ETIC TRANSITION: House Bill 4020

Oregon Engineering & Technology Industry Council (ETIC) is a public-private partnership that guides and implements the state’s strategic investments in engineering and technology education, and fosters economic growth by increasing research and innovation at Oregon’s public universities. The recently legislated governance changes for Oregon’s public universities have resulted in the need for a new reporting entity for the state’s strategic investment in ETIC. House Bill 4020 proposes that the reporting entity for ETIC change from the Oregon State Board of Higher Education (OSBHE), which will no longer govern all seven public universities after July 1, 2014, to the Oregon Education Investment Board (OEIB).

Background and Reporting Structure

ETIC was founded in 1997 with the passage of SB 504, which established the Oregon Engineering Education Investment Fund, separate and distinct from OUS’s General Fund appropriation. ETIC has a proven track record in leveraging private and public support for measurable results in producing engineering and technology workers to meet state and workforce needs. From its inception to the present, ETIC investments have significantly increased engineering graduates and external funding of engineering research in Oregon. The Council is responsible for oversight of the ETIC investments and ensuring ongoing progress, and is comprised of voting members of the business community, and nonvoting academic members who are public university deans and provosts.

ETIC is currently housed in the Oregon University System offices, and its budget is allocated through the Oregon Engineering Education Investment Fund. As part of its original legislative directive, ETIC is required to submit biennial performance reports of all investments made to improve engineering education with public funds in public and private institutions. These reports are currently submitted to and reviewed by the Oregon University System Chancellor and the State Board of Higher Education. The Council is staffed by an Executive Director who oversees a small Industry Partnerships department, currently housed in the OUS Chancellor’s Office. ETIC’s biennial budget for 2013-2015 is $29,030,827 and the Industry Partnerships biennial budget is $643,049.

Governance Transition Necessitates New Structure

Higher education governance changes in legislation passed in 2013 resulted in the need for ETIC to evaluate its reporting structure. Pending any changes by the Legislature to current law, on July 1, 2014 the State Board of Higher Education will transition to a governing board of the four technical/regional universities, and the three
larger universities will be governed by institutional boards. Given ETIC’s statewide strategic investment mission, ETIC is advocating that the strategic statewide investments of the Fund report to an entity that has a statewide and system-wide governance role. House Bill 4020 addresses the need for this change by directing that ETIC will report to the OEIB.

After consulting with leadership, and consideration of the Higher Education Coordinating Commission (HECC) and the OEIB, ETIC has proposed that OEIB temporarily assume the current ETIC roles of the OSHBE for the period from July 1, 2014 to March 15, 2016 (when OEIB sunsets). ETIC has proposed OEIB as the reporting entity because of its broad statewide scope for Oregon education, and its focus on strategic investment for Oregon. ETIC’s leadership and stakeholders are in discussions regarding the implementation of this change and the proper methods for transitioning staff and funds, if approved.

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