 1987, this all-encompassing legislative agenda is not well received by the governor or legislature. First the governor not only funds \$2 million for distance learning and nothing for the other requests. Then top legislators tell the OCCA that community colleges are only going to get their current service level budget plus \$2 million additional dollars. OCCA staff is told repeatedly that community colleges are not the priority that session.

After learning this, OCCA staff and most of OCCA members begin lobbying for the \$2 million to go to enrollment growth. Because the governor has placed this \$2 million in his budget for distance learning, OCCS has to support his agenda. Furthermore, several colleges are interested in funding their specific college projects and have put pressure on their legislators to provide funding. OCCS learns that legislators are receiving mixed messages from the colleges and that their efforts may put the enrollment growth funding in jeopardy. However many colleges continue to lobby independently and in the end the \$2 million is divided up for the special college projects and distance learning programs. Enrollment growth goes without funding.

2001: Following the 1999 session, college presidents and board members decided to take a different approach to the 2001 session. They decide to limit their agenda to one item – increase funding for enrollment growth. They take the unprecedented step of signing a

“unity pledge”. This pledge promises the governor and legislators that the colleges will advocate with one voice, for one statewide goal.

In July 2000, Vicki Chamberlain leaves OCCA to pursue other opportunities. Andrea Henderson is hired in August as the new Executive Director.

In line with the new strategy, OCCA and CCWD request \$76 million from the governor for enrollment growth. In return, the governor asks the Community College and Workforce Development Department to identify possible line item offsets. The governor accepts \$12.67 million in offsets and sets aside a \$45 million dollar increase for enrollment growth in his budget. Because of predicted state budget shortfalls, OCCA decides to lobby the legislature for \$45 million in the governor’s budget. Considering that many agencies are getting cut, the \$45 million is viewed as a more realistic goal than the original \$76 million target.

In January, the Ways and Means co-chair’s budget is released and their priorities also include \$45 million for enrollment growth. Over the next five months of the legislative session there are many attempts by other parties to divert community college funding to other projects. However, with a strong presence in the capitol from OCCA, college presidents, board members and students, none of these efforts succeed. House Bill 5051, the budget bill for community colleges passes the House and Senate without a single vote in opposition.

After a long and difficult session the governor signs the community college budget into law and the colleges achieve their goal of \$45 million for enrollment growth. Because of their commitment to unity community colleges were able to have a strong and positive impact on the legislature.

2002: Following the 2001 session, Oregon entered a period of economic slowdown. The impact to the state was a loss of overall revenue that left the state budget in deficit.

According to the Oregon Constitution, the state budget must be balanced. To comply with the Oregon Constitution Governor Kitzhaber convened the Oregon Legislature in February for the first of what would be five special sessions to rebalance the state budget shortfall. The first special session resulted in a legislatively approved package that was vetoed entirely by Governor Kitzhaber. The cut to community colleges from the first special would have been \$14 million.

In addition, a budget note was added to the legislatively approved budget that would have forced community colleges to take the \$14 million cut entirely in the second year of the biennium.

The second special session was convened in late February. As a result of the second special session, community colleges were cut \$14 million but were successful in removing the budget note from the first special session.

In June, the state economic and revenue forecast showed the state budget in deficit again. The Governor convened the Legislature for the third special session that same month.

The third special session took place after the May primaries and was a contentious session as candidates prepared for the general election. After nearly two weeks, the legislature approved a budget to deal with the budget shortfall.

Though the community colleges were not cut, they did agree to shift their final payment into the next budget period - \$56 million (Senate Bill 1022).

The Governor vetoed Senate Bill 1022 and convened the Legislature for a fourth special session. The fourth special session lasted two days and the Legislature voted to override the Governor's veto of Senate Bill 1022. This could not have happened without the strong presence of community college advocates in the Legislature.

In September, overall revenue for the state continued to decline. As a result, Oregon experienced another state budget shortfall. The Governor convened the fifth special session.

As candidates and incumbents geared up for the general election, the fifth special session took on a strong partisan and contentious tone.

The legislatively approved package cut \$2.9 million to Self-Improvement community college classes. The cut exempted Self-Improvement classes related to health and workforce.

In addition, the Legislature passed House Bill 5100, which made \$312 million in across-the-board cuts to public services and agencies, if voters fail to pass an income tax increase ballot measure in January. The community college share is \$14 million.

Most community colleges at the local board level decided to implement the \$14 million cut at the beginning of the 2002 academic year in case the ballot measure fails. If community colleges were to wait and the ballot measure were to fail, the \$14 million cut would have to be implemented in spring term and would be more devastating to colleges than implementation of the cut over the academic year.

Overall, the impact of Oregon's five special sessions was dramatic for community colleges. Community colleges were cut \$16.9 million directly; \$30.9 million if ballot measure fails. In addition, the final payment of \$56 million to community colleges was shifted to the next budget period.

2003: On August 27, the longest legislative session in Oregon's history came to a close after 227 days and approximately 3,000 bills.

For the Oregon Community College Association it was a challenging session with many issues that could impact the mission of community colleges as well as access to a post-

secondary education for hundreds of thousands of Oregonians. The session was critical in raising the profile of community colleges within Oregon's policy discussions. It also provided insight to ideas and legislation that are likely to resurface in future legislative sessions.

The Governor's Balanced Budget severely reduced state funding for community colleges. Under the Governor's Balanced Budget community colleges were appropriated \$55 million below the previous session's Legislatively Approved Budget.

In contrast, support for community colleges was a priority in the Co-Chairs budget. The Legislature appropriated \$10.7 million above the Governor's Balanced Budget based on ongoing efforts by the community colleges and the State Board of Education to revise the distribution formula.

Under the budget for the Department of Community Colleges and Workforce Development, \$414 million was appropriated to the Community College Support Fund for the 2003-2005 biennium. This included an additional \$7 million in General Fund dollars to supplement the Community College Support Fund.

In addition, \$10.7 million was provided to support the Community College Support Fund after January 1, 2004 based on completion of the ongoing effort by the community colleges and the Department to revise the distribution formula and resolve outstanding issues as stated in the following budget note. This would increase the 2003-2005 budget for the Community College Support Fund to \$417.5 million for the biennium.

Budget Note: The Subcommittee approves a \$10.7 million General Fund appropriation to the Emergency Board with the special purpose of enhancing funding to the Community College Support Fund (CCSF). The Department, with the assistance of the group of community college presidents working to develop a new distribution formula for the CCSF, shall report to the Emergency Board no later than October 2003 on the distribution formula proposed by the work group for the CCSF beginning in the 2004-05 fiscal year. The Department shall, after January 1, 2004, request that the Emergency Board allocate the special purpose appropriation to the CCSF, after the proposed formula has been acted upon by the State Board of Education.

The Legislature also reduced the community college support fund by an additional \$7.2 million for projected PERS savings based on the passage of PERS legislation this session under House Bill 5077.

Perhaps the largest example of the value of community colleges within the Capitol was the strong bi-chamber, bi-partisan support for the Community College Capital Construction Package. Though the 2003 Legislative Session ultimately adjourned without passing the Capital Construction Package due to politics in the final days of session, the Oregon Community College Association successfully lobbied the package onto the priority lists for both chambers and raised support for future investment by the state in Oregon's community colleges.

Overall, the Oregon Community College Association was successful in preventing further erosion of state funding levels for community colleges as well as gaining ground in several major areas of concern for Oregon's seventeen community colleges, including governance, controlling costs, workforce, nursing and financial aid.

OCCA started with five colleges to represent – today OCCA serves seventeen Oregon community colleges.

2005: On August 5, the second longest legislative session in Oregon's history came to a close.

For the Oregon Community College Association it was a hard fought session, with community colleges being declared by many an overall winner among many worthy competing interests. The session raised the profile of community colleges within Oregon's policy discussions even higher. It also was an opportunity for community colleges to gain ground in areas ranging from academic transition to PERS that community colleges had not been at the table before.

The Governor's Balanced Budget reduced state funding for community colleges based on an error in calculation. Under the Governor's Balanced Budget community colleges were appropriated \$388 million.

As a result, legislative leadership created their own starting point for budget negotiations and increasing funding for community colleges became a central focus on both sides of the aisle in both chambers. Consequently, the legislative debate centered on which chamber could offer the best deal for community colleges.

Under the budget for the Department of Community Colleges and Workforce Development, \$427.7 million was appropriated to the Community College Support Fund for the 2005-2007 biennium. This appropriation level was \$39.7 million higher than the Governor's initial recommended budget and \$17.7 million higher than the Legislatively Approved Budget for 2003-2005. Additionally, two skill centers – one of which is at Portland Community College – received \$330,000 each in general fund appropriation.

The Legislative Approved Budget for 2005-2007 was accompanied by a budget note focused on tuition. Throughout the legislative session the rise in tuition at public colleges and universities in Oregon remained at the forefront of the discussion. The Oregon Community College Association worked to ensure that this discussion did not lead to a mandated tuition freeze and/or tie the hands of local boards. As a result, the community college budget received the following budget note.

Budget Note: The Subcommittee expects that community colleges will contain tuition rate increases as much as practicable in the 2005-07 biennium, and that the approved Community College Support Fund appropriation will minimize the need for colleges to increase tuition rates to maintain program offerings.

Perhaps the largest accomplishment for the Oregon Community College Association was the appropriation of funds for community college capital construction for the first time in 26 years. Though this was a historical step forward for community colleges, the Legislature appropriated less than half of the funds requested.

Presidents of the seventeen community colleges worked hard to establish a prioritized funding list which was ranked ordered by the Department of Community Colleges and Workforce Development and funding for the top six projects was supported by the Governor in his Balanced Budget. However, discussion of the capital construction package for community colleges quickly became a political football haunted by concerns of debt service levels and the ability for community colleges to go out locally for bonds. Discussions of the capital construction package were repeatedly delayed and only surfaced publicly after the Joint Committee on Ways and Means was split apart and budget work progressed behind the scenes by partisan leadership.

Funding for the six projects that should have totaled more than \$91 million was reduced by the House leadership to seven projects funded at \$38.5 million.

The success in community college funding and the mixed success with regard to capital construction were accompanied by great strides made in funding for financial aid by the Oregon Community College Association. The budget for the Oregon Opportunity Grant program, the only state-funded, need-based program in Oregon, was significantly increased. Even more critical, was that for the first time in the history of the grant sufficient funds were appropriated to allow part-time students to receive the Oregon Opportunity Grant, a significant “win” for community college students.

The Oregon Legislature appropriated \$77.7 million to the Oregon Opportunity Grant program, a \$31 million increase over the previous biennium. While the budget agreement for the financial aid package was \$17 million under the Governor’s Balanced Budget, the investment and included instructions specifying access for students who are enrolled for at least half-time provided much needed relief for community college students.

The appropriation of \$77.7 million to the Oregon Opportunity Grant program supported the following advancements:

- Expanded funding to serve all full-time eligible students at Oregon University System institutions and community colleges beginning in the first year of the biennium;
- Served 70 percent of all full-time eligible students at private institutions in the first year of the biennium; and 100 percent of all full-time eligible students in the second year of the biennium;
- Retained award sizes at 11 percent of the cost of attendance for all sectors; and
- Expanded, in the second year of the biennium, eligibility to part-time students enrolled at least half-time (six credit hours), with award levels at half the full-time student award amounts.

Overall, the Oregon Community College Association was successful in preventing further erosion of state funding levels for community colleges, gained funding for community college capital construction for the first time in history, increased funding for financial aid and for the first time in the history of the grant extended access to part-time students as well as gaining ground in several major areas of concern for Oregon's community colleges including academic transition, integrated data, and controlling costs.

2006: On November 7, election night, democrats came to power in Oregon. In a single night, the Executive and Legislative Branches were transformed to democratic control. Governor Ted Kulongoski was re-elected as Oregon Governor for a second term. In the legislature, democrats retained control of the Oregon Senate picking up additional seats and the Oregon House turned democrat for the first time in 10 years. In addition, two senators, Senator Ben Westlund (R-Bend) and Senator Avel Gordly (D-Portland) chose to become independent, rejecting both parties.

This same year, the Oregon Community College Association ramped up efforts to work with the recently established U.S. Congressional Community College Caucus (CCC). Established in the fall of 2005, the Community College Caucus is co-chaired by Rep. Brad Miller (D-N.C.), Rep. Michael Castle (R-DE), Rep. Roger Wicker (R-MS), and Oregon's U.S. Congressional representative from District 1, David Wu (D-OR).

The official purpose of the Community College Caucus, as stated in its charter, is as follows: *"The Community College Caucus recognizes that community colleges play an important and distinctive role in the American education system. Community colleges provide a low cost, close-to-home education to more than 11.6 million students a year. The ability of the community college to adapt to the needs of the community situates them to play a key role in training workers in our evolving economy."*

The purpose of the CCC is to raise awareness within the House of Representatives about the unique role of community colleges within the American educational system. The Caucus will serve as a forum to identify and discuss current issues which affect community colleges."

The Oregon Community College Association established a working relationship and an open dialogue with Rep. Wu to carry the message of Oregon's community colleges from around state to Washington, D.C.

[1] From 1961 to 1967, the legislature had increased operational funding only once (from \$200 per FTE to \$433 per FTE), but it later offset this gain by revising the definition of an FTE from 36 credit hours to 45 credit hours. During this same time period, state support for capital construction was reduced from 75 to 65 percent of project costs.

[2] Community colleges were mostly interested in developing their own personnel laws. At this time, K-12 statutes governed many college operational areas such as personnel. Unfortunately the K-12 personnel laws mostly referred to "certified" instructors. Since community college faculty did not have to be certified, the bulk of the K-12 laws could not apply to them. This left an enormous void in operating law for the colleges.

[3] The statutory changes include: new policy sections; many new provisions related to the formation and operation of community college districts, a requirement that the State Board of Education adopt guidelines for the management of community colleges, including guidelines for personnel policy and accounting procedures; procedures for boundary changes; authority for the State Board of Education to develop rules to implement the funding formula; authority for colleges to incur bonded indebtedness, among other changes.

[4] The one bright spot in this session was the creation of the small Business Development Centers. The legislature allocated \$500,000 to help establish SBDCs in Oregon. Community colleges were able to convince legislators to locate 15 of the 19 centers at community colleges. This arrangement differed greatly from other states that sited most of these centers at universities.

[5] OCCS is the Office of Community College Services, now called the Department of Community Colleges and Workforce Development.

[6] In 1999, equity was partially funded with formula resources by taking \$3.6 million off the top of the CCSF and allocating this funding to colleges who were below the statewide average for FTE reimbursement.