

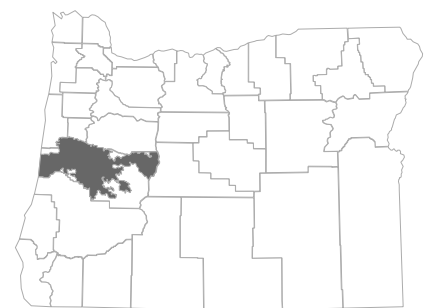
The Economic Value of Lane Community College



Lane Community College (Lane) creates a significant positive impact on the business community and generates a return on investment to its major stakeholder groups—students, taxpayers, and society. Using a two-pronged approach that involves an economic impact analysis and an investment analysis, this study calculates the benefits received by each of these groups. Results of the analysis reflect fiscal year (FY) 2023-24.

Economic impact analysis

In FY 2023-24, Lane added **\$816.2 million** in income to the Lane Service District* economy, a value approximately equal to **3.8%** of the region's total gross regional product (GRP). Expressed in terms of jobs, Lane's impact supported **9,787 jobs**. For perspective, the activities of Lane and its students support **one out of every 23 jobs** in the Lane Service District.



The Lane Service District, Oregon

* For the purposes of this analysis, the Lane Service District is comprised of the following 40 ZIP codes across Benton, Klamath, Lane, Lincoln, and Linn Counties: 97324, 97401, 97402, 97403, 97404, 97405, 97408, 97409, 97412, 97413, 97419, 97424, 97426, 97430, 97431, 97434, 97437, 97438, 97439, 97440, 97446, 97448, 97451, 97452, 97453, 97454, 97455, 97456, 97461, 97463, 97475, 97477, 97478, 97480, 97487, 97488, 97489, 97490, 97492, and 97493.

Operations spending impact

- Lane employed 897 full-time and part-time faculty and staff. Payroll amounted to \$56.9 million, much of which was spent in the region on groceries, mortgage and rent payments, dining out, and other household expenses. The college spent another \$37.6 million on its expenses related to facilities, supplies, and professional services (excluding construction).
- The net impact of the college's operations spending added **\$58.4 million** in income to the regional economy in FY 2023-24.

Construction spending impact

- Lane invests in capital projects each year to maintain its facilities, create additional capacities, and meet its growing educational demands, generating a short-term infusion of spending and jobs in the regional economy.
- The net impact of Lane's construction spending in FY 2023-24 was **\$16.0 million** in added income for the Lane Service District.

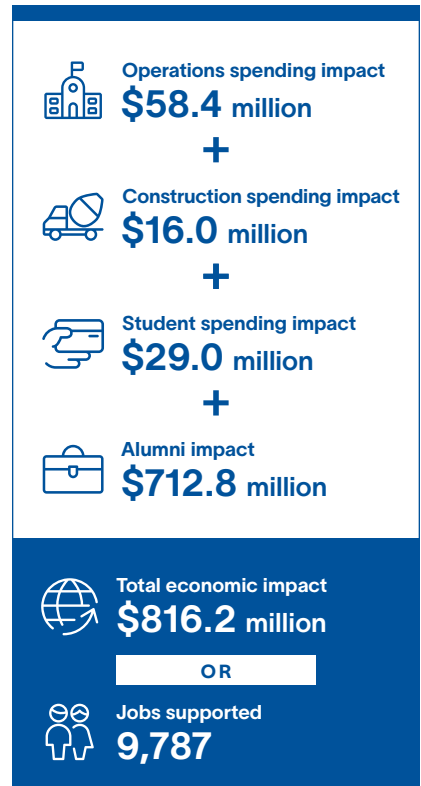
Student spending impact

- Around 14% of students attending Lane originated from outside the region. Some of these students relocated to the Lane Service District. In addition, some in-region students, referred to as retained students, would have left the Lane Service District for other educational opportunities if not for Lane. These relocated and retained students spent money on groceries, mortgage and rent payments, and other living expenses at businesses in the region.
- The expenditures of relocated and retained students in FY 2023-24 added **\$29.0 million** in income to the Lane Service District economy.

Alumni impact

- Over the years, students have studied at Lane and entered or re-entered the workforce with newly acquired knowledge and skills. Today, hundreds of thousands of these former students are employed in the Lane Service District.
- The net impact of Lane's former students currently employed in the regional workforce amounted to **\$712.8 million** in added income in FY 2023-24.

Impacts created by Lane in FY 2023-24



Investment analysis

Student perspective

- Lane's FY 2023-24 students paid a present value of **\$46.2 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent a value of **\$10.1 million** in time and money had they been working instead of attending college.
- In return for their investment, students will receive a cumulative present value of **\$224.5 million** in increased earnings over their working lives. This translates to a return of **\$4.00** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **14.5%**.

Taxpayer perspective

- Taxpayers provided Lane with **\$83.7 million** of funding in FY 2023-24. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$79.6 million**. A reduced demand for government-funded services in Oregon will add another **\$9.1 million** in benefits to taxpayers.
- Total taxpayer benefits amount to **\$88.7 million**, the present value sum of the added tax revenue and public sector savings. For every dollar of public money invested in Lane, taxpayers will receive **\$1.10** in return over the course of students' working lives. The average annual rate of return for taxpayers is **1.3%**.

Social perspective

- In FY 2023-24, Oregon invested **\$154.8 million** to support Lane. In turn, the Oregon economy will grow by **\$805.1 million** over the course of students' working lives. Society will also benefit from **\$16.7 million** of public and private sector savings.
- For every dollar invested in Lane in FY 2023-24, people in Oregon will receive **\$5.30** in return, for as long as Lane's FY 2023-24 students remain active in the state workforce.

Students see a high rate of return for their investment in Lane



Average annual return for Lane students
14.5%



Stock market 30-year average annual return
10.9%



Interest earned on savings account (national deposit rate)
0.5%

Source: Forbes' S&P 500, 1994-2025; FDIC.gov, January 2024

For every \$1...



Students gain in higher lifetime earnings
\$4.00



Taxpayers gain in added tax revenue and public sector savings
\$1.10



Society gains in added income and social savings
\$5.30

