

REVENUE: No revenue impact

FISCAL: May have fiscal impact, statement not yet issued

Action:	Do Pass and Be Referred to the Joint Committee on Ways and Means by prior reference
Vote:	7 - 2 - 0
Yeas:	Clem, Dallum, Greenlick, Komp, Lim, Roblan, Buckley
Nays:	Krummel, Whisnant
Exc.:	0
Prepared By:	Derrick Olsen, Administrator
Meeting Dates:	3/19 (Subcommittee on Higher Education), 4/02 (Subcommittee on Higher Education), 4/11

WHAT THE MEASURE DOES: Changes name of Oregon Health and Science University Board of Directors to Portland Metropolitan Universities Board of Directors and expands membership from 10 to 15 members. Establishes Portland State University as public corporation under control of Portland Metropolitan Universities Board of Directors. Removes Portland State University from Oregon University System for business matters. Declares legislative intent regarding Portland State University budget and funding. Becomes operative July 1, 2009.

ISSUES DISCUSSED:

- Idea of a comprehensive university in Portland metropolitan area
- Possible cost savings or extra costs
- Oregon University System (OUS) and public corporation status
- Upcoming OUS consultant's study of possible OHSU/PSU merger due in late April
- OHSU clinic revenue subsidizing educational mission of OHSU
- Level of state support for higher education

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: HB 3024 would create the Portland Metropolitan Universities Board of Directors, which would be charged with developing a plan for the merger of Oregon Health and Science University (OHSU) and Portland State University (PSU). The OHSU Board of Directors would be changed to the Portland Metropolitan Universities Board of Directors. The measure would establish PSU as a public corporation under the control of the Portland Metropolitan Universities Board of Directors, removing the university from the Oregon University System (OUS) for business matters. The Portland Metropolitan Universities Board of Directors would study the feasibility of a local tax to augment funding for the universities and report to the Legislature on a proposed tax no later than October 1, 2008. (In the 2005 session, the Education Committee gave a similar version of this bill, HB 2560, a do pass as amended recommendation and referred the bill to the Joint Ways and Means Committee by prior reference, who subsequently referred the bill to the Budget Committee without recommendation, where the bill remained upon adjournment.)

The University of Oregon Medical School was founded in 1887, and in 1974 the University of Oregon Health Sciences Center was formed as an independent institution under OUS direction, with the schools of Dentistry, Medicine, and Nursing brought together. In 1981, the institution was renamed Oregon Health Sciences University, and in 1995 the legislature authorized OHSU to become a public corporation, removing OHSU from OUS for business matters. Governance of OHSU changed from the State Board of Higher Education to the OHSU Board of Directors. Portland State University was founded as the Vanport Extension Center in 1946 and changed its name to Portland State College in 1955. Graduate programs were added in 1961 and doctoral programs in 1968, with OUS granting university status in 1968. PSU is now the largest undergraduate and graduate university in Oregon.

HB 3024 has a subsequent referral to the Joint Ways and Means Committee.

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This summary has not been adopted or officially endorsed by action of the committee.