Federal Affairs

President’s 2011 federal budget increases funding for student aid and research

While some agencies must tighten their belts, President Obama requested significant funding increases for higher education in his $3.8 trillion budget proposal on Monday.

If the budget is passed as proposed, spending for the U.S. Department of Education will be increased by 7.5 percent although most of the funds support elementary and secondary education. The president also exempted education, along with defense, Homeland Security and several other programs, from a partial three-year freeze on non-discretionary spending intended to save an estimated $250 billion.

The budget increases funding for the National Institutes of Health by $1 billion—the largest proposed dollar and percentage increase for...

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Focus on Oregon Legislature: Supplemental Session

HJR 101: Modernizing Oregon’s bond law

The Oregon University System (OUS) is supporting a constitutional amendment that will clarify the ability of the state’s public universities to use Article XI-F(1) and XI-G bonds to meet their capital needs and serve Oregon students. HJR 101 will save taxpayer dollars by ensuring universities have access to the lowest-cost financing.

OUS is following the advice of Attorney General John Kroger and Bond Counsel in pursuing these amendments, which also are supported by State Treasurer Ben Westlund and Governor Kulongoski.

Article XI bonds are the lowest cost financing available to the state. HJR 101 will ensure that Oregon’s public universities can continue to use Article XI bonds to finance their capital needs. HJR 101 specifically allows OUS to finance existing buildings which can be less costly than building new facilities, and to finance any facilities that benefit higher education. With the HJR 101 clarifications, OUS does not envision any significant changes in the number or types of facilities that it finances.

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For more information about this newsletter, please contact Eric Stillwell in Government and Community Relations at (541) 346-5381 or email to eas@uoregon.edu.

If you are interested in inviting government officials to a UO event, please contact us first. We can help! Give us a call or send an email to gcr@uoregon.edu.

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biomedical research in eight years, not including last year’s Recovery Act funding. National Science Foundation funding is increased by 8 percent to $7.4 billion.

In addition, maximum Pell Grants for students would increase from $5,550 to $5,710 with expected funding increases of 1 percent annually until 2019. Other important student aid programs including TRIO, GEAR UP, Federal Work-Study and Supplemental Educational Opportunity Grants would be maintained at current levels but the Leveraging Educational Assistance Partnerships (LEAP) and Robert C. Byrd Honors Scholarships would be eliminated if adopted as proposed.

Other programs receiving boosts included the Agriculture and Food Research Initiative, Department of Energy Office of Science, and NASA.

The National Endowment for the Humanities (NEH), would be cut by $6.2 million, or 3.7 percent below 2010 funding.

The final version of the budget will likely have significant changes. Although federal fiscal year 2011 starts October 1, 2010, recent history indicates that final adoption of the budget by Congress may not occur until well past the start of the fiscal year.

Higher education associations praised the budget including the Association of American Universities and the Association of Public and Land-grant Universities.

If HJR 101 is not approved, OUS will still have to finance its capital needs, but will have to use more costly forms of financing.

HJR 101 is necessary in part because the role and nature of higher education have evolved over the past sixty years. In addition to traditional instruction, facilities are also used for research, public service, and economic development. Addressing today’s capital construction and facilities needs are dependent upon close collaborations with other governmental entities, as well as non-profit and for-profit organizations. Working with these partners, OUS has created efficiencies and synergies that serve the universities’ missions and the state’s interests, while also finding innovative, cost effective ways to address critical facilities’ needs.

All bond financed projects will continue to require compliance with State Board of Higher Education policies and require the approval from Campus leadership, Chancellor’s Office, Board, Governor, and Oregon Legislature.

Any project that relies upon student tuition or fees for payment of debt service will be reviewed by a student committee which will make recommendations to the university’s president prior to seeking the chain of approvals noted above.