

## 2019 Legislative Budget Priorities *Sine Die Scorecard*

The 80<sup>th</sup> Oregon Legislative Assembly adjourned on Sunday, June 30<sup>th</sup>, with about six hours to spare before its midnight deadline. This document provides a brief summary of OSU's budget priorities established as we entered the session in January.

### Joint Public University Priorities

- **\$285 million** reserved in university capital bonding capacity for the 2020 legislative session, following the completion of the Higher Education Coordinating Commission's (HECC) 10-year capital assessment and subsequent report to the Legislature.

**Result:** The Legislature reserved \$315M in debt capacity for all state capital projects. It is not clear what proportion of this amount will be reserved for Oregon's public universities when the legislature convenes in 2020.

- Shared Capital Renewal Fund: **\$65 million** in state bonds – allocated in the 2019 session – for deferred maintenance. These are distributed among all seven universities based on a HECC formula.

**Result:** The Legislature approved this allocation. (See below for projects specific to OSU.)

- **\$186 million** increase to the Public University Support Fund in the revenue package to protect students against major tuition increases and invest in student affordability, access and success. **At least \$120 million** to ensure tuition does not increase by more than 5%.

**Result:** The Legislature approved a \$100 million increase in the PUSF. This is a disappointing result, but does mark a significant improvement over the Governor's budget, which provided no increases for Oregon's public universities. It is also \$60 million more than the amount initially proposed by the Ways & Means "tri-chairs."

- Continuation and expansion of the Engineering and Technology Sustaining Funds (Governor proposes **\$60 million** total allocation in her investment budget, and eliminates the program in the base GRB).

**Result:** The Legislature approved a \$1.4 million increase in funding for ETSF over the current biennium, for a total of \$27 million, to be distributed under an industry-supported formula.

- Continue and fully fund the Sports Lottery Scholarship program (Governor proposes the statutory allocation of **\$14.1 million** in her investment budget and eliminates the program in the base GRB).

**Result:** The Legislature approved a total \$14.1 million for this program, a 71% increase over the current biennium. Because the legislature provided no increases for UO, OSU, and PSU, the remaining universities experienced a 150% increase in the funding they received over current funding levels.

- Increased funding for the Oregon Opportunity Grant (GRB investment budget includes a **\$121.5 million** increase).

**Result:** Using a number of funding sources, the Legislature provided \$158 million for the OOG, a \$12.5 million, or 8.5%, increase over the previous biennium. Because a number of these funding sources are one-time funds, it is not clear how the OOG will be sustained over multiple biennia.

- **At least \$10 million** for University Innovation Research Fund (\$10 million, included in GRB investment package) with the possible addition of \$7.3 million for the Oregon Corps Program (not included in the GRB). Both programs would be included in the budget for the Oregon Business Development Department.

**Result:** The Legislature fully funded the University Innovation Research Fund but provided no funding for the Oregon Corps Program.

### OSU Capital Projects for the 2019-21 biennium:

- OSU-Cascades Student Success Center: **\$12 million** in state bonds, matched by an additional \$5 million in student-approved fees (\$50/quarter/student collected over the last three years).
- Arts & Education Complex: **\$35 million** in state bonds, matched by an additional \$35 million in donor funds.
- Cordley Capital Renewal: **\$28 million** state bonds for Cordley Hall Renovation (second phase), matched by an additional \$28 million in university funds.

**Result:** The legislature did not provide any funding for any university capital projects other than the \$65 million for capital renewal.

### Additional Operating Budget Priorities

- **\$30 million** increase for the three Statewide Public Service Programs (Extension, Agricultural Experiment Station & Forest Research Laboratory). This investment will restore, maintain, and build essential research and Extension programs that address Oregon’s most critical needs in natural resource science and stewardship, sustainable agricultural, food, and natural resource production, and community health and resilience.

**Result:** The legislature provided a \$19.2 million increase for the OSU Statewides including \$14.6 million in “recovery” funding to cover past shortfalls, and \$5.2 million in programs for new initiatives, including \$2 million for fire resilience and recovery (Extension), \$2.7 million for water quality and quantity programs (AES), and \$375K for organic agriculture, and \$125K for a continuing berry position.

The legislature also provided a \$24 million increase for Outdoor School for a total \$45.3 million to fully implement this voter-approved program over the biennium.

- **\$1.6 million** in state match for a \$40 million US Department of Energy marine energy grant to construct a wave energy test site off the Oregon Coast.

**Result:** The legislature fully funded this request.

## Additional Priorities

- **\$8.5 million** to support and expand the Farm-to-School program that partners with the Extension Service (\$350K of this expansion will support a program evaluation conducted by the OSU Extension Service).

**Result:** The legislature provided up to \$500K for OSU Extension to provide technical support, helping to build statewide capacity and evaluation support.

- Investment to support a state work study pilot program.

**Result:** The legislature did not fund this program. OSU will continue to work with the HECC and stakeholders on the issue of campus hunger. It is unclear whether or how subsequent efforts will be aimed at the 2020 legislative session.

- Expansion of the Measure 96 campus veteran's grant program to provide sustained lottery-fund support for student veterans.

**Result:** The legislature eliminated a sunset clause that ended the program after one biennium, provided a \$300K increase over the Governor's budget, and enabled more grant funding to support salaried positions.