

B-Engrossed

Senate Bill 1525

Ordered by the House February 26
Including Senate Amendments dated February 13 and House Amendments
dated February 26

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Education and Workforce Development)

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.

Grants Higher Education Coordinating Commission authority to enter into and administer interstate agreements regarding provision of post-secondary distance education.

Clarifies relationship between Higher Education Coordinating Commission and Oregon Education Investment Board.

Revises composition of State Board of Higher Education.

Prevents faculty and nonfaculty staff members of university governing board from taking part in board discussions relating to collective bargaining.

Clarifies legislative intent on how constitutional references to State Board of Higher Education are interpreted.

Clarifies applicability of PERS to universities with governing boards.

Revises date by which Eastern Oregon University, Oregon Institute of Technology, Southern Oregon University and Western Oregon University must notify State Board of Education of their intent to become universities with governing boards.

Clarifies that registering to vote in Oregon will not affect eligibility of out-of-state student to participate in Western Undergraduate Exchange.

Reestablishes work group to explore options for optimal regional education delivery systems. Sunsets work group on date of convening of 2015 regular session of Legislative Assembly.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to education; creating new provisions; amending ORS 351.015, 351.020, 351.735, 352.076 and
3 352.138 and section 168a, chapter 768, Oregon Laws 2013; and declaring an emergency.

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

5 **SECTION 1.** ORS 351.735 is amended to read:

6 351.735. (1) As used in this section, "student access programs" means scholarship, loan, grant
7 and access programs described in ORS chapter 348.

8 (2) The Higher Education Coordinating Commission shall be guided by the legislative findings
9 in ORS 341.009, 351.001 and 351.003 and the goals and mission of post-secondary education set forth
10 in ORS 351.006 and 351.009.

11 (3) The Higher Education Coordinating Commission shall:

12 **(a) Advise and assist the Oregon Education Investment Board on:**

13 [(a)] **(A)** [*Develop*] State goals and associated achievement compacts for the state post-secondary
14 education system, including community colleges and public universities listed in ORS 352.002, and
15 for student access programs.

16 [(b)] **(B)** [*Determine*] Strategic investments in the state's community colleges, public universities

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 and student access programs necessary to achieve state post-secondary education goals.

2 [(c)] (C) [Coordinate] **Coordination of** the post-secondary elements of data collection and struc-
3 ture, with the advice and recommendation of the state's **independent institutions**, community col-
4 leges and public universities, as appropriate, in order to [construct] **assist the Oregon Education**
5 **Investment Board in the construction of** a state longitudinal data system, **as authorized by**
6 **law.**

7 [(d)] (b) Adopt a strategic plan for achieving state post-secondary education goals, taking into
8 consideration the contributions of this state's independent institutions, philanthropic organizations
9 and other organizations dedicated to helping Oregonians reach state goals. State post-secondary
10 education goals as described in this section should include, but need not be limited to:

11 (A) Increasing the educational attainment of the population;

12 (B) Increasing this state's global economic competitiveness and the quality of life of its resi-
13 dents;

14 (C) Ensuring affordable access for qualified Oregon students at each college or public university;

15 (D) Removing barriers to on-time completion; and

16 (E) Tracking progress toward meeting the state's post-secondary education goals established in
17 the strategic plan described in this paragraph.

18 [(e)(A)] (c)(A) Each biennium, after receiving funding requests from the state's community col-
19 leges and public universities as authorized by law, recommend to the Governor **and the Oregon**
20 **Education Investment Board** a consolidated higher education budget request aligned with the
21 strategic plan described in subsection [(3)(d)] (3)(b) of this section, including appropriations for:

22 (i) Student access programs;

23 (ii) Public universities listed in ORS 352.002, including but not limited to education and general
24 operations, statewide public services and state-funded debt service;

25 (iii) Community colleges, including but not limited to education and general operations and
26 state-funded debt service;

27 (iv) New facilities or programs;

28 (v) Capital improvements and deferred maintenance; and

29 (vi) Special initiatives and investments.

30 (B) In the development of the consolidated higher education budget request:

31 (i) Determine the costs necessary to provide quality post-secondary education;

32 (ii) Solicit input from educators, education policy experts, appropriate legislative committees,
33 students and other persons interested in the development of the funding model; and

34 (iii) Solicit public input regarding educational priorities.

35 [(f)] (d) Adopt rules governing the distribution of appropriations from the Legislative Assembly
36 to community colleges, public universities listed in ORS 352.002 and student access programs. These
37 rules must be based on allocation formulas developed in consultation with the state's community
38 colleges and public universities, as appropriate.

39 [(g)] (e) Approve or disapprove any significant change to the academic program of a community
40 college or a public university listed in ORS 352.002. In reaching a decision under this paragraph, the
41 commission shall consider the recommendation from the community college or public university
42 seeking to make the change to an academic program that is issued pursuant to the obligation of the
43 governing board of a community college or public university to review and approve academic pro-
44 grams. The commission shall ensure that approved programs:

45 (A) Are consistent with the mission statement of the community college or public university;

1 (B) Do not unnecessarily duplicate academic programs offered by Oregon's other community
2 colleges or public universities;

3 (C) Are not located in a geographic area that will cause undue hardship to Oregon's other
4 community colleges or public universities; and

5 (D) Are allocated among Oregon's community colleges and public universities to maximize the
6 achievement of statewide needs and requirements.

7 [(h)] (f) For public universities listed in ORS 352.002:

8 (A) Approve the mission statement adopted by a governing board of a public university or by
9 the State Board of Higher Education.

10 (B) Review and determine whether a proposed annual increase of resident undergraduate en-
11 rollment fees, as described in ORS 351.063, of greater than five percent is appropriate.

12 (C) Advise the Governor and the Legislative Assembly on issues of university governance.

13 (D) Approve and authorize degrees.

14 [(i)] (g) Authorize degrees to be offered by independent post-secondary institutions in this state
15 under ORS 348.594 to 348.615.

16 [(j)] (h) Oversee the licensing of career schools under ORS 345.010 to 345.450.

17 (i) **Have the authority to enter into and administer interstate agreements regarding the**
18 **provision of post-secondary distance education. The participation by an educational institu-**
19 **tion that is not based in this state in distance learning courses or programs that are part**
20 **of an interstate agreement entered into and administered under this paragraph does not**
21 **constitute operating in this state for purposes of ORS 348.594 to 348.615.**

22 (4) In addition to the duties described in subsections (2) and (3) of this section, the Higher Ed-
23 ucation Coordinating Commission shall advise the Legislative Assembly, the Governor, community
24 colleges, public universities and other state boards and commissions on policies in order to:

25 (a) Ensure or improve access to higher education by diverse and underserved populations.

26 (b) Encourage student success and completion initiatives.

27 (c) Improve the coordination of the provision of educational services, including:

28 (A) Transfers and coenrollment throughout the higher education system;

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

30 (C) Applied baccalaureate and other transfer degrees;

31 (D) Programs and grants that span multiple institutions; and

32 (E) Reciprocity agreements with other states.

33 (d) In coordination with the State Board of Education, enhance the use and quality of dual
34 credit, career and technical pathways and efforts to create a culture of college attendance in this
35 state.

36 (e) In coordination with the State Workforce Investment Board, local workforce investment
37 boards, the Oregon Health and Science University and independent institutions, ensure that the
38 state's colleges and universities offer programs in high-demand occupations that meet Oregon's
39 workforce needs.

40 (f) Improve economies of scale by encouraging and facilitating the use of the shared services
41 among post-secondary institutions in this state.

42 (5) The Higher Education Coordinating Commission, in a manner consistent with ORS chapter
43 183, may adopt administrative rules.

44 (6) With the exception of the rulemaking authority granted in subsection (5) of this section, the
45 Higher Education Coordinating Commission may delegate any of its powers, duties or functions to

1 a committee of the commission or to the executive director of the commission.

2 (7) The Higher Education Coordinating Commission may establish technical or advisory com-
3 mittees to assist the commission in exercising its powers, duties and functions.

4 (8) The Higher Education Coordinating Commission may exercise only powers, duties and func-
5 tions expressly granted by the Legislative Assembly. Except as otherwise expressly provided by law,
6 all other authorities reside at the institutional level with the respective boards of the post-secondary
7 institutions.

8 **SECTION 2.** ORS 351.735, as amended by section 1 of this 2014 Act, is amended to read:

9 351.735. (1) As used in this section, “student access programs” means scholarship, loan, grant
10 and access programs described in ORS chapter 348.

11 (2) The Higher Education Coordinating Commission shall be guided by the legislative findings
12 in ORS 341.009, 351.001 and 351.003 and the goals and mission of post-secondary education set forth
13 in ORS 351.006 and 351.009.

14 (3) The Higher Education Coordinating Commission shall:

15 [(a) Advise and assist the Oregon Education Investment Board on:]

16 [(A)] (a) **Develop** state goals and associated achievement compacts for the state post-secondary
17 education system, including community colleges and public universities listed in ORS 352.002, and
18 for student access programs.

19 [(B)] (b) **Determine** strategic investments in the state’s community colleges, public universities
20 and student access programs necessary to achieve state post-secondary education goals.

21 [(C)] (c) [Coordination of] **Coordinate** the post-secondary elements of data collection and struc-
22 ture, with the advice and recommendation of the state’s independent institutions, community col-
23 leges and public universities, as appropriate, in order to **construct** [assist the Oregon Education
24 Investment Board in the construction of] a state longitudinal data system[, as authorized by law].

25 [(b)] (d) Adopt a strategic plan for achieving state post-secondary education goals, taking into
26 consideration the contributions of this state’s independent institutions, philanthropic organizations
27 and other organizations dedicated to helping Oregonians reach state goals. State post-secondary
28 education goals as described in this section should include, but need not be limited to:

29 (A) Increasing the educational attainment of the population;

30 (B) Increasing this state’s global economic competitiveness and the quality of life of its resi-
31 dents;

32 (C) Ensuring affordable access for qualified Oregon students at each college or public university;

33 (D) Removing barriers to on-time completion; and

34 (E) Tracking progress toward meeting the state’s post-secondary education goals established in
35 the strategic plan described in this paragraph.

36 [(c)(A)] (e)(A) Each biennium, after receiving funding requests from the state’s community col-
37 leges and public universities as authorized by law, recommend to the Governor [and the Oregon
38 Education Investment Board] a consolidated higher education budget request aligned with the stra-
39 tegic plan described in subsection [(3)(b)] (3)(d) of this section, including appropriations for:

40 (i) Student access programs;

41 (ii) Public universities listed in ORS 352.002, including but not limited to education and general
42 operations, statewide public services and state-funded debt service;

43 (iii) Community colleges, including but not limited to education and general operations and
44 state-funded debt service;

45 (iv) New facilities or programs;

1 (v) Capital improvements and deferred maintenance; and

2 (vi) Special initiatives and investments.

3 (B) In the development of the consolidated higher education budget request:

4 (i) Determine the costs necessary to provide quality post-secondary education;

5 (ii) Solicit input from educators, education policy experts, appropriate legislative committees,
6 students and other persons interested in the development of the funding model; and

7 (iii) Solicit public input regarding educational priorities.

8 [(d)] (f) Adopt rules governing the distribution of appropriations from the Legislative Assembly
9 to community colleges, public universities listed in ORS 352.002 and student access programs. These
10 rules must be based on allocation formulas developed in consultation with the state's community
11 colleges and public universities, as appropriate.

12 [(e)] (g) Approve or disapprove any significant change to the academic program of a community
13 college or a public university listed in ORS 352.002. In reaching a decision under this paragraph, the
14 commission shall consider the recommendation from the community college or public university
15 seeking to make the change to an academic program that is issued pursuant to the obligation of the
16 governing board of a community college or public university to review and approve academic pro-
17 grams. The commission shall ensure that approved programs:

18 (A) Are consistent with the mission statement of the community college or public university;

19 (B) Do not unnecessarily duplicate academic programs offered by Oregon's other community
20 colleges or public universities;

21 (C) Are not located in a geographic area that will cause undue hardship to Oregon's other
22 community colleges or public universities; and

23 (D) Are allocated among Oregon's community colleges and public universities to maximize the
24 achievement of statewide needs and requirements.

25 [(f)] (h) For public universities listed in ORS 352.002:

26 (A) Approve the mission statement adopted by a governing board of a public university or by
27 the State Board of Higher Education.

28 (B) Review and determine whether a proposed annual increase of resident undergraduate en-
29 rollment fees, as described in ORS 351.063, of greater than five percent is appropriate.

30 (C) Advise the Governor and the Legislative Assembly on issues of university governance.

31 (D) Approve and authorize degrees.

32 [(g)] (i) Authorize degrees to be offered by independent post-secondary institutions in this state
33 under ORS 348.594 to 348.615.

34 [(h)] (j) Oversee the licensing of career schools under ORS 345.010 to 345.450.

35 [(i)] (k) Have the authority to enter into and administer interstate agreements regarding the
36 provision of post-secondary distance education. The participation by an educational institution that
37 is not based in this state in distance learning courses or programs that are part of an interstate
38 agreement entered into and administered under this paragraph does not constitute operating in this
39 state for purposes of ORS 348.594 to 348.615.

40 (4) In addition to the duties described in subsections (2) and (3) of this section, the Higher Ed-
41 ucation Coordinating Commission shall advise the Legislative Assembly, the Governor, community
42 colleges, public universities and other state boards and commissions on policies in order to:

43 (a) Ensure or improve access to higher education by diverse and underserved populations.

44 (b) Encourage student success and completion initiatives.

45 (c) Improve the coordination of the provision of educational services, including:

- 1 (A) Transfers and coenrollment throughout the higher education system;
- 2 (B) Accelerated college credit programs for high school students;
- 3 (C) Applied baccalaureate and other transfer degrees;
- 4 (D) Programs and grants that span multiple institutions; and
- 5 (E) Reciprocity agreements with other states.

6 (d) In coordination with the State Board of Education, enhance the use and quality of dual
7 credit, career and technical pathways and efforts to create a culture of college attendance in this
8 state.

9 (e) In coordination with the State Workforce Investment Board, local workforce investment
10 boards, the Oregon Health and Science University and independent institutions, ensure that the
11 state's colleges and universities offer programs in high-demand occupations that meet Oregon's
12 workforce needs.

13 (f) Improve economies of scale by encouraging and facilitating the use of the shared services
14 among post-secondary institutions in this state.

15 (5) The Higher Education Coordinating Commission, in a manner consistent with ORS chapter
16 183, may adopt administrative rules.

17 (6) With the exception of the rulemaking authority granted in subsection (5) of this section, the
18 Higher Education Coordinating Commission may delegate any of its powers, duties or functions to
19 a committee of the commission or to the executive director of the commission.

20 (7) The Higher Education Coordinating Commission may establish technical or advisory com-
21 mittees to assist the commission in exercising its powers, duties and functions.

22 (8) The Higher Education Coordinating Commission may exercise only powers, duties and func-
23 tions expressly granted by the Legislative Assembly. Except as otherwise expressly provided by law,
24 all other authorities reside at the institutional level with the respective boards of the post-secondary
25 institutions.

26 **SECTION 3. The amendments to ORS 351.735 by section 2 of this 2014 Act become oper-**
27 **ative on March 15, 2016.**

28 **SECTION 4.** ORS 351.015 is amended to read:

29 351.015. (1) The Oregon University System shall be conducted under the control of a board of
30 [15] directors, to be known as the State Board of Higher Education. Except as otherwise provided
31 by law, the board has sole authority to govern, set policy and otherwise manage the affairs of the
32 public universities listed in ORS 351.011. [*The board shall consist of:*]

33 [*(1) Two students who at the time of their appointment to the board are attending public universi-*
34 *ties listed in ORS 351.011.]*

35 [*(2) Two members of the faculty at a public university listed in ORS 351.011.]*

36 [*(3) Eleven members of the general public who are not students or faculty members at the time of*
37 *appointment.]*

38 (2)(a) **The Governor shall appoint all of the 11 to 15 members of the board, subject to**
39 **confirmation by the Senate in the manner provided in ORS 171.562 and 171.565.**

40 (b) **The board must include one person who is a student enrolled at a public university**
41 **listed in ORS 351.011. For the appointment made under this paragraph, the Governor may**
42 **appoint the person as either a voting or nonvoting member of the board.**

43 (c) **The board must include one person who is a member of the faculty of a public uni-**
44 **versity listed in ORS 351.011 and one person who is a member of the nonfaculty staff of a**
45 **public university listed in ORS 351.011. For each appointment made under this paragraph, the**

1 Governor may appoint the person as either a voting or nonvoting member of the board.

2 (3)(a) Except as provided in paragraph (b) of this subsection, the term of office for each
3 appointed member of the board is four years.

4 (b) The term of office for each appointed member of the board described in subsection
5 (2)(b) or (c) of this section is two years.

6 (c) A member of the board may not be appointed to serve more than two consecutive full
7 terms.

8 (d) The Governor may remove any appointed member of the board at any time for cause,
9 after notice and public hearing, but may not remove more than three members within a pe-
10 riod of four years, unless it is for corrupt conduct in office.

11 (e) Vacancies shall be filled by appointment by the Governor for the remainder of the
12 unexpired term.

13 **SECTION 5.** ORS 351.020 is amended to read:

14 351.020. (1) The directors of the State Board of Higher Education must be residents of Oregon
15 and are appointed by the Governor. The appointments are subject to the confirmation of the Senate
16 in the manner provided by ORS 171.562 and 171.565. No director who is not a student or faculty
17 member at the time of appointment may be an employee of any of the public universities or offices,
18 departments or activities under the control of the State Board of Higher Education. The faculty
19 member appointed under this section may not participate in any discussions or action by the board
20 or attend any executive session of the board involving collective bargaining issues that affect faculty
21 at any public university listed in ORS 351.011.

22 (2) To assist the Governor in making appointments of the student [*members*] **member** as pro-
23 vided in ORS 351.015, the duly organized and recognized entities of student government at each
24 public university **listed in ORS 351.011** shall submit a list of nominees to the Governor. The entities
25 are entitled to no more than three nominees per public university. The Governor shall consider
26 these lists in the selection of the student [*members*] **member** to be appointed to the State Board of
27 Higher Education.

28 (3) To assist the Governor in making appointments of the faculty member as provided in ORS
29 351.015, a duly organized and recognized association of faculty members may submit a list of nomi-
30 nees to the Governor. The Governor shall consider any submitted list in the selection of the faculty
31 member to be appointed to the State Board of Higher Education.

32 (4) **To assist the Governor in making appointments of the nonfaculty staff member as**
33 **provided in ORS 351.015, a duly organized and recognized association of nonfaculty staff**
34 **members may submit a list of nominees to the Governor. The Governor shall consider any**
35 **submitted list in the selection of the nonfaculty staff member to be appointed to the State**
36 **Board of Higher Education.**

37 [(4)] (5) When making an appointment of the faculty, **nonfaculty staff** or student [*members*]
38 **member** as provided in ORS 351.015, the Governor shall rotate the appointments among represen-
39 tatives from various public universities **listed in ORS 351.011** to ensure equal representation among
40 the public universities.

41 **SECTION 6.** ORS 352.138 is amended to read:

42 352.138. (1) The following entities are not subject to any provision of law enacted after January
43 1, 2013, that is unique to governmental entities unless the following entities are expressly named:

44 (a) A university with a governing board; and

45 (b) Any not-for-profit organization or other entity if the equity of the entity is owned or con-

1 trolled exclusively by a university with a governing board and if the organization or entity is cre-
2 ated by the university to advance any of the university's statutory missions.

3 (2) Notwithstanding subsection (1) of this section, the provisions of ORS 30.260 to 30.460, 33.710,
4 33.720, 200.005 to 200.025, 200.045 to 200.090, 236.605 to 236.640, [276.080, 276.090,] 279.835, 279.840,
5 279.850 and 297.040 and ORS chapters 35, 190, 192 and 244 apply to a university with a governing
6 board under the same terms as they apply to public bodies other than the state.

7 (3) Except as otherwise provided by law, the provisions of ORS 35.550 to 35.575, 180.060, 180.210
8 to 180.235, 184.305 to 184.345, 190.480, 190.490, 200.035, 243.696, 357.805 to 357.895 and 656.017 (2)
9 and ORS chapters 182, 183, 240, 270, 273, 276, 278, 279A, 279B, 279C, 282, 283, 291, 292, 293, 294, 295
10 and 297 do not apply to a university with a governing board.

11 (4) Notwithstanding subsections (1) and (3) of this section, ORS 240.167, 279C.600 to 279C.625,
12 279C.800, 279C.810, 279C.825, 279C.830, 279C.835, 279C.840, 279C.845, 279C.850, 279C.855, 279C.860,
13 279C.865, 279C.870 and 292.043 apply to a university with a governing board under the same terms
14 as they apply to public bodies other than the state.

15 (5) Notwithstanding subsection (2) of this section, ORS 190.430 and 192.105 do not apply to a
16 university with a governing board or any organization or other entity described in subsection (1)
17 of this section.

18 (6) Except as set forth in subsection (3) of this section, ORS 243.650 to 243.782 **and 276.073 to**
19 **276.090 and ORS chapters 238 and 238A** apply to a university with a governing board under the
20 same terms as they apply to the state.

21 (7) ORS 351.065, 351.067, 351.642, 351.643, 351.644, 351.646, 351.656, 351.658, 352.012 and 352.375
22 apply to a university with a governing board, except that the board or university shall exercise the
23 responsibilities and authorities of the State Board of Higher Education, the Higher Education Co-
24 ordinating Commission or the Oregon University System.

25 (8) A university with a governing board and its agents and employees remain subject to all
26 statutes and administrative rules of this state that create rights, benefits or protections in favor of
27 military veterans, service members and families of service members to the same extent as an agency
28 of this state would be subject to such statutes and administrative rules.

29 (9) ORS 351.692, 351.695 and 351.697 apply to a governing board, except that the board has the
30 responsibilities and authorities with respect to the university it governs that the State Board of
31 Higher Education and the Oregon University System have with respect to the public universities
32 identified in ORS 351.011. A university with a governing board may not issue a tax credit certificate
33 under ORS 351.692, 351.695 and 351.697 that will cause the public universities listed in ORS 352.002
34 to owe the General Fund more than \$6 million at any one time under ORS 351.692, 351.695 and
35 351.697.

36 (10) If state bonds are issued for the benefit of a university with a governing board, the uni-
37 versity shall have the powers and duties of a related agency as defined in ORS 286A.001 to the ex-
38 tent necessary for the issuance of such state bonds and the administration of the proceeds of the
39 state bonds.

40 (11) Nothing in this section may be construed so that statutory provisions that are not set forth
41 in this section apply to a university with a governing board.

42 **SECTION 7.** ORS 352.076 is amended to read:

43 352.076. (1) A governing board for a public university must be formed and maintained as pro-
44 vided in this section.

45 (2)(a) Except as provided in subsection (3) of this section, the Governor shall appoint all of the

1 11 to 15 members of the governing board, subject to confirmation by the Senate in the manner pro-
2 vided in ORS 171.562 and 171.565.

3 (b) The governing board must include one person who is a student enrolled at the university.
4 The student shall be a voting member of the board.

5 (c) The governing board must include one person who is a member of the faculty of the univer-
6 sity and one person who is a member of the nonfaculty staff of the university. For each appointment
7 made under this paragraph, the Governor may appoint the person as either a voting or nonvoting
8 member of the governing board.

9 (3) The president of the university shall be an ex officio nonvoting member of the governing
10 board.

11 (4)(a) Except as provided in paragraph (b) of this subsection, the term of office for each ap-
12 pointed member of the governing board is four years.

13 (b) The term of office of each student, faculty and nonfaculty staff member of the governing
14 board is two years.

15 (c) A member of the governing board may not be appointed to serve more than two consecutive
16 full terms.

17 (d) The Governor may remove any appointed member of the governing board at any time for
18 cause, after notice and public hearing, but may not remove more than three members within a period
19 of four years, unless it is for corrupt conduct in office.

20 (e) Vacancies shall be filled by appointment by the Governor for the remainder of the unexpired
21 term.

22 **(5) The faculty and nonfaculty staff members of the governing board may not participate**
23 **in any discussions or action by the board or attend any executive session of the board in-**
24 **volving collective bargaining issues that affect faculty or nonfaculty staff at the university.**

25 [(5)] (6) The governing board shall select one of its members as chairperson and another as vice
26 chairperson for such terms and with duties and powers as the board considers necessary for the
27 performance of the functions of those offices. The governing board shall adopt bylaws concerning
28 how a quorum is constituted and when a quorum is necessary.

29 [(6)] (7) The governing board shall meet at least once quarterly, and may meet at the call of the
30 chairperson or a majority of the voting members of the board.

31 **SECTION 8. For purposes of Article XV, section 8, of the Oregon Constitution, a person**
32 **employed by the State Board of Higher Education includes a person who:**

33 (1) **Was employed by the board on the date before August 14, 2013, and who, as a result**
34 **of any provision of chapter 768, Oregon Laws 2013, is employed by any board or commission**
35 **established by law to supervise and coordinate the activities of Oregon's institutions of**
36 **post-secondary education, a public university listed in ORS 352.002, a public agency or a**
37 **public corporation of this state in a capacity that was within the authority of the board on**
38 **the date before August 14, 2013.**

39 (2) **On or after August 14, 2013, is employed by any board or commission established by**
40 **law to supervise and coordinate the activities of Oregon's institutions of post-secondary ed-**
41 **ucation, a public university listed in ORS 352.002, a public agency or a public corporation of**
42 **this state in a capacity that was within the authority of the board before August 14, 2013.**

43 **SECTION 9. For purposes of Article XI-M, section 1, of the Oregon Constitution, a**
44 **building owned by the State Board of Higher Education includes a building owned by:**

45 (1) **The State Board of Higher Education on the date before August 14, 2013, that, as a**

1 result of any provision of chapter 768, Oregon Laws 2013, is on August 14, 2013, owned by any
2 board or commission established by law to supervise and coordinate the activities of Oregon's
3 institutions of post-secondary education, a public university listed in ORS 352.002, a public
4 agency, a public corporation of this state or any other state entity, and used for purposes
5 within the authority of the board on the date before August 14, 2013.

6 (2) Any board or commission established by law to supervise and coordinate the activities
7 of Oregon's institutions of post-secondary education, a public university listed in ORS
8 352.002, a public agency, a public corporation of this state or any other state entity on or
9 after August 14, 2013, and used for purposes within the authority of the board before August
10 14, 2013.

11 **SECTION 10.** Section 168a, chapter 768, Oregon Laws 2013, is amended to read:

12 **Sec. 168a.** (1) If the president of Oregon State University notifies the Governor between August
13 2, 2013, and January 1, 2014, that the university will become a university with a governing board:

14 (a) Within two weeks after receiving the notification, the Governor shall inform the President
15 of the Senate, the Speaker of the House of Representatives and the Legislative Counsel of the no-
16 tification; and

17 (b) Not later than February 1, 2014, the Governor shall appoint all of the members of the gov-
18 erning board in the manner set forth in [section 6 of this 2013 Act] **ORS 352.076**.

19 (2)(a) If the president of Eastern Oregon University, Oregon Institute of Technology, Southern
20 Oregon University or Western Oregon University determines that the university should become a
21 university with a governing board, the president shall notify the Governor and the State Board of
22 Higher Education of the university's intent. Notification under this subsection must occur during the
23 period beginning March 1, 2014, and ending [June 1, 2015] **May 15, 2014**.

24 (b) Within 45 days of receiving notification under this subsection from a university president,
25 the State Board of Higher Education shall decide whether or not to endorse the university's deci-
26 sion. If the board endorses the request, the board shall immediately communicate any endorsement
27 to the Governor.

28 (c) Upon receiving notification that the State Board of Higher Education has endorsed a
29 university's decision to become a university with a governing board, the Governor shall:

30 (A) Inform the President of the Senate, the Speaker of the House of Representatives and the
31 Legislative Counsel that the university will become a university with a governing board; and

32 (B) Not later than six months after receiving the notification, appoint all of the members of the
33 governing board in the manner set forth in [section 6 of this 2013 Act] **ORS 352.076**.

34 (3) Notwithstanding section 169, **chapter 768, Oregon Laws 2013** [of this 2013 Act], if Eastern
35 Oregon University, Oregon Institute of Technology, Southern Oregon University or Western Oregon
36 University becomes a university with a governing board under subsection (2) of this section, the
37 president of that university shall take over administrative responsibilities for the university from the
38 State Board of Higher Education on [either] July 1, 2015[, or when the Governor appoints the members
39 of the governing board, whichever date comes later].

40 **SECTION 11.** The act of registering to vote by a student who is attending a post-
41 secondary institution of education has no effect in determining that student's eligibility to
42 participate in the Western Undergraduate Exchange coordinated by the Western Interstate
43 Commission for Higher Education established under ORS 351.780.

44 **SECTION 12.** Sections 8 and 9 of this 2014 Act and the amendments to ORS 351.015,
45 351.020, 351.735, 352.076 and 352.138 by sections 1 and 4 to 7 of this 2014 Act become operative

1 on July 1, 2014.

2 **SECTION 13.** (1) The President of the Senate and the Speaker of the House of Repre-
3 sentatives shall jointly convene a work group to:

- 4 (a) Explore options for optimal regional education delivery systems; and
- 5 (b) Propose legislation related to the findings of the work group.

6 (2) The work group shall consist of the following 10 members:

7 (a) Two members selected by the President of the Senate from among members of the
8 Senate.

9 (b) Two members selected by the Speaker of the House of Representatives from among
10 members of the House of Representatives.

11 (c) Six members jointly selected by the President of the Senate and the Speaker of the
12 House of Representatives to represent:

- 13 (A) The Department of Education;
- 14 (B) The Confederation of Oregon School Administrators;
- 15 (C) The Oregon School Boards Association;
- 16 (D) The Oregon Association of Education Service Districts;
- 17 (E) The Oregon Education Association; and
- 18 (F) The Oregon School Employees Association.

19 (3) The Legislative Assembly shall provide staff support to the work group.

20 (4) The work group shall submit a report, and include recommendations for legislation,
21 to the interim legislative committees on education no later than November 20, 2014.

22 **SECTION 14.** Section 13 of this 2014 Act is repealed on the date of the convening of the
23 2015 regular session of the Legislative Assembly as specified in ORS 171.010.

24 **SECTION 15.** This 2014 Act being necessary for the immediate preservation of the public
25 peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect
26 on its passage.