

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 465 Session of  
2009

INTRODUCED BY McILVAINE SMITH, BEYER, BRENNAN, CAUSER,  
CREIGHTON, DePASQUALE, FRANKEL, GRUCELA, HORNAMAN, KORTZ,  
LEVDANSKY, REED, ROAE, SIPTROTH, K. SMITH, VULAKOVICH AND  
WALKO, FEBRUARY 18, 2009

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 18, 2009

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  
20 Superintendent of Public Instruction. Three members shall be

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

whom shall be of the majority party and four of the minority party, and the eight members appointed by the Speaker of the House of Representatives shall be members of the House of Representatives, four of whom shall be of the majority party and four of the minority party, and any]

(a.1) On June 30, 2009, the board of directors as constituted on that date is dissolved, and thereafter members of the board of directors shall be as follows:

(1) The Secretary of Education.

(2) The Secretary of Banking.

(3) The State Treasurer.

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

(5) Five members appointed by the Majority Leader of the Senate, two of whom shall be members of the Senate and of the majority party, one of whom shall be a representative from a State-related university, one of whom shall be a representative from a private college or university located in this Commonwealth and one of whom shall be a representative from a community college located in this Commonwealth.

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

(7) Five members appointed by the Majority Leader of the House of Representatives, two of whom shall be members of the House of Representatives and of the majority party, one of whom shall be a representative from a State-related university, one of whom shall be a representative from a private college or

1 university located in this Commonwealth and one of whom shall be  
2 a representative from a community college located in this  
3 Commonwealth.

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

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

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

16 (1) Members appointed by the Governor shall serve for terms  
17 which shall expire June 30, 2014.

18 (2) As to members appointed by the Majority Leader of the  
19 Senate who are not members of the Senate, the representative  
20 from the private university or college shall be appointed for a  
21 term which shall expire June 30, 2014, and the representative  
22 from the State-related university and the representative from  
23 the community college shall be appointed for terms which shall  
24 expire June 30, 2016.

25 (3) Members appointed by the Majority Leader of the Senate  
26 who are members of the Senate shall serve for terms which shall  
27 expire June 30, 2010.

28 (4) Members appointed by the Minority Leader of the Senate  
29 shall serve for terms which shall expire June 30, 2012.

30 (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 State-related university and the representative from the community college shall be appointed for terms which shall expire June 30, 2014, and the representative from the private university or college shall be appointed for a term which shall expire June 30, 2016.

(6) Members appointed by the Majority Leader of the House of Representatives who are members of the House of Representatives shall serve for terms which shall expire June 30, 2010.

(7) Members appointed by the Minority Leader of the House of Representatives shall serve for terms which shall expire June 30, 2012.

(8) As to members who are appointed by the Chancellor of the State System of Higher Education, one member shall serve a term which shall expire June 30, 2010, and the other member shall serve a term which shall expire June 30, 2012.

(a.3) Any member of the Senate or House of Representatives hereafter appointed shall serve on the board only so long as he is a member of the particular body of the General Assembly from which he was appointed to the board, in which event he shall be ineligible to continue as a member of the board as a legislative appointee and a vacancy shall exist. In such a case the [President Pro Tempore] Majority Leader of the Senate [or], the Minority Leader of the Senate, the [Speaker] Majority Leader of the House of Representatives or the Minority Leader of the House of Representatives shall fill the vacancy for the unexpired term in the same manner as original appointments. [A member of the board of directors who becomes ineligible to serve as a legislative appointee shall be eligible for appointment by the Governor.] The board of directors shall elect from its own

1 members each year a chairman and vice chairman who shall serve  
2 for terms of one year and who shall be eligible for reelection  
3 for successive terms. Vacancies shall be filled for the  
4 unexpired terms in the same manner as original appointments.  
5 Directors shall receive no compensation for their services, but  
6 shall be reimbursed for their expenses actually and necessarily  
7 incurred by them in the performance of their duties under this  
8 act.

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

16 (c) The board of directors shall adopt by-laws for the  
17 agency and may appoint such officers and employees as it deems  
18 advisable and may fix their compensation and prescribe their  
19 duties.

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

29 Section 2. This act shall take effect immediately.