

A-Engrossed House Bill 4125

Ordered by the House February 19
Including House Amendments dated February 19

Sponsored by Representatives CHAICHI, BOWMAN, Senator GORSEK; Representatives DEXTER, EVANS, GAMBA, HUDSON, LIVELY, NELSON, NERON, NGUYEN H, PHAM K, RUIZ, SOSA, Senator JAMA (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act tells LPRO to work with a vendor to write a draft report about the results of two previous bills and send a final report to the LA before the start of the next session. (Flesch Readability Score: 62.1).

[Digest: The Act tells LPRO to study the results of SB 242 (2011). (Flesch Readability Score: 60.7).]

Directs the Legislative Policy and Research Director to conduct a **procurement and enter into a contract with a qualified vendor to conduct** a study on the impact of Senate Bill 242 (2011) and **Senate Bill 270 (2013)** on higher education in this state. Specifies the data to be identified in the study and requires the *[director]* **vendor** to analyze specified potential alternative governing models for public universities in this state.

[Authorizes the director to enter into contracts with public or private entities for purposes of the study.]

Requires the director to **submit a final report to the relevant interim committees of the Legislative Assembly by *[September 15, 2025.] November 30, 2024.***

[Takes effect on the 91st day following adjournment sine die.]

Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to a study on governing structures of public universities; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) As used in this section, "governing board" has the meaning given that**
5 **term in ORS 352.029.**

6 **(2) The Legislative Policy and Research Director shall conduct a procurement and enter**
7 **into a contract with a qualified vendor with subject matter expertise in higher education, a**
8 **capability to obtain data and information that is national in scope for comparative analysis**
9 **and the experience and expertise to conduct a study described in this section and prepare the**
10 **draft report described in this section. Pursuant to this contract, the vendor shall conduct a**
11 **study to determine the impact of the implementation of chapter 637, Oregon Laws 2011 (En-**
12 **rolled Senate Bill 242), and chapter 768, Oregon Laws 2013 (Enrolled Senate Bill 270), on**
13 **higher education in this state. The study must:**

14 **(a) Include a comparative analysis between the stated goals of chapter 637, Oregon Laws**
15 **2011, and chapter 768, Oregon Laws 2013, and actual outcomes realized since chapter 768,**
16 **Oregon Laws 2013, was enacted, including but not limited to:**

17 **(A) An assessment of governing boards' provision of transparency, public accountability**
18 **and support for their universities;**

19 **(B) The extent to which governing boards are close to and closely focused on their indi-**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **vidual universities;**

2 **(C) The extent to which implementation of chapter 768, Oregon Laws 2013, has led to**
3 **greater access and affordability for Oregon residents and has not disadvantaged Oregon**
4 **students relative to out-of-state students;**

5 **(D) The extent to which each governing board has acted in the best interests of both the**
6 **university and the State of Oregon as a whole;**

7 **(E) Whether governing boards promote the academic success of students in support of**
8 **the mission of all education beyond high school as described in ORS 350.014;**

9 **(F) An assessment of the economy-of-scale benefits that are attributable to having a co-**
10 **ordinated university system;**

11 **(G) An assessment of benefits from shared services that are or could be shared among**
12 **public universities; and**

13 **(H) The extent to which governing boards have succeeded in fulfilling their missions,**
14 **compacts and principles as provided in ORS 352.025; and**

15 **(b) Identify any trends in the public universities in this state, and compare with relevant**
16 **national trends or other national context, since the enactment of chapter 768, Oregon Laws**
17 **2013, including the following:**

18 **(A) Trends in tuition costs and student debt, as adjusted for inflation, for each academic**
19 **year from 2013 to 2023, including:**

20 **(i) Undergraduate tuition;**

21 **(ii) Graduate tuition;**

22 **(iii) Online tuition;**

23 **(iv) Certificate program tuition;**

24 **(v) Resident and nonresident tuition rates; and**

25 **(vi) State and federal scholarships, grants, financial aid, philanthropic resources and**
26 **other forms of student financial support;**

27 **(B) Trends in enrollment and graduation for each academic year from 2013 to 2023, in-**
28 **cluding:**

29 **(i) Types of degrees awarded;**

30 **(ii) Programs offered or eliminated;**

31 **(iii) Graduation attainment and demographics; and**

32 **(iv) Additional cost of attendance, cost of living and on-campus or off-campus housing**
33 **statistics for regions surrounding each campus, as available;**

34 **(C) Trends in the workforce at public universities in this state, including:**

35 **(i) Percentages of undergraduate, graduate, online and certificate program classes taught**
36 **by full-time tenured faculty, aggregated annually for each year from 2013 to 2023;**

37 **(ii) Percentages of undergraduate, graduate, online and certificate program classes**
38 **taught by adjunct part-time faculty who are not tenure track faculty, aggregated annually**
39 **for each year from 2013 to 2023;**

40 **(iii) Percentages of undergraduate, graduate, online and certificate program classes**
41 **taught by full-time instructional faculty who are not tenure track faculty, aggregated annu-**
42 **ally for each year from 2013 to 2023;**

43 **(iv) Percentage increases, if any, in unclassified administrative costs, salaries and em-**
44 **ployment numbers in each year from 2013 to 2023;**

45 **(v) Year-by-year actual numbers of employed part-time adjunct faculty, full-time faculty**

1 who are not tenure track faculty, full-time tenured or tenure track faculty, undergraduate
2 employees, graduate employees and classified staff; and

3 (vi) Average salary, as adjusted for inflation, for each group of employees identified in
4 sub-subparagraph (v) of this subparagraph; and

5 (D) Trends in institutional finance, including:

6 (i) Institutional debt, bonds, endowments and overall financial health of each public uni-
7 versity in this state;

8 (ii) Trends in state funding for each public university in this state, including state fund-
9 ing as a percentage of total operating costs, as adjusted for inflation;

10 (iii) Spending on student support services, including but not limited to student mental
11 and physical health, food assistance or other assistance programs; and

12 (iv) Other cost drivers in higher education, including but not limited to capital improve-
13 ments, campus development, insurance or legal compliance.

14 (3) The vendor may include in the study described in subsection (2) of this section addi-
15 tional prior year data, as is available, for:

16 (a) Trends in tuition costs and student debt as described in subsection (2)(b)(A) of this
17 section;

18 (b) Trends in enrollment and graduation as described in subsection (2)(b)(B) of this sec-
19 tion;

20 (c) Percentages of classes taught by full-time tenured faculty as described in subsection
21 (2)(b)(C)(i) of this section;

22 (d) Percentages of classes taught by full-time instructional faculty who are not tenure
23 track faculty as described in subsection (2)(b)(C)(iii) of this section; and

24 (e) Percentage increases in unclassified administrative costs, salaries and employment
25 numbers as described in subsection (2)(b)(C)(iv) of this section.

26 (4) The vendor shall include in the study conducted under subsection (2) of this section
27 a consideration of governance models for public universities in this state in light of the data
28 identified under subsection (2) of this section, and shall compare and contrast data from
29 governance models used in this state with governance models used in each of the other
30 states of the United States. The vendor shall examine the potential positive and negative
31 aspects of the ability of each model to meet the goals stated in ORS 352.025 and 352.039 and
32 shall examine various models' abilities to direct or manage decisions regarding athletic pro-
33 grams, degree programs, capacity, campus expansions and other state oversights, including
34 considering the following alternatives:

35 (a) No change to the current governance model for public universities in this state;

36 (b) Returning to the system of governance in effect for public universities prior to the
37 enactment of chapter 768, Oregon Laws 2013, under which oversight of and direction to public
38 universities is provided by a state board of higher education;

39 (c) A hybrid model of governance for public universities that retains aspects of the cur-
40 rent governance model and includes oversight and direction by a centralized state agency
41 with limitations on the authority of governing boards;

42 (d) A governance model of public universities that consolidates governing boards among
43 public universities or creates a consortium of governing boards;

44 (e) Providing for elections of members of governing boards; or

45 (f) Other current or emergent governance models used in any other state.

