

**PROPOSED AMENDMENTS TO
SENATE BILL 1525**

1 On page 1 of the printed bill, line 19, after “state’s” insert “independent
2 institutions.”.

3 On page 3, delete lines 44 and 45.

4 Delete pages 4 and 5.

5 On page 6, delete lines 1 through 16 and insert:

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

8 “351.735. (1) As used in this section, ‘student access programs’ means
9 scholarship, loan, grant and access programs described in ORS chapter 348.

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

13 “(3) The Higher Education Coordinating Commission shall:

14 “[*a*] *Advise and assist the Oregon Education Investment Board on:*]

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

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

21 “[*C*] **(c) [Coordination of] Coordinate** the post-secondary elements of
22 data collection and structure, with the advice and recommendation of the

1 state’s independent institutions, community colleges and public universities,
2 as appropriate, in order to **construct** [*assist the Oregon Education Investment*
3 *Board in the construction of*] a state longitudinal data system[, *as authorized*
4 *by law*].

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

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

12 “(B) Increasing this state’s global economic competitiveness and the
13 quality of life of its residents;

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

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

17 “(E) Tracking progress toward meeting the state’s post-secondary educa-
18 tion goals established in the strategic plan described in this paragraph.

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

25 “(i) Student access programs;

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

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

1 “(iv) New facilities or programs;
2 “(v) Capital improvements and deferred maintenance; and
3 “(vi) Special initiatives and investments.
4 “(B) In the development of the consolidated higher education budget re-
5 quest:
6 “(i) Determine the costs necessary to provide quality post-secondary edu-
7 cation;
8 “(ii) Solicit input from educators, education policy experts, appropriate
9 legislative committees, students and other persons interested in the develop-
10 ment of the funding model; and
11 “(iii) Solicit public input regarding educational priorities.
12 “[(d)] (f) Adopt rules governing the distribution of appropriations from
13 the Legislative Assembly to community colleges, public universities listed in
14 ORS 352.002 and student access programs. These rules must be based on al-
15 location formulas developed in consultation with the state’s community col-
16 leges and public universities, as appropriate.
17 “[(e)] (g) Approve or disapprove any significant change to the academic
18 program of a community college or a public university listed in ORS 352.002.
19 In reaching a decision under this paragraph, the commission shall consider
20 the recommendation from the community college or public university seeking
21 to make the change to an academic program that is issued pursuant to the
22 obligation of the governing board of a community college or public univer-
23 sity to review and approve academic programs. The commission shall ensure
24 that approved programs:
25 “(A) Are consistent with the mission statement of the community college
26 or public university;
27 “(B) Do not unnecessarily duplicate academic programs offered by
28 Oregon’s other community colleges or public universities;
29 “(C) Are not located in a geographic area that will cause undue hardship
30 to Oregon’s other community colleges or public universities; and

1 “(D) Are allocated among Oregon’s community colleges and public uni-
2 versities to maximize the achievement of statewide needs and requirements.

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

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

6 “(B) Review and determine whether a proposed annual increase of resi-
7 dent undergraduate enrollment fees, as described in ORS 351.063, of greater
8 than five percent is appropriate.

9 “(C) Advise the Governor and the Legislative Assembly on issues of uni-
10 versity governance.

11 “(D) Approve and authorize degrees.

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

14 “[*h*] (j) Oversee the licensing of career schools under ORS 345.010 to
15 345.450.

16 “[*i*] (k) Have the authority to enter into and administer interstate
17 agreements regarding the provision of post-secondary distance education. The
18 participation by an educational institution that is not based in this state in
19 distance learning courses or programs that are part of an interstate agree-
20 ment entered into and administered under this paragraph does not constitute
21 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
23 section, the Higher Education Coordinating Commission shall advise the
24 Legislative Assembly, the Governor, community colleges, public universities
25 and other state boards and commissions on policies in order to:

26 “(a) Ensure or improve access to higher education by diverse and under-
27 served populations.

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

29 “(c) Improve the coordination of the provision of educational services,
30 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
7 and quality of dual credit, career and technical pathways and efforts to cre-
8 ate a culture of college attendance in this state.

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

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

16 “(5) The Higher Education Coordinating Commission, in a manner con-
17 sistent with ORS chapter 183, may adopt administrative rules.

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

22 “(7) The Higher Education Coordinating Commission may establish tech-
23 nical or advisory committees to assist the commission in exercising its pow-
24 ers, duties and functions.

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

30 On page 7, delete lines 32 through 45.

1 Delete page 8.

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

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

4 “352.138. (1) The following entities are not subject to any provision of law
5 enacted after January 1, 2013, that is unique to governmental entities unless
6 the following entities are expressly named:

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

8 “(b) Any not-for-profit organization or other entity if the equity of the
9 entity is owned or controlled exclusively by a university with a governing
10 board and if the organization or entity is created by the university to ad-
11 vance any of the university’s statutory missions.

12 “(2) Notwithstanding subsection (1) of this section, the provisions of ORS
13 30.260 to 30.460, 33.710, 33.720, 200.005 to 200.025, 200.045 to 200.090, 236.605
14 to 236.640, [276.080, 276.090,] 279.835, 279.840, 279.850 and 297.040 and ORS
15 chapters 35, 190, 192 and 244 apply to a university with a governing board
16 under the same terms as they apply to public bodies other than the state.

17 “(3) Except as otherwise provided by law, the provisions of ORS 35.550 to
18 35.575, 180.060, 180.210 to 180.235, 184.305 to 184.345, 190.480, 190.490, 200.035,
19 243.696, 357.805 to 357.895 and 656.017 (2) and ORS chapters 182, 183, 240, 270,
20 273, 276, 278, 279A, 279B, 279C, 282, 283, 291, 292, 293, 294, 295 and 297 do not
21 apply to a university with a governing board.

22 “(4) Notwithstanding subsections (1) and (3) of this section, ORS 240.167,
23 279C.600 to 279C.625, 279C.800, 279C.810, 279C.825, 279C.830, 279C.835,
24 279C.840, 279C.845, 279C.850, 279C.855, 279C.860, 279C.865, 279C.870 and
25 292.043 apply to a university with a governing board under the same terms
26 as they apply to public bodies other than the state.

27 “(5) Notwithstanding subsection (2) of this section, ORS 190.430 and
28 192.105 do not apply to a university with a governing board or any organ-
29 ization or other entity described in subsection (1) of this section.

30 “(6) Except as set forth in subsection (3) of this section, ORS 243.650 to

1 243.782 and 276.073 to 276.090 and ORS chapters 238 and 238A apply to a
2 university with a governing board under the same terms as they apply to the
3 state.

4 “(7) ORS 351.065, 351.067, 351.642, 351.643, 351.644, 351.646, 351.656, 351.658,
5 352.012 and 352.375 apply to a university with a governing board, except that
6 the board or university shall exercise the responsibilities and authorities of
7 the State Board of Higher Education, the Higher Education Coordinating
8 Commission or the Oregon University System.

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

14 “(9) ORS 351.692, 351.695 and 351.697 apply to a governing board, except
15 that the board has the responsibilities and authorities with respect to the
16 university it governs that the State Board of Higher Education and the
17 Oregon University System have with respect to the public universities iden-
18 tified in ORS 351.011. A university with a governing board may not issue a
19 tax credit certificate under ORS 351.692, 351.695 and 351.697 that will cause
20 the public universities listed in ORS 352.002 to owe the General Fund more
21 than \$6 million at any one time under ORS 351.692, 351.695 and 351.697.

22 “(10) If state bonds are issued for the benefit of a university with a gov-
23 erning board, the university shall have the powers and duties of a related
24 agency as defined in ORS 286A.001 to the extent necessary for the issuance
25 of such state bonds and the administration of the proceeds of the state bonds.

26 “(11) Nothing in this section may be construed so that statutory pro-
27 visions that are not set forth in this section apply to a university with a
28 governing board.”

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

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

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

2 Delete lines 24 through 45.

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

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

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

9 “(a) Within two weeks after receiving the notification, the Governor shall
10 inform the President of the Senate, the Speaker of the House of Represen-
11 tatives and the Legislative Counsel of the notification; and

12 “(b) Not later than February 1, 2014, the Governor shall appoint all of the
13 members of the governing board in the manner set forth in [*section 6 of this*
14 *2013 Act*] **ORS 352.076.**

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

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

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

30 “(A) Inform the President of the Senate, the Speaker of the House of

1 Representatives and the Legislative Counsel that the university will become
2 a university with a governing board; and

3 “(B) Not later than six months after receiving the notification, appoint
4 all of the members of the governing board in the manner set forth in [*section*
5 *6 of this 2013 Act*] **ORS 352.076**.

6 “(3) Notwithstanding section 169, **chapter 768, Oregon Laws 2013** [*of this*
7 *2013 Act*], if Eastern Oregon University, Oregon Institute of Technology,
8 Southern Oregon University or Western Oregon University becomes a uni-
9 versity with a governing board under subsection (2) of this section, the
10 president of that university shall take over administrative responsibilities for
11 the university from the State Board of Higher Education on [*either*] July 1,
12 2015[, *or when the Governor appoints the members of the governing board,*
13 *whichever date comes later*].

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

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

18
