From: salem_update-bounces@lists.oregonstate.edu on behalf of Mills, Jock
To: CAS Unit Leaders; CAS DeanStaff; Salem Update Listserv
Subject: [Salem Update] Key dates, big bills, and more
Date: Saturday, March 14, 2009 9:48:41 PM
Attachments: ATT5467629.txt

With apologies for the time between updates, and the length of this one, here is a run down of what is happening in Salem, since the legislature sought to close the books on what's left of the 2007-09 biennium two weeks ago. (Information regarding the impacts of the $46 million reduction to Oregon's public universities has been communicated extensively in the press and in communications from OSU President Ray and Provost Sabah Randhawa.)

The Legislative from here on . . .
The schedule for the 2009 session has been outlined in Senate Concurrent Resolution 2, which passed both chambers early in the session. Here are some key dates:

March 2: The last day new legislation could be introduced. Over the last two weeks as Legislative Counsel has completed drafting the bills submitted on the deadline, we have seen a raft of new bills, including my favorite – a bill that would prohibit state agencies from employing lobbyists.

April 17: Committees must have held their first hearings on bills that originate in their respective chambers. (Presumably bills that have not met this deadline are dead.)

April 28: Senate and House bills must be out of their respective Committees for floor consideration. (Again, bills that fail to meet this deadline are presumably dead.)

May 20: House and Senate Committees must have scheduled hearings for bills that have originated in the other chamber.

May 28: House and Senate Committees conclude their business. (Except for extremely rare cases, any bill still in a committee is dead.)

June 30: The House and Senate adjourn.

A number of committees are not subject to the deadlines outlined above, including the Joint Ways & Means Committee and the Revenue and Rules Committees in each of the Chambers. As to the date of adjournment, while a majority of each chamber has voted on the resolution to adjourn on June 30, a majority of each chamber must actually vote to adjourn. The resolution sets a guideline, not a hard and fast date.

One other significant date is **May 15**, when the state economist will issue his next quarterly forecast. This forecast will be used to set the budget over the next two years. Between now and then the Joint Ways & Means Committee will conduct hearings on the budgets for each of the agencies. The Oregon University System (OUS) operating budget is currently projected for hearings in mid to late April. We

anticipate the Ways & Means co-chairs will issue a proposed budget for 2009-11 in late March/early April based on the February economic forecast that predicted a $3 billion shortfall over the next biennium. Sometime following the issuance of the budget, we also anticipate the Ways & Means Committee will conduct field hearings around the state. We will provide complete information as soon as it is available.

Two Senate bills garner attention

Two Senate bills under consideration by the Senate Education Committee are capturing a significant amount of attention:

Senate Bill 442 directs the Oregon University System to study consolidating campuses. Amendments to the bill which will be considered by the Committee on Wednesday raise a number of additional issues, including studying: the financial viability of the Cascades Branch Campus, consolidation of enrollment and admissions processes among campuses with fewer than 7,500 students; a move to the semester system for both universities and community colleges; and elimination of duplicative and high cost programs.

Senate Bill 7 would establish a "pre-paid" tuition program as an alternative to the state's 529 college savings plan which garnered widespread attention last year when a supposedly low-risk Oppenheimer fund tanked. The bill, the brainchild of Oregon Treasurer Ben Westlund and Senate President Peter Courtney (D-Salem) would enable families to lock into a tuition rate in future years by making investments now.

The bill has captured significant attention due to concerns that it could shift financial risk to universities. Committee members have also raised concerns that it primarily benefits those who can save now, and therefore are most likely to be able to afford a college education.

While Westlund has indicated that insurance programs could protect both investors and universities in the event that investments under-perform and tuition rates climb, OUS Chancellor George Pernsteiner wrote last week to the Senate Education Committee:

> [The insurance program] is a very promising aspect of the current proposal because it would help address the problems associated with both market risk and reduction in state support for colleges and universities. However, it is not clear to me that such insurance would be available, affordable, reliable, and effective. It would be very helpful to model the tuition history in Oregon since 1990 and the kinds of investment returns and insurance products that might have provided investors in a prepaid plan with sufficient resources to pay tuition over the next four years.

Additional work will likely be needed before the bill is passed out of the committee.

OSU President Ed Ray to make additional rounds of legislative visits

In the coming two weeks President Ray is scheduled to meet with key legislators and

legislative leadership in the state capitol. By next week he will have connected with the Governor, all of the co-chairs and vice chairs of the Joint Ways and Means Committee, the co-chairs of the Education, Natural Resource, and Economic Development Subcommittees, the chairs of the Senate and House Education Committees, and the House Speaker and Senate President.

Legislature forms a Bipartisan, Bicameral Higher Education Caucus

Over the last week Republican and Democratic leaders in both the House and Senate have initiated a Higher Education Caucus to address a number of the critical issues facing Oregon's Public Universities. The Caucus will be co-chaired by Senators Vicki Walker (D-Eugene) and Frank Morse (R-Corvallis/Albany) and Representatives Larry Galizio (D-Tigard) and Greg Smith (R-Heppner).

The caucus is intended to track and engage in some of the fundamental issues facing Oregon's public universities and the 87,000 students who attend them. Last session, the caucus was instrumental in guiding benchmark investments for each of the universities, student financial aid, and other educational, economic development, and research programs that are vital to Oregon's economy. The caucus is expected to focus on four primary areas:

1. Employability: With an average unemployment rate of almost 10%, and many counties with significantly higher rates, what must we do to prepare Oregon's workforce for the next generation of jobs? Across the state, and across the board, from traditional high school graduates to displaced workers, students need a post-secondary education in order to compete.

- Past investments are working. Universities have experienced increases in enrollment for the current academic year, and are experiencing an unprecedented increase in applications for next year.

2. Affordability: What is the right balance between general fund investments, tuition revenues, and other resources to manage increasing demand and enrollments? How best can we ensure that students can afford to attend our public universities?

- By maintaining investments in the **Shared Responsibility Model**, Oregon can make college attainable for Oregon students. Without state investments, Oregon students will not be able to take advantage of increased federal investments in the Pell Grant and other student assistance programs.

3. Accessibility: What steps can we take, and what investments are needed, to ensure that classes are available to Oregon students so they can graduate in a timely manner? What is needed to meet the challenges facing Oregon's regional universities, while also enabling the larger research institutions to compete nationally and internationally for students and research funding?

- Oregon universities are poised to leverage both federal and philanthropic funds but may need matching state bonds under Article XI-G of the state constitution to take advantage of these funds. These investments will provide additional classrooms for students and facilities for researchers. They will enable Oregon to

attract additional federal and private research and education funds.

4. **Sustainability:** With limited funds, what programs will provide the greatest Return on Investment for programs that will create businesses and family wage jobs?

- Support prudent investments in signature research centers and programs recommended by the **Oregon Innovation Council**, the **Engineering and Technology Industry Council** (ETIC) and the **OSU Statewide Public Service Programs**.

OSU Day: Tuesday, April 21

We continue to make plans for OSU's Lobby Day on Tuesday, April 21. We are in the process of scheduling one-on-one meetings with key legislators, providing every member with information about OSU's "economic footprint" in their districts, including the number of students from their district who attend and have graduated from OSU, the amount of tuition they pay, the amount of general funds that are used to support them, 4-H participants and volunteers, payroll, contributions to the OSU Foundation, etc.). At this year's lobby day, we are working to increase the presence of employers, business interests, and others who rely on OSU graduates, research, and extension. **Funding used to promote OSU Day is derived from non-state funds.**

If you have questions or suggestions regarding OSU Day, please contact Heather Bené: heather.bene@oregonstate.edu

Reminder for how to get legislative newsletters

Almost every legislator issues a periodic electronic newsletter for constituents. If you are interested in receiving your legislators' newsletters follow this link: https://service.govdelivery.com/service/multi_subscribe.html?code=ORLEG

Jock Mills
Director, Government Relations
Oregon State University