



# Public and Government Affairs Update



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June 30, 2011

Issue No. 63

## 2011 Oregon Legislature Adjourns Historic Session

The Oregon Legislature adjourned sine die earlier today, June 30. The session was historic in terms of the legislature’s focus on education reform driven in large measure by the leadership of Governor John Kitzhaber and the scope of the bills that it was able to pass related to those reform efforts.

Below is a summary of bills, budgets, and capital construction project funding of significance to the UO, as well as an update on new Oregon state and congressional legislative districts.

### PASSED– UO bills of interest

- **SB 909:** Establishes the Oregon Education Investment Board. The board will oversee education in Oregon from preschool to higher education (0-20). The Board will appoint a Chief Education Officer to assist in carrying out the functions of the Board.
- **SB 242:** Creates Higher Education Coordinating Commission along with other reforms including defining OUS as a public university system and providing some additional autonomy.
- **SB 405:** Allows State Board of Higher Education to authorize university under board control to establish police department.
- **HCR 10:** Resolution honors the 2010 football team

### DID NOT PASS: UO bills of interest

- **SB 742:** Provides that Oregon students regardless of their parent’s citizenship status are entitled to exemption from nonresident tuition and fees at state institutions of higher education.
- **SB 559/SJR 20:** UO New Partnership initiative. In April, UO President Richard Lariviere withdrew the proposal and agreed with Governor Kitzhaber that the focus of higher education governance reform in 2011 would be SB 909 and SB 242, and that the New Partnership principles would be considered by the Oregon Education Investment Board during the interim and future legislative sessions.
- **SB 5/HB 3691:** Modifies definitions of “agency contract” and “athlete agent.” Removes recruiters and solicitors from definition. It passed the House unanimously but ran out of time in the Senate.

*(Continued on page 2)*

*For more information about this newsletter, please contact Jared Mason-Gere at (541) 346-5381 or [jaredm@uoregon.edu](mailto:jaredm@uoregon.edu). If you are interested in inviting government officials to a UO event, please contact us*

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**Summary of bills largely affecting K-12 education**

- **HB 3645:** Allows a charter school applicant to seek sponsorship from the Board of Education, a local community college, or a public university that chooses to participate if the applicant was initially rejected by a school district.
- **HB 2301:** Raises the current enrollment caps on statewide virtual charter schools and replaces them with a limit of no more than three percent of students from any single district.
- **HB 3681:** Allows students to enroll in the school district of their choice, so long as the receiving district grants permission.
- **SB 250:** Allows school districts in four ESDs to opt out and receive 90 percent of the funding allotted to the ESD for the share of the children serviced by the ESD.
- **SB 253:** Establishes new goals on higher education, specifically that at least 40 percent of adult Oregonians have earned a bachelor's degree, 40 percent have earned an associate's degree, and that the remaining 20 percent or less of all adult Oregonians have earned a high school diploma by 2025.
- **SB 552:** Makes the Governor the state's chief school official and allows the Governor to appoint a Deputy Superintendent.
- **HB 3362:** Allows districts to join together to form Career and Technical Education charter schools.
- **HB 3474:** Creates a uniform set of performance evaluation measures for teachers.
- **HB 3417:** Aligns the budget and accounting system of a school district with their sponsored charter schools.

**Other Education Reform Package Elements**

- \$25 million to the State School Fund (from the Education Stability Fund).
- \$14 million to the State School Fund from savings due to Education Service District (ESD) reform.
- \$8.66 million to help rural school districts address unintended cuts from school consolidation.
- \$5 million to establish the School District Collaboration Grant Program that provides incentives for teachers to improve student achievement through innovative means.
- \$2.9 million to fund statewide Agriculture Extension programs.

**Higher Education Budget OUS 2011-2013 Operating Budget Summary - Preliminary**

The OUS operating budget for 2011-2013 (in SB 5532 and HB 5055) approved by the Legislature is \$708,666,643, which includes State General Fund of \$683.3 million, and lottery funding of \$25.4 million. This compares to the Governor's 2011-2013 Balanced Budget recommendation for OUS of \$743.2 million. It compares to 2009-2011 funding for OUS of \$823.6 million (includes recent funding for Maintenance of Effort purposes, budget cuts taken during the biennium, and federal ARRA funding); and compares to \$844 million for the 2009-2011 OUS Legislatively Approved Budget prior to biennial cuts (which also included federal ARRA funding).

Total Education and General funding for 2011-2013 for OUS totals \$495.3 million; this compares to \$633.3 million in the 2009-2011 budget after cuts taken in the biennium; and compares to \$645.6 million in the 2009-2011 Legislatively Adopted Budget.



The Legislature has assessed a **3.5% “holdback” of appropriations** for state agencies in order to have a reserve against any unanticipated revenue changes. OUS may be able to get some of all or this back in the 2012 Legislative Session depending on the revenue environment. OUS’ holdback totals **\$25.4 million**.

**Statewide Public Services funding** for 2011-2013 totals \$94,969,094; this compares to the 2009-2011 ending budget (after cuts during the biennium) of \$98.4 million, or \$106.6 million for the 2009-2011 Legislatively Adopted Budget.

**Agricultural Experiment Station** was funded at \$51.8 million.

**Forest Research Laboratory** was funded at \$5.7 million.

**Extension Services** was funded at \$37.5 million.

**Debt Service** in General Fund for 2011-2013 for OUS totals \$93 million; and debt service funded by the Lottery totals \$16.6 million.

**Sports Lottery** for 2011-2013 intercollegiate athletics (88%) including Title IX, and for graduate student scholarships (12%) funded by Lottery total \$8.8 million compared to \$9.7 million in the 2009-11 budget. Early legislative discussions suggested much larger reductions.

The **Oregon Innovation Council** received (\$16M) and ONAMI (\$5.2M). This is near to the Governor’s request of \$18.9 million for Oregon, Inc. and \$5.5 million for ONAMI.

**Capital Construction**

**Expenditure Limitations for New Projects**

- Steam Service Replacement \$2.5 million
- Earl Residence Hall Fire System Improvements \$.75 million
- Bean Residence Hall Exterior Preservation \$1.5 million
- Barnhart Residence Hall Envelope Restoration \$1.7 million
- Allen Hall Expansion and Remodel Project \$5.3 million
- Lewis Integrative Science Building II \$10 million

**Extensions**

- Gilbert Hall – prior biennia project extension - extended to June 30, 2013
- Heating/Power Plant – prior biennia project extension - extended to June 30, 2013

**Prior Expenditure Limitation Project Approvals from a Variety of Funding Sources**

Allen Hall, Straub Memorial Hall, EMU – West Lower Level, Alumni Center Project, Riverfront Research Park, Barnhart Resident Hall, Carson Hall, Earl Complex building, New Student Housing, Commercial paper capitalized interest pilot project.



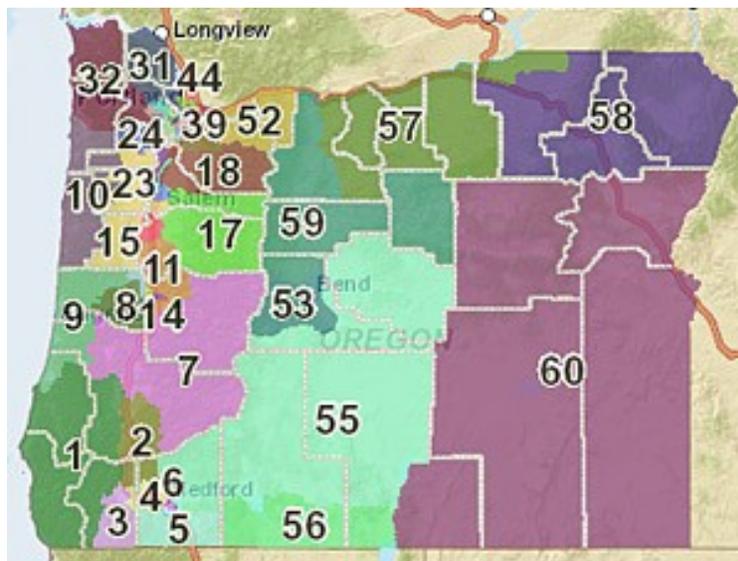
**Legislature Approves Redistricting Plans**

The Legislature approved in mid-June a measure redrawing the boundaries of the 60 House and 30 Senate districts in the Oregon Legislative Assembly, reflecting population changes in the 2010 census. Senate Bill 989 passed the Senate 27-3 and the House 47-10.

It is the first time since 1981 that lawmakers have agreed on a state legislative redistricting plan. The bill comes after legislators listened to hours of public testimony in a series of public hearings held throughout the state including one at the UO School of Law by the House and Senate Redistricting Committees. Maps of the House and Senate districts approved in SB 989 can be found at <http://www.leg.state.or.us/redistricting/>.

Also, for the first time since 1981, the Legislature came to agreement about congressional redistricting. While the changes are slight in political terms, UO properties will see some shifts. Oregon’s First Congressional District will no longer include downtown Portland so representation of the White Stag building moves to Oregon’s Third Congressional District (now Earl Blumenauer).

Oregon’s Fourth Congressional District shifted so that Oregon State University is now within its political boundaries. The last two redistricting cycles in 1990 and 2000 brought the greater part of the Corvallis population into the Fourth Congressional district, but Oregon State University had remained in the Fifth.



The newly adopted Oregon House of Representatives district lines