

STAFF MEASURE SUMMARY

House Committee On Higher Education, Innovation, and Workforce Development

**Fiscal:** Has minimal fiscal impact

**Revenue:** No Revenue Impact

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**Action Date:** 05/29/15

**Action:** Do Pass As Amended And Be Printed Engrossed.

**Meeting Dates:** 05/20, 05/29

**Vote:**

Yeas: 8 - Hayden, Johnson, McKeown, Nearman, Read, Reardon, Whisnant, Williamson

Exc: 1 - Gallegos

**Prepared By:** Victoria Cox, Committee Administrator

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**WHAT THE MEASURE DOES:**

Removes ability of Governor to disband university governing board or force university to take other action if university fails to make timely compliance with conditions established when State Board of Higher Education (SBHE) endorsed governing board. Requires Higher Education Coordinating Commission (HECC) to report failure of university to meet conditions specified upon conditional endorsement to Governor, Legislative Assembly and governing board. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Legislative history of university governing boards
- Conditional approval to establish governing boards granted by SBHE to Eastern Oregon University (EOU) and Southern Oregon University (SOU) based on financial concerns
- Desire of EOU and SOU boards and leadership to remove ability of Governor to disband boards
- Lack of provisions in statute or current measure regarding next steps if board votes to disband

**EFFECT OF COMMITTEE AMENDMENT:**

Requires HECC to report failure of governing board to meet conditions specified upon conditional endorsement to Governor, Legislative Assembly and governing board. Removes requirement for university that fails to comply with conditions to have governing board vote on whether to disband or retain governing board.

**BACKGROUND:**

House Bill 4018 (2014) codified the process by which Oregon's regional and technical universities could petition the SBHE to establish independent governing boards. One of the options provided for SBHE was to endorse the establishment of a governing board with conditions agreed to by the university. If those conditions were not met within the agreed upon time frame, the measure authorized the Governor to suspend the governing board and direct the university's administration to report to the board of another university, to adopt a different governance structure or retain its governing board.

Senate Bill 493-A removes the Governor's ability to disband a university's board or require it to report to the board of another university. The measure instead requires the HECC to inform the Governor, the Legislative Assembly and the governing board of a university's failure to make timely compliance with the conditions established when SBHE endorsed the establishment of its governing board.