

SENATE AMENDMENTS TO SENATE BILL 1525

By COMMITTEE ON EDUCATION AND WORKFORCE DEVELOPMENT

February 13

- 1 On page 1 of the printed bill, line 19, after “state’s” insert “independent institutions,”.
- 2 On page 3, delete lines 44 and 45.
- 3 Delete pages 4 and 5.
- 4 On page 6, delete lines 1 through 16 and insert:
- 5 “**SECTION 2.** ORS 351.735, as amended by section 1 of this 2014 Act, 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
- 17 and student access programs necessary to achieve state post-secondary education goals.
- 18 “[*(C)*] **(c) [Coordination of] Coordinate** the post-secondary elements of data collection and
- 19 structure, with the advice and recommendation of the state’s independent institutions, community
- 20 colleges and public universities, as appropriate, in order to **construct** [*assist the Oregon Education*
- 21 *Investment Board in the construction of*] a state longitudinal data system[, *as authorized by law*].
- 22 “[*(b)*] **(d)** Adopt a strategic plan for achieving state post-secondary education goals, taking into
- 23 consideration the contributions of this state’s independent institutions, philanthropic organizations
- 24 and other organizations dedicated to helping Oregonians reach state goals. State post-secondary
- 25 education goals as described in this section should include, but need not be limited to:
- 26 “(A) Increasing the educational attainment of the population;
- 27 “(B) Increasing this state’s global economic competitiveness and the quality of life of its resi-
- 28 dents;
- 29 “(C) Ensuring affordable access for qualified Oregon students at each college or public univer-
- 30 sity;
- 31 “(D) Removing barriers to on-time completion; and
- 32 “(E) Tracking progress toward meeting the state’s post-secondary education goals established in
- 33 the strategic plan described in this paragraph.
- 34 “[*(c)(A)*] **(e)(A)** Each biennium, after receiving funding requests from the state’s community col-
- 35 leges and public universities as authorized by law, recommend to the Governor [*and the Oregon*

1 *Education Investment Board*] a consolidated higher education budget request aligned with the stra-
2 tegic plan described in subsection [(3)(b)] **(3)(d)** of this section, including appropriations for:

3 “(i) Student access programs;

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

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

8 “(iv) New facilities or programs;

9 “(v) Capital improvements and deferred maintenance; and

10 “(vi) Special initiatives and investments.

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

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

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

15 “(iii) Solicit public input regarding educational priorities.

16 “[d)] **(f)** Adopt rules governing the distribution of appropriations from the Legislative Assembly
17 to community colleges, public universities listed in ORS 352.002 and student access programs. These
18 rules must be based on allocation formulas developed in consultation with the state’s community
19 colleges and public universities, as appropriate.

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

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

27 “(B) Do not unnecessarily duplicate academic programs offered by Oregon’s other community
28 colleges or public universities;

29 “(C) Are not located in a geographic area that will cause undue hardship to Oregon’s other
30 community colleges or public universities; and

31 “(D) Are allocated among Oregon’s community colleges and public universities to maximize the
32 achievement of statewide needs and requirements.

33 “[f)] **(h)** For public universities listed in ORS 352.002:

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

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

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

39 “(D) Approve and authorize degrees.

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

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

43 “[i)] **(k)** Have the authority to enter into and administer interstate agreements regarding the
44 provision of post-secondary distance education. The participation by an educational institution that
45 is not based in this state in distance learning courses or programs that are part of an interstate

1 agreement entered into and administered under this paragraph does not constitute operating in this
2 state for purposes of ORS 348.594 to 348.615.

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

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

7 “(b) Encourage student success and completion initiatives.

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

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

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

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

12 “(D) Programs and grants that span multiple institutions; and

13 “(E) Reciprocity agreements with other states.

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

17 “(e) In coordination with the State Workforce Investment Board, local workforce investment
18 boards, the Oregon Health and Science University and independent institutions, ensure that the
19 state’s colleges and universities offer programs in high-demand occupations that meet Oregon’s
20 workforce needs.

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

23 “(5) The Higher Education Coordinating Commission, in a manner consistent with ORS chapter
24 183, may adopt administrative rules.

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

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

30 “(8) The Higher Education Coordinating Commission may exercise only powers, duties and
31 functions expressly granted by the Legislative Assembly. Except as otherwise expressly provided by
32 law, all other authorities reside at the institutional level with the respective boards of the post-
33 secondary institutions.”.

34 On page 7, delete lines 32 through 45.

35 Delete page 8.

36 On page 9, delete lines 1 through 9 and insert:

37 “**SECTION 6.** ORS 352.138 is amended to read:

38 “352.138. (1) The following entities are not subject to any provision of law enacted after January
39 1, 2013, that is unique to governmental entities unless the following entities are expressly named:

40 “(a) A university with a governing board; and

41 “(b) Any not-for-profit organization or other entity if the equity of the entity is owned or con-
42 trolled exclusively by a university with a governing board and if the organization or entity is cre-
43 ated by the university to advance any of the university’s statutory missions.

44 “(2) Notwithstanding subsection (1) of this section, the provisions of ORS 30.260 to 30.460,
45 33.710, 33.720, 200.005 to 200.025, 200.045 to 200.090, 236.605 to 236.640, [276.080, 276.090,] 279.835,

1 279.840, 279.850 and 297.040 and ORS chapters 35, 190, 192 and 244 apply to a university with a
2 governing board under the same terms as they apply to public bodies other than the state.

3 “(3) Except as otherwise provided by law, the provisions of ORS 35.550 to 35.575, 180.060,
4 180.210 to 180.235, 184.305 to 184.345, 190.480, 190.490, 200.035, 243.696, 357.805 to 357.895 and
5 656.017 (2) and ORS chapters 182, 183, 240, 270, 273, 276, 278, 279A, 279B, 279C, 282, 283, 291, 292,
6 293, 294, 295 and 297 do not apply to a university with a governing board.

7 “(4) Notwithstanding subsections (1) and (3) of this section, ORS 240.167, 279C.600 to 279C.625,
8 279C.800, 279C.810, 279C.825, 279C.830, 279C.835, 279C.840, 279C.845, 279C.850, 279C.855, 279C.860,
9 279C.865, 279C.870 and 292.043 apply to a university with a governing board under the same terms
10 as they apply to public bodies other than the state.

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

14 “(6) Except as set forth in subsection (3) of this section, ORS 243.650 to 243.782 **and 276.073 to**
15 **276.090 and ORS chapters 238 and 238A** apply to a university with a governing board under the
16 same terms as they apply to the state.

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

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

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

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

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

38 In line 10, delete “9” and insert “7”.

39 In line 44, delete “10” and insert “8”.

40 On page 10, line 11, delete “11” and insert “9”.

41 Delete lines 24 through 45.

42 On page 11, delete lines 1 through 10 and insert:

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

44 “**Sec. 168a.** (1) If the president of Oregon State University notifies the Governor between Au-
45 gust 2, 2013, and January 1, 2014, that the university will become a university with a governing

1 board:

2 “(a) Within two weeks after receiving the notification, the Governor shall inform the President
3 of the Senate, the Speaker of the House of Representatives and the Legislative Counsel of the no-
4 tification; and

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

7 “(2)(a) If the president of Eastern Oregon University, Oregon Institute of Technology, Southern
8 Oregon University or Western Oregon University determines that the university should become a
9 university with a governing board, the president shall notify the Governor and the State Board of
10 Higher Education of the university’s intent. Notification under this subsection must occur during the
11 period beginning March 1, 2014, and ending June 1, [2015] **2014**.

12 “(b) Within 45 days of receiving notification under this subsection from a university president,
13 the State Board of Higher Education shall decide whether or not to endorse the university’s deci-
14 sion. If the board endorses the request, the board shall immediately communicate any endorsement
15 to the Governor.

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

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

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

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

28 “**SECTION 11. Sections 8 and 9 of this 2014 Act and the amendments to ORS 351.015,**
29 **351.020, 351.735, 352.076 and 352.138 by sections 1 and 4 to 7 of this 2014 Act become operative**
30 **on July 1, 2014.”**

31 In line 11, delete “14” and insert “12”.
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