

Joint Committee on Ways and Means

Carrier – House: Rep. D. Edwards
Carrier – Senate: Sen. Monroe

Revenue: Revenue statement issued

Fiscal: Fiscal statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 21 – 0 – 1

House

Yeas: Buckley, C. Edwards, D. Edwards, Galizio, Garrard, Gilman, Jenson, Kotek, Nathanson, Richardson, Shields, G. Smith

Nays:

Exc:

Senate

Yeas: Bates, Carter, Girod, Johnson, Monroe, Nelson, Verger, Walker, Whitsett

Nays:

Exc: Winters

Prepared By: Paul Siebert, Legislative Fiscal Office

Meeting Date: 5/20, 6/19, 6/22

WHAT THE MEASURE DOES: The measure would consolidate all Department of Higher Education accounts at the State Treasury and pool its cash balances for investment purposes to streamline banking and generate increased investment earnings through stratified investing. The measure also changes in statute the name of the Oregon Department of Higher Education (DHED) to the Oregon University System (OUS). The measure would also retain for the state interest earnings on Department cash balances from tuition and fees, cost recoveries, sales and services revenue, housing fees, food service fees, parking fees, and General Fund appropriation to the Department, which under current law also accrue to the state General Fund.

ISSUES DISCUSSED:

- Fiscal implications of the bill
- General Fund retains interest on tuition and fees
- Increased interest assumed due to stratified investments
- Incentives for the agency to maximize interest earnings

EFFECT OF COMMITTEE AMENDMENT: Ensures General Fund retains current interest earnings.

BACKGROUND: The name of the Department of Higher Education was informally changed to the Oregon University System in 1999; legislative counsel recommended the formal change.