Co-chairs release budget outline

On Wednesday, January 31, Ways & Means Co-Chairs Senator Lenn Hannon (R-Ashland) and Representative Ben Westlund (R-Bend) released their budget proposal in response to the Governor’s proposed 2001-2003 State Budget. The Co-Chairs’ budget adds $29.3 million back to the OUS budget: $10 million directed to the Statewide Public Services at Oregon State University, and $19.3 million directed to support elements of the OUS budget. No details accompanied the Co-Chairs budget outline, and it remains to be seen how the Education Subcommittee of Ways & Means will treat the additional resources.

The Co-Chairs also said that the additions were a beginning of the budget process, and that there were some budgets, the OUS budget among them, where they hoped to make further improvements. They said that they were not able to identify the sources of any additional add-backs, but hoped that further savings, efficiencies and other opportunities could be identified to assist the OUS budget.

An analysis of the Governor’s proposed budget for higher education conducted by the Legislative Fiscal Office states, “support for higher education was reduced greatly with the passage of Measure 5. The state met the requirements to provide state support for K-12 education by limiting funding for many programs, but OUS was particularly affected.” During this period, state support for higher education not only failed to grow to cover inflation, but actually declined in nominal dollars. The 1999 legislature finally reversed the trend of disinvestment in higher education.

The Ways & Means Committee will begin discussing the higher education budget on March 19. Ways & Means and Education Subcommittee members are listed on page 4.
Legislation at a glance

SB 273: Council for Knowledge and Economic Development
On Thursday, February 22, Dr. Richard Linton, Vice Provost for Research and Dean of the Graduate School, testified before the Senate Education Committee in support of SB 273. The bill was voted out of committee with a “do pass” recommendation. Developed by the Joint Boards Working Group on Economic Development during the 1999-2000 interim, this bill would create an Oregon Council for Knowledge and Economic Development, to be comprised of representatives from the Board of Higher Education, the Economic and Community Development Board, the Board of Education, independent Oregon colleges or universities, the OHSU board of directors, and the private sector. The Council would advise the Governor, the Legislature and state boards on matters related to knowledge-based economic development, and promote research and development, models for sharing profit and intellectual property, technology and knowledge transfer from higher education to the private sector, development of a technologically skilled workforce, and development of capital resources.

SB 329: OUS Parking Facility Local Tax Exemption
Introduced at the request of the State Board of Higher Education, SB 329 would exempt parking facilities on OUS campuses from municipal taxation, saving hundreds of thousands of dollars. The measure was approved by the Senate on February 7 by a vote of 26 to 3, and was referred to the House Committee on School Funding and Tax Fairness. A public hearing was held February 19, and a work session is scheduled February 28.

SB 101, SB 102, SJR 17: Technology Transfer
On February 23, the Senate Information Management and Technology Committee passed SB 101, SB 102 and Senate Joint Resolution 17 after hearing public testimony. This is a combined package of measures promoting technology transfer from public universities to the private sector. SB 101 would create the Higher Education Technology Transfer Fund Board to promote technology transfers from universities to the private sector. SB 102 would create the Higher Education Technology Transfer Account within the Education Endowment Fund. The Account would serve as a repository for equity shares in firms developing technologies from university-created concepts. SJR 17 would amend the Oregon Constitution to allow OUS institutions to hold stock received in exchange for technology created by OUS institutions. SJR 17 would also sunset the Technology Transfer Account created by SB 102 after July 1, 2011. The bills now move to Ways & Means.

SB 26 and SB 27: Parental Notification of Research Surveys and Disclosure of Library Records
After a lengthy February 13 hearing and near-unanimous testimony against both measures, the Senate Education Committee took no action on either SB 26 or SB 27, and no further hearings or work sessions have been posted. SB 26 would require parental notification and approval before any research survey could be administered to minor children if the survey included any questions regarding sexual activity, gun ownership or use, drug use and criminal activity. SB 27 would permit the parent or guardian of a minor child to review their child’s public library records. It is unclear whether or not OUS libraries are subject to this measure.

SB 14: Seismic Rehabilitation
On February 6, the Senate General Government Committee heard a host of witnesses testify in opposition to SB 14. The measure, introduced by the Oregon Seismic Safety Policy Commission, would require millions of dollars to conduct a survey of OUS classroom and laboratory buildings, and would require in excess of $100 million for the rehabilitation of OUS structures to meet seismic safety code standards. As a result of the initial hearing, the bill will not be rescheduled for additional hearings or work sessions until the interested agencies, including OUS, have an opportunity to address concerns and issues raised in the testimony.

SB 706: OUS Retains Interest Earnings
On February 8, the Senate Education Committee voted to introduce as a Committee bill a measure permitting the OUS to retain the interest earnings on funds on deposit with the State Treasury. The measure is essentially the same as an OUS proposal contained in the Higher Education Efficiency Act of 1995 (SB 271, 1995 Session), which proposed to credit interest earnings from the OUS account at the State Treasury to the State Board of Higher Education. Under continued on page 3
current law, the interest earnings are deposited in the state General Fund. The Higher Education Board requested such a measure prior to the 2001 Session, but the legislative concept was rejected by the Governor’s office. If passed, this bill could increase revenues by $4 million per biennium.

SB 325: Liability Insurance for Interns
On February 22, SB 325 was approved unanimously by the Senate Education Committee. The measure, introduced at the request of the Board of Higher Education, would permit the OUS to acquire state tort liability coverage for student interns while they are engaged in off-campus experiential learning activities, so long as commercial liability insurance is not available from a private carrier.

HB 2872: Statewide Public Service Budget
On February 28, the House Stream Restoration and Species Recovery Committee will hold a hearing and possible work session on HB 2872. The bill would appropriate $25.2 million to Statewide Public Services at Oregon State Univ., including the Agricultural Experiment Station ($4.1 M), Extension Service ($3.4 M), Forest Research Laboratory ($17.6 M), and College of Veterinary Medicine ($0.2 M). The bill has a subsequent referral to Ways & Means.

SCR 3: University of Oregon 125th Anniversary
On Thursday, March 1, UO Foundation Board member Hope Pressman, UO Alumni Association Board member Gordon Hanna, and UO VP for Public Affairs and Development Duncan McDonald will testify before the Senate Rules Committee in support of Senate Concurrent Resolution 3. Introduced by House Speaker Mark Simmons (R-Elgin) and Senator Lee Beyer (D-Springfield), SCR 3 states, “the members of the Seventy-first legislative Assembly acknowledge the 125th anniversary of the University of Oregon, known internationally as a leading research university, and congratulate the University of Oregon on this important milestone.” Approval of the resolution by the full Senate is expected on March 6, the day of the rally in support of higher education.

Federal Priorities Set
The Board of Higher Education approved the University of Oregon’s federal legislative priorities at its February meeting. OUS asks each institution to submit up to three priorities for congressional interest funding for review and approval. Along with our ongoing advocacy for federal funds for research, financial aid, and support for graduate education, the University of Oregon is also asking the Oregon congressional delegation for help securing funds for the Brain, Biology and Machine research initiative and for funds to help the Museum of Natural History expand its storage facilities. In February, UO Vice Provost Rich Linton and Federal Affairs Director Betsy Boyd were in Washington, DC to discuss our federal legislative priorities with Members of Congress and agency staff.

Congressional Campus Visits
Members of Congress have been on campus in recent months to learn about the university’s programs. Last week, Senator Ron Wyden held a breakfast with members of the University of Oregon Alumni Association and Foundation to discuss the university’s federal priorities. Senator Wyden was also on campus in October, holding “sidewalk hours” in front of the bookstore, and having lunch with members of the Oregon Public Employees Union (OPEU).

In February, Representative Peter DeFazio (D-Springfield) met with researchers and toured the Museum of Natural History and its collections. In January, Representative Greg Walden (R-Hood River) met with President Frohnmayer and Helen Neville from the Institute of Neuroscience to discuss the University’s Brain, Biology and Machine Initiative.

Helen Neville, Richard Linton, Rep. Peter DeFazio (D-Springfield), David Johnson and Dave Frohnmayer

President Dave Frohnmayer and Rep. Greg Walden (R-Hood River)

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