On page 1 of the printed bill, delete lines 5 through 31.

On page 2, delete lines 1 through 14 and insert:

“SECTION 1. ORS 352.105 is amended to read:

“352.105. (1)(a) The board for each public university listed in ORS 352.002 shall collect mandatory incidental fees upon the request of the recognized student government under a process established by the recognized student government of a university [in consultation with the board]. The recognized student government shall:

“(A) Make a good faith effort to collaborate with the board and president of the university under the board’s control prior to finalizing any process to collect mandatory incidental fees; and

“(B) Notify the board and president of each process, and any subsequent change to a process, to collect mandatory incidental fees that is established by the recognized student government.

“(b) The process may include a student body referendum conducted under procedures established by the recognized student government. Mandatory incidental fees collected under this section shall be allocated by the recognized student government.

“(2)(a) The mandatory incidental fee, use of the fee or decision to modify an existing fee may be refused by the board or the president [of a university under the board’s control] if the board or president determines that:

“(A) The recognized student government assessed or allocated the mandatory incidental fees in violation of applicable local, state or federal law;

“(B) The allocation conflicts with a preexisting contractual financial commitment;

“(C) Except as provided in paragraph (b) of this subsection, the total mandatory incidental fees proposed is [budget is an increase of] more than five percent higher than the mandatory incidental fees set for the prior year [over the level of the previous year]; or

“(D) The fee request is not reasonably related to:

“(i) The education of university students;

“(ii) The instruction of university students;

“(iii) Services for university students; or

“(iv) The recreation of university students [advantageous to the cultural or physical development of students].

“(b) The mandatory incidental fee, use of the fee or decision to modify an existing fee may not be refused by the board or the president of a university based on:

“(A) Considerations about the point of view that the funding seeks to advance; or

“(B) Paragraph (a)(C) of this subsection, if the mandatory incidental fees collected or
expended in the prior year were abnormally low due to a disruption of university activities related to a state of emergency declared by the Governor under ORS 401.165 or a state of public health emergency proclaimed under ORS 433.441.

“(3) The recognized student government and the board shall seek to reach agreement on any dispute involving mandatory incidental fees, if necessary with the aid of mediation, prior to a decision by the board.

“(4)(a) If an agreement is not reached, the board shall promptly provide written notice to the recognized student government of how the proposed mandatory incidental fee will be altered or if the proposed mandatory incidental fee will be rejected.

“(b) The decision of the board may be appealed to the Higher Education Coordinating Commission by the recognized student government within seven days of the recognized student government’s receipt of the written notice of the board’s decision. The board shall submit its response within seven days of the appeal. The commission shall render its decision within [seven] 14 days of its receipt of the board’s response.

“(5) Mandatory incidental fees are not subject to ORS 352.102.”.