

**REVENUE:** Revenue statement issued

**FISCAL:** Minimal fiscal impact; statement not issued

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**Action:** Do pass the B engrossed bill

**Vote:** 9-0-0

**Yeas:** Berger, Bruun, Butler, Gelser, Olson, Read, Rosenbaum, Witt, Barnhart

**Nays:**

**Exc.:**

**Prepared By:** Paul Warner, Economist

**Meeting Dates:** 6/4

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**WHAT THE MEASURE DOES:** Modifies management of donations to university development funds. Leaves 60% income tax credit unchanged from current law. Credit was originally established by 2005 legislature. Modifies General Fund recapture provision in 2005 law to allow university venture development funds to retain use of credits up to cap amount (\$8.4 million). Directs that university venture development fund be managed by university or affiliated foundation. Caps administrative assessment at 3% of fund's average annual balance. Establishes legislative reporting requirements for university venture development funds. Allows university venture development funds to deposit moneys into Higher Education Donation Fund rather than Treasury.

**ISSUES DISCUSSED:**

- SB 853 from 2005 session.
- Role of Oregon INC in developing bill.
- Difficulty in transitioning university based research to marketable products.
- Potential impact of credit on donations.
- Modification of recapture provision in SB 853.

**EFFECT OF COMMITTEE AMENDMENTS:** None

**BACKGROUND:** SB 853 was approved by the 2005 Legislature. The intent of the legislation was to encourage donations to newly created university development funds through the use of an income tax credit. The funds are designed to provide capital for innovations to help transition them into marketable products.

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