INTRODUCED BY SONNEY, TOPPER, SCHROEDER, BENNINGHOFF, BIZZARRO, BRIGGS, BROWN, DRISCOLL, EVERETT, GAYDOS, HARKINS, JAMES, JONES, KIM, KORTZ, MASSER, McCLINTON, MILLARD, MOUL, MUSTELLO, OBERLANDER, OWLETT, PICKETT, RADER, ROAE, ROTHMAN, ROZZI, SAYLOR, SHUSTERMAN, STAATS AND STRUZZI, JANUARY 22, 2020

REFEREED TO COMMITTEE ON EDUCATION, JANUARY 22, 2020

AN ACT

Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," in the State System of Higher Education, further providing for establishment of the State System of Higher Education and its institutions, for board of governors, for the chancellor, for powers and duties of the board of governors, for councils of trustees, for powers and duties of councils of trustees and for power and duties of institution presidents.

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

Section 1. Section 2002-A(a) introductory paragraph of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, is amended and the section is amended by adding a subsection to read:

Section 2002-A. Establishment of the State System of Higher Education and its Institutions.--(a) Subject to the regulatory powers conferred by law upon the State Board of Education, there
is hereby established a body corporate and politic constituting
a public corporation and government instrumentality [which
shall] to be known as the State System of Higher Education,
independent of the Department of Education, hereinafter referred
to as the system, which shall consist of the following
institutions and such other institutions, presently existing [or
newly created, as may hereafter be admitted by the board in
concurrence with other agencies as required by law] or until
changed as provided under subsection (a.1):

* * *

(a.1) In accordance with section 2006-A(a)(13.2), the board
shall develop policies and procedures by which the board may
create, expand, consolidate, transfer, affiliate, dissolve or
close an institution or college. Before the creation, expansion,
consolidation, transfer, affiliation, dissolution or closure of
an institution or college, the board shall assess the respective
university's or college's financial stability, including student
support metrics, student success metrics and financial metrics.

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Section 2. Section 2004-A(a)(7) and (b) of the act are
amended, subsection (a) is amended by adding a paragraph and the
section is amended by adding a subsection to read:

Section 2004-A. Board of Governors.--(a) The system shall
be governed and all of its corporate powers exercised by the
Board of Governors, which shall consist of twenty (20) members
to be appointed as follows:

* * *

(7) [Fourteen (14) members shall be appointed by the
Governor with the advice and consent of the Senate of which six
(6) shall be selected from the citizens of the Commonwealth.
Three (3) members of the fourteen (14) shall be students whose terms shall expire upon graduation, separation or failure to maintain good academic standards at their institution and five (5) of the fourteen (14) shall be trustees of constituent institutions, however, no more than one trustee representing a constituent institution. The student members shall be selected from the presidents of the local campus student government associations, or their local equivalent. Eleven (11) members shall be appointed by the Governor with the advice and consent of the Senate of which six (6) members shall be selected from the residents of this Commonwealth and five (5) members shall be selected from trustees of constituent institutions, except that no more than one trustee may represent a constituent institution. A member appointed under this subsection shall have expertise or substantial experience in one or more area, including postsecondary education, finance, business, nonprofit management, law or public administration.

(8) Three (3) of the members shall be students appointed by the board under section 2006-A(a)(13.4). The student members shall be selected with the advice and consent of institution presidents. A student's term shall expire upon graduation, separation or failure to maintain good academic standing at the institution in which the student is enrolled.

(b) All members of the board appointed by the Governor, except for the students, shall serve for terms of four (4) years. The Governor and Secretary of Education shall serve so long as they continue in office. Members of the board appointed from the General Assembly shall serve a term of office concurrent with their respective elective terms as members of the General Assembly.
(d.1) A board member appointed under subsection (a)(7) may be removed for cause by the Governor. A board member appointed under subsection (a)(8) may be removed by the board.

Section 3. Section 2005-A(4) of the act is amended to read:
Section 2005-A. The Chancellor. -- The chief executive officer of the system shall be a chancellor, who shall be employed by the board in accordance with clause (1) of section 2006-A. In addition to those prescribed by the board, the chancellor shall have the following duties:

(4) The chancellor shall assist the board in its appointment of the presidents for the constituent institutions by submitting to the board the name or names of individuals recommended by the council of trustees who shall involve students, faculty and alumni in the interview and selection process used to formulate their recommendation. The chancellor shall submit to the board the recommended salary and other proposed terms of each such appointment. The board shall have the right to refuse the recommendation of the local council and to request that additional recommendations be submitted by the council.

Section 4. Section 2006-A(a) introductory paragraph, (5), (14) and (15) of the act are amended and the subsection is amended by adding paragraphs to read:
Section 2006-A. Powers and Duties of the Board of Governors. -- (a) The Board of Governors shall have overall responsibility for planning and coordinating the development and
operation of the system. The powers and duties of the Board of Governors shall be: plenary power to make, issue and enforce board policies, procedures and standards for the full management, control and conduct of the instructional, administrative and financial affairs of the system, including powers and duties:

* * *

(5) To [create] approve new undergraduate and graduate degree programs, which shall not be subject to the rules and regulations of the State Board of Education; to approve extension campuses and new external degree programs subject to the rules and regulations of the State Board of Education; to promote cooperation among institutions, including the development of consortia within the system and other educational institutions and agencies.

* * *

(13.2) To create, expand, consolidate, transfer, affiliate, dissolve or close an institution or college.

(13.3) To require institutions to share services and to participate in collaborations.

(13.4) To appoint student members to the board and councils.

(14) To make all reasonable [rules and regulations] policies and procedures necessary to carry out the purposes of this article and the duties of the board.

(15) To do and perform generally all of those things necessary and required to accomplish the role and objectives of the system, unless otherwise delegated by the board to the chancellor.

* * *

Section 5. Sections 2008-A, 2009-A and 2010-A introductory
paragraph, (1), (2), (5), (10.1), (11), (12), (13) and (14) of the act are amended to read:

Section 2008-A. Councils of Trustees.--(a) The council of each of the institutions shall consist of eleven (11) members who, except for student members, shall be nominated and appointed by the Governor with the advice and consent of the Senate. At least two (2) members of the eleven (11) member council of trustees shall be alumni of the institution. Except for student trustees, a trustee appointed under this subsection shall have expertise or substantial experience in one or more area, including postsecondary education, finance, business, nonprofit management, law or public administration.

(b) Ten (10) members of each council shall serve terms of six (6) years, respectively, and until their respective successors are duly appointed and qualified. One (1) member of each council shall be a full-time undergraduate student in good academic standing, other than freshman, enrolled for at least twelve (12) semester hours at the institution of which he is a trustee. The student member shall serve a term of four (4) years or for so long as he is a full-time undergraduate student in attendance at the institution of which he is a trustee, whichever period is shorter, and is in good academic standing. Vacancies occurring before the expiration of the term of any member shall be filled in like manner for the unexpired term. Student members of the Council of Trustees shall be appointed by the Governor and shall not be subject to Senate confirmation. If a student member is temporarily unable, for medical or valid academic reasons, to fulfill the responsibilities of office, the Council of Trustees may request that the Governor appoint an otherwise qualified student to serve as an alternate until the
return of the student member.

(c) The members of each board of trustees of a former State college or university serving in such capacity on the effective date of this act shall continue to serve for the balance of their respective terms.] Ten (10) members of each council shall serve terms of four (4) years, respectively and until their respective successors are duly appointed.

(b.1) One (1) member of each council shall be a student appointed by the board under section 2006-A(a)(13.4). The student member shall serve a term of four (4) years or for so long as the student is a full-time student in attendance at the institution of which the student is a trustee, whichever period is shorter, and is in good academic standing. If a student member is temporarily unable, for medical or valid academic reasons, to fulfill the responsibilities of office, the Council of Trustees may appoint an otherwise qualified student to serve as an alternate until the return of the student member.

(b.2) A trustee appointed under subsections (a) and (b.1) may be removed for cause by the board.

(b.3) Vacancies occurring before the expiration of the term of any member shall be filled in like manner for the unexpired term.

(d) Six (6) members of a council shall constitute a quorum. Each council shall select from its members a chairperson and a secretary to serve at the pleasure of the council. Each council shall meet at least quarterly, and additionally at the call of the president, or its chairperson, or upon request of three (3) of its members.

Section 2009-A. Powers and Duties of Councils of Trustees.--

(a) In accordance with [the rules and regulations] policies,
procedures and standards adopted by the board, the council of each institution shall have the power and its duty shall be:

(1) To make recommendations to the chancellor for the appointment and retention of the president following consultation with input by students, faculty, staff and alumni.

(1.1) To make recommendations to the chancellor for the dismissal of the president.

(2) To assist the president in developing proper relations and understanding between the institution and its programs and the public, in order to serve the interests and needs of both.

(3) To review and approve the recommendations of the president as to standards for the admission, discipline and expulsion of students.

(4) To review and approve the recommendations of the president pertaining to policies and procedures governing the use of institutional facilities and property.

(5) To approve schools and academic programs.

(6) To review and approve the recommendations of the president pertaining to annual operating and capital budget requirements for forwarding to the board.

(7) To review and approve charges for tuition, room and board and other fees except student activity fees and any fees related to the provision of contracted health services.

(8) To conduct an annual physical inspection of facilities and make recommendations regarding maintenance and construction to the board.

(9) To review contracts and purchases negotiated or awarded by the president, including any contract or purchase reports, with or without competitive bidding and all
contracts for consultative services entered by the president.

(10) To represent the institution at official functions of the Commonwealth.

(11) To take such other action as may be necessary to effectuate the powers and duties herein delegated.

(12) In accordance with the evaluation procedure established by the board each council shall conduct an evaluation of the president and forward the results of that evaluation with recommendation to the chancellor for submission to the board.

(13) By resolution adopted by the council to authorize campus police who have completed firearms training in accordance with 53 Pa.C.S. § 2167(a) (relating to police training) to carry firearms in the course of duty for any institution whose campus police are authorized to carry firearms on the effective date of this paragraph, the authority to carry firearms shall remain in effect unless the council by resolution dissolves such authority.

Section 2010-A. Power and Duties of Institution Presidents.--The president of each institution shall be appointed by the board. The president shall be the chief executive officer of that institution. The president shall have the right to attend all meetings of the council of that institution and shall have the right to speak on all matters before the council but not to vote. Subject to the stated authority of the board and the council, each president shall have the following powers and duties:

(1) Except insofar as such matters are governed by collective bargaining agreements entered pursuant to the act of July 23, 1970 (P.L.563, No.195), known as the "Public Employe Relations Act," and subject to the policies of the board,
appoint such employes, professional and noninstructional, graduate assistants, etc. as necessary, to fix the salaries and benefits of employes, professional and noninstructional, and to establish policies and procedures governing employment rights, promotion, dismissal, tenure, leaves of absence, grievances and salary schedules.

(2) To make and implement specific campus policies pertaining to instructional programs, research programs and public service programs and define academic standards in accordance with policies of the board following consultation with the council, faculty and students.

* * *

(5) To establish policies and procedures governing the use of institutional facilities and property in accordance with guidelines established by consultation with the local council.

* * *

(10.1) Within the limitations of the operating budget and other available funds in accordance with the procedures established by the board and with the approval of the local council, to negotiate and award all contracts for equipment, services and supplies in excess of a cost of a base amount of eighteen thousand five hundred dollars ($18,500), subject to adjustment under section [120] 2003-A.1(c.3), on a competitive bid basis. Contracts to purchase instructional, educational, extracurricular, technical, administrative, custodial and maintenance equipment and supplies not in excess of a cost of a base amount of eighteen thousand five hundred dollars ($18,500), subject to adjustment under section [120] 2003-A.1(c.3), may be procured, without competitive bidding, except that such items shall not be bought in series to avoid
the dollar ceiling.

(11) To cooperate with and accept grants and assistance from Federal and State agencies, local governments or other political subdivisions, foundations, corporations, or any other source for any of the lawful purposes of the institution. Each institution shall have the power to bank and use such grants as directed by the grantor in accordance with applicable board policy and subject to the limitations of this act[, except that grants and assistance from sources other than State agencies, local governments or other political subdivisions shall not be subject to the provisions of clause (10)]. All moneys received from sources authorized by this section are hereby appropriated to each of the several institutions granted such moneys. All such moneys shall be subject to audit by the Auditor General.

(12) To authorize personnel to travel within or without the Commonwealth at institutional expense [in accordance with regulations of the council].

(13) Within the limitations of the operating budget and other available funds, to enter into contracts for consultative service [not to exceed five thousand dollars ($5,000) per contract].

(14) To enter into contracts [in accordance with policies of the council] to enable students to engage in student teaching or other training in order to obtain experience in a particular field.

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Section 6. All acts and parts of acts are repealed and all regulations and parts of regulations are abrogated insofar as they are inconsistent with this act.

Section 7. This act shall take effect in 60 days.