

# HECC 2019 LEGISLATIVE SUMMARY: Key Postsecondary Education Budget and Policy Bills

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# HECC 2019 LEGISLATIVE SUMMARY

	PAGE
<b>2019 SESSION OVERVIEW</b>	4
<b>2019-2021 LAB OVERVIEW: KEY INVESTMENTS</b>	6
<b>FINANCIAL AID INVESTMENTS</b>	6
<b>PUBLIC INSTITUTIONS INVESTMENTS</b>	7
<b>CAPITAL INFRASTRUCTURE INVESTMENTS</b>	8
<b>LEARNER PATHWAYS and HECC AGENCY INVESTMENTS</b>	9
<b>BILL SUMMARIES</b>	10
<b>PATHWAYS AND STUDENT SUCCESS</b>	10
<b>EQUITY AND AFFORDABILITY</b>	10
<b>ECONOMIC AND COMMUNITY IMPACT</b>	13
<b>CAMPUS SAFETY</b>	13
<b>OTHER</b>	14
<b>FORMAL REPORTS SUBMITTED TO THE LEGISLATURE</b>	16
<b>ASSIGNED REPORTS, WORK GROUPS, BUDGET NOTES</b>	18
<b>APPENDIX A. HISTORICAL FUNDING DATA</b>	19
<b>APPENDIX B 2019-2021 CAPITAL BONDING AUTHORITY</b>	25

## 2019 LEGISLATIVE SESSION OVERVIEW

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### INTRODUCTION

This Legislative Report provides an overview of a selection of key legislative investments and bills approved during Oregon’s 2019 Legislative Session pertaining to issues related to postsecondary education in Oregon, and tracked by the Higher Education Coordinating Commission (HECC).

The HECC is a State commission and agency dedicated to a future in which all Oregonians—and especially those whom our systems have underserved and marginalized—benefit from the transformational power of high-quality postsecondary education and training. The HECC’s statutory authorities include advising the Oregon Legislature and the Governor on higher education policy, and the development of biennial budget recommendations for public postsecondary education in Oregon. As the State of Oregon’s single, comprehensive portal to all sectors of higher education, the agency presented to the 2019 Legislature on policy proposals and a budget focused strategically on fostering economic mobility, eliminating inequity and ensuring opportunity for all, protecting college affordability, ensuring Oregonians have the tools to navigate the 21st century economy, and improving learner pathways. The HECC budget presentation materials and legislative testimony are available on our [2019 Legislative Resources web page here](#).

The 80<sup>th</sup> Legislative Assembly convened on January 22, and adjourned Sine Die on Sunday, June 30. The HECC thanks Governor Brown, House Speaker Tina Kotek, Senate President Peter Courtney, and all members of the Oregon Legislature for their engagement on critical issues of higher education, and their commitment to the vital importance of higher education investments to foster economic mobility and successful futures for all Oregonians. The HECC is grateful for the engagement of our PK-20 public and private partners, including: the Chief Education Office, the Oregon Department of Education, leadership of Oregon’s seven public universities and 17 community colleges, the Oregon Student Association, Oregon Community College Association, Oregon Council of University Presidents, the Oregon Alliance for Independent Colleges and Universities, the Private Career School Advisory Committee, and others. HECC staff and partners coordinated and collaborated with partners throughout the session on legislative and budgetary proposals, including bill analyses, presentations and testimony, fiscal impact statements, and other activities.

### HECC 2017-19 LEGISLATIVELY ADOPTED BUDGET (LAB) OVERVIEW: KEY INVESTMENTS

Investments summarized in this report focus primarily on the HECC budget bill, House Bill 5024. In addition to the budget adopted under HB 5024, the postsecondary budget is impacted by various budget decisions contained within the Legislature’s omnibus end-of-session budget and capital bills: HB 5005 and HB 5006 (general obligation bonds), HB 5025 (ratification of fees for private career schools), HB 5030 (lottery bonds), and HB 5050 (miscellaneous budget adjustments). The postsecondary education budget in House Bill 5024 includes investments in state funding for Oregon’s 17 community colleges, Oregon’s 7 public universities and the Oregon Health & Science University (OHSU), other missions of public universities, state financial aid and student access programs, capital bonding authority for the public institutions, debt service on previously approved capital projects, workforce support and other special payments, including support for Oregon’s nine Local Workforce Development Boards, and HECC agency operations. This document summarizes primarily on General Fund (GF) and Lottery Fund (LF) dollars, not Federal Funds and Other Funds.

The funding for all postsecondary education and workforce entities represented in the HECC budget totals \$2.774B, including all types of funds, State (General Fund and Lottery Fund), Federal, and Other Funds.

	2017-19 LAB	2019-21 CSL	2019-21 LAB	PERCENT CHANGE
<b>OREGON POSTSECONDARY EDUCATION BUDGET excluding capital</b>	\$2.49B Total:	\$2.65B Total:	\$2.77B Total:	All funds +11.3% From 17- 19 LAB
	\$1.95B GF	\$2.10B GF	\$2.20B GF	+4.8%From CSL
INCLUDES ALL SPECIAL PAYMENTS, PERSONAL SERVICES, SERVICES AND SUPPLIES, AND DEBT SERVICE FUNDS	\$96.6M LF	\$128.5M LF	\$139.6M LF	
	\$141.8M FF	\$151.6M FF	\$151.8M FF	GF increase: +12.6% from 17-19 LAB
	\$306.6M OF	\$271.7M OF	\$288.0M OF	+4.7% increase from CSL

In general, postsecondary education and workforce experienced modest growth in most program areas in the 2019-2021 budget. In most respects, the Legislature’s 2019-2021 budget will allow Oregon’s postsecondary enterprise to continue its work to support learner pathways and prepare Oregonians with the credentials needed for the 21st century economy; however, college affordability challenges and other barriers remain significant.

While the investment in public institutions mitigated tuition increases, it did not eliminate the need for them, and financial aid investments were either flat or moderately increased. While Oregon’s national ranking for educational appropriations per student has improved in recent years, recent national reports show that Oregon invests only about the same, on a per-FTE, inflation-adjusted basis, as before the Great Recession in 2008 (Appendix A, Figure A, SHEF, 2018). Resting on over a decade of serious underinvestment, the 2019-2021 investment in higher education leaves significant continued funding challenges in fully supporting opportunity for all Oregonians and supporting the trajectory toward Oregon’s educational attainment goals.

### EDUCATION PIPELINE INVESTMENTS: THE STUDENT SUCCESS ACT

In addition to the investments in the HECC budget and the agency budget of our education and workforce partners, the Legislature and Governor supported a historic increase in PK-12 education investments described in the Student Success Act. Though outside of HECC’s purview, the Student Success Act (HB 3427) represents significant investments in K-12 education, specifically seeking to improve outcomes for marginalized students who have experienced disparities in the education system. Using revenue from corporate taxes, the bill includes significant investments in early learning, expands instructional time, addresses student health and safety, reduces class size, increases access to school meals, funds greater equity in education, introduces new youth reengagement programs, and funds services for students with disabilities, among other accomplishments.

When fully implemented, the measure is expected increase investment s in K-12 education by \$2B per biennium. The Student Success Act also transfers responsibility for the State Longitudinal Data System to HECC along with its staff and budget.

## HECC 2019-2021 KEY INVESTMENTS:

### FINANCIAL AID INVESTMENTS

The LAB substantially maintains investments in Oregon's key state financial aid programs:

	2017-19 LAB	2019-11 CSL	2019-21 LAB	PERCENT CHANGE
<b>OREGON OPPORTUNITY GRANT</b>	<b>\$146.1M Total:</b> \$125.2M GF \$20.7M LF* \$163K OF	<b>\$151.7M Total:</b> 130M GF \$21.5M LF* \$169K OF	<b>\$164.2M Total:</b> 109M GF \$40M LF* \$14.6 OF	18.1% from LAB 12.4% from CSL
<b>OREGON PROMISE</b>	\$40.0M	\$41.5M GF	\$40.2M GF	0.5% from LAB -3.1% from CSL

#### OREGON OPPORTUNITY GRANT

Oregon's longstanding need-based financial aid program serving the lowest-income Oregonians with grants toward postsecondary expenses, increases to \$164.2M, an increase of 3.7 percent from 17-19 LAB, allowing the grant to serve approximately 2,500 more applicants. The grant currently serves 30,000-40,000 students per year. The OOG supports low-income students and families, including both recent high school graduates and adults, who attend eligible public and private Oregon colleges and universities.

The entire increase is attributable to proceeds from the 2018 College Opportunity Grant Tax Credit Auction. Recent changes to the federal treatment of credits offered by states lead to uncertainty about future revenue from a tax credit auction.

Historical funding information on the OOG is available in Appendix A.

#### OREGON PROMISE

Oregon's grant program to support most or all tuition at Oregon community colleges for recent high school graduates and GED recipients, is funded at \$40.2M a small increase of \$200K from 17-19 LAB. At this funding level, HECC will not have to limit the number of new students eligible for the program based on "expected family contribution" (a measure of a student/family's ability to pay for college) for the first year of the 2019-21 biennium. The grant is designed to support students for approximately two years, and served 9,530 students in 2017-18.

#### OREGON NATIONAL GUARD STATE TUITION ASSISTANCE

The Oregon National Guard State Tuition Assistance (ONGSTA) Program is funded at \$3.7M for the biennium. Previously, it was funded at \$2.5M for the 2018-19 academic year.

## PUBLIC INSTITUTION INVESTMENTS

### SUPPORT TO COMMUNITY COLLEGES

	2017-19 LAB	2019-21 CSL	2019-21 LAB	PERCENT CHANGE
COMMUNITY COLLEGE SUPPORT, INCLUDING COMMUNITY COLLEGE SUPPORT FUND AND ADDITIONAL FUNDING	\$573.9M	\$594.8M	\$644.8M	12.3%

State support to the community colleges funds educational and operational expenses for the 17 colleges. The LAB increases funding for Oregon’s community colleges to a total of \$644.8M, an increase of \$70.9M or 12.3 percent from LAB. The Community College Support Fund (CCSF), which constitutes the majority of this is funded at \$640.9M. It will mean that tuition increases at almost all community colleges are expected to grow by less than 5 percent. The \$3.9M above the CCSF includes support for the Sabin-Schellenberg and Margaret Carter Skills Centers and grants to colleges to support underserved and first generation students.

For historical data on community college funding, see Appendix A.

### PUBLIC UNIVERSITY FUNDING

	2017-19 LAB	2019-21 CSL	2019-21 LAB	PERCENT CHANGE
PUBLIC UNIVERSITY SUPPORT FUND	\$736.9M	\$777.4M	\$836.9M	13.6%

The Public University Support Fund supporting educational and operational funds at Oregon’s seven public universities increased by \$100M or 13.6 percent for a total of \$836.9M. While this will mitigate the need for higher double-digit tuition increases that had been planned at some Oregon public universities, three institutions (Oregon Institute of Technology, Southern Oregon University, and University of Oregon) will have tuition increases above five percent at this level of funding.

Institutions that did not present requests for tuition increases above five percent this year have not ruled out the possibility of presenting requests in 2020.

For historical data on public university funding, see Appendix A.

### OHSU

Oregon Health & Science University (OHSU) support increases by \$2M or 2.4 percent above 17-19 LAB for a total of \$79.1M for 2019-21. The new funding is dedicated for the OHSU Center for Evidence-based Policy for the Children’s Integrated Health Database.

## UNIVERSITY INNOVATION RESEARCH FUND

The University Innovation Research Fund is established and housed in the Oregon Business Development Department. This fund provides \$10M in state match to support universities in securing competitive federal grants.

## STATEWIDE PUBLIC SERVICE PROGRAMS

The Agriculture Experiment Station's budget grows by 15.2 percent or \$10.1M over 17-19 LAB for a total of \$76.5M. Extension Service grows by \$29.2M or 40.7 percent over 17-19 LAB for a total of \$100.9M to fully fund Outdoor School for the biennium. Forest Research Laboratory increases by \$1.2M or 11.7 percent over 17-19 LAB for a total of \$11.4M.

## PUBLIC UNIVERSITY STATE PROGRAMS

Public University State Programs are funded at \$45.6M GF. This continues to fund existing programs including engineering and technology-related investments to the universities, and adds \$1.6M for OSU's PacWave South wave energy test site.

## SPORTS LOTTERY

The Sports Lottery Account exists to fund sports programs at public universities on a restricted basis ensuring that funds are used to support women's athletics and non-revenue generating sports through direct subsidies and scholarships. The Sports Action Lottery funds are increased to \$14.1M, \$5.9M or 71.1 percent above the 2017-19 LAB level. Funds are dedicated primarily to intercollegiate athletics and graduate student scholarships.

## CAPITAL INFRASTRUCTURE INVESTMENTS

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The LAB invests in capital construction to ensure access and capacity to achieve Oregon's long-term education and economic development goals. These were in the capital investment House Bills 5005 and 5030. The Governor and Legislature left open the possibility of allocating bond funds to universities in the 2020 legislative session in order to permit the HECC to complete its work on a 10-year strategic plan for public university capital.

## COMMUNITY COLLEGE CAPITAL BONDING AUTHORIZATION

The LAB supports three new capital construction projects at Oregon's community colleges, including the Central Oregon CC Classroom Building Redmond Campus, Klamath CC Apprenticeship and Industrial Trades Center, and the Treasure Valley CC Nursing-Allied Health Professions Center. It also reauthorizes eight previously approved projects under the Article XI-G bond program. These projects also include \$6.5M in new lottery bond issuance for Blue Mountain CC. The investment totals \$81.8M, including costs of issuance. Community Colleges are matching \$74.1M in capital investments. For details on these investments, see Appendix B.

## PUBLIC UNIVERSITY CAPITAL BONDING AUTHORIZATION



The total LAB of \$78.6M new capital includes a new project at OIT for the Oregon Manufacturing Innovation Center in the amount of \$12.9M and the HECC’s priority request for a \$65.7M investment in capital repair and renewal at public universities. These totals include the costs of issuance. For details on these investments, see Appendix B.

### DEBT SERVICE ON PREVIOUSLY APPROVED CAPITAL PROJECTS

	2017-19 LAB	2019-21 CSL	2019-21 LAB	PERCENT CHANGE
COMMUNITY COLLEGE DEBT SERVICE	\$39M	\$46.3M	\$46.3M	18.8%
PUBLIC UNIVERSITY DEBT SERVICE	\$403M	\$447M	\$447M	10.8%

Debt service on previously approved capital projects for the public universities and community colleges reflects the significant investments in public institution capital bonding authorization in previous years.

### LEARNER PATHWAYS AND HECC AGENCY INVESTMENTS

#### HIGHER EDUCATION COORDINATING COMMISSION OPERATIONS

	2017-19 LAB	2019-21 CSL	2019-21 LAB	PERCENT CHANGE
HECC AGENCY OPERATIONS	\$62.08M	\$57.1M	\$64.4M	3.8% from LAB
	Total:	Total:	Total:	
	\$23.5M GF	\$24.0M GF	\$25.8M GF	13.0 from CSL
	\$19.8M OF	\$10.6M OF	\$15.4M OF	
	\$18.7M FF	\$22.4M FF	\$23.08M FF	

The LAB for HECC’s agency office operations supports its work as the statewide coordinating agency for postsecondary education and workforce development, with a total of 148 positions (137.4 FTE) for 2019-21 funded through state general funds, fees, and federal dollars. HECC agency operations was funded at \$64.4M Total Funds including \$25.8M General Funds (an increase of 9.6 percent in GF from 17-19 LAB and 7.4 percent from 19-21 CSL). This provides the HECC agency 5 FTE in operational funding for procurement, internal auditing, and human resources, as well as total of 5 FTE in new policy/program positions to support continuation of the credit transfer that began in 2017 with HB 2998, coordination of statewide education and workforce strategies, leading agency diversity, equity, and inclusion work, the Teachers as Scholars program, and capital construction fiscal analysis. In addition, administration of the Statewide Longitudinal Data System, including 9 positions, was transferred to the HECC from the Chief Education Office, which by statute sunset on July 1, 2019.

#### OPEN EDUCATIONAL RESOURCES:

HECC will also receive \$669K to continue the Open Education Resources initiative to develop and market free textbooks and course materials for use in Oregon colleges and universities.

## **WORKFORCE AND TRAINING**

Workforce funds grow by 7.3 percent from 17-19 LAB, with some of this increase resulting from a transfer of increased Other Funds from DHS to expand the impact of the youth employment program on low-income youth. The targeted workforce initiatives including the National Career Readiness Certificate, industry sector strategies, on-the-job trainings, and others, were continued at 2017-19 funding levels.

## **TRANSFER OF STATE LONGITUDINAL DATA SYSTEM**

Effective July 1, 2019, Oregon's State Longitudinal Data System (SLDS) for education was transferred to the HECC's Office of Research and Data. Previously housed in the Chief Education Office, SLDS is a project that involves collecting and storing current and historical individual-level data from the Oregon Department of Education, HECC, and the Oregon Employment Department. By connecting these records at the individual level, with personal identifiers removed, the system is capable of describing the various educational and work pathways that Oregonians take. The system is a tool for measuring our progress toward state goals, as well as identifying barriers and opportunities within the education system for the purpose of informing policies and investments. Although SLDS is an inter-agency project, guided by a collaborative framework, it requires an agency home for its funding, accountability, operational support and administration. The SLDS transition to HECC is the result of the legislative sunset of the Chief Education Office on June 30, 2019.

## **BILL SUMMARIES**

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### **BILL SUMMARIES: PATHWAYS AND STUDENT SUCCESS**

#### **SB 3: COMMUNITY COLLEGES OFFERING BACCALAUREATE DEGREES**

The bill authorizes community colleges to award applied baccalaureate degrees on approval by the Higher Education Coordinating Commission. To receive approval, colleges must submit information on the program to be offered, the method of creation, documentation of unmet workforce needs that would be addressed by the program, and documentation that the college has the expertise, resources and interest to run the program successfully. The Commission is given rulemaking authority to implement this legislation.

*Effective Date:* January 1, 2020

#### **SB 160: COLLEGE CREDIT FOR IB SCORE OF FOUR OR HIGHER**

This bill requires public institutions of higher education to provide credit to each student who receives a grade of four or higher on an International Baccalaureate (IB) exam, unless granted an exception. It mirrors legislation previously applying to AP exams.

*Effective Date:* January 1, 2020 and first applying to credits for students entering in the 2021-22 academic year

#### **HB 2263: ACCELERATED LEARNING**

This bill creates the Accelerated College Credit Planning Partnership Grant Program, available to school districts with a low percentage of students participating in accelerated learning programs or a low percentage of historically underrepresented students attending college, with the purpose of helping them build new

accelerated learning programs. It also creates the Accelerated College Credit Planning Partnership Enhancement Grant Program, to help school districts and higher education institutions enhance accelerated learning partnership programs already in place, and the Accelerated College Credit Instructor Grant Program, to provide education or training to current and future accelerated learning instructors.

To track the issuance of these grants, the Department of Education is required to submit annual reports to the Legislature. The Higher Education Coordinating Commission, in collaboration with postsecondary institutions of education, is required to study current and best practices to recommend a range of content areas of graduate courses to meet Oregon dual credit program qualifications. Lastly, the Teacher Standards and Practices Commission is required to consult with educator preparation program providers to determine whether providers should provide an accelerated learning specialization.

*Effective Date:* June 4, 2019

## **BILL SUMMARIES: EQUITY AND AFFORDABILITY**

### **SB 234: VOCATIONAL ED BENEFITS FOR VETERANS**

The bill aligns state law with applicable federal law by deleting a provision that requires nonresident students receiving federal vocational rehabilitation education benefits to pay full nonresident tuition at public universities and community colleges for students who served in, or are dependents of someone who served in, the Armed Forces or international position.

*Effective Date:* January 1, 2020 and first applying to tuition and fees charged for the 2020-2021 academic year

### **SB 312: NATIVE AMERICAN TUITION EQUITY**

The bill provides in-state tuition eligibility for students who are not residents of Oregon but who attend a public institution as an undergraduate or graduate student, provided the student is Native American or Alaska Native, and received an Oregon diploma or completed grade 12 as a homeschool student or at a private or parochial school. The provisions of the bill apply to members of federally recognized or formerly recognized tribes as well as members of historical Oregon tribes.

*Effective Date:* June 7, 2019 for students enrolling in the 2019-2020 academic year.

### **SB 459: TAX CREDIT AUCTIONS**

The bill makes changes to the Oregon Opportunity Grant Tax Credit Auction, designed to make tax credit certificates more attractive to buyers. It allows auctions to be conducted no later than April 15 for tax credit certificates redeemable in the prior year. This shortens the amount of time a buyer must wait before receiving the proceeds of the tax credit. It also lowers the reserve bid amount per credit to 90 percent of the credit face value from 95 percent, potentially increasing the amount that a tax credit buyer may net by purchasing the credit.

*Effective Date:* September 30, 2019

### **SB 689: RESIDENCY FOR ARMED FORCES FAMILIES**

The bill maintains the in-state residency status of any spouse or dependent of a member of the armed forces accepted to an Oregon public university or community college if at the time of their acceptance they were considered a resident, provided the spouse or dependent remains continuously enrolled in the institution. This accommodates students whose sponsor is required to change station out-of-state.

*Effective Date:* January 1, 2020

### **SB 859: GRADUATE STUDENT TUITION EQUITY**

The bill extends the provisions of ORS 352.287 (tuition equity) to graduate students who are not citizens or lawful permanent residents of the United States. To qualify, students must: have attended an Oregon elementary or secondary school for three years immediately prior to graduating or leaving school without a diploma; attended an elementary or secondary school in the U.S. or U.S. territory for five years immediately prior to graduating or leaving school without a diploma; earn an Oregon high school diploma or equivalent; and demonstrate intent to become a U.S. citizen or lawful permanent resident. If these qualifications are met, graduate students qualify for resident tuition. Prior to the passage of SB 859, this benefit was only available to students in undergraduate programs.

*Effective Date:* June 7, 2019

### **HB 2213: OPEN EDUCATIONAL RESOURCES**

This bill requires universities and community colleges to adopt textbook affordability plans. These plans must contain goals for increasing textbook affordability, target a specific amount of student savings, require a minimum number of courses be taught using no or low cost materials, provide a process for educating faculty and instructors on the use of no and low cost material and address declining bookstore revenue.

*Effective Date:* January 1, 2020

### **HB 2216: THE ROONEY RULE**

The bill makes permanent in Oregon a version of a National Football League (NFL) policy called the Rooney Rule. The rule, as applied in the NFL, and as established in this bill, requires that, for vacancies in head coaching positions, a minimum of one qualified minority candidate must be interviewed, unless none can be identified. The bill applies this standard to public universities for both head coaches and athletic directors.

*Effective Date:* January 1, 2020

### **HB 2571: TUITION WAIVERS FOR FOSTER YOUTH**

The bill allows current foster students or former foster students under 25 years of age to receive a waiver of any tuition beginning at a minimum of one credit hour. Under current law, students must be enrolled a minimum of six credits to receive the waiver.

*Effective Date:* June 4, 2019 and applying first during the 2019-2020 academic year

### **HB 2817: OREGON NATIONAL GUARD TUITION ASSISTANCE EXPANSION**

The bill expands the utility of the Oregon National Guard Tuition Assistance (ONGSTA) program, which provides tuition assistance to qualified members of the Oregon National Guard, after the application of other federal and state aid. Under current law, assistance is available to Guard members in good standing who are attempting a bachelor's or associates degree at a public institution in Oregon up to the amount of credits required for a typical degree. The bill expands the use of the program by allowing tuition assistance to be used at OHSU and private non-profit institutions. Additionally, the program may now be used for certificate programs.

*Effective Date:* Effective January 1, 2020 and first applying in the 2020-2021 academic year. (As of publishing, this bill has not been signed by the Governor)

### **HB 2910: OREGON PROMISE PROGRAM FOR INCARCERATED/IN-CUSTODY STUDENTS**

This bill expands the eligibility criteria of the Oregon Promise program to allow an individual who completes their high school diploma or GED® while incarcerated or in custody to be eligible for the Oregon Promise for six months after their date of first release from a correctional facility, provided they meet all other Oregon Promise eligibility criteria. Under current law, individuals must enroll at a community college within six months of completion or graduation. Some inmates/youth complete their HS diploma or GED® more than six months prior to release and are ineligible, while others that complete within close proximity to release may receive the award.

*Effective Date:* January 1, 2020 for individuals earning credentials on or after that date

### **BILL SUMMARIES: ECONOMIC AND COMMUNITY IMPACT**

#### **SB 455: CONTRACTING WITH TRAINING PROVIDERS**

The bill expands contracting requirements that previously applied only to the University of Oregon to all public institutions of higher education. For contracts above \$8M in value, paid in whole or in part by State funds, excluding contracts for specialty medical or research equipment, institutions will be prohibited from awarding contracts to contractors that are not training agents under ORS 660.010. Training agents are registered apprentice employers under BOLI.

The bill also limits subcontracts above \$200K in value by requiring that they adhere to the same rules. Institutions may make an exception to these requirements if they would cause unreasonable delay or if the pool of bidders would be reduced to fewer than three.

*Effective Date:* January 1, 2020, first applying to contracts at PSU, OSU, UO and OHSU on this date, and first applying to other public institutions on January 1, 2021. (As of publishing, this bill has not been signed by the Governor)

### **BILL SUMMARIES: CAMPUS SAFETY**

#### **SB 576: KAYLEE'S LAW**

The bill places limits on the operation of non-sworn public safety and security officers at institutions of higher education. It requires nationwide criminal records checks for all personnel, eliminates 'stop and frisk' authority, requires security vehicles to be equipped with GPS and video monitoring, or a call-recording dispatch system,

and further requires this data to be retained for 90 days. Public safety personnel must have uniforms that can be easily differentiated from law enforcement uniforms, and their vehicles must be distinguishable from law enforcement vehicles through the use of ‘campus security’ markings, and the banning of red/blue light bars, ramming bumpers, interior cages. Lastly, the bill requires campus safety personnel to promptly notify law enforcement of probable cause arrests and prohibits public safety officers from retaining evidence.

*Effective Date:* May 24, 2019

### **HB 2519: HAZING AT COLLEGES AND UNIVERSITIES**

The bill requires Oregon community colleges and universities to adopt a written policy on hazing and provide annual, on-campus training for students on hazing effects, laws, and school policies. Institutions must report on the number of hazing incidents reported to and investigated by the institution during the previous academic year to the Legislative Assembly by December 31 of each calendar year.

*Effective Date:* January 1, 2020

### **HB 3415: CAMPUS SEXUAL VIOLENCE AND HARASSMENT**

The bill requires institutions to adopt written policies concerning sexual harassment, sexual assault, domestic violence, dating violence and stalking that occur both on and off campus. The policies are required to contain a common statutory definition of sexual harassment, procedures to address harassment, and clarifications regarding the responsibilities of the institution to investigate. The policies must be in plain language and made available to students during orientation, on the school’s website, and when a report is made. The bill additionally mandates training for Title IX officers, hearing officers, investigators, campus security officers, and others involved in the investigations process to participate in annual training on definitions, prevalence, trauma-informed practice, bias, and interviewing.

*Effective Date:* January 1, 2020, and first applying to the 2020-2021 academic year.

### **BILL SUMMARIES: OTHER**

#### **SB 731: STUDENT GOVERNMENT EXPENSES**

The bill authorizes recognized student governments of community colleges and public universities to make statements and issue resolutions that address state and local initiatives and referenda and allows public employees to take necessary actions to facilitate the student government in this activity. It prohibits this activity related to candidate elections and the promotion of political committees.

*Effective Date:* September 30, 2019

#### **HB 2018: TRANSFER OF THE STATE LONGITUDINAL DATA SYSTEM**

The bill provides technical changes to facilitate the transfer of responsibility of the State Longitudinal Data System (SLDS) from the Chief Education Office. HB 5050 also contains language necessary to effectuate the transfer. The bill transfers all duties, functions, and powers held by the Chief Education Office with regard to the SLDS to HECC, and continues all rights and obligations, including contracts, leases, and business transactions previously executed. The bill also provides HECC with authority to share and publish data.

*Effective Date:* Upon passage. (As of publishing, this bill has not been signed by the Governor)

### **HB 2030: HECC MINOR REVISIONS PACKAGE**

As the HECC's minor revisions package, this bill makes several minor technical changes to higher education statutes. It gives HECC operational authority on par with other state agencies; repeals unfunded aid programs; clarifies Oregon Promise grant criteria for students who qualify for the minimum Promise award but attend an institution whose tuition is above the average community college tuition amount; deletes outdated references to commissions and staff titles; clarifies public university eligibility for seismic rehabilitation grants; modifies HECC's fingerprinting authorities and responsibilities; eliminates the requirement that DAS make payments to community colleges; and states that HECC is able to request workforce system funding, among other minor changes.

*Effective Date:* September 30, 2019

### **HB 2871: OREGON YOUTH CONSERVATION CORPS MINOR REVISIONS PACKAGE**

As the Oregon Youth Conservation Corps' technical and minor revisions bill, the bill changes the name of the organization to the Oregon Youth Corps, in recognition of the expansion of the mission and activities of the Corps over time; allows OYC educational vouchers to be used for workplace credentials and non-academic certificates in order to help members secure full-time employment; adds gardening, greenhouse, and farming programs to the OYC portfolio; and corrects statutes to reflect OYC's placement in the Higher Education Coordinating Commission.

*Effective Date:* January 1, 2020

## FORMAL REPORTS SUBMITTED TO LEGISLATURE

Please see the online [HECC Reports page](#) for formal reports submitted to the Oregon Legislature. In addition to the items below, HECC and partners continue to make progress on implementation of legislation passed during the 2018 session.

FORMAL REPORTS SUBMITTED DURING 2019 LEGISLATURE	
ORIGINATING STATUTE OR LEGISLATION	REPORT
ORS 352.061	<p><u>Cover Letter to Legislature, HECC Evaluations of Public Universities with Governing Boards (2018)</u>, March 2019</p> <p><u>HECC Evaluation of Public Universities with Governing Boards (2018), Oregon State University</u>, March 2019</p> <p><u>HECC Evaluation of Public Universities with Governing Boards (2018), Portland State University</u>, March 2019</p> <p><u>HECC Evaluation of Public Universities with Governing Boards (2018), University of Oregon</u>, March 2019</p>
ORS 291.227**	Agency Supervisory Ratios, HECC Ways and Means Budget Presentation, March 2019
ORS 352.069**	Legislative Mandates and Their Impact on Public Universities, HECC Ways and Means Budget Presentation, March 2019
ORS 326.500	<u>Report to the Oregon Legislature: STEM Investment Council Legislative Report</u> , February 2019
ORS 341.522	<p><u>Research Brief: The Oregon Promise, Report from Year 3</u>, January 2019</p> <p><u>Report to the Oregon Legislature: Oregon Promise Report from Year 3</u>, December 2018</p>
ORS 350.110	<u>Report to the Oregon Legislature: Credit for Prior Learning</u> , December 2018
HB 4053 (2018)	<u>Report to the Oregon Legislature: Accelerated College Credit Transferability (with Chief Education Office)</u> , December 2018
ORS 660.343	<u>Report to the Oregon Legislature: National Career Readiness Certificate Program</u> , December 2018
SB 1537 (2016)	<u>Report to the Oregon Legislature: Post-graduate Scholars Program</u> , December 2018



SB 231 (2017)	<u>Report to the Oregon Legislature: Task Force on Student Mental Health Support</u> , December 2018
ORS 352.287	<u>Report to the Oregon Legislature: Tuition Equity at Public Universities</u> , November 2018
ORS 350.360	<u>Report to the Oregon Legislature: Higher Education Employees</u> , November 2018
SB 1554 (2018)	<u>Report to the Oregon Legislature: 529 College Savings Accounts</u> , November 2018
ORS 350.125	<u>Report to the Oregon Legislature: Competency Based Education</u> , August 2018
ORS 342.443	<u>Oregon Educator Equity Report</u> , July 2018 <u>Oregon Educator Equity Report, Executive Summary</u> , July 2018
OREGON LAWS 2015, CH. 495	<u>HECC Chair Letter, EOU and SOU Conditions Reports</u> , May 2018 <u>Eastern Oregon University Conditions Report</u> , May 2018 <u>Southern Oregon University Conditions Report</u> , May 2018
ORS 182.166	<u>Report to Legislative Commission on Indian Services: HECC Government to Government 2017 Annual Report</u> , April 2018

\*\* To be included each biennium in future Ways and Means Budget Presentations.

## ASSIGNED REPORTS, WORK GROUPS, AND BUDGET NOTES

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### REPORTS ASSIGNED BY LEGISLATION IN 2019

BILL	TOPIC	DESCRIPTION	DUE DATES
HB 2263	Accelerated Learning	In collaboration with higher education institutions, HECC must report on current and best practices to recommend graduate courses that meet dual credit program qualifications.	<i>September 15, 2020</i>

### WORK GROUPS ASSIGNED BY LEGISLATION IN 2019

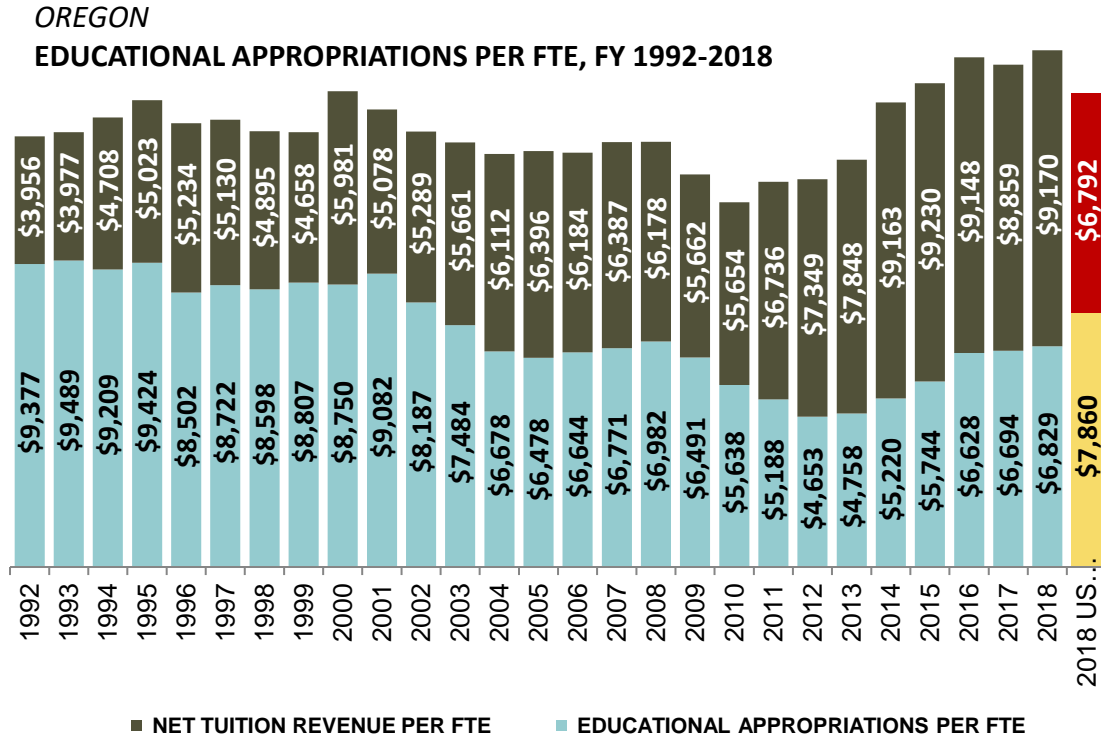
NONE

### BUDGET NOTES

BILL	TOPIC	NOTE CONTENT
HB 5024	Public University Cost Containment	The seven Public Universities shall collectively report to the Joint Committee on Ways and Means in February 2020 on cost management measures implemented during the 2019-20 academic year. The report should include administration and program reductions, use of fund reserve balances, positions eliminated or left vacant for more than six months, and any new positions established. An updated report for the 2020-21 academic year shall be provided to the Emergency Board in December 2020. The seven Public Universities and the Higher Education Coordinating Commission (HECC) are also directed to coordinate in the interim to identify public university financial data and measures that will be consistently provided to HECC to improve transparency and accountability. Financial information may include administrative costs, financial activity by fund, fund reserve balances, and results of audits. HECC shall report to the Joint Committee on Ways and Means or the Emergency Board no later than September 2020 on this effort..
HB 5024	Willamette Falls Locks Commission	The Joint Committee on Ways and Means requests that the Willamette Falls Locks Commission resubmit its proposal for lottery revenue bond authorization to repair and reopen the Willamette Falls navigation canal and locks in the February 2020 legislative session. The request for state funding should include details on planned ownership of the Locks, actions required to transfer ownership, contributions toward renovations from the US Army Corps of Engineers, availability of other funds to support project costs, and a longterm sustainable business plan for continued operation and maintenance.

**APPENDIX A: HISTORICAL FUNDING DATA**

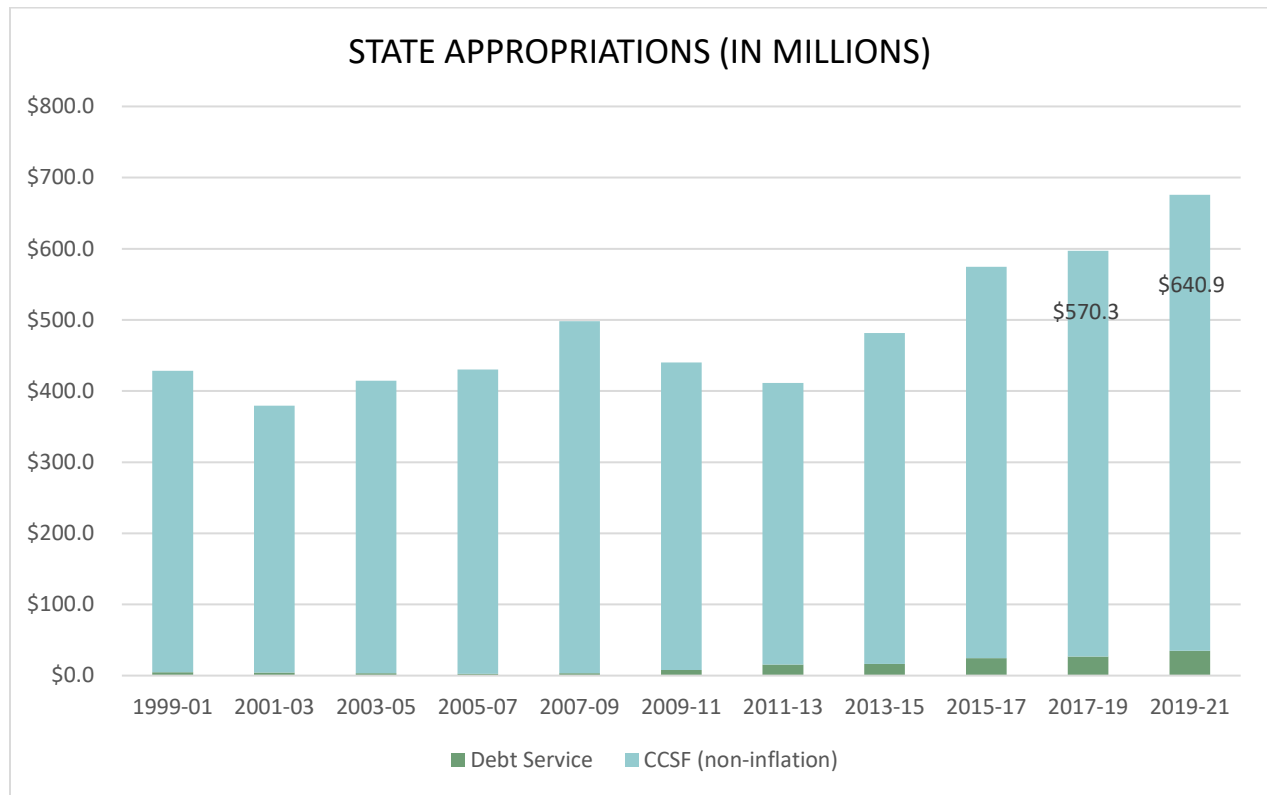
**FIGURE A. Oregon Total Postsecondary Educational Appropriations per Student (FTE), FY 1992-2018**



NOTES: Data adjusted for inflation using the Higher Education Cost Adjustment (HECA). Full-time equivalent (FTE) enrollment equates student credit hours to full-time, academic year students, but excludes medical students. Educational appropriations are a measure of state and local support available for public higher education operating expenses including ARRA funds, and exclude appropriations for independent institutions, financial aid for students attending independent institutions, research, hospitals, and medical education. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees. Net tuition revenue used for capital debt service is included in the net tuition revenue figures above.

SOURCE: State Higher Education Executive Officers, 2018 Preliminary Numbers.

**FIGURE B. Community College Support Fund**



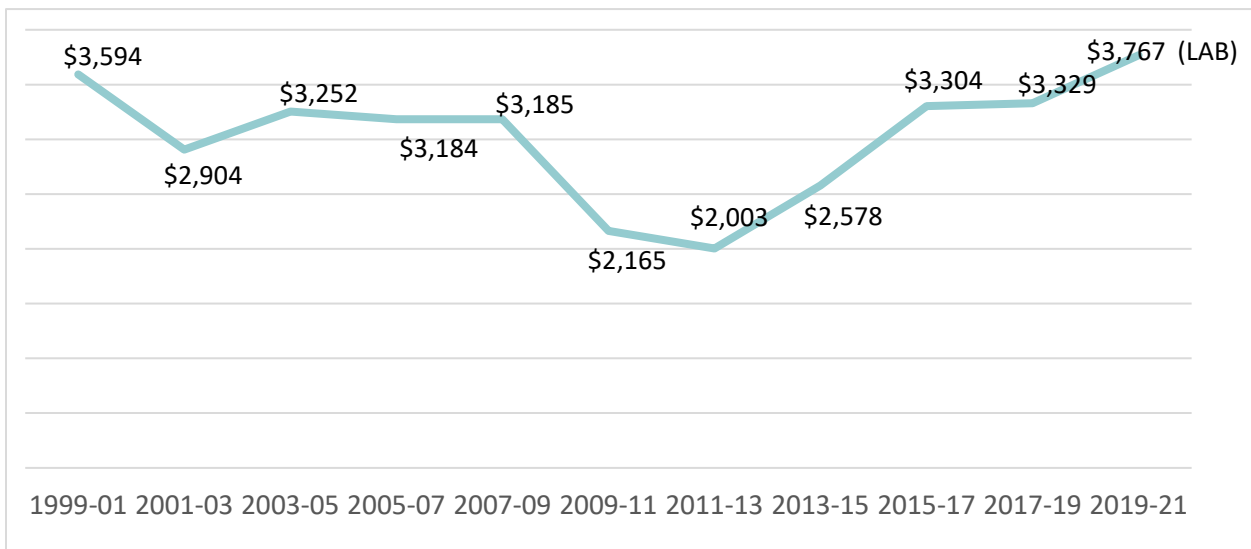
**SOURCE DATA**

Biennium	Debt Service	CCSF (non-inflation)
1999-01	\$4,733,427	\$423,883,836
2001-03	\$4,352,085	\$375,000,000
2003-05	\$3,316,055	\$411,000,000
2005-07	\$2,258,575	\$428,000,000
2007-09	\$3,516,206	\$494,500,000
2009-11	\$7,974,203	\$432,000,000
2011-13	\$15,704,592	\$395,500,000
2013-15	\$16,634,740	\$464,900,000
2015-17	\$24,637,915	\$550,000,000
2017-19 LAB	\$26,800,000	\$570,263,942
2019-21 LAB	\$34,835,776	\$640,926,933*

SOURCE: HECC analysis of state appropriation.

\*Does not include Skills Centers.

**FIGURE C. State Appropriations to Community Colleges Per Student (FTE), Adjusted for Inflation**



Biennium	Debt Service	CCSF	Inflation Factor	DS (HECA)	CCSF (HECA)	Enrollment	Per FTE (HECA)
1999-01	\$4,733,427	\$423,883,836	62.88	\$7,527,715	\$674,115,515	189,685	\$3,594
2001-03	\$4,352,085	\$375,000,000	67.88	\$6,411,439	\$552,445,492	192,415	\$2,904
2003-05	\$3,316,055	\$411,000,000	72.18	\$4,594,147	\$569,409,809	176,496	\$3,252
2005-07	\$2,258,575	\$428,000,000	77.12	\$2,928,650	\$554,979,253	175,203	\$3,184
2007-09	\$3,516,206	\$494,500,000	82.41	\$4,266,722	\$600,048,538	189,757	\$3,185
2009-11	\$7,974,203	\$432,000,000	86.18	\$9,252,962	\$501,276,398	235,862	\$2,165
2011-13	\$15,704,592	\$395,500,000	89.33	\$17,580,423	\$442,740,401	229,805	\$2,003
2013-15	\$16,634,740	\$464,900,000	92.57	\$17,969,904	\$502,214,540	201,788	\$2,578
2015-17	\$24,637,915	\$550,000,000	96.08	\$25,643,126	\$572,439,634	181,022	\$3,304
2017-19	\$26,800,000	\$570,263,942	100	\$26,800,000	\$570,263,942	179,375	\$3,329
2019-21 (LAB)	\$34,835,776	\$640,926,933*	100	\$34,835,776	\$640,926,933	179,375	\$3,767

**NOTES:**

Includes Debt Service

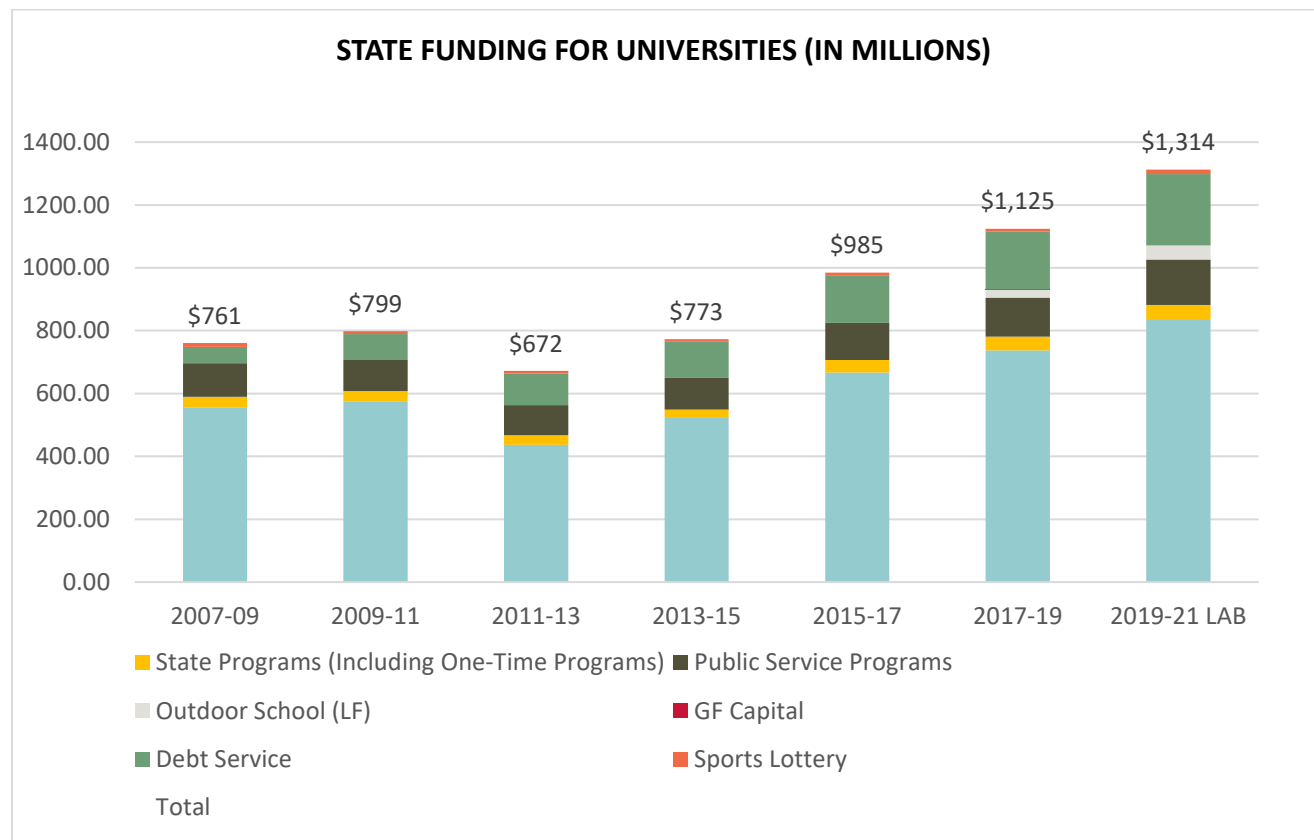
Community College data includes only CCSF distributed by funding formula

Enrollment for 2019-21 assumed at 2017-19 levels

Inflation adjustment based on HECA (The HECA is the higher education cost adjustment factor. It includes different cost categories than a consumer based inflation measure like the CPI. )

SOURCE: HECC analysis of state appropriation and student-level data.

**FIGURE D. History of Public University Investment**

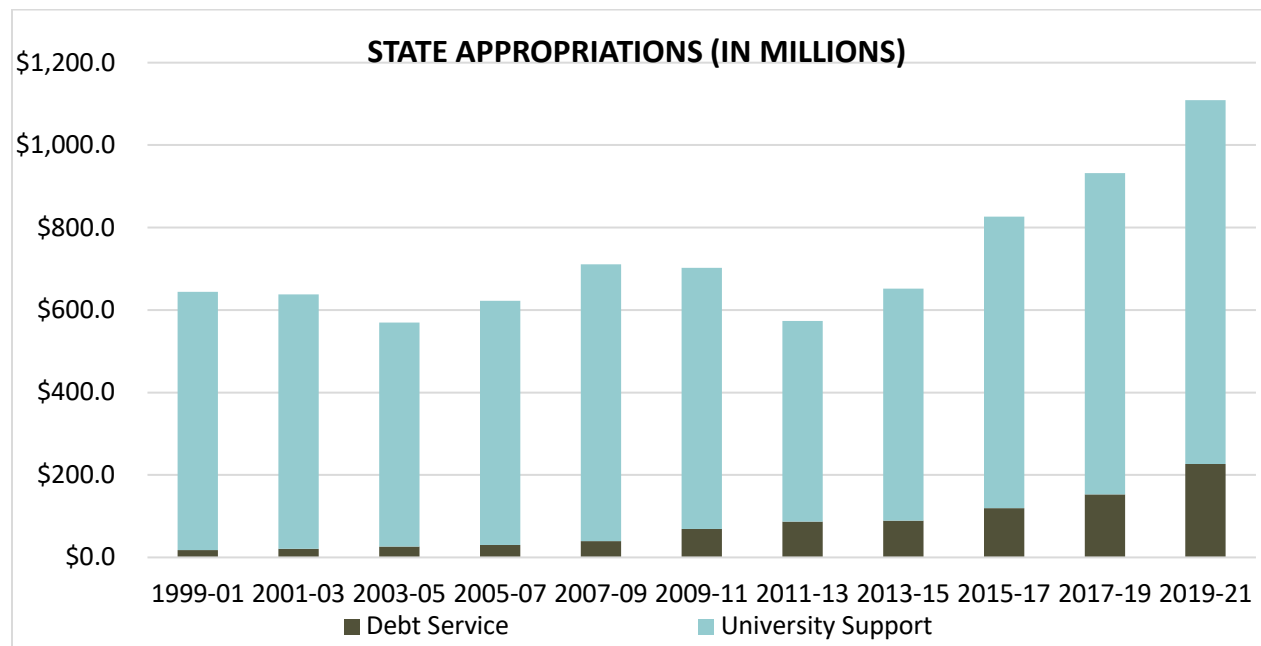


Biennium	2007-09	2009-11	2011-13	2013-15	2015-17	2017-19 LAB	2019-21 LAB
Public University Support Fund (or Equivalent)	\$555.43	\$574.96	\$436.81	\$522.85	\$667.33	\$736.90	\$836.90
State Programs (Including One-Time Programs)	33.95	33.42	31.08	25.76	39.12	44.65	44.95
Public Service Programs	106.79	98.42	94.96	101.36	118.49	124.03	144.61
Outdoor School (LF)	0.00	0.00	0.00	0.00	0.00	24.00	45.31
GF Capital	0.00	0.00	0.00	0.00	0.00	1.60	0.00
Debt Service	52.68	82.18	101.18	114.72	151.59	185.11	226.90
Sports Lottery	11.87	9.67	8.41	8.00	8.24	8.24	14.10
<b>Total</b>	<b>\$760.72</b>	<b>\$798.63</b>	<b>\$672.43</b>	<b>\$772.67</b>	<b>\$984.77</b>	<b>\$1,124.53</b>	<b>\$1,313.74</b>

**SOURCES:** HECC Office of Postsecondary Finance and Capital.

- Legislative funding change during the 2013-15 biennium separated State Programs from the Public University Support Fund.
- 2013-15 State Programs includes ETIC appropriation after transition to OEIB

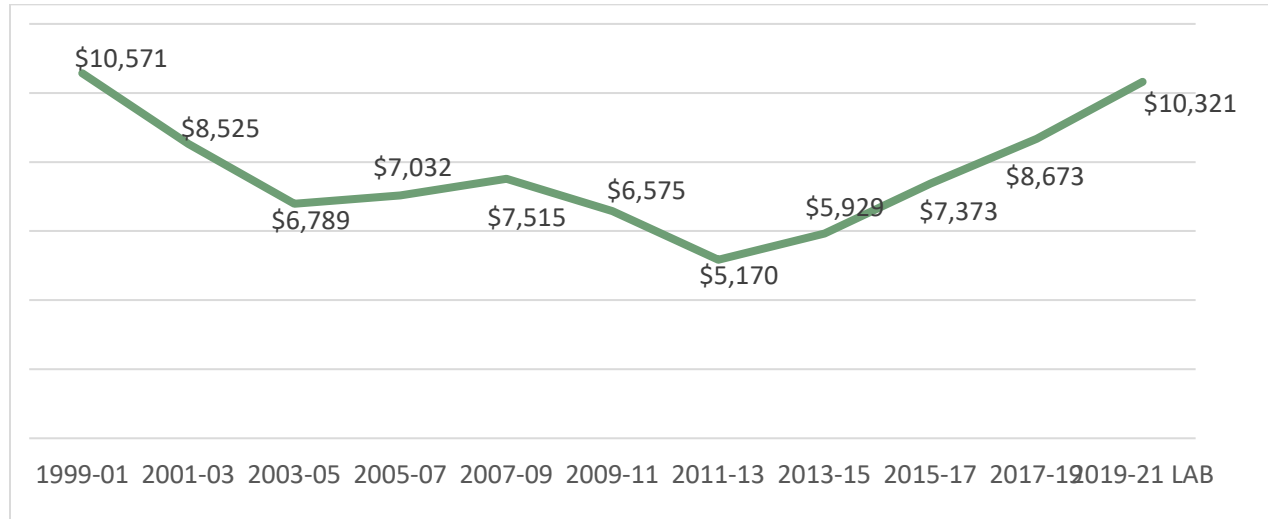
**FIGURE E. Public University State Funding (GF Only)**



	<b>Debt Service</b>	<b>University Support</b>
1999-01	\$18.1	\$626.2
2001-03	\$21.2	\$617.1
2003-05	\$26.5	\$543.1
2005-07	\$30.3	\$592.2
2007-09	\$39.4	\$671.3
2009-11	\$68.7	\$633.3
2011-13	\$86.8	\$486.5
2013-15	\$89.2	\$562.6
2015-17	\$119.7	\$706.4
2017-19	\$153.2	\$778.5
2019-21	\$226.9	\$881.9

**SOURCE:** HECC analysis of state appropriation and student-level data.  
 The general fund appropriations depicted include PUSF and state programs (excluding one-time programs).

**Figure F. Public University State Appropriations per Student (FTE), Adjusted for Inflation**



	Per FTE	Debt Service	State Support for Universities	Inflation Factor	Debt Service (HECA)	State Support for Universities (HECA)	Enrollment
1999-01	10,571	18,100,000	626,200,000	63	28,784,987	995,865,140	96,929
2001-03	8,525	21,200,000	617,100,000	68	31,231,585	909,104,302	110,307
2003-05	6,789	26,500,000	543,100,000	72	36,713,771	752,424,494	116,243
2005-07	7,032	30,300,000	592,200,000	77	39,289,419	767,894,191	114,783
2007-09	7,515	39,400,000	671,300,000	82	47,809,732	814,585,609	114,754
2009-11	6,575	68,700,000	633,300,000	86	79,716,872	734,857,275	123,893
2011-13	5,170	86,800,000	486,500,000	89	97,167,805	544,609,874	124,143
2013-15	5,929	89,200,000	562,600,000	93	96,359,512	607,756,293	118,767
2015-17	7,373	119,704,939	706,447,863	96	124,588,821	735,270,465	116,628
2017-19	8,673	153,230,455	778,544,693	100	153,230,455	778,544,693	107,430
2019-21	10,321	226,899,026	881,850,581	100	226,899,026	881,850,581	107,430

NOTES:  
 Includes Debt Service  
 University data includes PUSF and State Programs  
 Inflation adjustment based on HECA

**Source:** HECC analysis of state appropriation and student-level data. The HECA is the higher education cost adjustment factor. It includes different cost categories than a consumer based inflation measure like the CPI.



**FIGURE G. Oregon Opportunity Grant (OOG) State Support (in millions), 1999-present**

	1999-01	2001-03	2003-05	2005-07	2007-09	2009-11	2011-13	2013-15	2015-17	2017-19	2019-21
OOG APPROPRIATIONS	\$37.8	\$37.7	\$45.5	\$78.1	\$106.2	\$94.1	\$99.5	\$113.9	\$140.9	\$146.1	\$164.2
OOG DISBURSEMENTS	\$34.2	\$37.2	\$44.9	\$62.2	\$102.7	\$95.4	\$95.0	\$112.3	\$136.0	\$142.8	TBD

## APPENDIX B: 2019-2021 PUBLIC INSTITUTION CAPITAL BONDING AUTHORITY, DETAILS

### UNIVERSITY CAPITAL FUNDING:

The total LAB of \$78.6M new capital includes a new project at OIT for the Oregon Manufacturing Innovation Center in the amount of \$12.9M and the HECC’s priority request for a \$65.7M investment in capital repair and renewal at public universities. These totals include cost of issuance.

<b>Oregon Public Universities Capital Projects Funded*</b>			
<b>Institution</b>	<b>Project</b>	<b>XI-Q (state paid)</b>	<b>Total</b>
All Universities	Capital Improvement and Renewal	\$65.7M	\$65.7M
OIT	Oregon Manufacturing Innovation Center	\$12.9M	12.9M
<b>Total</b>		<b>\$78.6M</b>	<b>\$78.6M</b>

\*Includes costs of issuance

### COMMUNITY COLLEGE CAPITAL FUNDING:

The LAB supports three new capital construction projects at Oregon’s community colleges, including the Central Oregon CC Classroom Building Redmond Campus, Klamath CC Apprenticeship and Industrial Trades Center, and the Treasure Valley CC Nursing-Allied Health Professions Center. It also reauthorizes eight previously approved projects under the Article XI-G bond program. These projects also include \$6.5M in new lottery bond issuance for Blue Mountain CC. The investment totals \$81.8M. Community Colleges are matching \$74.1M in capital investments.

<b>Oregon Community Colleges Capital Projects*</b>				
<b>Institution</b>	<b>Project</b>	<b>XI-G (state paid requiring match)</b>	<b>Lottery Bonds</b>	<b>Total</b>
BMCC	Facility for Agricultural Resource Management	\$6.6M	\$6.5M	\$13.1M
CCC	Marine Science Center Renovation & Expansion	\$8.1M		\$8.1M
COCC (new)	Classroom Building Redmond Campus	\$8.1M		\$8.1M
KCC (new)	Apprenticeship and Industrial Trades Center	\$4.0M		\$4.0M

LCC	Health Care Village Facility	\$8.1M		\$8.1M
MHCC	Maywood Park Center	\$8.1M		\$8.1M
OCCC	Workforce Education & Resiliency Center	\$8.1M		\$8.1M
PCC	Health Technology Building Renovation	\$8.1M		\$8.1M
SOCC	Sumner & Coaledo Halls Remodel	\$2.8M		\$2.8M
TVCC (new)	Nursing-Allied Health Professions Center	\$5.0M		\$5.0M
UCC	Industrial Technology Building	\$8.1M		\$8.1M
Total		\$75.3M	\$6.5M	\$81.8

\*Includes costs of issuance

**General Fund Capital:** The Legislature has approved the following general fund capital project.

<b>General Fund Capital Projects Funded</b>		
<b>Institution</b>	<b>Project</b>	<b>Total</b>
TVCC	Career and Technical Center	\$1M
Total		\$1M

