

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1972 Session of
2007

INTRODUCED BY McILVAINE SMITH, BENNINGTON, BRENNAN, CALTAGIRONE,
CREIGHTON, DeLUCA, DePASQUALE, FABRIZIO, FRANKEL, GIBBONS,
GINGRICH, GRELL, GRUCELA, HANNA, HARKINS, HORNAMAN,
HUTCHINSON, JOSEPHS, KORTZ, KULA, MACKERETH, MURT, PETRONE,
REED, ROAE, SCHRODER, SHIMKUS, SIPTROTH, K. SMITH, M. SMITH,
THOMAS, WANSACZ, WOJNAROSKI AND YOUNGBLOOD, OCTOBER 25, 2007

REFERRED TO COMMITTEE ON FINANCE, OCTOBER 25, 2007

AN ACT

1 Amending the act of August 7, 1963 (P.L.549, No.290), entitled,
2 as amended, "An act creating the Pennsylvania Higher
3 Education Assistance Agency; defining its powers and duties;
4 conferring powers and imposing duties on the Governor,
5 President Pro Tempore of the Senate, Speaker of the House of
6 Representatives, Superintendent of Public Instruction and the
7 Department of Auditor General; and making appropriations,"
8 further providing for the governing body of the Pennsylvania
9 Higher Education Assistance Agency.

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 Section 1. Section 3 of the act of August 7, 1963 (P.L.549,
13 No.290), referred to as the Pennsylvania Higher Education
14 Assistance Agency Act, amended January 18, 1968 (1967 P.L.952,
15 No.424), is amended to read:

16 Section 3. Governing Bodies.--(a) Such agency shall be
17 governed and all of its corporate powers exercised by a board of
18 directors, [which shall consist of twenty members, nineteen of
19 whom shall be appointed as hereinafter provided, and the

1 Superintendent of Public Instruction. Three members shall be
2 appointed by the Governor, eight shall be appointed by the
3 President Pro Tempore of the Senate, and eight shall be
4 appointed by the Speaker of the House of Representatives. All
5 members shall be of full age, citizens of the United States and
6 residents of the State, and shall be appointed for terms of six
7 years each, except that of the members first appointed by the
8 Governor, one shall be appointed for a term which shall expire
9 on June 30, 1965, one for a term which shall expire on June 30,
10 1967, and one for a term which shall expire on June 30, 1969,
11 and of the members first appointed by the President Pro Tempore
12 of the Senate, one shall be appointed for a term which shall
13 expire on June 30, 1965, one for a term which shall expire on
14 June 30, 1967, and one for a term which shall expire on June 30,
15 1969, and of the members first appointed by the Speaker of the
16 House of Representatives, one shall be appointed for a term
17 which shall expire on June 30, 1965, one for a term which shall
18 expire on June 30, 1967, and one for a term which shall expire
19 on June 30, 1969; and of the five additional members to be
20 appointed by the President Pro Tempore of the Senate under this
21 amendment, one shall be appointed for a term which shall expire
22 on June 30, 1969, two for a term which shall expire on June 30,
23 1971, one for a term which shall expire on June 30, 1973 and one
24 for a term which shall expire on June 30, 1975, and of the five
25 additional members to be appointed by the Speaker of the House
26 of Representatives under this amendment, one shall be appointed
27 for a term which shall expire on June 30, 1969, two for a term
28 which shall expire on June 30, 1971, one for a term which shall
29 expire on June 30, 1973 and one for a term which shall expire on
30 June 30, 1975. The eight members appointed by the President Pro

1 Tempore of the Senate shall be members of the Senate, four of
2 whom shall be of the majority party and four of the minority
3 party, and the eight members appointed by the Speaker of the
4 House of Representatives shall be members of the House of
5 Representatives, four of whom shall be of the majority party and
6 four of the minority party, and any]

7 (a.1) On January 1, 2008, the board of directors as
8 constituted on that date is dissolved, and thereafter members of
9 the board of directors shall be as follows:

10 (1) The Secretary of Education.

11 (2) The Secretary of Banking.

12 (3) The State Treasurer.

13 (4) Three members appointed by the Governor, one of whom
14 shall have expertise in banking, one of whom shall have
15 expertise in investments and one of whom shall have expertise in
16 issuing bonds or underwriting of bonds.

17 (5) Four members appointed by the Majority Leader of the
18 Senate, two of whom shall be members of the Senate and of the
19 majority party, one of whom shall be a representative from a
20 private college or university located in this Commonwealth and
21 one of whom shall be a representative from a community college
22 located in this Commonwealth.

23 (6) Two members appointed by the Minority Leader of the
24 Senate, both of whom shall be members of the Senate and of the
25 minority party.

26 (7) Four members appointed by the Majority Leader of the
27 House of Representatives, two of whom shall be members of the
28 House of Representatives and of the majority party, one of whom
29 shall be a representative from a private college or university
30 located in this Commonwealth and one of whom shall be a

representative from a community college located in this
Commonwealth.

(8) Two members appointed by the Minority Leader of the
House of Representatives, both of whom shall be members of the
House of Representatives and of the minority party.

(9) Two members appointed by the Chancellor of the State
System of Higher Education, both of whom shall be from separate
universities within that system.

(a.2) All members of the board of directors under subsection
(a.1) shall be of full age, citizens of the United States and
residents of this Commonwealth, and shall be appointed for terms
of six years each, not to exceed two terms each, except that the
initial terms of the members of the board of directors listed
shall be as follows:

(1) Members appointed by the Governor shall serve for terms
which shall expire June 30, 2013.

(2) As to members appointed by the Majority Leader of the
Senate who are not members of the Senate, the representative
from the private university or college shall be appointed for a
term which shall expire June 30, 2013, and the representative
from the community college shall be appointed for a term which
shall expire June 30, 2015.

(3) Members appointed by the Majority Leader of the Senate
who are members of the Senate shall serve for terms which shall
expire June 30, 2009.

(4) Members appointed by the Minority Leader of the Senate
shall serve for terms which shall expire June 30, 2011.

(5) As to members appointed by the Majority Leader of the
House of Representatives who are not members of the House of
Representatives, the representative from the community college

1 shall be appointed for a term which shall expire June 30, 2013,
2 and the representative from the private university or college
3 shall be appointed for a term which shall expire June 30, 2015.

4 (6) Members appointed by the Majority Leader of the House of
5 Representatives who are members of the House of Representatives
6 shall serve for terms which shall expire June 30, 2009.

7 (7) Members appointed by the Minority Leader of the House of
8 Representatives shall serve for terms which shall expire June
9 30, 2011.

10 (8) As to members who are appointed by the Chancellor of the
11 State System of Higher Education, one member shall serve a term
12 which shall expire June 30, 2009, and the other member shall
13 serve a term which shall expire June 30, 2011.

14 (a.3) Any member of the Senate or House of Representatives
15 hereafter appointed shall serve on the board only so long as he
16 is a member of the particular body of the General Assembly from
17 which he was appointed to the board, in which event he shall be
18 ineligible to continue as a member of the board as a legislative
19 appointee and a vacancy shall exist. In such a case the
20 [President Pro Tempore] Majority Leader of the Senate [or], the
21 Minority Leader of the Senate, the [Speaker] Majority Leader of
22 the House of Representatives or the Minority Leader of the House
23 of Representatives shall fill the vacancy for the unexpired term
24 in the same manner as original appointments. [A member of the
25 board of directors who becomes ineligible to serve as a
26 legislative appointee shall be eligible for appointment by the
27 Governor.] The board of directors shall elect from its own
28 members each year a chairman and vice chairman who shall serve
29 for terms of one year and who shall be eligible for reelection
30 for successive terms. Vacancies shall be filled for the

1 unexpired terms in the same manner as original appointments.
2 Directors shall receive no compensation for their services, but
3 shall be reimbursed for their expenses actually and necessarily
4 incurred by them in the performance of their duties under this
5 act.

6 (b) The board of directors shall provide for the holding of
7 regular and special meetings. [Six] One-half plus one of the
8 total number of directors [attending] serving on the board shall
9 constitute a quorum for the transaction of any business [and,]
10 unless a greater number is required by the by-laws of the
11 agency.[, the act of a majority of the directors present at any
12 meeting shall be deemed the act of the board.]

13 (c) The board of directors shall adopt by-laws for the
14 agency and may appoint such officers and employes as it deems
15 advisable and may fix their compensation and prescribe their
16 duties.

17 (d) The board of directors may elect an executive committee
18 of not less than five members who, in intervals between meetings
19 of the board, may transact such business of the agency as the
20 board may from time to time authorize. Unless otherwise provided
21 by the by-laws, a majority of the whole of such committee
22 attending shall constitute a quorum for the transaction of any
23 business and the act of a majority of the members of the
24 executive committee present at any meeting thereof shall be the
25 act of such committee.

26 Section 2. This act shall take effect immediately.