California’s brain drain is Oregon’s gain

By Jacq Lacy

Out-of-state tuition dollars are saving the Oregon University System from financial strains and keeping tuition hikes lower here than in neighboring states. Since 2006, the non-Oregon student population has grown by 49% and Californian attendance has increased by 76%. This influx has become a vital subsidy for public universities, replacing vanishing Oregon general fund dollars.

"With Californians, the budget increases because they pay three times more. For every out-of-state student we are able to pay for two more Oregon students to come to school," Diane Saunders, OUS director of communications, said. "Campuses don't have to raise tuition to the same level" to offset general fund higher education budget cuts.

Last month, the Oregon Legislature cut the general fund dollars for the OUS budget for the second time this year. Legislative cuts have risen to $33 million this year, challenging universities' efforts to keep education accessible to low and middle-income families.

Large enrollment numbers have filled the gaps, with particularly high growth in out-of-state students, said Jay Kenton, OUS vice chancellor for finance and administration.

Washington and California are experiencing a student exodus due to 14% tuition increases. California has also capped enrollment to save operating costs, cutting an average of 2,000-3,000 students per campus.

By comparison, Oregon students will experience a 6.2% tuition increase, leaving the cost of the average Oregon university less than public schools to the north and south. Even with out-of-state tuition costs, federal student aid dollars balance the price to be only about $1,000-$2,000 more than in-state tuition.

Oregon university administrators stated that the rapidly increasing out-of-state student population will not replace spots normally allotted for residents because fewer in-state students are applying. That's because the dropout rate has increased so much in Oregon that the high school graduation rate is down. The state's graduation rate fell from 76% in 2007-2008 to 66% in 2008-2009.

"We haven't denied anyone from in-state, just because we wanted more out-of-state," Kate Peterson, Oregon State University assistant provost for enrollment management, said. "The real opportunity for growth is transfer students within state and students from out-of-state. Growth of in-state students will be much slower than outside because we have a finite number of Oregon applicants."

Roger Thomason, University of Oregon vice provost for enrollment management, says the influx of