

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

Action: Do Pass and Be Referred to the Committee on Ways and Means by Prior Reference

Vote: 3 - 1 - 1

Yeas: Beyer, Roblan, Hass

Nays: Kruse

Exc.: Knopp

Prepared By: Richard Donovan, Administrator

Meeting Dates: 2/12, 2/26, 3/7

WHAT THE MEASURE DOES: Authorizes State Treasurer to issue Article XI-R bonds, in addition to and not in lieu of biennial budget authorization for bond issuance in order to finance corpus of Oregon Student Opportunity Fund. Establishes program to provide financial assistance to Oregon students pursuing post-secondary education, including technical, professional and career training. Establishes Oregon Student Opportunity Fund. Establishes Article XI-R Bond Fund and Article XI-R Bond Administration Fund. Continuously appropriates moneys and earnings on moneys to support programs. Takes effect only if Senate Joint Resolution 1 (2013) is approved by people at election. Takes effect on effective date of constitutional amendment proposed in Senate Joint Resolution 1 (2013).

ISSUES DISCUSSED:

- Goal of increasing student access to post-secondary education and job preparation training, in line with 40-40-20 goals
- Specifically targets the following areas: (1) STEM education (Science, Technology, Engineering, and Mathematics), (2) vocational and technical training, and (3) on-time graduation rates
- Expenditures required from state general fund for first ~7 years, broader 30 year projections
- Similar responsibility for other state bonds and monies that the Treasurer's office currently handles as a model for this initiative
- Contrast between \$500 million bond expenditure and continuous direct funding from state funds over 30 year period
- Need for increased access to higher education statewide; increasing cost of college and resultant debt load of current and future graduating students

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Senate Bill 11 is joined with Senate Joint Resolution 1, a proposed Constitutional Amendment. The combined measures, in accordance with the stated 40-40-20 goals, allow issuance of bonds to finance student scholarship programs.