

**REVENUE:** No revenue impact

**FISCAL:** Fiscal statement issued

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**Action:** Without Recommendation as to Passage Be Referred to the Committee on Rules and then Be Referred to the Committee on Ways and Means by Prior Reference

**Vote:** 6 - 3 - 0

**Yeas:** Gallegos, Gilliam, Gorsek, Greenlick, Harker, Dembrow

**Nays:** Huffman, Johnson, Whisnant

**Exc.:** 0

**Prepared By:** Victoria Cox, Administrator

**Meeting Dates:** 2/22, 3/15, 3/22, 4/17

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**WHAT THE MEASURE DOES:** Establishes institutional boards for Portland State University and University of Oregon. Defines process for other institutions in Oregon University System (OUS) to establish institutional boards. Vests institutional boards with duties, rights and powers. Declares emergency, effective on passage. Operative July 1, 2014.

**ISSUES DISCUSSED:**

- Recommendations of Special Committee on University Governance
- Constituent groups seeking board representation

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** House Bill 4061 (2012) created the Special Committee on University Governance to review, discuss and analyze issues surrounding governance within the higher education system including establishment of institutional governing boards for Oregon’s public universities. The committee met ten times between April and September of 2012. In addition to reviewing prior legislative work and recommendations of national experts, the committee heard from the Governor, the presidents of all seven public universities, the State Board of Higher Education’s Committee on Governance and Policy, the State Treasurer’s Office and representatives of students, faculty, alumni and other stakeholders. A preliminary legislative concept and recommendations were submitted to interim legislative committees relating to higher education on August 15, 2012 and public comments were received during the following thirty days. House Bill 2149 contains the following recommendations from the Special Committee:

1. Establishment of institutional boards at Portland State University and University of Oregon
2. Definition of process for other OUS institutions to establish boards
3. Requirement for Oregon Education Investment Board (OEIB) to evaluate independent boards annually
4. Board composition and appointment process
5. Powers and duties as follows:
  - a. Entrance into annual achievement compacts with OEIB
  - b. Consultation with Governor and State Board of Higher Education (SBHE) on appointment, reappointment and removal of institutional presidents
  - c. Approval of SBHE and Higher Education Coordinating Commission of missions and programs
  - d. Establishment of tuition rates and fees for non-resident and graduate students and for resident students subject to specified limits
  - e. Authority over employment issues
  - f. Ability to issue revenue bonds within limits and subject to review by State Treasurer
  - g. Authorization to take, hold and dispose of mortgages on property held in trust for the people of Oregon

4/18/2013 9:14:00 AM

*This summary has not been adopted or officially endorsed by action of the committee.*