

GOVERNMENT RELATIONS UPDATE

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Oregon State
University

Federal Landscape Discussion

- **Federal Budget**

- Federal Government Shutdown – Topline Status

- **Federal Legislative Agenda in Focus**

- FFY26 Funding Legislation
- College Athletics

- **Looking Ahead**

- Federal Agency Actions - Organizational Changes
- Department of Education – Implementation of HR 1 Policy Changes
- F&A Policy
- Preparation for FY27 Federal Budget

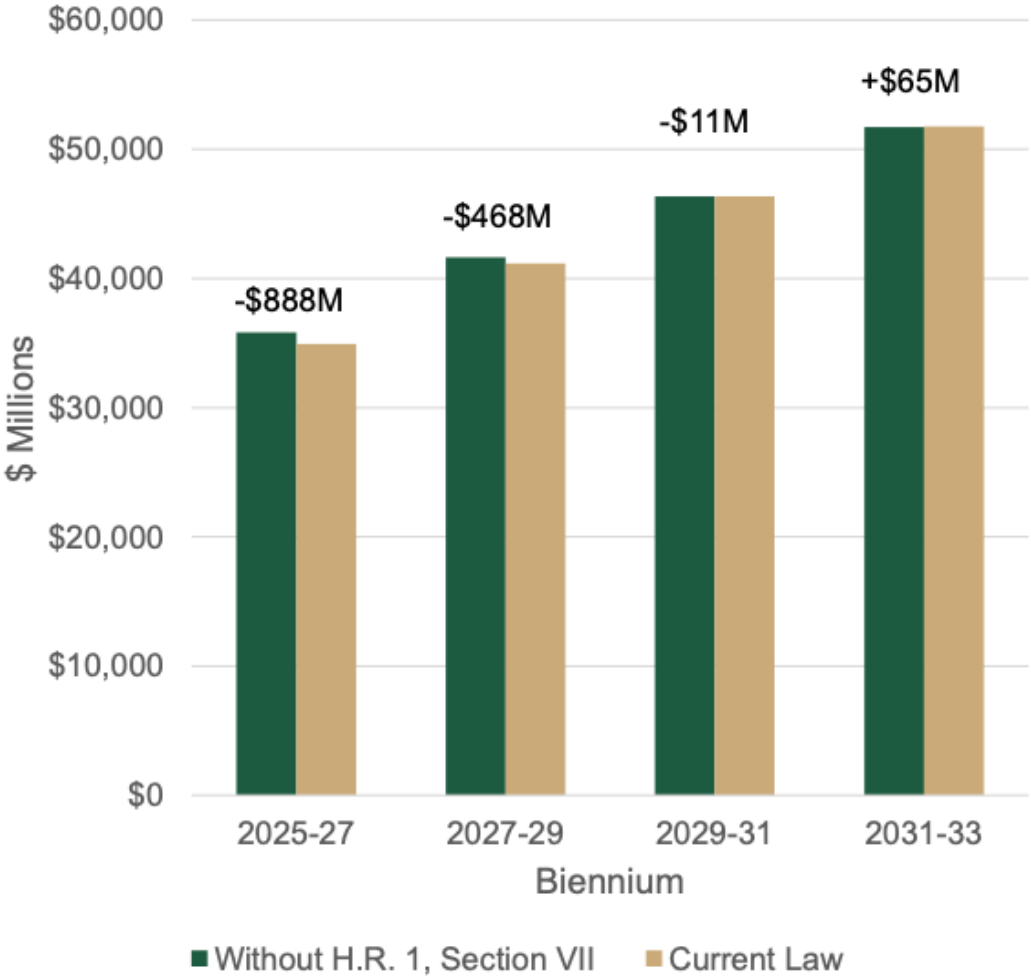
2025 Legislative Session Summary

- Approved a \$37B budget
- 7% Increase for Higher Education
 - \$1.068B – Public University Support Fund
 - \$329.4M – Oregon Opportunity Grant
- \$120M for Capital Improvement & Renewal
- Budget Note
 - *HECC in consultation with universities will review university spending, efficiency, and revenue strategies to inform future funding models and ensure that public universities can continue to deliver quality education while remaining financially viable.*

General Fund Forecast

(September/Q3 Forecast)

| 2025-27 Biennium | \$Millions |
|--------------------------|-----------------|
| Beginning Balance | \$2,019 |
| Personal Income Taxes* | \$29,962 |
| Corporate Income Taxes | \$3,064 |
| Estate Taxes | \$935 |
| Other Taxes & Revenue | \$1,172 |
| Net Revenue | \$35,132 |
| Automatic Transfers | -\$200 |
| Resources | \$36,950 |
| Appropriations | \$37,323 |
| Ending Balance | -\$373 |



LEGISLATIVE REVENUE OFFICE

* Includes \$1.4B Personal Kicker

Federal Cost Drivers

| | 2025-27 | | | 2027-29 | | | 2029-31 | | |
|--------------|--------------|---------------|------------------|--------------|------------------|------------------|----------------|------------------|------------------|
| | GF | OF | FF | GF | OF | FF | GF | OF | FF |
| DHS | \$95 | \$0 | (\$540) | \$688 | \$0 | (\$1,183) | \$750 | \$0 | (\$1,245) |
| OHA | \$9 | (\$70) | (\$490) | \$186 | (\$1,313) | (\$4,376) | \$985 | (\$1,797) | (\$6,851) |
| Total | \$104 | (\$70) | (\$1,030) | \$874 | (\$1,313) | (\$5,559) | \$1,735 | (\$1,797) | (\$8,096) |

Budget Rebalance Options

- Determine target amount needed
 - Revenue Impacts
 - Cost Drivers
- Governor has directed agencies to reduce spending - \$97M
- 2026 Legislative Session
 - Reduce Budgets: Agencies to provide 5% cut list
 - Increase Revenues
 - Utilize Reserve Accounts
 - Rainy Day Fund
 - Education Stability Fund