

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

Action: Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by prior reference

Vote: 9 - 0 - 1

Yeas: Dembrow, Harker, Huffman, Komp, Maurer, Roblan, Sprenger, Thatcher, Gelser

Nays: 0

Exc.: VanOrman

Prepared By: Kevin T. Christiansen, Administrator

Meeting Dates: 1/30, 2/11

WHAT THE MEASURE DOES: Changes “Department of Higher Education” to “Oregon University System”. Consolidates most funds and accounts of Department of Higher Education into new Oregon University System Fund and Oregon University System Appropriation Fund, separate and distinct from General Fund. Allows Oregon University System to retain most of accrued interest that currently goes into general fund account. Accounts that receive matching funds are retained in the general fund.

ISSUES DISCUSSED:

- Improved banking structure for increased earnings on accounts
- Stabilization of funding for student and other services
- Increased risks

EFFECT OF COMMITTEE AMENDMENT: Transfers accounts back into the general fund that receive matching funds.

BACKGROUND: The Department of Higher Education was informally changed to the Oregon University System in 1999; legislative counsel recommended the formal change. HB 2208A creates new accounts in which interest would accrue for the Oregon University System, rather than accruing in the General Fund. For the 2009 / 2011 biennium, the Governor’s proposed budget offsets the interest gained by the Oregon University System accounts through a reduction of General Fund dollars.