



General Assembly

Substitute Bill No. 1026

January Session, 2011

* _____SB01026PRI___031111_____*

**AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE
LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS
COMMITTEE CONCERNING A PUBLIC AGENDA FOR HIGHER
EDUCATION.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2011*) (a) There is established a
2 leadership group to develop a public agenda for higher education that
3 includes state-wide higher education goals based on identified state
4 needs, strategies for achieving such goals, performance measures to
5 assess the progress made toward achieving such goals and incentive
6 funding to ensure that such goals are achieved. The leadership group
7 shall consist of fourteen members, with experience in higher
8 education, as follows: (1) Seven members appointed by the Governor;
9 (2) one member appointed by the speaker of the House of
10 Representatives; (3) one member appointed by the president pro
11 tempore of the Senate; (4) one member appointed by the majority
12 leader of the House of Representatives; (5) one member appointed by
13 the majority leader of the Senate; (6) one member appointed by the
14 minority leader of the House of Representatives; (7) one member
15 appointed by the minority leader of the Senate; and (8) the
16 Commissioner of Higher Education who shall serve as a nonvoting ex-
17 officio member. No appointed member of such leadership group may
18 be employed by or a member of the board of trustees of any
19 constituent unit or any independent institution of higher education.

20 The Governor shall select one of the fourteen members to act as
21 chairperson of such leadership group.

22 (b) For purposes of developing such public agenda, the leadership
23 group shall perform the following functions: (1) Develop a public
24 needs report that (A) is based on an analysis of data regarding (i)
25 population and demographic trends, (ii) economic and workforce
26 conditions and needs, (iii) the state of college preparation, (iv) the
27 extent of postsecondary access, completion and affordability, (v)
28 student learning options, (vi) higher education finance, and (vii) the
29 differences in the missions and capacities of the constituent units and
30 (B) describes (i) the current and projected condition of this state over
31 the next twenty years with regard to education, workforce and social
32 and economic needs, (ii) the areas in which changes and improvements
33 must be made to meet such needs, and (iii) the specific responsibilities
34 that the constituent units and independent institutions of higher
35 education must assume in order to meet such needs; (2) develop a
36 higher education policy audit report that assesses the extent to which
37 current policies contribute to or inhibit this state's ability to meet the
38 state's needs identified in the public needs report; (3) engage
39 stakeholders, including the constituent units and independent
40 institutions of higher education, and solicit feedback from such
41 stakeholders on the public needs report and policy audit report; (4)
42 analyze current financing policies, practices and accountability and
43 develop a finance report with recommendations as to how (A) to align
44 such policies and practices with the priorities set forth in the public
45 agenda priorities report required under subdivision (5) of this
46 subsection, including the development of a finance model for the
47 allocation of state appropriations to the constituent units that includes
48 both a base amount of funding and the use of performance-based
49 incentive funding for at least a portion of such allocation, (B) the
50 constituent units shall annually report to the General Assembly and
51 the public in a clear, concise and thorough manner regarding each
52 constituent unit's expenditures, staffing and state support, including
53 the state appropriation, personnel expenses, personnel fringe benefits,

54 capital improvement bonds and state financial aid to students, and (C)
55 financial aid policies can ensure that scarce resources produce desired
56 results and support the public agenda; and (5) use the information
57 garnered from the public needs report, higher education policy audit
58 report, finance report and feedback from the stakeholders to develop a
59 public agenda priorities report that shall include specific strategies,
60 measurable and quantifiable objectives and interim benchmarks to
61 address each state priority identified in such report.

62 (c) The leadership group shall present the public agenda priorities
63 report, which shall include the public needs report, the higher
64 education policy audit report and the finance report, to the Governor
65 and the joint standing committee of the General Assembly having
66 cognizance of matters relating to higher education and employment
67 advancement not later than January 31, 2012.

68 (d) The Department of Higher Education shall monitor the progress
69 of each constituent unit and this state in implementing the public
70 agenda and report on such progress to the joint standing committee of
71 the General Assembly having cognizance of matters relating to higher
72 education and employment advancement not later than January 1,
73 2013, and annually thereafter.

74 (e) Not later than ten years after the development of the initial
75 public agenda priorities report and every ten years thereafter, the
76 Board of Governors of Higher Education shall reanalyze this state's
77 education, workforce and economic trends, compare such trends to the
78 state goals set forth in the public agenda priorities report and revise
79 such goals as necessary to meet emerging or changing state needs.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2011	New section

PRI *Joint Favorable Subst.*