



OREGON BUSINESS ASSOCIATION

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Chair Hass and Members of the Senate Education and Workforce Development Committee

Improving access to post-secondary education is a key pillar in OBA's strategic plan. OBA supports moving Oregon toward the 40-40-20 goal through pursuit of a fundamental redesign of the education system. In order to achieve this, funding models must be redesigned to encourage innovation and improved outcomes, including an overhaul of funding for post-secondary education to ensure degree attainment consistent with our 40-40-20 goals.

SB 270 is a key part of our education agenda and a logical evolution of the newly redesigned education delivery model the legislature approved last session. The Oregon Education Investment Board being the crown jewel of that effort.

We believe strongly that the tight/loose model the governor has embraced will deliver results for Oregon's students and economy. Tight on outcomes – loose on how institutions achieve the outcomes. Allowing our universities to have strong, independent boards fits with this model and the achievement compacts these institutions will enter into with the Oregon Education Investment Board and the legislature.

OBA has played an active role in advocating for this legislation and would like to thank legislative leadership and the interim committee for working hard to develop SB 270.

OBA supports the direction of establishing institutional governing boards for Oregon public institutions. We believe that policies for University Governance should:

- Further consolidate the number of state-level, education-related boards to better align and integrate the system and to increase the efficiency and effectiveness of the statewide governance structure,
- Support providing institutional boards to universities that want one,
- Grant institutional boards the statutory authority to hire/fire the President,
- Authorize institutional boards to issue bonds,
- Authorize institutional boards to set tuition with a limit set by the Legislature,
- Provide broad governing authorities in statute to institutional boards to achieve the public mission of the university,
- Require a university's institutional boards to enter into an Achievement Compact directly with the Oregon Education Investment Board to increase accountability, and
- Continue to require universities to coordinate with the other universities, community colleges and school districts.

The business community encourages the legislature to continue to take steps to further streamline and consolidate our education governance structure to ensure we have a simple organizational chart with clear lines of authority and accountability for delivering results on agreed upon achievement compacts.

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