



Public and Government Affairs Update

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STATE RELATIONS

Revenue forecast drops another \$183 million

Oregon's 2009-11 revenue forecast, released Monday, is now projected to be \$183 million less than forecasters predicted in December—or \$365.4 million below the end of session forecast last July. After applying a positive ending fund balance and other rainy day and education stability funds set aside by the Legislature in 2009, the state now faces a negative ending balance of \$106.3 million.

The lower projection is largely the result of persistent unemployment levels in Oregon, which result in decreased income tax collections by the state. Corporate tax collections were up slightly.

The revenue shortfall comes after the state managed to balance a budget last year that at one point was \$4 billion less than it was in 2007. The state did so through tax increases and federal grants — primarily through the American Recovery and Reinvestment Act — and cutting education and social services budgets.

The additional tax revenues generated by Measures 66 and 67 will not compensate for the additional revenue shortfall, as those funds were already included in the 2009-11 biennium budget approved by the Legislature last year.

The state economist noted that 2009's fourth quarter marked the seventh consecutive quarter of job losses in Oregon. His office forecasts a 0.5 percent drop in total employment during 2010's first quarter and believes the decline will reach 1 percent by the end of the year before returning to 2 percent growth in 2011 and 2.8 percent in 2012.

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Think & Drink happy hour

Local panel to discuss "Sports and American Culture"



Lariviere



Bellotti



Piercy

The popular Portland happy-hour series Think & Drink visits Eugene today (Friday, February 12) at 5:30pm. University of Oregon President Richard Lariviere, University of Oregon Athletic Director Mike Bellotti and Eugene Mayor Kitty Piercy will discuss the economic and cultural influences of sports in American culture. New National Endowment for the Humanities Chair Jim Leach was scheduled to participate but unpredicted winter weather in D.C. kept him snowbound in the nation's capitol.

This all-ages event is free, open to the public, and will take place at Cozmic Pizza, 199 West 8th Avenue in Eugene.

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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 eam@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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Legislative Supplemental Session update

(source: OSU Government Relations Update)

The State’s declining revenues will induce Oregon legislators to look for savings during this month’s supplemental session, including possibly looking at state agency fund balances. One clear target in the near term is the Business Energy Tax Credit (BETC). Because these tax credits are reducing state corporate receipts, legislators are looking to reduce those credits now. The House Revenue Committee took action last Friday to trim the expected loss of corporate tax revenues due to BETC by some \$50 million.

During the first week of the session legislators also moved to override two of the Governor's vetoes from the 2009 session - including one addressing PERS and the other addressing a bill that would have authorized state takeover of a privately held fish hatchery. Budget writers have yet to address a line-item veto the Governor placed on the legislative budget for higher education. That veto eliminated some \$13 million in reductions the legislature had imposed in expectation of salary savings due to furloughs and other actions.

Capital construction & bonding authority

Higher Education advocates are pursuing a number of bills, including a capital spending bill (SB 5563) that authorizes several Article XI-F bond-funded buildings on campuses, including the UO’s East Campus Residence Hall, and a constitutional revision that clarifies how state bonds can be used to purchase and finance existing buildings (HJR 101). If that measure is approved by the legislature during the short session it will be on the primary ballot for Oregon voters to consider this May.

Oregon Opportunity Grant

The Governor has also expressed interest in increasing funding by approximately \$19 million for the state’s Opportunity Grant program, which has shown much higher demand than was anticipated when the budget was adopted last May. Unless legislators take steps to add money to the program, the low income assistance grants could be curtailed by limiting the number of new and/or existing students who qualify for the grant and/or by cutting the amount of the grant provided. Students gathered

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FEDERAL AFFAIRS

Sustainable Cities Initiative aligns with Obama Administration priorities

The Sustainable Cities Initiative led by UO faculty Marc Schlossberg, Nico Larco, and Robert Young continues to align well with federal agency research priorities and interests. This week the faculty members submitted comments in response to the US Department of Transportation’s effort to develop a five year strategic research plan.

Particular areas of interest include livable communities, sustainable transportation, and the role of universities not only in the traditional research and teaching modes, but also as active and direct facilitators helping communities make the transitions to more sustainable transportation and livable community design.

In addition to the submission, the faculty members met recently with staff to Congressman Earl Blumenauer (D-Oregon) to discuss his livable communities bill and also to describe work the University of Oregon is doing with the City of Gresham, Oregon during its inaugural Sustainable Cities Year. Gresham is the focus of up to 24 University of Oregon classes, fifteen faculty, seven disciplines, and 100,000 hours of work.

The Sustainable Cities Initiative is one of the university’s “[Big Ideas](#).”

FEDERAL AFFAIRS

Federal officials on campus



Congressman Peter DeFazio (D-Springfield) will be on campus Friday meeting with faculty and speaking to classes. One of Oregon’s longest-serving members of Congress, DeFazio earned his master’s degree from the University of Oregon and is a frequent visitor to campus.

Willamette National Forest Supervisor **Meg Mitchell** came to campus earlier this week to learn about research and community connections involving the U.S. Forest Service and the University of Oregon. Her itinerary included visits with VP for Research Rich

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Legislative Session update

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in Salem on Friday to rally on the steps of the Capitol in support of the program.

Kicker reform

The Governor had asked the Legislature to consider revising the state's "kicker law" during the February supplemental session, but he was notified Thursday by the Senate President and Senate Revenue Chair that they did not believe the effort would have sufficient support to pass during the brief time remaining to craft legislation this year. The Governor and others have suggested that the kicker be revised in order to devote a portion of funds that exceed the biennial forecast to a rainy day fund, rather than refunding the excess directly to voters. Because the kicker is embedded in the state constitution, any revisions would need to be adopted by the voters.

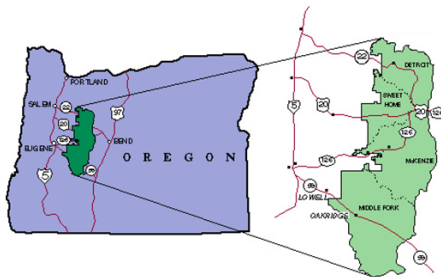
Annual sessions

Another possible measure headed to voters in November would be a Constitutional amendment that would enable annual legislative sessions. Unlike the current process which limits the legislature to a biennial session, but does not limit the number of days the legislature can meet, SJR 41 would limit annual sessions to a number of days - yet to be determined - that could not be exceeded unless agreed to by a 2/3rds vote of both chambers.

Federal officials on campus

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Linton and faculty involved with sustainability, community service, and other initiatives. Mitchell took the helm of the Willamette National Forest late last year having previously served as supervisor of the Green Mountain (VT) and Finger Lakes (NY) National Forests.



With a career that has spanned more than 20 years, Mitchell also spent a substantial part of her career on the Tongass National Forest in Alaska. The Willamette National Forest stretches for 110 miles along the western slopes of the Cascade Range in western Oregon. It extends from the Mt. Jefferson area east of Salem to the Calapooya Mountains northeast of Roseburg.

FEDERAL AFFAIRS

UO's Moseley headed to D.C. for White House Meeting



Cassandra Moseley, director of the University of Oregon Ecosystem Workforce Program (EWP), heads to Washington, D.C. next week as part of a team of five organizations invited to brief the White House National

Economic Council's Regional Innovation Cluster. The briefing involves sustainable forest stewardship and rural economic development with EWP/UO taking the lead on assessment and monitoring.

The National Economic Council (NEC) was established in 1993 to advise the President on U.S. and global economic policy. It resides within the Office of Policy Development and is part of the Executive Office of the President. By Executive Order, the NEC has four principal functions: to coordinate policy-making for domestic and international economic issues, to coordinate economic policy advice for the President, to ensure that policy decisions and programs are consistent with the President's economic goals, and to monitor implementation of the President's economic policy agenda.

The NEC Regional Innovations Cluster group is comprised of leads from US Department of Agriculture (Rural Development), Department of Labor, Department of Energy, Small Business Administration, and Economic Development Administration (Department of Commerce).

COMMUNITY RELATIONS

Former City Councilor Stu Burge dies

Former Springfield City Councilor Stu Burge died Saturday. He was 73. A commercial real estate broker and developer by profession, Burge spent about 15 years in public service.

In addition to the Springfield City Council where he served from 1993 to 1998, he also served on the Springfield Planning Commission and the Willamalane Park and Recreation District Board.



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