PROPOSED AMENDMENTS TO
HOUSE BILL 4018

In line 2 of the printed bill, after “education” insert “; creating new provisions; amending ORS 351.735, 351.755 and 351.758 and section 168a, chapter 768, Oregon Laws 2013; and declaring an emergency”.

Delete lines 4 through 16 and insert:

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

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

“(a) Within two weeks after receiving the notification, the Governor shall inform the President of the Senate, the Speaker of the House of Representatives and the Legislative Counsel of the notification; and

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

“(2)(a) If the president of Eastern Oregon University, Oregon Institute of Technology, Southern Oregon University or Western Oregon University determines that the university should become a university with a governing board, the president shall notify the Governor and the State Board of Higher Education of the university’s intent. Notification under this subsection must occur during the period beginning March 1, 2014, and ending [June 1, 2015] May 15, 2014.”
“(b) Within 45 days of receiving notification under this subsection from a university president, the State Board of Higher Education shall [decide whether or not to] take one of the following actions:

“A) Endorse the university’s decision. If the board endorses the [request] university’s decision, the board shall immediately communicate any endorsement to the Governor.

“B) Refuse to endorse the university’s decision.

“C) Endorse the university’s decision subject to conditions recommended by the board to the Governor and Legislative Assembly. Subject to any legislation enacted by the Legislative Assembly, a university that is endorsed under this subparagraph will become a university with a governing board in the same manner and under the same time frame, and will function in the same manner, as a university receiving an endorsement from the board under subparagraph (A) of this paragraph.

“(c) If the board refuses to endorse the university’s decision under paragraph (b)(B) of this subsection, or if the board issues an endorsement with conditions under paragraph (b)(C) of this subsection, the Special Committee on University Governance and Operations established in section 166, chapter 768, Oregon Laws 2013, shall develop proposed legislation, for consideration during the 2015 regular session of the Legislative Assembly, based on the recommended conditions.

“[(c)] (d) Upon receiving notification that the [State Board of Higher Education] board has endorsed a university’s decision to become a university with a governing board under paragraph (b)(A) or (C) of this subsection, the Governor shall:

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

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

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

“SECTION 2. ORS 351.735 is amended to read:

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

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

“(3) The Higher Education Coordinating Commission shall:

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

“(b) Determine strategic investments in the state’s community colleges, public universities and student access programs necessary to achieve state post-secondary education goals.

“(c) Coordinate the post-secondary elements of data collection and structure, with the advice and recommendation of the state’s community colleges and public universities, as appropriate, in order to construct a state longitudinal data system.

“(d) Adopt a strategic plan for achieving state post-secondary education goals, taking into consideration the contributions of this state’s independent institutions, philanthropic organizations and other organizations dedicated
to helping Oregonians reach state goals. State post-secondary education
goals as described in this section should include, but need not be limited to:

“(A) Increasing the educational attainment of the population;
“(B) Increasing this state’s global economic competitiveness and the
quality of life of its residents;
“(C) Ensuring affordable access for qualified Oregon students at each
college or public university;
“(D) Removing barriers to on-time completion; and
“(E) Tracking progress toward meeting the state’s post-secondary educa-
tion goals established in the strategic plan described in this paragraph.

“(e)(A) Each biennium, after receiving funding requests from the state’s
community colleges and public universities as authorized by law, recommend
to the Governor a consolidated higher education budget request aligned with
the strategic plan described in subsection (3)(d) of this section, including
appropriations for:
“(i) Student access programs;
“(ii) Public universities listed in ORS 352.002, including but not limited
to education and general operations, statewide public services and state-
funded debt service;
“(iii) Community colleges, including but not limited to education and
general operations and state-funded debt service;
“(iv) New facilities or programs;
“(v) Capital improvements and deferred maintenance; and
“(vi) Special initiatives and investments.
“(B) In the development of the consolidated higher education budget re-
quest:
“(i) Determine the costs necessary to provide quality post-secondary edu-
cation;
“(ii) Solicit input from educators, education policy experts, appropriate
legislative committees, students and other persons interested in the develop-
ment of the funding model; and
“(iii) Solicit public input regarding educational priorities.
“(f) Adopt rules governing the distribution of appropriations from the
Legislative Assembly to community colleges, public universities listed in
ORS 352.002 and student access programs. These rules must be based on allo-
modation formulas developed in consultation with the state’s community col-
leges and public universities, as appropriate.
“(g) Approve or disapprove any significant change to the academic pro-
gram of a community college or a public university listed in ORS 352.002. In
reaching a decision under this paragraph, the commission shall consider the
recommendation from the community college or public university seeking to
make the change to an academic program that is issued pursuant to the ob-
ligation of the governing board of a community college or public university
to review and approve academic programs. The commission shall ensure that
approved programs:
“(A) Are consistent with the mission statement of the community college
or public university;
“(B) Do not unnecessarily duplicate academic programs offered by
Oregon’s other community colleges or public universities;
“(C) Are not located in a geographic area that will cause undue hardship
to Oregon’s other community colleges or public universities; and
“(D) Are allocated among Oregon’s community colleges and public uni-
versities to maximize the achievement of statewide needs and requirements.
“(h) For public universities listed in ORS 352.002:
“(A) Approve the mission statement adopted by a governing board of a
public university or by the State Board of Higher Education.
“(B) Review and determine whether a proposed annual increase of resi-
dent undergraduate enrollment fees, as described in ORS 351.063, of greater
than five percent is appropriate.
“(C) Advise the Governor and the Legislative Assembly on issues of uni-
versity governance.

“(D) Approve and authorize degrees.

“(i) Authorize degrees to be offered by independent post-secondary institutions in this state under ORS 348.594 to 348.615.

“(j) Oversee the licensing of career schools under ORS 345.010 to 345.450.

“(k) Have the authority to enter into and administer interstate agreements regarding the provision of post-secondary distance education. The participation by an educational institution that is not based in this state in distance learning courses or programs that are part of an interstate agreement entered into and administered under this paragraph does not constitute operating in this state for purposes of ORS 348.594 to 348.615. The commission, by rule, may impose a fee on any educational institution that seeks to operate under or participate in such interstate agreements. The fee amount shall be established to recover designated expenses incurred by the commission in participating in such agreements.

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

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

“(b) Encourage student success and completion initiatives.

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

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

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

“(C) Applied baccalaureate and other transfer degrees;

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

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

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

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

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

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

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

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

“SECTION 3. ORS 351.755 is amended to read:

“351.755. (1) The Department of Community Colleges and Workforce Development is established within the Higher Education Coordinating Commission. The department shall function under the direction and control of the [Higher Education Coordinating] commission, with the Commissioner for Community College Services serving as an administrative officer
for community college matters.

“(2) The Department of Community Colleges and Workforce Development, in consultation with the Education and Workforce Policy Advisor and pursuant to ORS chapter 183, may adopt any rules necessary for the administration of laws related to the federal Workforce Investment Act that the department is charged with administering.

“SECTION 4. ORS 351.758 is amended to read:

“351.758. (1) The Department of Community Colleges and Workforce Development Account is established separate and distinct from the General Fund. Except for moneys otherwise designated by statute, all fees, assessments and other moneys received by the Department of Community Colleges and Workforce Development shall be deposited into the State Treasury and credited to the account. All moneys in the account are continuously appropriated to the [department] Higher Education Coordinating Commission for purposes authorized by law.

“(2) The department may accept gifts, grants and donations from any source to carry out the duties imposed upon the department. Moneys received under this subsection shall be paid into the account.

“(3) The department shall keep a record of all moneys deposited into the account. The record shall indicate by separate cumulative subaccounts the sources from which the moneys are derived and the individual activity or program against which each withdrawal is charged.

“(4) Disbursements from the account shall be made as directed by the [department] Higher Education Coordinating Commission.

“SECTION 5. (1) The Task Force on Integrating the Department of Community Colleges and Workforce Development into the Higher Education Coordinating Commission is established, consisting of seven members as follows:

“(a) The President of the Senate shall appoint one member from among members of the Senate.
“(b) The Speaker of the House of Representatives shall appoint one member from among members of the House of Representatives.

“(c) The executive director of the Higher Education Coordinating Commission.

“(d) The executive director of the Higher Education Coordinating Commission shall appoint:

“(A) One member from among members of the Higher Education Coordinating Commission; and

“(B) Three members who represent community colleges.

“(2) The task force shall analyze how the Department of Community Colleges and Workforce Development can best be integrated into the Higher Education Coordinating Commission.

“(3) A majority of the members of the task force constitutes a quorum for the transaction of business.

“(4) Official action by the task force requires the approval of a majority of the members of the task force.

“(5) The task force shall elect one of its members to serve as chairperson.

“(6) If there is a vacancy for any cause, the appointing authority shall make an appointment to become immediately effective.

“(7) The task force shall meet at times and places specified by the call of the chairperson or of a majority of the members of the task force.

“(8) The task force may adopt rules necessary for the operation of the task force.

“(9) The task force shall submit a report in the manner provided by ORS 192.245, and may include recommendations for legislation, to the interim committees of the Legislative Assembly related to higher education no later than September 1, 2014.

“(10) The Higher Education Coordinating Commission shall provide
staff support to the task force.

“(11) Members of the task force who are not members of the Legislative Assembly are not entitled to compensation, but may be reimbursed for actual and necessary travel and other expenses incurred by them in the performance of their official duties in the manner and amounts provided for in ORS 292.495. Claims for expenses incurred in performing functions of the task force shall be paid out of funds appropriated to the Higher Education Coordinating Commission for purposes of the task force.

“(12) All agencies of state government, as defined in ORS 174.111, are directed to assist the task force in the performance of its duties and, to the extent permitted by laws relating to confidentiality, to furnish such information and advice as the members of the task force consider necessary to perform their duties.

“SECTION 6. Section 5 of this 2014 Act is repealed on the date of the convening of the 2015 regular session of the Legislative Assembly as specified in ORS 171.010.

“SECTION 7. (1) The amendments to ORS 351.735 by section 2 of this 2014 Act become operative on July 1, 2014.

“(2) The amendments to ORS 351.755 and 351.758 by sections 3 and 4 of this 2014 Act become operative on July 1, 2015.

“SECTION 8. This 2014 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect on its passage.”.