

HB 2441/SB 145: University Venture Development Fund (UVDF)

Request

Extend the same tax credit amount (\$8.4 million) authorized by the legislature in 2007 & 2012 for another six years to 2028.

Background

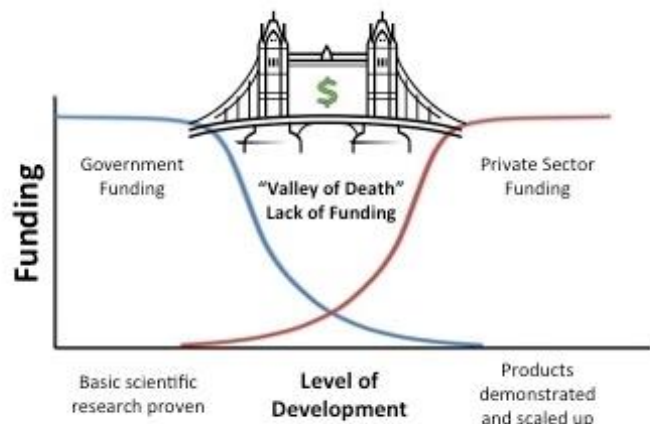
Since 2007, the University Venture Development Fund (UVDF) has helped to convert the research conducted at Oregon's public universities into new businesses while providing student experiential education. Over the last eight years universities have raised nearly \$12 million from private sources to transform new technologies developed at university labs into commercially viable products and startup companies. It is an essential tool for moving innovations out of the lab and into the economy.

The tax credits also generate new state income tax revenues due to increased employment. New companies based on university innovation supported by the tax credit have created over 400 high wage jobs that generate \$1.85 million in annual tax revenues to Oregon. Total revenues generated over the last five years are estimated at \$16.32 million. This figure will continue to grow and is currently equivalent to the value of the revenues foregone by the state due to the tax credit.

The UVDF tax credit is unique among all state tax credits because, in addition to generating new income taxes, universities repay the state treasury with a portion of revenues received from successful companies and technology licensing efforts. This feature has resulted in over \$1M being returned to the state.

How the UVDF works:

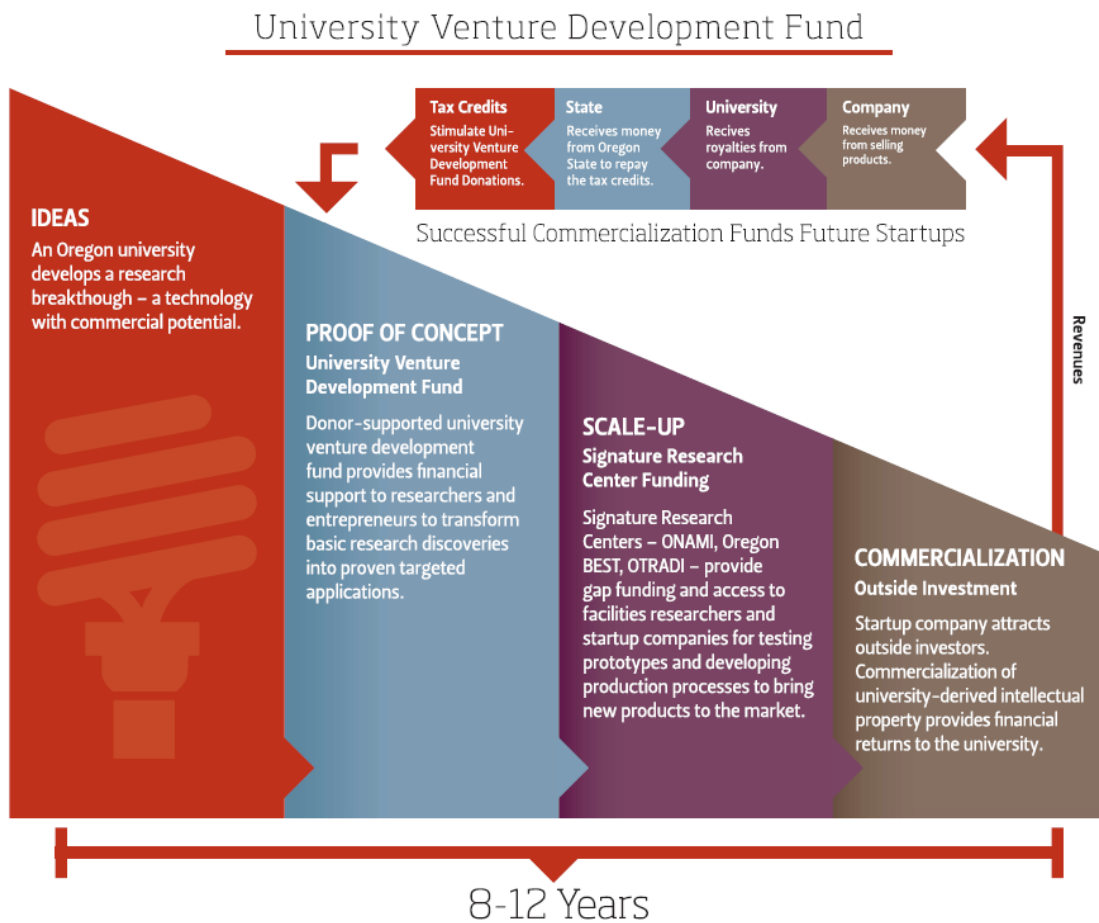
The UVDF provides a tax credit for donors who support the commercialization of promising university discoveries and campus-based entrepreneurial education. Private donors give to a university-controlled program aimed at promoting innovation, translational research, and incubating start-up companies. At each participating university, funded programs create jobs, stimulate the economy, and make local communities stronger. 20 percent of the licensing revenue received by the universities from companies licensing UVDF-supported innovation is being returned to Oregon's Treasury, in order to regenerate the tax credits to continue the program.



Proof that UVDF works

- The UVDF has helped launch 108 startups.
- Over 7,000 students have been involved and received training on real-world case studies with support from UVDF.
- Nearly a dozen new entrepreneurial programs, supporting real world education experiences have been supported and/or established with funding from UVDF.
- 370 projects have been provided proof of concept and resulted in 21 products to market so far.
- Over \$1 million has been paid back to the state allowing for the reuse of these tax credits

Commercialization Timeline



For More Information

Please contact the Dana Richardson, Oregon Council of Presidents, at richardsond@mail.wou.edu, or the government relations staff member from any of the seven public universities. Thank you for helping Oregon’s students.