



To: University Senate
From: Hans Bernard & Jenna Adams-Kalloch - State Affairs
Subject: End of Session Report - 81st Legislative Assembly - 2021 Regular Session

Contact Information:

hbernard@uoregon.edu

jadamsk@uoregon.edu

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This week, Oregon lawmakers adjourned the 2021 Legislative Session, which began in January. The session was conducted in a Capitol building closed to the public with hearings occurring remotely, and all participation by members of the public and lobbyists taking place virtually.

The work of the Legislature was dominated by responding to the ongoing COVID-19 pandemic, addressing issues of systemic racial and wealth inequity, wildfire recovery and mitigation, and balancing a budget.

To add to the unprecedented nature of the session, the Legislature managed consideration of expelling two of their own members. Former State Representative Diego Hernandez resigned from the legislature in March, days before facing a vote of his colleagues to expel him. The same cannot be said for former State Representative Mike Nearman, who became the first member of the Oregon Legislature in the state's history to be expelled by their colleagues. The House voted 59-1 to expel Mr. Nearman for his role in facilitating a breach of the closed Capitol building by armed protesters during the December 21st 2020 special session.

Improving revenue projections, and a large influx of funding from the American Rescue Plan Act (ARPA) allowed the legislature to make significant investments in housing, behavioral health, wildfire policy and recovery, and preserve a sizeable ending fund balance of.

Lawmakers also made investments in higher education, funding the public universities' budget request of \$900 million in the public university support fund, \$703 million in the community college support fund, and increasing funding for the Oregon Opportunity Grant, Oregon's need-based aid program.

This memo includes a summary of budget and policy action related to higher education impacting the UO.

Budget

Operating / General and Lottery Fund Appropriations

- A **\$900 million** investment in the Public University Support Fund, this is a \$63 million increase above the 2019-21 budget, and a 13.9 million increase above the Co-Chairs budget.
- **\$ 52.6 million** for university state programs, a 5.88% increase in funding, and reversing cuts made to these programs in the August 2020 special session. State programs housed at the UO include the Clinical Legal Education Program, Labor Education Research Center (LERC), Oregon Office of Community Dispute Resolution (OOCDR), Signature Research Centers, and the Tall Wood Design Institute.
- A **\$200 million** investment in the Oregon Opportunity grant. This is a \$28.8 million increase over CSL, and a nearly \$40 million increase over 2019-21 funding levels.
- **\$16.5 million** or a full 1% of lottery proceeds for sports lottery scholarships for student athletes and graduate students. The allocation for each public university is at the same percentage shares as the 2019-21 Legislatively Approved budget. UO will receive \$1,206,403 million of these funds. Notably, for many years UO and OSU have been capped at \$1,030,000 – and we were successful in raising that by over \$200,000 dollars.
- **\$4.7 million** for seven public universities' Strong Start program with a purpose of assisting students through bridge programs in the transition from high school to college. The population targeted with these funds are 2020 high school graduates who did not attend college in 2020-21 and high school graduates who enrolled in college and were adversely impacted by the pandemic with reduced academic load, financial distress and poor grades. Programs will be designed by the individual schools. Some of the likely program elements include intensive academic supports, especially in math and writing, academic advising, note-taking skills, time management, early move-in to campus, peer mentoring, tutoring, and financial literacy.
- **\$5 million** to fund the University Innovation Research Fund (UIRF). The UIRF was established in 2019 as a competitive grant fund used to match competitive federal research awards. Since its inception, the UIRF has increased the competitiveness of Oregon universities for federal research funds and supported innovation and research capacity. To date, the UIRF has committed \$2.95 million to fund five university projects, with proposed federal and industry matches of \$20.1 million. This match rate of more than 5:1 has and will bring significant additional economic innovation research revenue directly into the state of Oregon.
- **\$349,000** for the Oregon Office of Community Dispute Resolution (OOCDR) at the University of Oregon. This funding restores a cut made to the program in 2019.

Capital Construction

The legislature approved an unprecedented \$337.1 million of Article XI-G and Article XI-Q bonds to finance seven public university projects, and significant investments in deferred maintenance funding for all university campuses.

Capital investments benefiting the UO include:

- **\$80 million** in Article XI-Q bonds to fund capital repair and renewal deferred maintenance projects across public university campuses in Oregon. This funding is distributed through a formula set by the HECC. UO is projected to receive between \$18-19 million from this allocation.
- **\$58.5 million** dollars in Article XI-G and Article XI-Q to fund UO's Heritage Renovation project. A full renovation of UO's national historic landmark site consisting of University (formerly Deady) and Villard Halls.

Policy Bills

GOVERNANCE

SB 854: Changes Governing Boards for Public Universities – Not Enacted

- **Summary:** Senator Frederick, the sponsor, agreed to not pass the bill with universities committing to take the following actions, related to their Boards of Trustees:
 - providing time for public comment at all regularly scheduled board meetings;
 - allowing representatives from official student, faculty, and non-faculty governance organizations to provide comment at board meetings;
 - allowing a representative from official campus labor organizations to provide comment at board meetings upon request;
 - including at least one faculty, student and staff representative on presidential search committees;
 - providing and publishing email addresses for Trustees; and
 - engaging the Association of Governing Boards to review best practices for institutional boards related to transparency and access in the interim.

ATHLETICS

SB 5: Authorizing student-athletes to benefit from their Name, Image, and Likeness – Passed Both Chambers, Awaiting Signature

- **Background:** NCAA rules currently prohibit student athletes from profiting from their name, image, and likeness. The NCAA is expected to adopt new rules on this issue in the coming months. Congress is also debating multiple bills related to student athletes, and may enact overriding federal legislation.

- **Summary:** This bill allows students athletes at Oregon universities to benefit from their name, image, and likeness starting July 1, 2021.
 - **Next Steps:** Our Office of General Counsel and Athletic Department are working on implementation procedures.
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ACADEMIC POLICY

SB 233: Common Course Numbering / Transfer Council – Passed Both Chambers, Awaiting Signature

- **Background:** 17 states currently require common course numbering among institutions of higher education
 - **Summary:** This bill creates the Transfer Council consisting of academic officers and faculty to advocate on behalf of their institutions in creating a common course numbering system. The Council advises HECC on development, coordination, and maintenance of the Core Transfer Maps and Major Transfer Maps. Common Course numbering system must be in place for introductory and lower division courses by 2025-26 academic year.
 - **Next Steps:** Universities have begun conversations with the HECC on bill implementation and the Statewide Provosts' Council will likely meet with their community college counterparts in July to discuss.
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HUMAN RESOURCES & BENEFITS

SB 551: Health Care Benefits for Part-Time Faculty – Passed Both Chambers, Awaiting Signature

- **Summary:** This bill allows for faculty working less than full time at multiple higher education institutions to receive health care. Bill requires faculty to choose a “home institution” where they self-identify as working at least 0.5 FTE at one or more institutions. The home institution must determine eligibility, collect a 10% premium amount from the faculty member, and pay the full cost of the premium. The bill appropriates \$12.9M to reimburse institutions for 90 percent of the cost of coverage and the home institution may request reimbursement for the state share of the premium from the HECC every three months. The bill allows institutions to use a “look-back” to determine eligibility for faculty members.
 - **Next Steps:** Universities will be closely cataloging issues and fixes which can be addressed in the 2022 Legislative Session.
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SB 112: Amends default retirement program for employees, who do not select, from PERS to ORP – Not Enacted

- **Next Steps:** Unfortunately, the universities were unable to secure stakeholder support to move this policy forward this session. We plan to have institutions engage in a conversation with campus communities during the interim and hopefully bring forward a proposal for the 2022 legislative session.
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SB 483: Rebuttable presumption of retaliation / discrimination – Signed into Law June 15, 2021

- **Summary:** This bill states that if an employer takes disciplinary action against an employee within 60 days of an employee participating in a protected action, such as filing a safety complaint, it is the responsibility of the employer to demonstrate that the action was not retaliatory.
 - **Next Steps:** HR team is preparing for implementation.
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STUDENT LIFE & AFFORDABILITY

HB 3012: Mandatory Incidental Fee Collection and Disclosure – Signed into Law June 3, 2021

- **Summary:** HB 3012 modifies requirements for recognized student governments at public universities and community colleges to interact with institutional governing boards when making recommendations for mandatory incidental fees and mandatory student-initiated fees, removes certain restrictions for refusing fee requests, and modifies requirements for resolving disagreements between university boards and recognized student governments by written notice.
 - **Next Steps:** Board Secretary is prepared for implementation.
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HB 2542: Requires Universities to Display Mandatory Fees – Signed into Law June 3, 2021

- **Summary:** This bill requires each public university and community college to prominently display descriptions for mandatory fees charged to students, specifies requirements for the display of fees (on school website and in student portal), and requires annual reports on compliance to the HECC.
 - **Next Steps:** Implementation plan will be created this summer.
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HB 2919: Course Materials/Textbook Affordability – Signed into Law June 3, 2021

- **Summary:** Requires each public university and community college to display total costs of all required course materials and fees for no less than 75% of total courses offered by public university or community college.
 - **Implementation Details:** Requires HECC to consult with stakeholders and interested parties and adopt by rule a list of materials exempt from requirement. Requires HECC to report to Legislature by December 31, 2023. Requires HECC to establish by rule metrics to measure compliance. Requires institutions to comply with requests for information from commission. Applies requirements to 2022-2023 academic year.
 - **Next Steps:** Implementation plan will be created this summer.
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HB 2835: Benefits Navigator on Campus – Passed Both Chambers, Awaiting Signature

- **Summary:** This bill requires and funds a benefits navigator position on every university and college campus to assist students in determining eligibility and applying for federal, state, and local benefits programs. It also requires each public university and community college to participate in statewide consortium for benefits navigators to develop best practices and facilitate communication.
 - **Next Steps:** Hire benefits navigator and create student outreach plan. Ask for funding of position in future budgets.
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HB 2590: Task Force on Student Success for Underrepresented Students – Passed Both Chambers, Awaiting Signature

- **Summary:** This bill establishes a Task Force on Student Success for underrepresented students and directs the task force to develop student success policy and funding proposals focusing on increasing likelihood of student success in higher education from populations underrepresented in higher education enrollment.
 - **Next Steps:** Await appointments of Task Force members and then connect for engagement plan.
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FINANCIAL AID & TUITION

SB 553: COFA Students Pay In-State Tuition – Passed Both Chambers, Awaiting Signature

- **Summary:** Allows students who legally entered the U.S. under the Compact of Free Association (COFA) treaty between the U.S. and the Republic of Palau, the Republic of the Marshall Islands or the Federated States of Micronesia, special immigrant visa holders, and refugees to pay in-state tuition under certain circumstances.
 - **Next Steps:** Admissions determining how many students this will include and future implementation plan.
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OTHER

HB 2214: Requires Universities to Report on Use of Outside Counsel – Passed Both Chambers, Awaiting Signature

- **Summary:** This bill would require public universities to report on the use of their outside counsel to the Attorney General, annually. The AG would submit a one-time consolidated report to the Legislature.
 - **Next Steps:** Working with GC to ensure they are ready to submit first report by January 2022.
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HB 2433: Renewal of University Venture Development Fund Tax Credit – Passed Both Chambers, Awaiting Signature

- **Summary:** HB 2433 is an omnibus tax credit bill that extends the sunset and preserves the University Venture Development Fund tax credit for public universities.
- **Next Steps:** Continue to work with research and development to promote the tax credit.

Liability Protection for Claims related to COVID-19 – Not Enacted

- **Summary:** We advocated for COVID-19 liability protection, as was granted to K-12 schools in the December 2020 special legislative session.