

## SENATE AMENDMENTS TO A-ENGROSSED SENATE BILL 1538

By JOINT COMMITTEE ON WAYS AND MEANS

February 28

- 1 On page 1 of the printed A-engrossed bill, line 4, delete “351.085,” and insert “351.052,”.
- 2 In line 5, after “696.182” delete the rest of the line and insert “and section 292, chapter 637,  
3 Oregon Laws 2011; repealing”.
- 4 On page 3, delete line 5.
- 5 In line 6, delete “(e)” and insert “(d)”.
- 6 In line 8, delete “(f)” and insert “(e)”.
- 7 Delete lines 14 through 45 and delete page 4.
- 8 On page 5, delete lines 1 through 39 and insert:
- 9 **“SECTION 3.** ORS 351.735, as amended by section 1 of this 2012 Act, is amended to read:
- 10 “351.735. (1) The Higher Education Coordinating Commission shall advise the Oregon Education  
11 Investment Board on state goals and associated achievement compacts for the state post-secondary  
12 education system, including community colleges and public universities listed in ORS 352.002, and  
13 for the Oregon Student Access Commission.
- 14 “(2) Under the direction and control of the Oregon Education Investment Board, the Higher  
15 Education Coordinating Commission shall:
- 16 “(a) Develop a strategic plan for achieving state higher education goals, identifying priority  
17 areas for attention and taking into consideration the contributions of this state’s independent insti-  
18 tutions and other organizations dedicated to helping Oregonians reach state goals. Goals should in-  
19 clude, but need not be limited to:
- 20 “(A) Increasing the educational attainment of the population;
- 21 “(B) Increasing this state’s global economic competitiveness and the quality of life of its citizens;
- 22 “(C) Ensuring affordable access for qualified Oregon students at each college or public univer-  
23 sity; and
- 24 “(D) Ensuring that public higher education in this state is provided in a cost-effective manner.
- 25 “(b) Evaluate and recommend changes to statutory goals and missions described for community  
26 colleges in ORS 341.009 and for public universities in ORS 351.003 and 351.009 after receiving rec-  
27 ommendations from the appropriate governing board. The appropriate governing board shall have  
28 decision-making authority over program offerings to implement established goals and missions.
- 29 “(c) Develop a finance model for higher education aligned with the goals in the system strategic  
30 plan, including:
- 31 “(A) Recommended biennial appropriations to institutions, including a component specifically  
32 tied to institutional contributions to state educational priorities;
- 33 “(B) Recommended limits regarding the setting of tuition rates at public universities listed in  
34 ORS 352.002 in accordance with criteria set by the State Board of Higher Education, with the goal  
35 of encouraging tuition affordability for students;

1 “(C) Tuition rates set by each community college governing board for community colleges in this  
2 state;

3 “(D) Recommended biennial appropriations for student financial aid; and

4 “(E) Recommended biennial appropriations for any future statewide higher education initiatives.

5 “(d) Each biennium, recommend to the Oregon Education Investment Board a consolidated  
6 higher education budget request consistent with the finance model, including appropriations for:

7 “(A) Ongoing operations of the Oregon Student Access Commission;

8 “(B) Ongoing operations for the Oregon University System;

9 “(C) Ongoing operations for community colleges;

10 “(D) Needed new facilities or programs; and

11 “(E) Capital improvements.

12 “(e) Coordinate with the Oregon Student Access Commission to maximize the effectiveness of  
13 student financial assistance programs, including the Oregon Opportunity Grant program under ORS  
14 348.260.

15 “(f) Approve and authorize degrees for the Oregon University System.

16 “(g) Authorize degrees to be offered in this state in accordance with ORS 348.594 to 348.615, and  
17 adopt any rules to implement that authority.

18 “(3) In addition to the duties described in subsections (1) and (2) of this section, the Higher  
19 Education Coordinating Commission shall:

20 “(a) Develop and recommend policies to ensure or improve access to higher education by  
21 underserved populations.

22 “(b) Recommend and encourage student success and completion initiatives.

23 “(c) Develop and recommend policies to improve the coordination of the provision of educational  
24 services, including:

25 “(A) Transfers and other movements throughout the higher education system;

26 “(B) Accelerated college credit programs for high school students;

27 “(C) Applied baccalaureate and other transfer degrees; and

28 “(D) Reciprocity agreements with other states.

29 “(d) Review research efforts among the public universities of this state to improve economic  
30 development in this state.

31 “(e) Coordinate education initiatives with the State Workforce Investment Board, the Depart-  
32 ment of Community Colleges and Workforce Development, local workforce investment boards, the  
33 Oregon Health and Science University and independent institutions of post-secondary education.

34 “(f) **Oversee the licensing of career schools under ORS 345.010 to 345.450.**

35 “**SECTION 4. The amendments to ORS 351.735 by section 3 of this 2012 Act become op-**  
36 **erative on July 1, 2013.**

37 “**SECTION 5.** ORS 351.735, as amended by sections 1 and 3 of this 2012 Act, is amended to read:  
38 “351.735. [(1)] The Higher Education Coordinating Commission shall [*advise the Oregon Educa-*  
39 *tion Investment Board on*]:

40 “(1) **Develop** state goals and associated achievement compacts for the state post-secondary ed-  
41 ucation system, including community colleges and public universities listed in ORS 352.002, and for  
42 the Oregon Student Access Commission.

43 “[2] *Under the direction and control of the Oregon Education Investment Board, the Higher Edu-*  
44 *cation Coordinating Commission shall:*]

45 “[a] (2) Develop a strategic plan for achieving state higher education goals, identifying priority

1 areas for attention and taking into consideration the contributions of this state’s independent insti-  
2 tutions and other organizations dedicated to helping Oregonians reach state goals. Goals should in-  
3 clude, but need not be limited to:

4 “[A] (a) Increasing the educational attainment of the population;

5 “[B] (b) Increasing this state’s global economic competitiveness and the quality of life of its  
6 citizens;

7 “[C] (c) Ensuring affordable access for qualified Oregon students at each college or public  
8 university; and

9 “[D] (d) Ensuring that public higher education in this state is provided in a cost-effective  
10 manner.

11 “[b] (3) Evaluate and recommend changes to statutory goals and missions described for com-  
12 munity colleges in ORS 341.009 and for public universities in ORS 351.003 and 351.009 after receiv-  
13 ing recommendations from the appropriate governing board. The appropriate governing board shall  
14 have decision-making authority over program offerings to implement established goals and missions.

15 “[c] (4) Develop a finance model for higher education aligned with the goals in the system  
16 strategic plan, including:

17 “[A] (a) Recommended biennial appropriations to institutions, including a component specif-  
18 ically tied to institutional contributions to state educational priorities;

19 “[B] (b) Recommended limits regarding the setting of tuition rates at public universities listed  
20 in ORS 352.002 in accordance with criteria set by the State Board of Higher Education, with the  
21 goal of encouraging tuition affordability for students;

22 “[C] (c) Tuition rates set by each community college governing board for community colleges  
23 in this state;

24 “[D] (d) Recommended biennial appropriations for student financial aid; and

25 “[E] (e) Recommended biennial appropriations for any future statewide higher education initi-  
26 atives.

27 “[d] (5) Each biennium, recommend to the [*Oregon Education Investment Board*] **Governor and**  
28 **the Legislative Assembly** a consolidated higher education budget request consistent with the fi-  
29 nance model, including appropriations for:

30 “[A] (a) Ongoing operations of the Oregon Student Access Commission;

31 “[B] (b) Ongoing operations for the Oregon University System;

32 “[C] (c) Ongoing operations for community colleges;

33 “[D] (d) Needed new facilities or programs; and

34 “[E] (e) Capital improvements.

35 “[e] (6) Coordinate with the Oregon Student Access Commission to maximize the effectiveness  
36 of student financial assistance programs, including the Oregon Opportunity Grant program under  
37 ORS 348.260.

38 “[f] (7) Approve and authorize degrees for the Oregon University System.

39 “[g] (8) Authorize degrees to be offered in this state in accordance with ORS 348.594 to  
40 348.615, and adopt any rules to implement that authority.

41 “[3] *In addition to the duties described in subsections (1) and (2) of this section, the Higher Edu-*  
42 *cation Coordinating Commission shall:]*

43 “[a] (9) Develop and recommend policies to ensure or improve access to higher education by  
44 underserved populations.

45 “[b] (10) Recommend and encourage student success and completion initiatives.

1 “[(c)] (11) Develop and recommend policies to improve the coordination of the provision of edu-  
2 cational services, including:

3 “[(A)] (a) Transfers and other movements throughout the higher education system;

4 “[(B)] (b) Accelerated college credit programs for high school students;

5 “[(C)] (c) Applied baccalaureate and other transfer degrees; and

6 “[(D)] (d) Reciprocity agreements with other states.

7 “[(d)] (12) Review research efforts among the public universities of this state to improve eco-  
8 nomic development in this state.

9 “[(e)] (13) Coordinate education initiatives with the State Workforce Investment Board, the De-  
10 partment of Community Colleges and Workforce Development, local workforce investment boards,  
11 the Oregon Health and Science University and independent institutions of post-secondary education.

12 “[(f)] (14) Oversee the licensing of career schools under ORS 345.010 to 345.450.

13 “**SECTION 6. The amendments to ORS 351.735 by section 5 of this 2012 Act become op-  
14 erative on March 15, 2016.**

15 “**SECTION 7.** ORS 351.052 is amended to read:

16 “351.052. (1) For the purposes of this section, ‘performance compact’ means an agreement be-  
17 tween the State Board of Higher Education and the State of Oregon to achieve certain performance  
18 targets in order to enhance the success of Oregon University System students in exchange for con-  
19 sideration of the appropriations sought in a funding request submitted by the State Board of Higher  
20 Education to the Oregon Department of Administrative Services.

21 “[(2)(a)] *On or before May 1 of each even-numbered year, the State Board of Higher Education shall  
22 submit a draft funding request to the Higher Education Coordinating Commission for the Oregon  
23 University System, applicable to the biennium beginning on July 1 of the following year. The draft  
24 funding request must include a performance compact.]*

25 “[(b)] *If the Higher Education Coordinating Commission approves the draft funding request and  
26 performance compact, or approves the draft funding request and performance compact with modifica-  
27 tions, the commission shall take such action prior to August 15 of the same even-numbered year.]*

28 “[(c)] *If the Higher Education Coordinating Commission rejects the draft funding request and per-  
29 formance compact, the commission shall take such action prior to June 15 of the same even-numbered  
30 year. In returning the rejected draft funding request and performance compact to the State Board of  
31 Higher Education, the commission shall give specific direction to the board regarding the changes  
32 necessary to earn commission approval.]*

33 “[(3)] (2) On or before September 1 of each even-numbered year, the State Board of Higher Ed-  
34 ucation shall submit the funding request and performance compact to the Oregon Department of  
35 Administrative Services for the Oregon University System.

36 “[(4)] (3) The Governor’s biennial budget submitted to the Legislative Assembly may include the  
37 State Board of Higher Education’s funding request submitted to the Oregon Department of Admin-  
38 istrative Services for the Oregon University System. Any funding request approved by the Legisla-  
39 tive Assembly must specify that the moneys be appropriated to the Oregon Department of  
40 Administrative Services for allocation to the Oregon University System.

41 “[(5)] (4) The funding request must include, in addition to the performance compact, a report on  
42 performance from the previous biennium’s performance compact.

43 “[(6)] (5) The State Board of Higher Education shall, by rule, establish a framework for the de-  
44 velopment of a performance compact that must accompany the funding request to the Oregon De-  
45 partment of Administrative Services. The framework must address, among other issues, the issue of

1 tuition affordability for students.

2 “**SECTION 8.** Section 292, chapter 637, Oregon Laws 2011, is amended to read:

3 “**Sec. 292. (1)** [*Sections 1 to 16, 20a, 21, 21a, 23a, 29a and 36a of this 2011 Act*] **ORS 351.049,**  
4 **351.064, 351.096, 351.284, 351.715, 351.718, 351.722, 351.725, 351.728, 351.732, 351.735 and 351.738,**  
5 **sections 2 and 9 to 16, chapter 637, Oregon Laws 2011,** the amendments to statutes by sections  
6 81a, 121 to 123, 131a, 132, 133, 171a, 179 to 189, 205a, 206a, 207a, 216, 229, 231, 256a, 259 and 283  
7 [*of this 2011 Act*], **chapter 637, Oregon Laws 2011,** and the repeal of ORS 348.599 by section 291a  
8 [*of this 2011 Act*], **chapter 637, Oregon Laws 2011,** become operative on July 1, 2012.

9 “**(2) ORS 351.052 and 351.054 become operative on the effective date of this 2012 Act.**

10 “**SECTION 9. Sections 22 and 22a, chapter 637, Oregon Laws 2011, are repealed.**”.

11 On page 7, delete lines 44 and 45.

12 On page 8, delete lines 1 through 8 and insert:

13 “**NOTE:** Section 15 was deleted by amendment. Subsequent sections were not renumbered.”.

14 On page 22, line 18, delete “2012” and insert “2013”.  
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