



Kentucky Chamber
Uniting Business. Advancing Kentucky.

Dave Adkisson
President & CEO

February 16, 2016

The Honorable Robert Stivers II
Senate President
Kentucky State Senate
702 Capitol Avenue
Annex Room 236
Frankfort, Kentucky 40601

Dear President Stivers:

I am writing to express a serious concern that we at the Kentucky Chamber of Commerce have about Governor Bevin's proposed budget cuts for postsecondary education in the current fiscal year and the 2016-2018 biennium.

First, I do want to note that we view the governor's overall budget as a bold proposal that could move Kentucky toward a more stabilized fiscal condition. We are particularly pleased with his plan to provide much-needed funding for the state's pension systems – a move that would both help the state keep the promises it has made to retirees and send the right message to the ratings agencies whose opinions determine our borrowing costs.

While the appropriations for the pension systems represent an important investment in building a stronger future for our state, the same cannot be said of the proposed budget cuts for our institutions of higher learning – important producers of the talent needed in Kentucky's workforce.

As you may know, education has been at the top of the Kentucky Chamber's public policy agenda for many years – a reflection of the business community's understanding of the critical importance of having a well-educated population to fuel job growth and prosperity. We do not believe Kentucky can achieve its goals for economic progress – for individuals and the state as a whole – if we fail to sufficiently support postsecondary education.

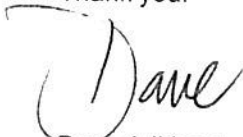
Continuing the trend of recent years to cut public funding for those institutions represents a move in the wrong direction at a time when Kentucky has a growing need for a highly skilled, quality workforce. And as our colleges and universities turn to tuition increases to replace state funding, affordability becomes more of an issue for Kentuckians who must have postsecondary education or training to gain the knowledge and skills they need to get a good job.

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On a related matter, the Kentucky Chamber has been a longstanding supporter of moving incrementally toward performance-based funding for postsecondary institutions. We continue to maintain that position and would be happy to assist in the development of such a process for Kentucky.

Knowing that we share the same goals for our Commonwealth, we respectfully request that you minimize the negative impact on postsecondary education as you deliberate and enact a budget for the 2016-2018 biennium. I hope you will let us know if you have any questions or if there is a way we can support your efforts to ensure continuing progress for our state.

Thank you.



Dave Adkisson

Cc: The Honorable Greg Stumbo
The Honorable Christian McDaniel
The Honorable Rick Rand
Mr. Robert L. King