



## Community College Budget Hearings

The Ways and Means Subcommittee on Education will be hearing the community college budget bill on March 22-24, 2011, from 8:30 to 10:30 a.m. CCWD will be present on Tuesday, March 22 and Wednesday, March 23, and public testimony will be heard on Thursday, March 24. OCCA is continuing to coordinate testimony among colleges; please contact OCCA if you or others from your college are planning to attend to help pack the hearing rooms and show support for community colleges.

## Legislative Update

### Revenue Legislation Update

The House and Senate finance and revenue committees continue to consider a number of measures which will impact the state's revenue stream during the upcoming biennium. OCCA is tracking a number of bills:

SB 301 passed the House and Senate and was signed by Governor Kitzhaber. The bill expands tax benefits for higher education costs and the value of health care coverage for children under age 27. This change cost the state \$15.1 million in the current biennium. In addition, the House adopted a provision that accelerates write-offs for equipment depreciation starting in 2011, which will cost the state an estimated \$93 million in the upcoming budget cycle.

SB 553 requires that the interest on money in the General Fund be deposited in the Oregon Rainy Day fund. It is scheduled for its first public hearing on March 21.

SB 883, SB 2562, HB 3178, and HB 3050 all reduce the capital gains tax during the upcoming biennium. The most dramatic cut is in HB 3050, which cuts the

### National Education News

On Tuesday, the House of Representatives voted to pass H.J. Res. 48, the continuing resolution for FY 2011, by a vote of 271 to 158. The bill reduces total government funding by \$6 billion, and does not reduce funding for education but does cut funding for the Department of Labor's Career Pathways and Innovation Grant program. The Senate passed H.J. Res. 48 on Thursday by a vote of 87 to 13. President Obama is expected to sign the bill, but he has stated that he wants Congress to pass a long-term continuing resolution. Without a continuing resolution, Congress would face a government shutdown. If passed and signed into law, the continuing resolution would fund the federal government to April 8th.

Earlier this week, Department of Education Under Secretary Dr. Martha Kanter [testified](#) before the House Appropriations Subcommittee on Labor, Health and Human Services, and Education on the Pell Grant program. Dr. Kanter noted that the number of students receiving Pell grants continues to grow, with estimates that 9.4 million students will receive Pell grants in the 2011-12 academic year (a 52% increase from 2008-09). If Congress cuts the program and the Pell Grant funding changes are not met, the Pell Grant maximum could suffer a major reduction. The funding within the SAFRA legislation passed last year is contingent on Congress funding the discretionary Pell Grant award maximum at \$4,860 in 2014. If the funding is lower, the Pell Grant program would lose its increases outlined within SAFRA.

On Thursday, Department of Labor Secretary Hilda L. Solis [testified](#) on the Department of Labor's FY 2012 budget request (\$911.9 million less than the FY 2010 enacted level) before the House Appropriations Subcommittee on Labor, Health and Human Services, and Education. Highlights include:

- Elimination of the \$125 million Career Pathways Innovation Fund

capital gains tax rate by 50%. Depending on which bill passes, the cost to the general fund during the upcoming biennium ranges from \$25 million to \$400 million.

HB 3447 and HB 3217 would make changes to Oregon gross receipts tax (called the corporate minimum tax). These two proposals would re-shape last year's voter-approved Measure 67 corporate tax increase, including removing the sliding scale. Neither bill appears likely to move forward.

HJR 14 was heard on Thursday, March 17. The bill proposes amendments to the Oregon constitution to permit common schools and union high school districts to impose taxes to fund public school districts at a maximum allowable tax rate of \$6.50 per \$1,000 or \$7.50 if the district secures passage by referral to the local voters. In addition, the bill eliminates "compression" within the current \$5.00 maximum tax rate for common school districts, union high school districts, and community colleges. HJR 14 will most likely require amendments before it can go forward and it may not advance because many members view the bill as amending Measures 5 and 50 and increasing taxes.

HB 2162 provides for new incentives for business expansion. Governor Kitzhaber, key legislators and business leaders say the state needs additional incentives for businesses that rely on highly skilled workers. The cost for the upcoming biennium would be \$5 million.

Tax Credits: Based on previous legislation, several existing Oregon tax credits will expire during the upcoming biennium. A number of hearings will be held to discuss which tax credits should expire and which ones should continue. If the legislature and governor hold to the expiration of a number of these credits, it will increase state revenues in the upcoming biennium.

**SB 338 - Expands post-secondary institution tuition waiver for children, spouses and unremarried surviving spouses of deceased or disabled veterans to include community college students**

The Senate Veterans Affairs committee held a work session on SB 338, which mandates tuition waivers at community colleges for the spouses and dependents of fallen soldiers and those who are classified as 100 percent disabled as a result of service. The committee sent the bill to the Senate Education and Workforce Development Committee.

that Solis said was duplicative of the Trade Adjustment Assistance Community College and Career Training Program

- Proposed shift of some Workforce Investment Act (WIA) funding toward competitive grants over formula funding, to be known as the Workforce Innovation Fund
- A \$60 million request for the Green Jobs Innovation Fund (\$20 million more than FY 2010).

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### Legislative Media Coverage

Live and archived video and audio coverage of all legislative proceedings, including committee hearings, Senate and House floor sessions and news conferences, can be found on the Legislature's [Audio/Video](#) website page or on OCCA's [2011 Legislative Session](#) page.

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### UPCOMING EVENTS

**Oregon Presidents Council**  
March 31-April 1, 2011  
OCCA Office, Salem

**OCCA Board**  
April 1, 2011  
Oregon State Library, Salem

**All Oregon Academic Team Event (Formerly "Student Scholar")**  
April 21, 2011  
Oregon State Capitol and Salem Conference Center, Salem

**Oregon Presidents Council**  
April 22, 2011  
Salem, Oregon

**Oregon Presidents Council**  
May 12-13 2011  
Salem, Oregon

**OCCA Board Meeting**  
May 13, 2011  
Salem, Oregon

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**HB 3356 - Prohibits community college or institution of higher education from placing academic hold on student registration if student is within six credits of graduating and student agrees to payment plan**

The House subcommittee on Higher Education heard testimony on HB 3356 this week. OCCA staff members John Wykoff and Joe Johnson testified that although the issue was a legitimate example of a barrier to completing an education, the remedy outlined in the bill would be more costly and prescriptive than necessary.

**HB 3240 – Authorizes board of education of community college district to commission police officers.**

On Tuesday, the House Higher Education Subcommittee heard public testimony on HB 3240. This bill would give community college boards the authority to create police departments and commission police officers. In addition, the bill changes a number of statutes that pertain to police officers and designates community colleges as law enforcement agencies. The bill was sponsored by Rep. Barker at the request of the American Federal of Teachers. OCCA General Counsel Karen Smith testified that community colleges were not involved in developing this proposal and while OCCA has taken a neutral position, we do not believe the bill is necessary. She also stated that there are no community college boards of education that are interested in commissioning police officers. Smith provided an example of how one college partners with their local sheriff to employ sworn officers on campus. Representatives from the Oregon Association of Chiefs of Police and the Oregon State Police Officers Association testified in opposition to the bill.

**SB 41 – Establishes deadlines by which public bodies must respond to public records requests**

Earlier this week, the Senate Committee on General Government, Consumer and Small Business Protection heard testimony on legislation introduced by the Attorney General to reform Oregon's Public Records law. This bill makes a number of changes to public records law including the imposition of a 10-day response deadline, capping fees that can be charged to fulfill public records requests, and limiting the number of exceptions in the current law. While the changes proposed in this bill would not impact local governments until the year 2013, a number of local governments provided testimony raising concerns about the changes proposed. OCCA shares those concerns and will continue to monitor this bill and the companion bill in the House.

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Archived copies of our newsletters can be found [here](#).

Find a link to committee hearings for OCCA-tracked bills, updated weekly, on our [home page](#) under **Hot Issues**.

### **HB 3521 – Transfer and Articulation**

This week, the House Subcommittee on Higher Education considered HB 3521, which contains several concepts in the Student Transfer Bill of Rights. Testifying in support, Connie Green (Vice-President, Tillamook Community College) outlined to the committee the previous work on alignment between community colleges and OUS and discussed the next steps. Andrea Henderson (Executive Director, OCCA) also spoke to the committee, sharing that improving the transfer and articulation process is a high priority of the OCCA Board. The committee expressed interest in the concept and Henderson will draft amendments for the committee to consider.