Public and Government Affairs Update

November 2010

State Relations Economic and Revenue forecasts predict slow recovery

The Oregon House and Senate Revenue Committees met Friday morning to receive the quarterly revenue forecast from the state economist.

While there was little in the way of good news, this was the first forecast in two years that

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<u>Community Relations</u> Parkas for Pakistan project aids relief efforts

The University of Oregon teamed up with St. Vincent de Paul November 2 and November 3, to collect outerwear items for people in Pakistan affected by the recent devastating flooding.

Spearheaded by UO international studies professor Anita Weiss who is an expert on Pakistan and travels there frequently, the UO hosted two days of collection of much-needed items, including jackets, sweaters, sweatshirts, warm pants, blankets, sleeping bags and plastic

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Issue No. 53

<u>Federal Relations</u> Congress returns to DC; 2010 elections bring change

Congress returned on Monday, November 15 for the post-election lame-duck session.

House Democrats—who will lose their majority in the new Congress—expect to adjourn for the year late in December. While nationally, steep losses of about 60 seats meant that control of the House switched from the Democrats to the Republicans, Oregon's seven-member delegation is unchanged with six Democrats and one Republican and a combined one hundred years of congressional service.

US Senator Ron Wyden, who earned his law degree at the University of Oregon, was reelected. Oregon Democrats held off challengers in some close races for Oregon's

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For more information about this newsletter, please contact Jared Mason-Gere at (541) 346-5381 or <u>jaredm@uoregon.edu</u>. If you are interested in inviting government officials to a UO event, please contact us first at 346-5020 or <u>gcr@uoregon.edu</u>. We can help!

PUBLIC AND GOVERNMENT AFFAIRS

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State Relations

Elections make history in Oregon

It was a year of history-making election results in the 2010 midterm elections. While congressional elections set a record with the largest number of seats changing hands in the House of Representatives, two firsts occurred in Oregon.

John Kitzhaber narrowly defeated Chris Dudley after eight years out of office, marking the first time in Oregon that a governor has been elected to a third term.

In the Oregon House of Representatives, Democrats lost six seats, yielding a 30-30 tie in the chamber.

In the Oregon Senate, Democrats maintain a narrow 16-14 margin, after Senator Alan Bates (D-Ashland) narrowly defeated his Republican challenger. Republicans claimed the senate seat vacated by the retiring Rick Metsger (D-Welches) and defeated Senator Martha Schrader (D-Canby), who had been appointed to fill the seat previously held by her husband, now-Congressman Kurt Schrader (D-Oregon).

This is the first time in Oregon history that the House of Representatives has been split evenly. Most recently, the State Senate was tied at 15-15 in 2003. House Republicans and Democrats began negotiations last week to determine how they would share power. Speculations are that moderates in both parties will play increasingly important roles this session.

Both bodies held elections in the last two weeks to determine caucus leadership. Senate Democrats re-elected Senate President Peter Courtney (D-Salem), as their choice for Senate President. Senator Richard Devlin (D-Tualatin) has been designated as the Senate Co-Chair of the budget-writing Joint Ways and Means Committee. The House designee will be determined shortly as part of the power-sharing leadership agreement currently under negotiation.

Both bodies' leadership teams are full of University of Oregon alumni and legislators with other Duck connections.

It is anticipated that the bulk of the 2011 Legislative session will be spent balancing the budget and addressing severe revenue shortfalls.

One final election outcome with serious ramifications for the legislature: Oregon voters passed Ballot Measure 71, a referral by the Legislature mandating annual sessions. Lawmakers now are required to adjourn by June 30 on odd-numbered years; they will meet for a maximum of 35 days in even-numbered years.

The 2011 Legislative session will convene on January 10 for committee work; the full Legislative body will reconvene on February 1. State Relations

Higher Education Workgroup introduces legislative concept

The Legislative Joint Higher Education Workgroup met in Salem on Friday to discuss the legislation they plan to introduce in the 2011 Legislature. The concept, currently in draft form, is an attempt to increase policy coordination and improve governance of higher education policy in Oregon. It would create a Higher Education Policy Board (HEPB), separate from the State Board of Education. The board would have some policy authority over all institutions of higher education, including community colleges and Oregon Health and Science University.

The proposal would dissolve the Oregon Student Assistance Commission, with the HEPB assuming the commission's responsibilities, while also providing oversight of the Department of Community Colleges and Workforce Development.

Several representatives of community colleges testified to the workgroup, expressing concerns about the bill draft. Clatsop Community College President Larry Galizio, former State Representative from Tigard, said that local governing boards increase accountability for community colleges, and that local governing boards are more in tune with campus communities and better able to manage tuition rates.

Representatives of Oregon Health and Science University also testified on the legislative concept, among other things, noting that the reason that one of the principal reasons they have the world class programs and facilities that they do is because of their public corporation status. Also testifying was Aims McGuinness, senior researcher with the National Center for Higher Education Management Systems (NCHEMS), a national higher education research and consulting organization. McGuinness testified that there is an increased need for coordination and comprehensively addressing policy and finance issues. He went on to say that the state needs to set a long term goal and work toward it, acknowledging limited resources.

The workgroup will meet again on December 15 to discuss amendments to the draft.

Community Relations

City Council action allows UO DPS citation authority for probable cause

On November 8 the Eugene City Council voted 7-0 to amend the Eugene Code to allow University of Oregon public safety officers to issue citations for violations when the public safety officer has probable cause to believe that the person to be cited committed the violation on property owned or leased by the UO.

The amendment eliminates the restriction that a UODPS safety officer must be present at the time the crime was committed in order to cite the individual.

In November, 2009 the City of Eugene granted authority to UODPS officers to enforce certain municipal violations and misdemeanor crimes. State Relations

Faculty Senate holds town hall on New Partnership

The Faculty Senate will hold a town hall on January 26 with university president Richard Lariviere to discuss the New Partnership proposal to stabilize university funding and increase public accountability.

The meeting will be held in the Erb Memorial Union Ballroom on Wednesday, January 26, from 4:00-6:00pm.

President Lariviere will outline the proposal, then Provost Jim Bean will explain the proposal's importance to the university's academic mission.

Finance professor and Faculty Senate Budget Committee member John Chalmers will provide a faculty perspective, then Jay Namyet from the University of Oregon Foundation will describe the projections for the endowment's performance. Attorney Jeff Condit will detail the legislative and constitutional process and requirements, before turning the floor over to questions and discussion.

The entire university is encouraged to attend and participate in this vital conversation.

For more information, or to read the New Partnership white paper, visit the New Partnership website at <u>http://</u><u>newpartnership.uoregon.edu/</u>.

Federal Relations

Watzek House moves forward with unanimous recommendation

The University of Oregon made the case for the Watzek House to become a National Historic Landmark before the Landmarks Committee of the National Park System Advisory Board on November 4 in Washington, D.C.

The committee voted unanimously to support the nomination and send it forward to the full Board.



The application now goes to the Advisory Board, which meets in April. From there it goes to the Secretary of the Interior for designation.

The Oregon Congressional Delegation, Governor Ted Kulongoski and the Portland Landmarks Commission all supported the project.

For more about the Watzek House, <u>http://</u><u>aaa.uoregon.edu/yeon/watzek</u>.

Federal Relations

University calls for end to academic travel ban

The University of Oregon, in a letter signed in late October, called on President Obama to end the ban on academic travel to Cuba. The university was joined by twenty-seven other research universities from throughout the country in calling for an end to the prohibition.

In a letter prepared by NAFSA, the Association of International Educators, the universities said that travel to Cuba "presents students with unparalleled educational opportunities" as well as having been "historically a successful tool in building relations between nations." Obama was asked to include the removal of the travel constraints among a package being proposed to respond to current transitions underway in the Cuban government.

The letter urged the president to allow students to take advantage of the chance to learn about the rich Cuban culture and history, and to allow the travel to help improve relations between the two countries.

In 2004 the administration of thenpresident George W. Bush instituted new restrictions on academic travel as part of a package of rules put in place by the Treasury Department. The rules allowed travel only for pre-approved students or university employees, and generally restricted travel to those working on graduate-level research. Subsequent academic travel was curtailed drastically, with NAFSA reporting nearly a ninety percent decline between 2004 and the 2007-2008 academic year.

Academic travel restrictions may be loosened by the President's administration through the Treasury Department, but any permanent and full-scale repeal or adjustment of the Cuba travel ban must be enacted by congress.

Law-makers in both chambers have indicated intent to pursue such legislation in the coming session.

For the full text of the letter calling for the removal of the academic travel ban, visit http://www.nafsa.org/uploadedFiles/ NAFSA Home/Resource Library Assets/ Public_Policy/POTUS%20institutional% 20sign%20on%20letter%2010.28.pdf **Community Relations**

Arts and Business Alliance holds annual BRAVA Breakfast

The Arts and Business Alliance of Eugene (ABAE) held the annual fall breakfast on November 5, featuring performances from Ballet Fantastique and a keynote by Eric Friedenwald of Portland's Metropolitan Group.



Mr. Friedenwald discussed the role arts and culture play in local business and economic development.

The Arts and Business Alliance of Eugene is a partnership between the University of Oregon, City of Eugene, Lane Community College, Travel Lane County, and the Eugene Area Chamber of Commerce, working to capitalize on and enrich the Eugene community's cultural life.

University Provost James Bean is vicechair of the effort, while UO's Tina Rinaldi, Arts and Administration program manager, is a founding member. Advocacy

Help the UO pursue key priorities

The 2011 Legislative session is approaching, and University of Oregon Advocates will join in on the action, sharing their experiences, and helping ensure their elected representatives understand the importance of the UO's contribution.

In order to make sure elected leaders understand all that the University of Oregon contributes to our state, we draw on an extensive network of grassroots volunteer advocates. Faculty, staff, and students are invited to join a growing number of university backers to ensure that policy makers support the university in crucial policy and budget decisions. <u>Sign up now</u>.

Whether in Washington, D.C., the Oregon state capitol, or communities throughout the state, when you sign up as an Advo-

cate, your voice will ensure the university community's voice is heard. As soon as we receive your registration, you'll become a member of our team.



<u>Sign-up today!</u>

Revenue Forecast (Continued from page 1)

showed some hope for stabilization of the economy and the state's revenue outlook.

One surprising element of the report was that for the 2009-2011 biennium, the state will see revenue increase by \$119 million above numbers originally anticipated. The majority of this money comes from increased personal income tax withholding by the Department of Revenue, and is not a substantial net gain for the state. Essentially, the revenue is received in the 2011-2013 biennium with the income reported now rather than next year.

Corporate income tax receipts for the year have improved markedly, and look to outpace projections, likely enough to trigger the corporate kicker.

The Office of Economic Analysis reported that expectations of the state revenues for the coming two year period are \$273 million lower than predicted in the September forecast. That means state legislators will have a \$3.5 billion hole to fill during the 2011 legislature.

State Economist Tom Potiowski indicated that Oregon's economy continues a very modest recovery. While the state has held steady at approximately 10.5% unemployment over the last year, he predicted hiring will increase slightly in the middle of 2011.

Credit markets are improving, and Intel Corporation plans a large investment in Oregon that will provide a boost. The housing market in Oregon, as in the rest of the nation, remains shaky, as does the commercial real estate market. The Oregon state economist presents the revenue forecast to the legislature quarterly, which provides the basis for state budgeting. Recent forecasts have shown

very large shortfalls, so while this month's release is far from good news, it does indicate that the economy is leveling out in Oregon.

Past ASUO President to lead OSA legislative efforts



Emma Kallaway, 2009-2010 president of the Associated Students of the University of Oregon, has been hired by the Oregon Student Association (OSA) as the Legislative Director.

In this role, Kallaway will

represent the voice of college and university students in a variety of policy areas. The OSA is a statewide organization that works to "represent, serve, and protect the collective interests of students in postsecondary education in Oregon."

Kallaway joins a host of past student leaders who have remained active in education policy and advocacy in Oregon. UNIVERSITY OF OREGON

Parkas (Continued from page 1)

sheeting material that are sent to Pakistan to support recovery efforts.

St. Vincent de Paul has been collecting

items since September and appreciated the boost from Duck supporters. UO collection efforts were coordinated by the Office of Government and



Community Relations with support from the Office of Communications, Intercollegiate Athletics, and the Holden Leadership Center.

Donations were collected at the Moshofsky Center at Autzen Stadium on November 2 and at Mac Court on November 3. O Heroes student athlete volunteers and



UO Holden Leadership student volunteers aided efforts at collection sites. In appreciation for their donation, donors received a voucher for free admission to the UO women's basketball game vs. Willamette University, November 3.

Congress

(Continued from page 1)

Fourth and Fifth congressional districts, where Congressmen Peter DeFazio (D-Oregon) and Kurt Schrader (D-Oregon) secured re-election.

The change of majority brought new opportunities to Oregon's lone Republican representative. Congressman Greg Walden (R-Oregon) was appointed by presumptive Speaker John Boehner (R-Ohio) to oversee the transition of leadership to the Republicans. The Washington Post describes Walden as "the get-it-done-guy." He is a graduate of the University of Oregon.

Meanwhile, the Democrats are also organizing to elect leadership. Congressman DeFazio, also a University of Oregon alumnus, led an effort with Rep. Marcy Kaptur (D-Ohio) to delay Democratic leadership elections until December, but House Democrats elected Speaker Nancy Pelosi (D-California) Democratic Leader last week.

Prospects for higher education, federal research programs in the 112th Congress

Higher education officials believe that the combination of structural federal budget problems and the Republicans' election victories in the House and their added numbers in the Senate are likely to have a significant impact on university research and higher education.

Given this new environment, higher education associations like the Association of American Universities and Association of Public and Land-grant Universities are intensifying educational and advocacy efforts on Capitol Hill, both for the lame-

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Congress

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duck session and for next year's new Congress. In coordination with federal relations officers, the University of Oregon and other universities seek to strengthen the case with Members of Congress that basic research and higher education are key elements in creating jobs and ensuring the nation's economic competitiveness.

Earlier this year, the White House Office of Management and Budget directed nonsecurity federal agencies to prepare for a five-percent cut in their budgets in FY12, based on the FY12 estimates they made in their FY11 budgets. Republican leaders are calling for much larger funding cuts, which they say should begin now with the unfinished FY11 budget rather than wait for FY12.

Specifically, presumptive House Speaker John Boehner has said that House Republicans' "Pledge to America" aims to roll back domestic discretionary spending to FY08 levels. An analysis by the American Association for the Advancement of Science (AAAS) shows that such cuts would reduce federal domestic R&D funding by \$8 billion, or 12.3 percent, from the President's FY11 request. This would mean cuts of \$2.9 billion for the National Institutes of Health, \$1 billion for the National Science Foundation, and \$663 million for the Department of Energy Office of Science. The practical consequences of this would be fewer research grants, smaller award sizes, and/or fewer researchers and students supported. The focus on cutting spending will make it extremely difficult to increase funding for research and higher education programs in the FY11 appropriations package, which Congress will take up in the lame-duck session that began November 15.

The focus on cutbacks also could add impetus for the President to cut spending further in his FY12 budget.

An end to earmarks?

House Republicans have made a moratorium on earmarks a centerpiece of their legislative agenda. In the 111th Congress, now concluding, House Republicans did not request earmarks. Going forward, House Republicans are continuing to call for a moratorium on earmarks.

Earmarks, also known as congressional interest projects or congressionally directed spending, make up less than 5% of the overall federal budget. Earmarks are typically projects that are included in report language that accompanies the appropriations bill. It does not have the force of law and will indicate a congressional interest in a particular project with the expectation that the agency will fund or prioritize that project.

Through tacit agreement, many federal programs and several appropriations bills are never earmarked. For example, the National Institutes of Health and the National Science Foundation have never been subject to earmarks. The appropriations bill that includes the US Department of State typically does not allow for true earmarking of State Department programs. House Democrats in the 111th Congress made a determination that no earmarks would be included in the research title of the surface transportation reauthorization.

Earmark moratoriums have existed previously, largely limited to certain domestic spending programs, not the Defense Department appropriation bill which is often includes research earmarks.