

**A-Engrossed**  
**Senate Bill 442**

Ordered by the Senate April 3  
Including Senate Amendments dated April 3

Sponsored by COMMITTEE ON EDUCATION AND GENERAL GOVERNMENT

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

*[Directs State Board of Higher Education to report on consolidation of regional state universities with other existing state universities.]*

**Directs Joint Boards of Education and State Board of Higher Education to conduct studies relating to higher education.**

**Directs certain institutions of higher education to develop and implement processes and programs for purpose of cost efficiency.**

**Establishes Oregon University Efficiency Savings Fund. Appropriates moneys in fund to State Board of Higher Education for purposes of tuition reduction and provision of student services.**

Declares emergency, effective on passage.

**A BILL FOR AN ACT**

1  
2 Relating to university consolidation; creating new provisions; amending ORS 351.070; appropriating  
3 money; and declaring an emergency.

4 Whereas it is the goal of this 2009 Act to support institutions in identifying and achieving cost  
5 savings to reduce tuition costs for Oregon's college students and strengthen the entire Oregon  
6 University System; and

7 Whereas Oregon must do everything possible to maximize opportunity and educational attain-  
8 ment for Oregonians across the state; and

9 Whereas Oregon must not sacrifice the quality of degree programs or student learning in order  
10 to maintain access to universities; and

11 Whereas the Oregon University System must focus on ends, rather than means, both in goals  
12 and in policy framework; and

13 Whereas the preservation or reduction of programs and activities must be based on their ability  
14 to advance the universities' mission; now, therefore,

15 **Be It Enacted by the People of the State of Oregon:**

16 **SECTION 1. (1) The Joint Boards of Education shall conduct a study of the conversion**  
17 **of some or all state institutions of higher education listed in ORS 352.002 and community**  
18 **colleges to a semester calendar and shall submit a report of its findings and recommen-**  
19 **dations to the appropriate interim legislative committees on higher education no later than**  
20 **October 1, 2010.**

21 **(2) The Joint Boards of Education shall conduct a study of approaches to increase stu-**  
22 **dent enrollment and student success for rural residents of this state at institutions of higher**  
23 **education listed in ORS 352.002 and community colleges. The Joint Boards of Education shall**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.  
New sections are in **boldfaced** type.

1 submit a report of its findings and recommendations concerning structural, legal, funding  
2 or other changes necessary to effect such an increase to the appropriate interim legislative  
3 committees on higher education prior to October 1, 2010.

4 (3) The State Board of Higher Education shall conduct a study of the combination of  
5 enrollment management functions into a single office at each state institution of higher ed-  
6 ucation listed in ORS 352.002 whose enrollment is less than 7,500 full-time equivalent stu-  
7 dents as defined by the board. The board shall submit a report of its findings and actions to  
8 the appropriate interim legislative committees on higher education not later than October  
9 1, 2010.

10 (4) The State Board of Higher Education shall conduct a study of the financial viability  
11 of the Oregon State University - Cascades Campus in Bend, including a comparison of the  
12 education costs per student at the Bend campus to equivalent costs at other state insti-  
13 tutions of higher education listed in ORS 352.002. The board shall submit a report of its  
14 findings and recommendations to the appropriate interim legislative committees on higher  
15 education no later than October 1, 2010.

16 (5)(a) The State Board of Higher Education shall review the missions and programs of  
17 each institution of higher education listed in ORS 352.002 and shall direct implementation of  
18 the following measures:

19 (A) Elimination of unnecessary duplication of programs in high-cost disciplines, areas of  
20 low student demand and graduate level education; and

21 (B) Collaboration among universities to provide education programs to students in all  
22 parts of this state.

23 (b) The board shall submit a report on changes to the institutions' missions and pro-  
24 grams to the appropriate interim legislative committees on higher education not later than  
25 October 1, 2010.

26 **SECTION 2.** ORS 351.070 is amended to read:

27 351.070. (1) The Oregon University System, in accordance with rules adopted by the State Board  
28 of Higher Education, shall implement a personnel system and may engage in collective bargaining  
29 with its employees. All collective bargaining with any certified or recognized exclusive employee  
30 representative shall be under the direction and supervision of the Chancellor of the Oregon Uni-  
31 versity System. The Oregon University System shall have payroll authority pursuant to ORS 292.043  
32 to 292.180.

33 (2)(a) The board shall establish competitive procedures for the purchasing, procurement and  
34 contracting of goods, services and information technology, for the benefit of the Oregon University  
35 System and all the institutions, departments and activities therein. The board may also establish  
36 exemptions from the competitive procedures when appropriate.

37 (b) The board shall ensure that the hourly rate of wage paid by any contractor upon all public  
38 improvements contracts undertaken for the board shall not be less than the same rate of wage as  
39 determined by the Bureau of Labor and Industries for an hour's work in the same trade or occupa-  
40 tion in the locality where such labor is performed. Claims or disputes arising under this subsection  
41 shall be decided by the Commissioner of the Bureau of Labor and Industries.

42 (c) The board shall adopt policies and procedures that achieve results equal to or better than  
43 the standards existing on July 17, 1995, regarding affirmative action, pay equity for comparable  
44 work, recycling, the provision of workers' compensation insurance to workers on contract and the  
45 participation of emerging small businesses and businesses owned by minorities and women.

1 (3) The board may, for each institution under its control:

2 (a) Appoint and employ a president and the requisite number of professors, teachers and em-  
3 ployees, and prescribe their compensation and tenure of office or employment.

4 (b) Demand and receive the interest mentioned in ORS 352.510 and all sums due and accruing  
5 to the institutions of higher education for admission and tuition therein, and apply the same, or so  
6 much thereof as is necessary, to the payment of the compensation referred to in paragraph (a) of this  
7 subsection and the other current expenses of the institutions.

8 (c) Prescribe fees for enrollment into the institutions. Such enrollment fees shall include tuition  
9 for education and general services and such other charges found by the board to be necessary to  
10 carry out its educational programs. The board may award student aid from any fund other than the  
11 General Fund.

12 (d) Prescribe incidental fees for programs under the supervision or control of the board found  
13 by the board, upon its own motion or upon recommendation of the recognized student government  
14 of the institution concerned, to be advantageous to the cultural or physical development of students.  
15 Fees realized in excess of amounts allocated and exceeding required reserves shall be considered  
16 surplus incidental fees and shall be allocated for programs under the control of the board and found  
17 to be advantageous to the cultural or physical development of students by the institution president  
18 upon the recommendation of the recognized student government at the institution concerned.

19 (e) Upon recommendation of the recognized student government, collect optional fees authorized  
20 by the institution executive, for student activities not included in paragraph (c) or (d) of this sub-  
21 section. The payment of such optional fees shall be at the option and selection of the student and  
22 shall not be a prerequisite of enrollment.

23 (f) Confer, on the recommendation of the faculty of any such institution, such degrees as usually  
24 are conferred by such institutions, or as they deem appropriate.

25 (g) Prescribe the qualifications for admission into such institutions.

26 (4) Subject to such delegation as the board may decide to make to the institutions, divisions and  
27 departments under its control, the board, for each institution, division and department under its  
28 control:

29 (a) Shall supervise the general course of instruction therein, and the research, extension, edu-  
30 cational and other activities thereof.

31 (b) Shall adopt rules and bylaws for the government thereof, including the faculty, teachers,  
32 students and employees therein.

33 (c) Shall maintain cultural and physical development services and facilities therefor and, in  
34 connection therewith, may cooperate and enter into agreements with any person or governmental  
35 agency.

36 (d) May contract to provide health services at student health centers.

37 (e) Shall provide health services at student health centers to students.

38 (f) May provide health services at student health centers to any of the following:

39 (A) Dependents of students.

40 (B) Staff.

41 (C) Faculty.

42 (g) Shall prescribe and collect charges.

43 (h) Shall adopt rules relating to the creation, use, custody and disclosure, including access, of  
44 student education records of the institutions that are consistent with the requirements of applicable  
45 state and federal law. Whenever a student has attained 18 years of age or is attending an institution

1 of post-secondary education, the permission or consent required of and the rights accorded to a  
2 parent of the student regarding education records shall thereafter be required of and accorded to  
3 only the student.

4 (5) For each institution under its jurisdiction, the board shall provide opportunities for part-time  
5 students to obtain complete undergraduate degrees at unconventional times, which include but are  
6 not limited to early morning and noon hours, evenings and weekends. In administering these degree  
7 programs, the institution may use any educational facility available for the use of the institution.

8 **(6) For all institutions of higher education listed in ORS 352.002, the board shall, no later  
9 than October 1, 2010, and to the extent feasible and cost beneficial, develop and begin im-  
10 plementation of:**

11 **(a) A common admissions process that permits applicants to be considered for admission  
12 to more than one institution;**

13 **(b) Universal document imaging and electronic storage of documents; and**

14 **(c) For all institutions whose enrollment is less than 7,500 full-time equivalent students  
15 as defined by the board, standardized, integrated and common university management and  
16 student services software programs and processes, including an integrated database.**

17 **SECTION 3.** The State Board of Higher Education shall report the enrollment, revenue,  
18 costs and savings associated with the measures in ORS 351.070 (6) to the Seventy-sixth Leg-  
19 islative Assembly before October 1, 2010, and the Seventy-seventh Legislative Assembly be-  
20 fore October 1, 2012.

21 **SECTION 4.** (1) There is established in the State Treasury, separate and distinct from the  
22 General Fund, the Oregon University Efficiency Savings Fund. Interest on earnings of the  
23 fund shall be credited to the fund. All moneys in the Oregon University Efficiency Savings  
24 Fund are continuously appropriated to the State Board of Higher Education for the purposes  
25 of:

26 **(a) Tuition reduction for students; and**

27 **(b) Providing student services.**

28 **(2) The fund consists of moneys realized from savings due to the implementation of effi-  
29 ciency measures at state institutions of higher education listed in ORS 352.002 that result in  
30 the consolidation of and creation of uniform elements among services and programs at the  
31 institutions.**

32 **(3) The board shall allocate moneys from the fund to an institution equal to the amount  
33 of savings accruing to the fund through implementation of efficiency measures at the insti-  
34 tution.**

35 **(4)(a) Prior to October 1 of each even-numbered year, the State Board of Higher Educa-  
36 tion shall determine and declare the savings from funds appropriated to the Oregon Univer-  
37 sity System for the current biennium resulting from the consolidation of and creation of  
38 uniform elements among services and programs at the state institutions of higher education  
39 listed in ORS 352.002.**

40 **(b) The board shall credit the amount of declared savings to the Oregon University Effi-  
41 ciency Savings Fund.**

42 **(c) Prior to November 1 of each even-numbered year, the board shall submit to the ap-  
43 propriate legislative interim committees of the Legislative Assembly a report itemizing the  
44 declared savings and credits to the fund for the current biennium and estimate projected  
45 cost savings and credits to the fund for the next biennium.**

1        **SECTION 5. This 2009 Act being necessary for the immediate preservation of the public**  
2        **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**  
3        **on its passage.**

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