PSU Day at the Capitol

On Wednesday, February 8th, more than 140 people from PSU visited the Capitol to meet with legislators and staff from around Oregon. The group of about 20 alumni, 100 students, and 20 staff met with more than 40 legislators. PSU advocates spoke with legislators about three priorities for the university: operating and financial aid budgets, capital construction, and university governance.

Due to declining revenue projections, legislators needed to rebalance the budget. Early in the session, the co-chairs of the budget committee released a rebalancing plan that cut PSU’s operational budget by 3.5% and reduced state-supported student financial aid by more than two million dollars. This cut to financial aid will eliminate awards for about 400 PSU students. PSU asked legislators to prevent further reductions to both the university and the financial aid program.

PSU advocates also asked legislators to take a closer look at the Oregon Sustainability Center and once again approve the $37 million bonding approval for the project. Finally, we asked that legislators ensure that all OUS universities including PSU are included in the upcoming decisions about how universities will be governed.

The day started early on the Capitol steps as Victor E. Viking, along with PSU cheerleaders, and several student athletes greeted visitors with “PSU green” Voodoo doughnuts and coffee. Later in the morning, legislators and their staff were entertained by a spectacular performance by the PSU Chamber Choir. The day wrapped up with New Avenues for Youth providing Ben and Jerry’s Ice Cream to all of the legislator’s offices. The day was busy and successful and we are already planning next year’s trip. Watch your calendars for that March 2013 date!

General questions? Contact Rachel Martinez at rmart@pdx.edu

2012 Session Adjourns Sine Die

The Legislature adjourned at 8:48 PM on Monday, March 5th, five days past their schedule, but still within the constitutional deadlines approved by voters in 2010.

The session was fast-paced and productive. Legislators tackled health-care reform, continued their Pre-K through 20 education efforts from 2011, provided help to homeowners facing foreclosure, and even managed to pass a few economic development bills.

PSU tracked nine bills and closely monitored efforts to rebalance the budget and authorize new capital construction projects for universities and community colleges.

OUS Universities made several significant steps towards gaining more independence. Each university will now enter into an achievement compact with the state and a committee will be formed to chart a path for institutional boards. The legislature will also look at ways to reduce textbook costs for students.

The budget was a mixed bag for PSU. Unfortunately, the Oregon Sustainability Center was not reauthorized. Opportunity Grants for students and the university’s operating budgets were reduced 3.5%, which is comparable to the reduction for most state agencies.
State Government Relations Update

PSU Bills of Note

**Policy Bills**

**HB 4016A** Expands the list of mandatory child abuse reporters to include university employees and others.

**HB 4056A** STEM Taskforce bill to study strategies for encouraging students to study science, technology, engineering and mathematics.

**HB 4057A** Extends the deadline for the management and labor committees created in SB 242 to report about their work on employee benefits.

**HB 4058A** Creates a committee to study strategies to reduce college textbook costs.

**HB 4059A** Studies ways to increase credit for prior learning at universities. Also directs the HECC to study the Western Governor’s University.

**HB 4141A** Directs the Oregon Workforce Investment Board to study impediments to job creation.

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**University Governance, HECC, OEIB, and Institutional Achievements Compacts**

Efforts to expand each university’s autonomy that began in the 2011 session with SB 242 continued with the passage of several key bills during the 2012 session. The following bills were passed by both chambers are expected to be signed by Governor Kitzhaber.

**HB 4061B** establishes a 10-member “Special Committee on University Governance” consisting of equal numbers of House and Senate members and two members of the Oregon Education Investment Board. The committee’s charge was amended from considering the best model of university governance to recommending scope, responsibilities, and make up of local boards and a timeline for implementation. The Committee’s report is due August 15, 2012. Other bills that would institute local governance boards at university campuses did not win approval this session.

**SB 1538B** seeks to clarify the relative roles of the various existing governing bodies and those established last session, including the State Board of Higher Education, Oregon Education Investment Board (OEIB – established by SB 909) and the Higher Education Coordinating Commission (HECC – established by SB 242). The Senate Education and Workforce Development Committee amended the bill and forwarded it on to the Ways and Means Committee.

**SB 1581A** proposed by Governor Kitzhaber, enables the implementation of “Achievement Compacts” for the remainder of the biennium for K-12 and post-secondary institutions. In basic terms, achievement compacts seek to move the nature of budgets from funding for seat time – such as enrollments – to funding for progress – such as completion or graduation rates. One of the most significant elements in SB 1581 is the expectation that “achievement compacts” will be between individual OUS universities and the OEIB. How precisely this process will work has yet to be determined, but the OEIB has designated two subcommittees to develop compacts, one for K-12 schools and the other for post-secondary institutions.

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State Government Relations Update

Rebalancing Oregon’s Budget

Winter Revenue Forecast

On February 8th, the House and Senate Revenue Committees met jointly to hear the state’s most recent revenue forecast. Since the close of the 2011 session forecast that was used to set state budgets, revenues continue to fall. However, it now seems the rate of decline has flattened.

During the first quarter of the 2011-13 biennium, the forecast fell by $200 million. The second quarter report in December added another $100 million to the drop, causing those who view the state’s economy as “half full” to observe that the rate of decline had been cut in half. But others noted that the glass has been getting emptier for 13 consecutive quarters. This current forecast cuts the rate of decline by even more with a projected loss of an additional $35 million.

All told, total revenues are now down 2.2% from the close of the 2011 session forecast of nearly $15 billion dollars. This $335 million dollar loss in projected revenues meant that legislators had a significant rebalancing effort on their hands for the 2012 session.

Rebalancing the State’s Budget

Thanks to an agreement last session that was pushed primarily by Republican legislators, the Legislature held back 3.5% of biennial outlays for further consideration in the 2012 session. This 3.5% holdback accounted for nearly all of the reductions to OUS and most state agencies during the 2012 session. K-12 Education, which was significantly disappointed in its original legislative appropriation last session, was exempted from the 3.5% holdback. Some public safety agencies, including corrections and some in-home care programs for seniors, were spared from any reductions.

Early in the session, the co-chairs released a plan to rebalance the state’s budget. Because the winter forecast was better than expected, it did not significantly alter their plan. However, there was cause for concern when there appeared to be a disagreement between the Governor and the co-chairs about a proposed reduction in middle managers and public affairs budgets for state agencies. This was quickly resolved, and on the last day of session, the legislature adopted the co-chairs plan.

Nevertheless, there is still reason for concern, including some expected savings from administrative streamlining across state agencies and revisions in the state’s health care system that may not materialize. And Oregon still has some 15 months to go on a budget that now has diminishing reserves to balance further declines.
Federal and Local Government Relations Update

White House Releases FY 2013 Budget

President Obama released his Fiscal Year (FY) 2013 budget proposal on February 13, 2012. The U.S. Department of Education budget request was $69.8 billion, an increase of 2.5 percent. Two programs that got special attention were Federal Work-Study (FWS) and the Pell Grant. FWS was requested at $1.13 billion, up from the current level of $977 million. The President asked Congress to fund the Pell Grant program at sufficient levels to ensure that the maximum award increases to $5,635 as scheduled. We were also pleased to see the White House request that Congress maintain the current interest rate on subsidized student loans at 3.4 percent until June 30, 2013. The rate is currently scheduled to increase to 6.8 percent on July 1.

Scientific research saw an increase of 5.5 percent above final FY 2012 levels with a request of nearly $141 billion for research and development. This includes a total of $13.1 billion for the combined budget of the National Science Foundation, the U.S. Department of Energy Office of Science, and the National Institute of Standards and Technology.

National Institutes of Health saw a request of $30.7 billion which would be level funding for FY 2013. Operationally, this would mean flat funding or cuts/increases of less than 0.5 percent for most Institutes and Centers.

The President’s proposed budget is overall very good for higher education. However, it is the first step in a long and politically complicated process. With two parties in control of Congress, we will see another difficult negotiation around the federal budget. We hope to see our Congressional delegation, along with their colleagues, support student financial aid and scientific research.

Education Urban Renewal District Announced

Mayor Sam Adams laid out details of the Education Urban Renewal District (EDURA) proposal on March 2nd at his State of the City address. In addition, he was able to announce support for the EDURA from Chair Jeff Cogen of Multnomah County. This represents an important partnership between the City of Portland, Multnomah County, and Portland State University. Portland Business Journal covered the announcement. Their coverage can be found here.

Board of Higher Education

Gun Ban at Oregon’s Universities

On Friday, March 2nd, the Oregon State Board of Higher Education voted unanimously to ban guns from Oregon’s seven universities.

The policy was adopted in response to concerns about campus safety. The ban takes effect immediately and will ban guns from classrooms, buildings, dormitories and sporting and entertainment events.

Exceptions are provided for police, military programs such as the Reserve Officers’ Training Corps, residents in non-campus housing and hunting or target shooting clubs. Gun owners with concealed weapons permits may still transport their weapons across campuses.

For more information, see the Oregonian’s coverage here.

Questions about PSU’s local or federal government relations?

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General questions? Contact Rachel Martinez at rmart@pdx.edu
Events and Happenings

Mayoral Debate, Filing Day, and Election Dates

Join The Advocates – Tuesday, March 13th

Please join The Advocates, the government relations committee of the PSU Alumni Board, for their next meeting. The meeting will take place at 5:00 PM at the Simon Benson House.

Representative Lew Frederick will be discussing the 2012 legislative session. He will primarily focus on the OUS and Opportunity Grant budgets, the Oregon Sustainability Center, and the Special Interim Committee on University Governance.

Rep. Frederick is a PhD candidate at PSU. Professionally he is a strategic communications consultant, focusing on strategic planning, community relations, science/technical issues and media crisis communications. He is a former board member of the Oregon State Board of Education and the former Director of Public Information at Portland Public Schools.

Representative Lew Frederick took office on October 30, 2009 during a swearing-in ceremony in the House Chambers of the Oregon Capitol Building. He represents the communities of North and Northeast Portland. He currently serves as co-chair of both the House Education Committee and the House Human Services Committee. He is also a member of the Joint Legislative Audits and Information Management and Technology Committee.

ASPSU PEP Rally in the Park Blocks

On Tuesday, February 21st, students from Mt. Hood Community College and four Portland Community College campuses joined PSU students to rally for stronger state funding of higher education. An impressive turnout of students, faculty, and administration participated in the rally as well as a series of trainings and panels focused on the challenges facing public universities due to diminished state support. The Office of Government Relations applauds the efforts of the students who planned this event, including the Associated Students of Portland State University (ASPSU).

2012 Election

PSU Planning Club Mayoral Debate

On Monday, February 6th, the PSU Planning Club hosted the top three mayoral candidates in an exciting debate focused on public transportation. Held in Lincoln Hall, this debate presented an excellent opportunity for PSU students to get to know the candidates, and vice versa. A packed house was treated to a thoughtful discussion of each candidate’s vision for the future of Portland’s mass transit system.

2012 Candidate Filing Day

March 6th marked the deadline for candidates to file for the upcoming May primary election. Several PSU alumni have filed to run for local and state positions. A complete listing of candidates can be found by clicking here to visit the Oregon Secretary of State’s website. The Oregonian also covered the candidate filings. Their coverage can be found here.

Important 2012 Election Dates

Tuesday, April 24th – Deadline to register to vote for the primary election. Tuesday, May 15th – Oregon’s primary election. Tuesday, November 6th – Oregon’s general election.

General questions? Contact Rachel Martinez at rmart@pdx.edu