



Legislative Bulletin

In This Issue:

1. News.....Page 1
2. Events.....Page 2
3. Campus Contacts.....Page 3
4. Helpful Hints.....Page 5
5. OUS Contacts.....Page 5

Around The Capitol:

February 8, 2007

Oregon Institute of Technology
Day

February 22, 2007

Oregon Student Association Rally
(Front steps State Capitol)

March 5, 2007

ETIC Day

April 10, 2007

Portland State University Day

April 17, 2007

Oregon State University Day

May 14, 2007

University of Oregon Day

Southern Oregon University
TBA

Western Oregon University
TBA

Eastern Oregon University
TBA



Chancellor George Pernsteiner

Ways and Means Process off to a Good Start for the Oregon University System

On Thursday, January 25, the Ways and Means Education Subcommittee was presented an overview of the Oregon University System's priorities for the 2007 Session and the next several biennia. Chancellor George Pernsteiner was joined by State Board of Higher Education Director Don Blair, Vice President and Chief Financial Officer Nike, Inc., Dr. Edward Ray, President, Oregon State University; and Dr. Martha Anne Dow, President, Oregon Institute of Technology.

Director Blair took the lead by providing the Subcommittee an overview of the Board of Higher Education's strategic planning process and the goals which the Board has identified as priority objectives: an Educated citizenry; high quality student learning, creation of original knowledge and advance innovation and a contribution to the economic, civic and cultural life in Oregon. Blair stated that the goals will be closely guided by performance measures, strategic prioritization and funding. Blair emphasized that performance measures will closely track the investments made and the return on those investments.

Chancellor Pernsteiner followed by providing the committee with an international and national context by which

to fully understand the formation of the Board's strategic planning, including an overview of the system structure, the system's place within our international and national competition, the make up and demographics of the student body, faculty and campuses, including facilities. Pernsteiner also addressed the many challenges Oregon is facing to meet the changing societal needs of the 21st Century. Pernsteiner detailed the decreasing proportion of high school graduates going on to OUS institutions, imbalance in participation of students from a regional perspective and the need to prepare historically underserved populations to go on to college. Pernsteiner also identified other "warning signs" of lower average faculty salaries, student/faculty ratios, reduced degrees awarded and retention. The Capital needs of the system were also explained and the growing deferred maintenance challenges at all OUS campuses.

President Dow addressed the challenges of the smaller universities in meeting regional and workforce needs under constrained and reduced operating budgets. President Ray provided a snapshot of the successful and productive research activity at OUS campuses and among the public – private partnerships to which the campuses are a major contributor.

**OUS Operating and
Capital Construction
Budgets Assigned Bill
Numbers:**

SB 5515
OUS Operating Budget Bill

SB 5516
Capital Construction Budget Bill

HB 5005
OUS Bond Bill



**ASPIRE PROGRAM CONSIDERED BY
HOUSE HIGHER EDUCATION SUBCOMMITTEE**

On Wednesday, January 24, the House Higher Education Subcommittee held a public hearing on HB 2245 which would establish the ASPIRE program within the Oregon Student Assistance Commission. Ms. Margie Lowe, Policy advisor to the Governor and Mr. Dennis Johnson, Executive Director of the Oregon Student Assistance Commission lead off a long list of witnesses who were there to voice their support of the bill. The Oregon University System was represented by Mr. Robert Mercer, Director of Enrollment and Student Services. Mr. Mercer noted that ASPIRE has been a great partner with GEAR-UP and with the Oregon University System goals of creating, developing, and encouraging a college-going culture in Oregon. Mercer noted that the goals of ASPIRE, to provide mentoring and

resources to help students access education, are in complete alignment with the cross-sector goals of the State Board of Higher Education's Excellence in Delivery and Productivity Working Group. He further noted that ASPIRE will serve to increase college-going rates for underserved populations, strengthen academic preparedness, and educate students on academic goal attainment. Representative Brian Clem (D-District 21-Salem), a former Oregon Student Association Commissioner was noticeably encouraged by the positive comments received from the witnesses and the responses from the committee members. Clem noted that ASPIRE is a very important program and applauded the commitment and passion directed to creation of ASPIRE by Commission staff.

**OREGON STUDENT ASSOCIATION PRESENTS ITS
PRIORITIES FOR THE 2007 SESSION**

In hearings held by both the House and Senate Education Committees, the Oregon Student Association (OSA), highlighted its four legislative priorities:

1. Revise student grants (the "Shared Responsibility Model");
2. Increase general fund investments for post-secondary education;
3. Increase funding for the Aspire program which seeks to reach out to encourage high school students to seek a college education; and;
4. Enable resident tuition for the children of undocumented workers.

The committees heard testimony that the OSA Board of Directors and the State Board of Higher Education are aligned on tuition rates for the 2007-2009 biennium,

holding projected increases to the median family income (MFI).

Additionally, the OSA raised their concern over a \$19 million (general fund) reduction in the Governor's Recommended Budget for the OUS operating budget to offset potential earnings if the OUS is authorized to retain interest earnings on tuition revenues (HB 2198 was introduced by Governor Kulongoski on behalf of the Oregon University System and is currently in the House Revenue Committee). Currently interest from tuition paid by students accrues to the state General Fund, not to the universities. The OSA testified that while the Governor agreed that interest earned on tuition should accrue to the universities, and has proposed legislation to allow that authority, he has also reduced appropriations to the universities by the amount of interest

HIGHER EDUCATION CAUCUS CONVENES

A bi-partisan, bicameral group of legislators has formed a Higher Education Caucus to study and advocate for higher education issues relating to budget and policy issues of the Oregon University System and issues affecting students.

The Caucus is co-chaired by Rep. Phil Barnhart (D-Eugene), Rep. Tom Butler (R-Ontario), Sen. Ryan Deckert (D-Beaverton), and Sen. Frank Morse (R-Albany). The Caucus is expected to hold its first meeting Wednesday, January 31 to discuss the Capital Construction Budget (SB 5516) which is scheduled for its first hearing on February 6, 2007.

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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.

Some Facts about OUS Capital Projects:

- Facilities within the OUS represent 50% of all *State-owned* facilities
- 1,172 Buildings
- 21.5 Million Gross Square Feet
- \$3.4 billion in current replacement value
- \$640 million Deferred Maintenance
- High percentage of aging buildings in poor condition
- Annual maintenance under-funded by national standards

- Seismic deficiencies discovered in many of our larger buildings
- \$400 million Needed in Seismic Repairs
- High energy consumption
- High classroom utilization rates
- 50% of total space constructed between 1960 and 1975

Governor's Recommended Budget: \$489 million

- \$83 million for Capital Repair/Code/Safety
- \$89 million continuation of Deferred Maintenance/Seismic Remediation Program
- \$138 million for 7 Projects
- \$87 million for 4 Projects related to Academic Program Improvements
- \$67 million for 4 Projects related to Enrollment Growth
- \$25 million for 5 Renewable Energy Projects

COMMUNICATION IS KEY DURING THE LEGISLATIVE SESSION

During the legislative session, faculty, staff, and administrators from OUS campuses are often invited to provide expert testimony or to meet with legislators about a particular area of research or teaching. This is a great way to inform policymakers about the mission and work of the OUS and its campuses. While ORS 351.110 requires the approval of the State Board of Higher Education for OUS staff, Presidents and/or their designated representatives to represent the System at the Legislature, campus participation in activities at the Capitol is generally allowed. However, in order to maintain decorum, follow required processes, procedures and meet the expectations of legislators and their staff, all campus representatives are required to report to their respective campus legislative representatives and/or the OUS Office of Government Relations when they've been asked to appear before a legislator or legislative committee.

(See left margin for your campus contact)

The OUS Office of Government Relations can assist anyone who receives such an invitation. It is imperative that the OUS Office of Government Relations is aware of all contacts with legislators, legislative assistants and committee staff. Communicating to the Government Relations when a contact has been made assures a proper and timely response as well as adequate documentation of the contact. Therefore, when a contact is made, please call or email Mary Robinson in the Office of Government Relations, 503) 373-7490 or, Mary_Robinson@ous.edu, as soon as possible. Please provide the following information:

- Legislator/Staff name
- OUS contact name
- Date
- Topic
- Follow up needed? If so, what? Who will be responsible for follow up?
- A copy of the follow up to the Government Relations office
- Follow up report of the work done and meetings attended.

OSU Extension Testifies in Salem On Federal Secure Rural Schools Funding

John Punches, OSU Extension staff chair from Douglas County, testified Thursday, January 18, before the House Agriculture and Natural Resources Committee to outline the potential impacts to Extension programs in Douglas County and across the state that would result if Congress fails to renew the Federal Secure Rural Schools Act. The federal program has provided funding to a bulk of Oregon counties in lieu of property taxes and to compensate for decreased timber receipts due federal forest restrictions.

Oregon legislators at both the state and federal level are working to renew the funding, but chances of success appear to be diminishing. Punches told the Committee that the impacts could be disastrous for local programs and could carry implications overall for K-12 funding in Oregon, as well as support for Extension.



BILLS OF CONCERN

HB 2021

The Oregon University System (OUS) has fiscal concerns regarding HB 2021. The measure adds liquidated damages when an agency fails to include prevailing wage information within public contracting solicitation documents.

Most OUS public works contracts use a standardized form which includes the appropriate language for prevailing wages. Additionally, all non-standard contracts above \$75,000 require legal sufficiency review by the Department of Justice.

Our concerns arise in that OUS institutions have, on occasion, initiated non-public works contracts (under \$50,000) and, due to unforeseen conditions, have needed to issue change orders that push the project over \$50,000 and therefore subject the contract to prevailing wage requirements. Liquidated damages will unnecessarily add to the cost of construction projects by artificially lowering the defined public contract limit.

A preliminary fiscal analysis indicates that the fiscal impact to OUS could be \$275,000 per year by virtue of adding prevailing wage information to all contracts above \$30,000. The OUS would take this action to ensure that unforeseen change orders would not elevate a lower priced contract into a public works contract.

Proponents of the bill, Associated Builders and Contractors and the Associated General Contractors, indicate that the intent is to insure that proper notice of

prevailing wages requirements is provided to contractors upon award of contract.

The bill received a public hearing on January 19, 2007 in the House Business and Labor Committee, chaired by Rep. Mike Schauffler (D-Happy Valley). The OUS plans to work with the Chair and proponents of the bill to offer language to clarify the intent and scope of the bill

SB 198

Introduced by Governor Kulongoski at the request of the Oregon Student Assistance Commission. SB 198 Removes limitations on fee amount that commission may charge schools applying for approval to confer degrees or provide academic credits and excludes degree mills and diploma mills from definition of 'school' for purposes of schools authorized to confer academic degrees.

Current law, ORS 348.606, establishes a maximum amount the commission may charge any school applying for approval to confer or offer to confer a degree or provide academic credit. The fee limitations under existing law are as follows:

- A) For a doctoral degree, \$5,500.
- B) For a master's degree, \$4,150.
- C) For a bachelor's degree, \$4,150.
- D) For an associate degree, \$2,750.

The limitations imposed by statute were adopted during the 2005 Legislative Session, under SB 1039. The Student Assistance Commission is requesting the fees be established by rule. SB 198 has been referred to the Senate Education and General Government Committee.

TEACHER TRAINING TO BE CONSIDERED BY HOUSE HIGHER EDUCATION SUBCOMMITTEE

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

The hearing will be held at 1:00 p.m. in Hearing Room D.



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OUS LEGISLATIVE NEWSLETTER

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).

BILLWATCH AVAILABLE FOR TRACKING

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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If you know of someone you feel should receive a copy of this newsletter or you would like to subscribe/unsubscribe yourself, you may email Mary_Robinson@ous.edu. Please include your email address.

Helpful CAPITOL Hints:

Please remember while in the hearing rooms to turn off your blackberry, blueberry, raspberry, any berry you may have on your person. This includes cell phones. The Committee Chair has the authority to assess a fine if you disrupt the hearing by not honoring this demand.

With the hearings being broadcast over the Oregon Channel any electronic device interferes with the audio system and is just plain rude!