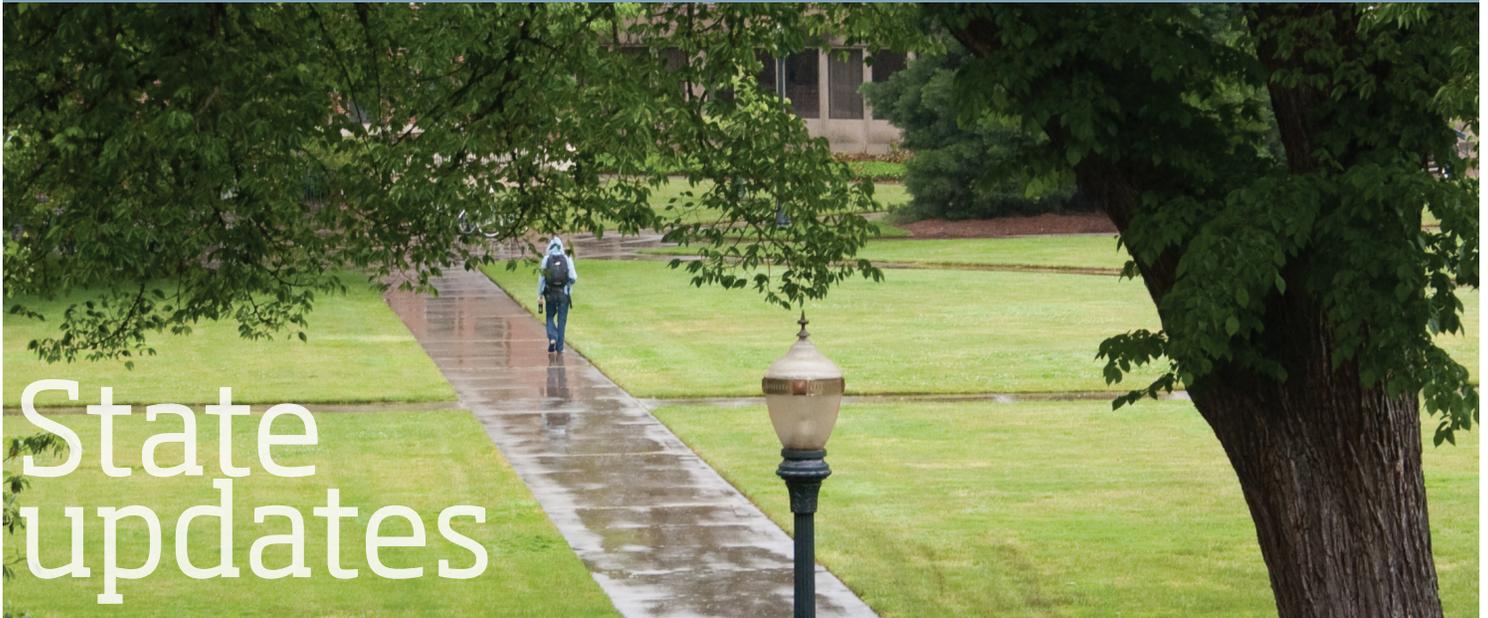


Government Relations Update

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Election Results

Yesterday's primary election delivered few surprises as candidates now move toward the November general election. Democrat John Kitzhaber and Republican Chris Dudley will vie for Governor. For an *Oregonian* article in which Harry Esteve draws contrasts between the two candidates, [click here](#).

Democrat Ted Wheeler will face Republican Chris Telfer in the State Treasurer's race.

Susan Castillo narrowly defeated Ron Maurer in the non-partisan race for state superintendent of public instruction. Four years ago, Castillo won with 62% of the vote. This time around she had a two point margin of victory. Whether the narrow margin is a harbinger of possible Republican gains in November, or merely dissatisfaction with Castillo's performance over the last four years, is a question that will likely be the subject for analysts and campaign strategists in other races in the months to come.

In two key legislative primary races two Republican incumbents – Bob Jensen (R-Pendleton) and Greg Smith (R-Heppner) – defeated Republican challengers who sought to unseat them on the basis of their support for tax increases narrowly passed by the legislature last session.

For a complete list of the legislative candidates in the November General Election, [click here](#).

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Oregon State
UNIVERSITY

Lane County voters defeated a local levy for Extension by a vote of 55 to 45%. For a notice from Extension regarding the closure of its Lane County Office, [click here](#).

Just up the Willamette Valley, Polk County voters approved a local levy for Extension by a margin of 28 points – 64 to 36%.

Congressional races in November are slated as follows:

- US Senate: Ron Wyden (D) incumbent v. Jim Huffman (R)
- 1st Congressional District: incumbent David Wu (D) v. Rob Corniles (R)
- 2nd Congressional District: Joyce Segers (D) v. incumbent Greg Walden (R)
- 3rd Congressional District: incumbent Earl Blumenauer (D) v. Delia Lopez
- 4th Congressional District: incumbent Peter DeFazio (D) v. Art Robinson (R)
- 5th Congressional District: incumbent Kurt Schrader (D) v. Scott Bruun (R)

Legislative Committees meet next week

A number of committee hearings scheduled for next week are of particular interest to the higher education community.

House Education Committee

On Monday morning, May 24, the House Education Committee, chaired by Rep. Sara Gelsler (D-Corvallis), has the following agenda item:

The Role of Athletics in the University System Discussion, Invited Testimony

George Pernsteiner, Chancellor, Oregon University System
Richard Lariviere, President, University of Oregon
John Kroger, Oregon Attorney General
David Leith, Associate Attorney General

Presumably the primary topic will be recent issues at UO regarding the departure of Athletic Director Mike Bellotti.

The committee will also hear from OSU's Ursula Bechert, Director of Off-Campus Science Programs, regarding Professional Science Master's Degrees.

Senate Business & Transportation Committee

On Monday afternoon, the Senate Business and Transportation Committee, chaired by Sen. Rick Metsger (D-Mt. Hood), will receive a report regarding the audit currently being conducted by the Oregon Secretary of State on the University of Oregon Arena Project. The hearing will include representatives from UO, the Secretary of State's Office and the building trades.

Senate Rules Committee

Also on Monday, former OSU Faculty Senate President Lynda Ciuffetti will appear before the Senate Rules Committee when it considers confirming her appointment to the State Board of Higher Education. Presuming she sails through the committee process, the full Senate will affirm her confirmation during a floor session scheduled for Wednesday.

Joint Emergency Board

On Tuesday, May 25, the Joint Emergency Board will consider a request by the Oregon University System to increase its "expenditure limitation". The Legislature applies expenditure limitations to "other funds" that OUS collects – primarily tuition and indirect cost recovery revenues. In essence universities may raise or collect revenues, but they can't spend them if they exceed the legislatively imposed limitation.

As a result of both increased enrollments and research grants, OUS institutions are projected to exceed the limitations that were set last year when the legislature adopted the OUS budget. Unless the Emergency Board approves the limitation increase for these revenues next week, universities may be in the position of admitting students for the next academic year and collecting their tuition but won't be able to spend the money to provide classes for them.

Meetings scheduled this week and next with legislators are aimed at stressing the difficulties presented by deferring decisions or further controlling the funds that universities are projected to collect next academic year and over the remainder of the biennium.

Next week legislators will be mindful of the budgetary challenges facing Oregon when they convene next January. It is possible that budget writers will seek to include directives regarding tuition, ending fund balances and other factors as they seek to put themselves in an advantageous position for dealing with the remainder of the current biennium and as they anticipate the challenges presented by the next one.

For an OUS description of the expenditure limitation issue, [click here](#).

House and Senate Revenue Committees

On Tuesday morning, both House and Senate Revenue Committees will receive the next quarterly revenue forecast. What happens in that hearing room may affect what goes on in the E-Board hearing room that same morning.

Senate Committee on Education & General Government

On Wednesday, May 26, the Senate Committee on Education and General Government, chaired by Sen. Mark Hass (D-Beaverton) will consider recommendations from the Governor's Reset Committee on Rural Education Delivery Systems.

For a complete listing of committee agendas next week, [click here](#).

Congressional updates

Congressional calendar

This week the Senate continues consideration of legislation to reform the financial regulatory system (S. 3217). The House is considering the America COMPETES Reauthorization (HR. 2272).

Both the Senate and House are in the sixth week of a seven week work period that will end in late May for a Memorial Day recess.

Budget and Appropriations

There has been no movement on adoption of a Budget Resolution. As reported in the last update, on April 22 the Senate Budget Committee approved the FY11 Budget Resolution. Consideration by the full Senate is on hold until the House determines if it will pursue a Budget Resolution. At this point, it appears that neither the House nor Senate will move forward with the Budget Resolution and instead will look to pass a “deeming” resolution, which will set a discretionary spending cap and allow for the Appropriations Committees to begin marking-up their bills.

America COMPETES Reauthorization

This week the House is considering the America COMPETES Reauthorization (HR. 5325). The legislation builds on the original bill passed in 2007 by authorizing for three years, robust budgets for the National Science Foundation, the Department of Energy Office of Science, and the National Institute for Standards and Technology. It also promotes STEM education programs, Energy Innovation Hubs, ARPA-E, and many other programs.

Tax Extenders Package

The House and Senate are working on a package of tax extenders that provide tax relief for a variety of purposes. Two provisions that affect higher education are: (1) an above-the-line deduction for tuition for students and families and (2) tax free deductions from individual retirement plans for charitable contributions.

House and Senate leaders hope to approve the extender package before the Memorial Day recess.

Supreme Court Nomination

President Obama has nominated Elena Kagan to replace Supreme Court Justice John Paul Stevens. The Senate Judiciary Committee will begin Elena Kagan’s Supreme Court confirmation hearings on June 28, a move that would allow the panel to complete its questioning before the July Fourth recess.



Rep. Greg Walden (R-OR) meets with OSU Extension advocates participating in the Public Issues Leadership Development Conference in Washington, DC on April 28. Pictured left to right: Barbara Brody, Malheur County; Shelby Filley, Douglas County; Scott Reed, Extension Director; Samantha Filley, Douglas County; Rep. Greg Walden; Neil Lucht, Metro Extension Citizens Advisory Network; Patricia Dawson, Umatilla County and Marilyn Lesmeister, State 4-H Office.