

**PROPOSED AMENDMENTS TO
A-ENGROSSED HOUSE BILL 4018**

1 On page 1 of the printed A-engrossed bill, delete lines 5 through 20.

2 On page 2, delete lines 1 through 28 and insert:

3 **SECTION 1.** Section 168a, chapter 768, Oregon Laws 2013, is amended
4 to read:

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

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

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

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

21 “(b) Within 45 days of receiving notification under this subsection from
22 a university president, the State Board of Higher Education shall [*decide*

1 *whether or not to*] **take one of the following actions:**

2 **“(A) Endorse the university’s decision. If the State Board of Higher**
3 **Education endorses the [request] university’s decision, the board shall**
4 **immediately communicate any endorsement to the Governor.**

5 **“(B) Not endorse the university’s decision.**

6 **“(C) Endorse the university’s decision subject to conditions recom-**
7 **mended by the State Board of Higher Education and endorsed by the**
8 **Governor.**

9 **“(3) If the university’s decision is endorsed by the State Board of**
10 **Higher Education and the Governor under subsection (2)(b)(C) of this**
11 **section, the following apply:**

12 **“(a) The State Board of Higher Education and the president of the**
13 **university seeking a governing board must mutually agree on the**
14 **conditions that will be recommended by the board to the Governor. In**
15 **order for a university to be endorsed under subsection (2)(b)(C) of this**
16 **section, the Governor must receive and choose to endorse the recom-**
17 **mended conditions not later than the date set forth in subsection (2)(b)**
18 **of this section.**

19 **“(b) The conditions recommended for a university seeking a gov-**
20 **erning board may include, but are not limited to, financial thresholds**
21 **that must be met by the governing board or other coordination con-**
22 **ditions to ensure the university’s financial stability and the stability**
23 **of the university’s programs.**

24 **“(c) The university becomes a university with a governing board in**
25 **the same manner and under the same time frame, and functions in the**
26 **same manner, as a university endorsed by the State Board of Higher**
27 **Education under subsection (2)(b)(A) of this section, subject to the**
28 **conditions recommended by the board and endorsed by the Governor.**

29 **“(4)(a) A university whose decision is endorsed with conditions un-**
30 **der subsection (2)(b)(C) of this section must fulfill the conditions not**

1 later than the date, if any, specified by the State Board of Higher Ed-
2 ucation and university president and endorsed by the Governor. If the
3 Higher Education Coordinating Commission determines, as a result of
4 a financial review and performance audit of the university and its
5 governing board, that the university has not met the necessary con-
6 ditions by the specified date, the commission shall notify the Gover-
7 nor.

8 “(b) Within 90 days of receiving a notification under paragraph (a)
9 of this subsection, the Governor may suspend the governing board and
10 direct the university’s administration to report to the governing board
11 of a different university, direct the university to adopt a different
12 governance structure or decide that the university should retain its
13 governing board. Absent legislative action, the Governor’s action is
14 final and, unless the Governor decides to retain the governing board
15 of the university, the governing board is disbanded at the conclusion
16 of the next regular session of the Legislative Assembly.

17 “[c] (5) Upon receiving notification that the State Board of Higher Ed-
18 ucation has endorsed a university’s decision to become a university with a
19 governing board under subsection (2)(b)(A) of this section, or upon en-
20 doring a university’s decision to become a university with a governing
21 board under subsection (2)(b)(C) of this section, the Governor shall:

22 “[A] (a) Inform the President of the Senate, the Speaker of the House
23 of Representatives and the Legislative Counsel that the university will be-
24 come a university with a governing board; and

25 “[B] (b) Not later than six months after receiving the notification, ap-
26 point all of the members of the governing board in the manner set forth in
27 [section 6 of this 2013 Act] **ORS 352.076**.

28 “[3] (6) Notwithstanding section 169, **chapter 768, Oregon Laws 2013**
29 [of this 2013 Act], if Eastern Oregon University, Oregon Institute of Tech-
30 nology, Southern Oregon University or Western Oregon University becomes

1 a university with a governing board under subsection (2) of this section, the
2 president of that university shall take over administrative responsibilities for
3 the university from the State Board of Higher Education on [*either*] July 1,
4 2015[, *or when the Governor appoints the members of the governing board,*
5 *whichever date comes later*].”.

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