



BILLS OF INTEREST

SJR 8

Senate Joint Resolution 8: Proposes revision of Oregon Constitution to create Oregon Reserve Fund. Requires deposit into fund of moneys that would otherwise be refunded to taxpayers under 'kicker' law, unless amount in reserve fund reaches specified amount. Specifies conditions under which moneys in reserve fund may be used. Refers proposed revision to people for their approval or rejection at next primary election. Hearing Held: Thursday, February 1, 2007 in Senate Finance and Revenue. Next hearing, February 5, Senate Finance and Revenue. Hearing Room A, State Capitol.

HB 2115

House Bill 2115: Extends forest products harvest tax for forest research and Oregon Forest Practices Act administration to 2008 and 2009 calendar years. Establishes tax rates. Applies to forest products harvest tax reporting periods beginning on or after January 1, 2008. Hearing Held: January 30, 2007 House Agriculture and Natural Resources. Next Hearing: Work Session, February 6. 3:00 p.m., House Agriculture and Natural Resources, HR D, State Capitol

SB 334 - Shared Responsibility Model for the Oregon Opportunity Grant

SB 334, introduced by Senator Kurt Schrader (D-Canby) on behalf of Oregon Governor Theodore R. Kulongoski, changes the Oregon Opportunity Grant to the "Oregon Shared Responsibility Opportunity Grant". The bill directs the Oregon Student Assistance Commission to base the method of determining the state share of education costs on student share, family share and amount expected from federal government. The bill further changes the method of determining cost of education for purposes of determining amount of grants. If adopted, SB 334, would apply to students who first attend an eligible post-secondary institution on or after July 1, 2008.

The Shared Responsibility Model is expected to make higher education in Oregon affordable again. By restructuring the need-based Oregon Opportunity Grant, the new program can reflect a shared responsibility and partnership among students, their families, the federal government and the state to meet college costs and increase educational attainment statewide. This shared responsibility approach guarantees a truly affordable higher education system for all Oregonians. Even students with no resources will be able to "work their way through college" again, as generations of students did before them.

SB 365, Introduced by Senator Morrisette (D-Springfield) on behalf of Oregon State Public Interest Research Group, directs publishers of college textbooks and their agents to provide product information to prospective purchasers and to offer textbooks and related instructional materials individually.

SB 434, Introduced by Senator Ryan Deckert (D-Beaverton) and Senator Avel Gordly (D-Portland) establishes the Multicultural Student to Teacher Loan Program to provide education loans to students

who agree to teach in Oregon school districts.

During 2005, this bill was introduced as SB 637 and included multiple provisions that could not be supported by OUS and OSAC. After removal of the unconstitutional provisions and other amendments to the bill in 2005, OUS and OSAC supported SB 637 - A (-3 amendments). The 2007 version of this bill (SB434) incorporates the amendments agreed to by OUS in 2005, including a broadly inclusive view of "multiculturalism."

SB 448, introduced by Senator Ryan Deckert (D-Beaverton) requires the State Board of Higher Education to review the long-term viability of state institutions of higher education and to report detailed findings of review to Governor and Legislative Assembly no later than February 1, 2009.

DUAL ENROLLMENT, *ATLAS* AND THE *INTEGRATED DATA TRANSFER SYSTEM* TO BE FEATURED IN HOUSE HIGHER EDUCATION SUBCOMMITTEE

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On Wednesday, February 7, Ed Ray, President of Oregon State University, Cam Preus-Braly, Commissioner OCCWD, Robert Mercer, Director of Enrollment and Student Services, OUS, and Mark Endsley, Director, K-16 Alignment, OUS, will brief the House Higher Education Subcommittee on dual enrollment programs, *ATLAS* (Articulated Transfer Linked Audit System) and the *IDTS* (Integrated Data Transfer System) programs respectively. The hearing is scheduled for 1:00 p.m. in Hearing Room D, State Capitol.

Dual Enrollment, *ATLAS* and the *IDTS* are distinct programs developed to further enhance a seamless transition for students throughout the three education sectors, K-12, community colleges and OUS institutions.

Oregon University System (OUS) and Oregon's community colleges frequently partner to enable students to be formally enrolled in both institutions at the same time. These agreements are commonly referred to as "degree partnership", "dual enrollment", or "co-admission" programs. Enrolling in one of these programs enables a student to take courses at an OUS campus while taking community college courses during the same term.

Linn Benton Community College and Oregon State University started the initial degree partnership program in fall 1998. Since that time forty agreements have been established with community colleges serving over 4,500 students in fall term 2006. All seventeen community colleges and seven OUS institutions participate in these

formal arrangements

ATLAS will connect all Oregon University System institutions and Oregon community colleges, helping students and advisors make online comparisons between completed or planned coursework and any degree program, allowing for transparent transfer of credit between institutions. ATLAS will allow students and their advisors use coursework at any of the 24 public postsecondary institutions in Oregon to plan efficient paths to a bachelor's degree.

The **IDTS** connects the data systems of the state's three education sectors. IDTS is a pipeline that will transmit student transcripts on-demand between and among high schools, community colleges, and universities. This pipeline will facilitate better advising for students at all schools, increase speed and efficiency in the college admission process for students, increase compliance with existing state and federal student record privacy regulations, and enhance delivery of postsecondary performance data to high schools to inform program and curricular improvements.

TEACHER TRAINING CONSIDERED BY HOUSE HIGHER EDUCATION SUBCOMMITTEE

On Wednesday, January 31, Dr. Yvette Webber-Davis, Director, Educational Policy and Inclusion, Oregon University System, Dr. Randy Hitz, Dean of the Graduate School of Education, Portland State University and Dr. Hilda Roselli, Dean of the College of Education, Western Oregon University, testified before the House Higher Education Subcommittee on teacher training programs at OUS institutions. The Committee is particularly interested in how OUS is handling ELL teacher training specifically in light of the surging demand for ELL teachers.



Dr. Yvette Webber-Davis

SJR 3

Senate Joint Resolution 3: Proposes amendment to Oregon Constitution to eliminate surplus 'kicker' refund of corporate income and excise taxes that exceed estimate of corporate income and excise tax revenues by two

percent or more. Refers proposed amendment to people for their approval or rejection at next regular general election.

Hearing Held: Thursday, February 1, 2007 in Senate Finance and Revenue

Next Hearing, February 5, Senate Finance and Revenue. Hearing Room A, State Capitol.

SJR 5

Senate Joint Resolution 5: Proposes amendment to Oregon Constitution to increase maximum amount allowable in education stability fund. Refers proposed amendment to people for their approval or rejection at next regular general election.

Hearing Held: Thursday, February 1, 2007 in Senate Finance and Revenue

Next Hearing, February 5, Senate Finance and Revenue. Hearing Room A, State Capitol.

SJR 7

Senate Joint Resolution 7: Proposes amendment to Oregon Constitution to increase percentage of net proceeds from State Lottery that must be deposited in education stability fund. Increases cap on education stability fund. Increases amount to be placed in school capital matching subaccount when cap on education stability fund is met. Refers proposed amendment to people for their approval or rejection at next regular general election.

Hearing Held: Thursday, February 1, 2007 in Senate Finance and Revenue

Next Hearing, February 5, Senate Finance and Revenue. Hearing Room A, State Capitol.

Around The Capitol:

February 8, 2007

OIT Day

February 20, 2007

MARDI GRAS lunch

On February 1, House Speaker Merkley challenged the Senate to a Governor's Food Drive Contest. The House anticipates raising \$8000 dollars this year. The House will be hosting a MARDI GRAS lunch at the capitol on Fat Tuesday (February 20th) in the Galleria.

The cost will be \$5 per person and will include beads, music and down home jambalaya. At time of press there is no word if the Senate has accepted the challenge.

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HB 2199 & HB 2198 will be heard by the House Revenue Committee, on Wednesday, February 7, at 1:00 p.m. in Hearing Room A, State Capitol.

HB 2199: Expanding Debt Financing Options.

As part of its efforts to increase both efficiencies and cost savings for capital projects financed with long-term debt, the Oregon University System (System) is seeking statutory authority to expand its debt financing options. Specifically, for long term debt issued to finance capital projects relating to its self-supporting activities, the System desires to have the option, when appropriate, to enter into variable rate debt instruments and interest rate swap agreements to lower borrowing costs.

Historically, the System has utilized fixed rate debt instruments to finance the construction and improvement of its auxiliary enterprise facilities (housing, food services, parking, and intercollegiate athletics). Many governmental entities across the country, including other Oregon state agencies, have been successful in lowering their borrowing costs, and thus costs to the state, by issuing variable rate debt and entering into interest rate swap agreements to effectively fix the interest rate and the required debt service payments

Utilizing a mix of variable and fixed rate financing is generally considered the most cost-effective manner in which to finance capital needs. The proper mix of variable and fixed rate debt, coupled with the ability to earn interest on all operating resources, can yield substantial cost savings without adding undue budgetary risk.

HB 2198: Investment Earnings.

The Oregon University System (System) is seeking the authority to retain the interest earned on all of its resources, such as tuition, to reduce reliance on state funding while also creating an incentive to improve its cash management and debt management processes. Currently, the interest earned on student tuition and fees, grants and contract revenues, fees for housing, food services, and parking, state appropriations, and other revenues is credited to the State's General Fund.

The authority under HB 2198, if granted, will provide an additional and very important incentive to the OUS to further improve collection efforts, optimize accounts payable management and reengineer cash management processes. This authority would add a revenue incentive in the form of interest earnings that would drive further improvements and efficiencies. In addition, through companion legislation, HB2199, allowing the System to retain the interest earned on all of its resources would improve debt management processes.

OREGON UNIVERSITY SYSTEM BILLS

SCHEDULED FOR HEARING

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Legislative Bulletin

The Government Relations office of the Chancellor's Office will be sending you this electronic newsletter about important events of the past week in Salem and things to come in the days ahead. The newsletter will be published every Friday at 4:00 p.m. throughout session. If you wish to suggest items for inclusion or comments on coverage of issues affecting OUS interests at the Legislature, please feel free to e-mail or phone the Salem Government Relations office. (mary_robinson@ous.edu, 503-373-7490).

The Oregon Student Association is... *“Rallyin’ to make Oregon Stronger!”*

On Thursday, February 22, the Oregon Student Association (OSA) will hold a rally on the front steps of the Capitol Building from noon to 1:00 p.m. The OSA has called for all those interested in or impacted by

postsecondary education to come to the rally to vocalize support for "Making Oregon Stronger" by reprioritizing access to a quality postsecondary education in Oregon.

When:

Thursday, February 22

Where:

Front Steps, Oregon State Capitol, Salem Oregon



For more information, call the OSA office at (503) 286-0477 or email Melissa Unger at exec@orstudents.org or check the OSA website at <http://www.orstudents.org/>

OUS LEGISLATIVE NEWSLETTER

On January 22, Gov. Ted Kulongoski appeared before a joint hearing of the House and Senate Health Care Committees to urge passage of the Healthy Kids Plan, HB 2201. The bill, if passed, will provide access to affordable health coverage for all of the 117,000 uninsured children in Oregon by increasing cigarette and other tobacco products taxes.

The Governor called his plan sensible, responsible and practical. The cigarette tax increase, if passed, will equal that of Washington State. Washington State's tax on a pack of cigarettes is \$2.02. Oregon's is \$1.18. But a tax increase requires a three-fifths majority vote of both chambers of the legislature. The last time voters voted on a tobacco tax increase as a stand-alone measure on the ballot, a near doubling of the tax in September 2002, they passed it overwhelmingly, by almost 2-1 statewide and in 59 of 60 House Districts.

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SENATE EDUCATION COMMITTEE PASSES BILL THAT WILL PUT MORE MONEY IN

THE CLASSROOM

"Pooling of resources to purchase health care coverage just makes sense," said Senator Walker. "All of the accountability legislation we are moving forward this session will make the most of our taxpayer dollars."

The passage of Senate Bill 426 is the second in a series of four bills that will address accountability in education. Senate Bill 318, passed out of the committee on Tuesday, strengthens the School Improvement Fund by targeting resources to districts with clear plans for addressing student achievement. Next week the Senate Education Committee will consider legislation that will limit "Golden Parachutes" in administrator exit packages and strengthen auditing requirements for school districts.

Republicans on the committee proposed amendments to the "Healthy Kids" plan to lower the future costs of the program while expanding coverage for low income children. Those amendments were not accepted by a majority of the committee. House Republicans do not want the legislation to hinge on raising an "unrelated tax", and proposed separating the tobacco tax increase issue from the children's health benefits issue. In a statement released January 26, the Republicans said the issues are separate issues and should not be considered in the same bill.

HB 2201 is scheduled for a work session on February 12, 2007. To read the full text of the Governor's testimony, go to http://governor.oregon.gov/Gov/speech/speech_012207.shtml

**BILLWATCH AVAILABLE
FOR TRACKING**



OUS CAPITAL CONSTRUCTION BUDGET HEARING SCHEDULED

The Joint Ways and Means Education Subcommittee will be holding hearings on the Capital Construction Budgets for both the Oregon University System and community colleges on Tuesday, February 6, 3:00 p.m., in Hearing Room F. The OUS Capital Construction Budget bill, SB 5516.

**WORKFORCE DEVELOPMENT IN THE HEALTHCARE INDUSTRY TO BE TOPIC OF
HEARING**

On Wednesday, February 7, Dr. Lesley Hallick, Provost, Oregon Health Sciences University will be the

guest speaker on “Workforce Development in the Healthcare Industry”. The House Committee on Workforce and Economic Development, chaired by Rep. Brad Witt (D-Clatskanie), will meet at 8:00 a.m. in Hearing Room C, State Capitol.



A comprehensive OUS bill tracking system called BillWatch, has been developed to record information about bills affecting the OUS, and to track their progress through the legislative process. BillWatch is designed to be used by members of the Oregon State Board of Higher Education, Chancellor’s Office staff, campus leadership and OUS advocates. BillWatch is a secure system and users must obtain a user name and password from the Office of Government Relations to use this service.

Subscribing to BillWatch allows users to subscribe and designate particular bills of interest or to provide a broader search of all legislation. A second benefit of subscribing is notification: upon subscribing to a particular bill, users will receive automatic email notification when action is taken on the bill, e.g., hearings scheduled, amendments engrossed, etc. To request access, go to <http://billwatch.ous.edu/>. From there, choose *Request an Account*. Your request should be processed within 24 hours. An electronic users guide is available by clicking on HELP at the BillWatch main login menu.

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On Thursday, February 1, the Senate Education and General Government Committee, chaired by Senator Vicki Walker (D-Eugene), passed Senate Bill 426, that will create a state pool for health care for education employees.

“This bill saves money that will go back into the classroom,” said Senator Walker. “This is one of the biggest priorities this session and is part of a larger plan to strengthen accountability in our public schools.”

Walker went on to say that she is focused on finding savings first as a part of the overall plan to fund education. Addressing accountability issues and directing more money to the classroom are part of the Senate Democratic Agenda this session.

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GOVERNOR TESTIFIES ON “HEALTHY KIDS PLAN”