

2019 LEGISLATIVE SESSION WRAP UP



JANUARY 21, 2019 – JUNE 30, 2019

UNIVERSITY OF OREGON

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At a Glance

In the November 2018 General Election, Democratic candidates in Oregon won supermajorities in the Senate and House of Representatives. The electoral victories paved the way for an ambitious progressive agenda for the 2019 legislative session, which included action on funding for K-12 schools, rent control, paid family leave, and protections for workers. Notably, legislation to make Oregon the second state in the nation to cap greenhouse gas emissions failed in the final week of session. This was seen as a major defeat for Democratic majorities and Governor Kate Brown and will likely be top of the agenda when lawmakers return to Salem in 2020.

Heading into session, lawmakers' attention was split between the normal legislative processes and grappling with how to respond to issues related to the culture of harassment and discrimination in the capitol, especially as it relates to gender. The Senate President and Speaker of the House appointed a joint Capitol Culture Committee to examine how to address problems and make the capitol a safer place to work for legislators, staff, and lobbyists. Ultimately, several bills passed that establish new protections for those in the Capitol and regulations for employers that include a requirement they adopt comprehensive policies on workplace harassment and sexual assault (SB 726, SB 478, and SB 479).

Early in session, the Legislature passed a statewide rent control measure (SB 608)—the first of its kind in the nation. The bill limits rent increases to seven percent a year and requires to give three months' notice and pay a tenant a month's rent to evict them without cause. This was a major win for affordable housing advocates who had introduced the concept for several sessions while realtors were able to hold it back.

Revenue reform was front and center all session long. The Joint Committee on Student Success brought its work and recommendations from the last twelve months to bear. In April, the measure—dubbed the Student Success Act (HB 3427)—passed the House.

As it made its way to the Senate, Oregon's Senate Republicans walked out for the first time during the session. The strategy of denying a quorum effectively means the Senate cannot come into session and vote on bills. As a result, they slowed down the process enough to make a deal that killed two legislative priorities for Democrats: A bill that would require safe storage and other new regulations on firearms (SB 978), and one that would abolish the nonmedical exemption for child vaccinations (HB 3063). Both measures garnered massive engagement from the public both in support of and opposed to the legislation.

After that deal was struck, the Senate passed the Student Success Act and sent it to the Governor for her signature. The measure establishes a new corporate activities tax, raising approximately \$2 billion each biennium dedicated to early childhood and K12 schools. It should be noted that students at community colleges and public universities were wholly excluded from receiving any of the funds. In the final days of the session, the Legislature approved SB 116 which stipulates that any referral of the Student Success Act will be before voters in January 2020, not the November 2020 General Election.

In May, the Legislature took up juvenile justice reform (SB 1008). The bill made changes to Measure 11, which caused youth as young as 15 to be charged and sentenced as adults. A broad coalition worked to shift the youth justice system to focus on prevention and rehabilitation for youth, including eliminating life

sentences without parole for youth and a process by which youth who are convicted in adult court access to a “second look” hearing, and more.

The last month of session was consumed with negotiations and debate on several other key issues. A Paid Family and Medical Leave Act (HB 2005) passed, which creates a new statewide insurance program for all employees. The program will be funded through an employer and employee payroll tax after an extensive Employment Department rulemaking process. Lawmakers also referred a tax increase on tobacco products and created a new tax on e-cigarettes and vaping products (HB 2270). It will be referred to voters for their approval in the November 2020 election and is expected to raise \$340 million for the 2021-23 biennium. This funding will be dedicated to the Oregon Health Plan (90%) and tobacco cessation efforts (10%).

The last week and a half of session created national headlines. The eleven Senate Republicans, once again, denied the Senate a quorum by not appearing on the floor and leaving the state all together in an effort to avoid voting on the cap-and-trade bill, known as “Clean Energy Jobs” (HB 2020). After several protests and a walk out that lasted nine days, the Senate President announced that the bill did not have the votes to pass. Ultimately, the Republicans returned to the Capitol two days before the Legislature had to adjourn and passed a series of state agency budgets and policy bills.

The 80th Oregon Legislative Assembly adjourned sine die on June 30, 2019.

Operating Funding

HB 5024 Higher Education Coordination Commission (HECC) Agency Budget

Higher education struggled to be beneficiaries in the same way. The Public University Support Fund will increase by \$100 million or 13.6% for a total of \$836.9 million. This mitigates the need for double digit tuition increases that had been planned at four Oregon public universities. It is also the largest second largest increase in PUSF funding since 1999. Oregon Opportunity Grant received an overall increase of \$12.5 million, or 8.6%, intended to expand the Grant to serve approximately 2,500 more applicants.

The Oregon Promise program is fully funded at \$40 million, meaning HECC should not at the outset have to limit the number of new students eligible for the program based on “expected family contribution” (a measure of a student/family’s ability to pay for college), as we had previously expected.

Operating Funds		
Public University Support Fund	\$836.9 million	UO receives approximately 22% of this fund and reduced the resident undergraduate tuition rate from 9.68% to 6.91%.
Community College Support Fund	\$644.8 million	This is a 12.3% increase over the last biennium.

Financial Aid		
Oregon Opportunity Grant	\$158.5 million	Funding increased by \$12.5M over last biennium.
Oregon Promise	\$40 million	Funding for the program was reduced by \$1,483,035 from last biennium.
Sports Lottery	\$14.5 million	

UO State Programs		
Dispute Resolution	\$2,778,882	<i>See HB 2377.</i> In this bill, the Legislature reduced funding to the UO for Dispute Resolution by \$349,000 from what was in HB 5024 to give it to LERC.
Signature Research Centers	\$1,149,231	This is a decrease of \$750,000 SRCs, resulting in 2019-21 funding of \$7 million for the SRCs (ONAMI, OTRADI, and VertueLab). A budget note was included to have Business Oregon look at feasibility and impact of eliminating funding in future years.
LERC	\$749,396	<i>See HB 2377.</i>
Clinical Legal Education	\$384,422	
TallWood Design Institute	\$3,754,328	
Engineering & Technology Sustaining Fund	\$27,004,433	

Capital Construction

HB 5005 & 5006 Bond Authorization

The Legislature held back approximately \$315 million in bonding capacity to distribute it in the 2020 short session. The purpose of waiting to fund university projects is to allow time for the Higher Education Coordinating Commission to finish its 10-year statewide capital strategic plan. We expect to continue to advocate for the \$54 million Huestis Hall renovation project in 2020

UO State Programs		
Public Universities Capital Improvement and Renewal	\$ 65,715,000	These are funds for deferred maintenance projects on all seven campuses. The funds are distributed based on a formula that takes various factors into account.

Other Funding

SB 5050 Emergency Board

This measure allocates funding to various programs, agencies, and projects.

Funding for the University Innovation Research Fund was included in this measure, which will establish a state matching fund to support grants to public universities and OHSU to match competitive federal research awards leveraging federal grants that require matching funds and supporting innovation and research capacity. Grants will be targeted in priority industries, such as advanced manufacturing, high technology, outdoor gear and apparel, health care innovation, food and beverage, and forestry and wood products. The Fund will be administered by Business Oregon.

This initiative was the product of recommendations from the vice presidents of research and innovation at Oregon's public universities. We introduced same concept in the 2017 session but were unsuccessful in its passage.

Project	Amount
University Innovation Research Fund	\$10,000,000

HB 2377 Program Change/"Christmas Tree"

This measure allocates funding to various programs, agencies, and projects.

Project	Amount
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Sports Lottery	\$5 million increase for the four technical and regional public universities, bringing the 2019-21 allocation for each to \$2,440,560. The allocations for UO, OSU, and PSU remain the same.
LERC/Dispute Resolution Fund Transfer	The Legislature redirected \$349,000 in the budget for Dispute Resolution program allocated to the University of Oregon's Office for Community Dispute Resolution and increased the budget for the Labor Education and Research Center at the University of Oregon by \$349,000.

HB 5524 Business Oregon Budget

Within Business Oregon's agency budget, public universities see several funding streams. First, funding for the Signature Research Centers (ONAMI, OTRADI, Oregon BEST) come from this budget. SRCs received \$1,149,231, a decrease of \$750,000 from 2017-19. There was also a budget note that directed BizOR to look at elimination of funding of SRCs in future biennia.

State funding for the Regional Accelerator Innovation Network (RAIN) was eliminated in Business Oregon's budget--\$500,000/biennium. UO's 942 Olive St. building houses RAIN Eugene.

Effect on UO: The elimination of funding for RAIN and the reduction in funding for Signature Research Centers will likely have an impact on UO faculty members and research.

Research

SB 638 Research Animal Adoption

Requires research facilities to offer dogs and cats used in laboratory research for adoption through private adoption process or animal shelter.

Effect on UO: No direct impact as the UO does not use dogs or cats in research.

Revenue & Taxes

HB 3427 Student Success Act

The bill is the product of the Joint Committee on Student Success. It will raise approximately \$2 billion each biennia moving forward for early childhood and K-12 school districts and students through a new Commercial Activities Tax. It also reduces the

personal tax income rates for certain household income levels. Passage of SB 116 directed that a referral of the Student Success Act would be before voters in January 2020.

Effect on UO: No direct impact as funding is going to early childhood and K12 educational sectors.

HB 2270 **Tobacco Tax Increase**

Referral of a tobacco tax to voters in November 2020. Officials estimate approval of the tax in HB 2270 will generate \$340 million for the 2021-23 budget that would be split with 90% going to the Oregon Health Plan and 10% going to tobacco cessation and prevention programs.

Veterans

SB 35 **Expansion of Veteran Campus Grant Program**

Repeals the January 2, 2020 sunset on the campus veteran resource center grant program. Increases the amount of the grant that a grantee may use to pay the salary of a campus veteran resource coordinator.

Effect on UO: Currently, the UO receives a \$56,000 grant to fund a part-time FTE in the Veteran's Services Office. Given the renewal of the grant program of ODVA, we will apply to continue funding this position and receive a larger grant.

Appropriation: \$750,000.

Human Resources & Benefits

SB 1049 **PERS Reform**

Contains four major program and process changes to contain costs and reduce future costs.

- Extends the amortization period for select liabilities from 20 to 22 years.
- Modifies benefits by implementing employee cost-sharing.
- Removes restrictions on PERS retirees' ability to be hired after retirement.
- Makes investments in the Employer Incentive Fund established in 2018.
- In anticipation that the bill will be challenged in court, the measure provides for an expedited review by the Oregon Supreme Court.

Effect on UO: It is anticipated the measure will reduce PERS rates in the 2021-23 biennium by 5.43%

SB 123 **Clarifications to Oregon Pay Equity Act**

Provides that employer is not in violation of pay equity requirements for paying different level of compensation to employee for modified work in certain circumstances.

SB 726 **Workplace Fairness Act**

Makes unlawful employment practice for employer to enter agreement that would prevent employee from disclosing or discussing conduct that constitutes unlawful discrimination, including sexual assault.

SB 478 & 479 Public Employer Workplace Fairness

Requires public employers to adopt policies to prevent workplace harassment and prohibits campaign moneys and public moneys from being used to make payments in connection with nondisclosure agreement relating to workplace harassment.

HB 2005 Paid Family & Medical Leave Act

Creates family and medical leave insurance program to provide partially or fully compensated time away from work to covered individual who meets certain criteria while covered individual is on family leave, medical leave or safe leave.

HB 2016 Collective Bargaining Rights

Requires public employer to grant reasonable paid time to public employee who is designated representative to engage in certain activities.

HB 2266 Reinstatement of “Double Coverage” for PEBB/OEBB Participants

Directs Public Employees' Benefit Board and Oregon Educators Benefit Board to impose surcharge on eligible employee who arranges coverage for spouse or dependent with access to medical coverage as employee in health benefit plan offered by Public Employees' Benefit Board or Oregon Educators Benefit Board.

HB 2216 Hiring Practices of Head Coaches

Repeals sunset date on temporary law and makes permanent law requiring public universities to interview qualified minority candidate when hiring head coach.

SB 455 Apprenticeship Requirements on Capital Projects

Requires universities and community colleges to award specified contracts to contractor who is registered with certain apprenticeship-related entities. Requires contractor to award specified subcontracts to subcontractor who is registered with certain apprenticeship-related entities. Exempts universities and community colleges from subcontracting requirements when would cause unreasonable expense or delay or result in fewer than three bidders.

Campus Safety

HB 2519 Required Campus Hazing Policy

Requires each community college and each college and university operating in this state that offers baccalaureate degree programs and receives state financial aid to adopt written policy on hazing, provide on-campus policy training on hazing and annually report to

Legislative Assembly number of hazing incidents reported and investigated by community college, college or university during previous academic year.

Effect on UO: UO will be subject to compliance of this law, though we anticipate that current practice meets the standard of the law.

HB 3415 Title IX Protections

Requires institutions of higher education to both adopt written policies and require certain individuals to participate in annual training on sexual harassment, sexual assault, domestic violence, dating violence and stalking.

Effect on UO: UO will be subject to compliance of this law.

SB 576 Regulation of Private Campus Security Officers

Imposes certain requirements related to private security providers who contract with or are employed by institutions of higher education to provide private security services on campus and special campus security officers commissioned by governing boards of public universities.

Effect on UO: Very little because we do not have private security officers except for at sporting events.

Diversity, Equity & Inclusion

HB 2015 Driver's Licenses for Undocumented Oregonians

The "Equal Access to Roads Act" eliminates requirement that person provide proof of legal presence before Department of Transportation issues noncommercial driver license, noncommercial driver permit or identification card.

Effect on UO: No direct impact, but our Dreamer's Working Group advocated for the bill.

SB 859 Tuition Equity for Graduate Students

Exempts graduate students at public universities who qualify for tuition equity from having to pay nonresident tuition.

Effect on UO: Subject to compliance, although this is generally our current practice.

Governance & Operations

HB 2030 HECC "Clean Up" Bill

This measure made several small changes important to the HECC. The most important thing it did for the UO was allow public universities to apply for Seismic Rehabilitation Grants through Business Oregon, which we were heretofore not eligible for.

Effect on UO: Gives Risk Services the opportunity to apply for a seismic rehabilitation grant in the future if we so choose.

Academic, Financial Aid & Enrollment

SB 2213 Open Educational Resources

Open Educational Resources: Continuing work funded by the legislature in 2015, the House Education Committee introduced two bills on textbook affordability and open educational resources. The first, HB 2213, is a policy bill, requiring institutions to adopt textbook affordability plans. The second, HB 2214 is a bill which would sustain funding for statewide OER development, editing, and faculty convening activities through the next biennium. An interim work group will be formed to discuss the issue of on-time course material adoption and notification to students and return with a new bill for the 2020 short session.

Appropriation: The funding for this program, was which in HB 2214 (that did not move forward) was incorporated into this bill.

SB 160 Requires Credit for IB Courses When Students Receive a Grade 4 or Higher

College credit for IB score of four or higher: Requires public institutions of higher education to provide credit to each student who receives grade of four or higher on International Baccalaureate (IB) exam. First applies to 2021-22 academic year.

SB 3 Applied Baccalaureate Degrees at Community Colleges

Community Colleges offering baccalaureate degrees: This bill would permit community colleges to offer applied baccalaureate degree programs under specified conditions and upon receiving approval from the HECC. The commission is given rulemaking authority to implement this legislation.

Effect on UO: Potential impact if Lane CC begins offering applied baccalaureate degrees.

HB 2571 Tuition Waivers for Foster Kids

Provides that current or former foster child under 25 years of age is eligible for tuition waiver at institution of higher education if current or former foster child is enrolled in courses totaling one or more credit hours for purposes of pursuing initial undergraduate degree.

SB 312 Resident Tuition Rates for Native Students

Requires public universities and community colleges to charge resident tuition to Native Americans and Alaska Natives who graduated from Oregon high schools.

SB 162 529 Savings Network

Provides that personal income taxpayer may elect to establish account in Oregon 529 Savings Network through means provided by Department of Revenue.

Effect on UO: No direct impact.

SB 162 Tuition Equity for Children of Military Members

Requires that spouses or dependent children of active members of Armed Forces of United States who are considered residents at time of admission to community college or public university continue to be considered residents for as long as they remain continuously enrolled at community college or public university.

Academic, Financial Aid & Enrollment

SB 686 Increases Protections for Student Athletes from Predatory Athlete Agents

Allows a certified athlete agent to pay for certain expenses in connection with recruiting and signing student-athletes by incorporating National Collegiate Athletic Association (NCAA) bylaws adopted on or before January 1, 2019, into the Revised Uniform Athlete Agents Act.

Effect on UO: UO and student-athletes will be subject to compliance. It will impact only our men's basketball team.

Measures That Did Not Pass

The following bills have been included because the UO engaged in lobbying on these measures, or we anticipate they will come back in future sessions.

HB 2207 Funding for the Oregon Campus Resilience Consortium

Appropriates moneys from General Fund to Higher Education Coordinating Commission for distribution to Oregon Campus Resilience Consortium for purpose of implementing emergency response, continuity and recovery initiatives at post-secondary educational institutions in this state.

DIED IN WAYS & MEANS

HB 2594 State Matching Fund for Sustainable City Year Program

\$150,000 for a state matching program for SCYP to allow more small cities to partner with the UO.

DIED IN WAYS & MEANS

HB 2942 Diversity, Equity, and Inclusion

Statewide Equity Plan: The bill requires the HECC to adopt a statewide equity plan in collaboration with institutions and representatives of diverse groups, and to include in its strategic plan goals designed to decrease the achievement gap. The bill includes the requirement that HECC have a diversity, equity and inclusion officer on staff.

DIED IN COMMITTEE

HB 2976 Veteran's Benefits Loophole

In order to be eligible to receive federal financial aid, Title IV eligible institutions must derive 15 percent of revenues from non-federal financial aid sources. Despite being a source of financial aid, veterans' tuition benefits are counted toward the 15%. Institutions may more heavily recruit veterans in order to meet federal targets. The bill requires 15% of revenue for Oregon-based institutions to be derived from non-federal sources, and includes veterans' education benefits as a federal source.

DIED IN COMMITTEE

HB 3101 Public University Participation in Shared Services

Extends from July 1, 2019, to July 1, 2023, period of time public universities must provide scope and value of specified employee benefits.

DIED IN COMMITTEE

HB 3280 HECC Voting Rights

This bill converts the current non-voting members of the Commission to voting members and adds a representative of graduate students to the Commission. With passage, the commission would expand from 14 to 15 members, with all 15 members of the Commission being eligible to vote.

DIED IN COMMITTEE

HB 3381 Tuition Freeze

Prohibits public universities from increasing amount of tuition and mandatory fees charged to resident undergraduate and graduate students during 2019-2020 and 2020-2021 academic years.

DIED IN COMMITTEE/DID NOT RECEIVE A HEARING

HB 3338 Disarming Campus Police Forces

Prohibits police officers commissioned by public university from carrying firearms as police officers outside of police headquarters if public university is located in city with population exceeding 150,000.

DIED IN COMMITTEE

SB 4 Permits Mergers of Community Colleges and Universities

Allows a community college and a public university to merge if the HECC approves.

DIED IN COMMITTEE

SB 255 OIMB Boat Funding

\$500,000 for a new boat at OIMB for research and teaching.

DIED IN WAYS & MEANS

SB 418 Funding for RAIN

Modifies requirement that start-up businesses that may be assisted by regional collaboration facilitated by Oregon Business Development Department have as purpose commercialization of university-based or university-assisted academic activities and increasing number, and ensuring retention, of such businesses.

DIED IN WAYS & MEANS

SB 730 Simpler Pathways and Student Portal

SB 730 is the Senate introduced version of HECC sponsored legislation to continue to build upon the beginning of the new credit transfer system established in HB 2998. The bill states the principal that exceptions and variances within major transfer maps should be limited, and when required, must be justified by the institution's chief academic officer. The bill also requires HECC or institutions to establish a transfer portal to communicate transfer maps and ensure the smooth accounting of earned credits.

DIED IN WAYS & MEANS

SB 739 Oregon Research Schools Network Funding

\$2.5 million to fund the College of Education's Oregon Research Schools Network and expand it to more high schools in Oregon.

DIED IN WAYS & MEANS

SB 800 Accelerated Learning Credits

Transfer of Accelerated Learning Credit: Following on the successful completion of the Core Transfer Map as part of the HB 2998 work, SB 800 establishes a HECC facilitated process to work toward ensuring that credits earned as part of an approved accelerated learning credit program are transferable in accordance with the new foundational curriculum. The bill requires HECC to provide to updates to the legislature regarding the work toward this alignment.

DIED IN WAYS & MEANS

SB 852 Health Care Benefits for Part-Time Faculty

Provides that part-time faculty member at public institution of higher education who qualifies for health care benefits will pay 10 percent of insurance premiums for employee coverage and 50 percent of increase in premium cost for employee and dependent coverage.

DIED IN WAYS & MEANS

SB 949 State Funding for Prison Education Program

\$350,000 for the UO prison education program.

DIED IN WAYS & MEANS

No Bill # ShakeAlert & AlertWildfire Funding

\$12 million to fully build out Oregon's earthquake early warning system by 2023.

DIED IN WAYS & MEANS