

House Bill 3024

Sponsored by Representative GREENLICK; Representative READ

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 **as introduced**.

Establishes Portland State University as public corporation under control of Portland Metropolitan Universities Board of Directors.

Removes Portland State University from Oregon University System.

Declares legislative intent regarding Portland State University budget and funding.

Changes name of Oregon Health and Science University Board of Directors to Portland Metropolitan Universities Board of Directors.

Becomes operative July 1, 2011.

A BILL FOR AN ACT

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Relating to the integration of Portland State University and Oregon Health and Science University; creating new provisions; amending ORS 97.170, 174.108, 181.871, 190.410, 192.501, 192.502, 192.690, 238.005, 238A.005, 238A.140, 243.107, 243.910, 244.050, 276.227, 276.229, 283.143, 284.701, 307.095, 307.110, 336.057, 341.440, 343.961, 348.040, 348.180, 348.270, 348.597, 348.900, 351.010, 351.203, 351.509, 351.511, 351.526, 351.529, 351.647, 351.663, 351.666, 351.668, 351.697, 351.810, 351.820, 351.840, 352.002, 352.063, 352.066, 352.068, 352.071, 352.074, 353.010, 353.030, 353.040, 353.050, 353.060, 353.070, 353.080, 353.100, 353.110, 353.117, 353.120, 353.130, 353.140, 353.160, 353.180, 353.190, 353.200, 353.202, 353.205, 353.210, 353.250, 353.260, 353.270, 353.280, 353.290, 353.300, 353.340, 353.350, 353.360, 353.370, 353.380, 353.390, 353.400, 353.410, 353.440, 353.445, 353.600, 461.535, 461.543 and 660.315 and section 1, chapter 797, Oregon Laws 2001; and appropriating money.

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

SECTION 1. Section 2 of this 2009 Act is added to and made a part of ORS chapter 353.

SECTION 2. Portland State University is established as a public corporation and shall exercise and carry out all powers, rights and privileges that are expressly conferred upon it, are implied by law or are incident to such powers. The university shall be a governmental entity performing governmental functions and exercising governmental powers. The university shall be an independent public corporation with statewide purposes and missions and without territorial boundaries. The university shall be a governmental entity but is not considered a unit of local or municipal government or a state agency for purposes of state statutes or constitutional provisions.

SECTION 3. Section 4 of this 2009 Act is added to and made a part of ORS chapter 353.

SECTION 4. (1) The Portland Metropolitan Universities Board of Directors shall develop a plan for the merger of Oregon Health and Science University and Portland State University.

(2) The board shall submit the plan in a report, including recommendations for legislation, to the interim committees of the Legislative Assembly related to education as ap-

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 **appropriate, in the manner provided by ORS 192.245, no later than October 1, 2013.**

2 **SECTION 5.** ORS 353.010 is amended to read:

3 353.010. As used in this chapter:

4 (1) "Board" means the [*Oregon Health and Science University*] **Portland Metropolitan Univer-**
5 **sities** Board of Directors established under ORS 353.040.

6 (2) "**Oregon Health and Science University**" means the **Oregon Health and Science Uni-**
7 **versity public corporation created under ORS 353.020.**

8 (3) "**Portland State University**" means the **Portland State University public corporation**
9 **created under section 2 of this 2009 Act.**

10 [(2)] (4) "Public corporation" means an entity that is created by the state to carry out public
11 missions and services. In order to carry out these public missions and services, a public corporation
12 participates in activities or provides services that are also provided by private enterprise. A public
13 corporation is granted increased operating flexibility in order to best ensure its success, while re-
14 taining principles of public accountability and fundamental public policy. The board of directors of
15 a public corporation is appointed by the Governor and confirmed by the Senate but is otherwise
16 delegated the authority to set policy and manage the operations of the public corporation.

17 [(3) "*University*" or "*Oregon Health and Science University*" means the *Oregon Health and Science*
18 *University public corporation created under ORS 353.020.*]

19 **SECTION 6.** ORS 353.030 is amended to read:

20 353.030. (1) It shall be the public policy of [*the*] Oregon Health and Science University in car-
21 rying out its missions as a public corporation:

22 (a) To serve the people of the State of Oregon by providing education in health, science, engi-
23 neering and their management for students of the state and region.

24 (b) To provide:

25 (A) An environment that stimulates the spirit of inquiry, initiative and cooperation between and
26 among students, faculty and staff;

27 (B) Research in health care, engineering, biomedical sciences and general sciences; and

28 (C) The delivery of health care to contribute to the development and dissemination of new
29 knowledge.

30 (2) The university will strive for excellence in education, research, clinical practice, scholarship
31 and community service while maintaining compassion, personal and institutional integrity and lead-
32 ership in carrying out its missions.

33 (3) The university is designated to carry out the following public purposes and missions on be-
34 half of the State of Oregon:

35 (a) Provide high quality educational programs appropriate for a health and science university;

36 (b) Conduct research in health care, engineering, biomedical sciences and general sciences;

37 (c) Engage in the provision of inpatient and outpatient clinical care and health care delivery
38 systems throughout the state;

39 (d) Provide outreach programs in education, research and health care;

40 (e) Serve as a local, regional and statewide resource for health care providers; and

41 (f) Continue a commitment to provide health care to the underserved patient population of
42 Oregon.

43 (4) The university shall carry out the public purposes and missions of this section in the manner
44 that, in the determination of the [*Oregon Health and Science University*] **Portland Metropolitan**
45 **Universities** Board of Directors, best promotes the public welfare of the people of the State of

1 Oregon.

2 **SECTION 7.** ORS 353.040 is amended to read:

3 353.040. (1) There is established [*an Oregon Health and Science University*] a **Portland Metro-**
 4 **politan Universities** Board of Directors consisting of [*10*] **15** members. The directors, except for the
 5 [*president of the university*] **presidents of Oregon Health and Science University and Portland**
 6 **State University**, shall be appointed by the Governor and shall be confirmed by the Senate in the
 7 manner prescribed in ORS 171.562 and 171.565.

8 (2) Except for the [*president of the university*] **presidents of the universities**, the term of office
 9 of each nonstudent member is four years. The term of office of the student member is two years.
 10 Before the expiration of the term of a member, the Governor shall appoint a successor whose term
 11 begins on October 1 next following. A member is eligible for reappointment for one additional term.
 12 If there is a vacancy for any cause, the Governor shall make an appointment to become effective
 13 immediately for the unexpired term. The board shall nominate a slate of candidates whenever a va-
 14 cancy occurs or is announced and shall forward the recommended candidates to the Governor for
 15 consideration. To assist the Governor in appointing the student member, the duly organized and
 16 recognized [*entity*] **entities** of student government shall **each** submit a list of nominees to the Gov-
 17 ernor for consideration.

18 (3) The membership of the board shall be as follows:

19 (a) One representative who is a nonstudent member of the State Board of Higher Education.

20 (b) [*Seven*] **Eleven** representatives who, in the discretion of the Governor, have experience in
 21 areas related to the [*university*] **universities'** missions or that are important to the success of
 22 Oregon Health and Science University **and Portland State University**, including but not limited
 23 to higher education, health care, scientific research, **social sciences, arts**, engineering and tech-
 24 nology and economic and business development.

25 (c) One representative who is a student enrolled at [*the*] **Oregon Health and Science University**
 26 **or Portland State University**.

27 (d) The president of [*the*] **Oregon Health and Science University**, who shall be an ex officio
 28 voting member.

29 **(e) The president of Portland State University, who shall be an ex officio voting member.**

30 (4) Directors must be citizens of the United States. Except for the [*president of the university*]
 31 **presidents of the universities**, no voting member may be an employee of [*the*] **Oregon Health and**
 32 **Science University or Portland State University**.

33 (5) The [*board*] **Portland Metropolitan Universities Board of Directors** shall select one of its
 34 members as chairperson and another as vice chairperson for such terms and with such duties and
 35 powers as the board considers necessary for performance of the functions of those offices. The board
 36 shall adopt bylaws concerning how a quorum shall be constituted and when a quorum shall be nec-
 37 essary.

38 (6) The board shall meet at least once every three months at Oregon Health and Science Uni-
 39 versity **or Portland State University**. The board shall meet at such other times and places speci-
 40 fied by the chairperson or by a majority of the members of the board.

41 (7) The Governor may remove any member of the board, **except for the presidents of the**
 42 **universities**, at any time for cause, after notice and public hearing, but not more than three mem-
 43 bers shall be removed within a period of four years, unless it is for corrupt conduct in office.

44 **SECTION 8. Notwithstanding the term of office specified in ORS 353.040, of the additional**
 45 **members first appointed to the Portland Metropolitan Universities Board of Directors pur-**

1 **suant to the amendments to ORS 353.040 by section 7 of this 2009 Act:**

2 **(1) One shall serve for a term ending July 1, 2012.**

3 **(2) One shall serve for a term ending July 1, 2013.**

4 **(3) One shall serve for a term ending July 1, 2014.**

5 **(4) One shall serve for a term ending July 1, 2015.**

6 **SECTION 9. (1) The Portland Metropolitan Universities Board of Directors established**
 7 **under ORS 353.040 shall study the feasibility of imposing a local tax that would be dedicated**
 8 **to funding all or a portion of the powers conferred upon the board by ORS 353.050.**

9 **(2) The board shall report the findings of its study and its recommendations based on the**
 10 **study to the appropriate interim committee of the Legislative Assembly related to revenue**
 11 **no later than October 1, 2010.**

12 **SECTION 10.** ORS 353.050 is amended to read:

13 353.050. Except as otherwise provided in this chapter, the [*Oregon Health and Science*
 14 *University*] **Portland Metropolitan Universities** Board of Directors, or **Oregon Health and Sci-**
 15 **ence University and Portland State** University officials acting under the authority of the board,
 16 shall exercise all the powers of [*the*] Oregon Health and Science University **and Portland State**
 17 **University** and shall govern the [*university*] **universities**. [*In carrying out its powers, rights and*
 18 *privileges, the university shall be a governmental entity performing governmental functions and exer-*
 19 *cising governmental powers. The university or*] The board may either within or outside the state:

20 (1) Determine or approve policies for the organization, administration and development of the
 21 [*university*] **universities**.

22 (2) Appoint and employ any instructional, administrative, professional, trade, occupational and
 23 other personnel as are necessary or appropriate to carry out the missions of the [*university*] **uni-**
 24 **versities**, and prescribe [*their*] compensation and terms of office or employment **for the personnel**.

25 (3) Make any and all contracts and agreements, enter into any partnership, joint venture or
 26 other business arrangement[,] **and** create and participate fully in the operation of any business
 27 structure, including but not limited to the development of business structures for health care deliv-
 28 ery systems and networks with any public or private government, nonprofit or for-profit person or
 29 entity that, in the judgment of the [*university*] **universities** or the board, is necessary or appropriate
 30 to carry out the [*university's*] **universities'** missions and goals.

31 (4) Acquire, purchase, receive, hold, control, convey, sell, manage, operate, lease, license, lend,
 32 invest, improve, develop, use, dispose of and hold title to real and personal property of any nature,
 33 including intellectual property, in [*its*] **the board's** own name **or in the universities' own names**.

34 (5) Sue in [*its*] **the board's** own name **or in the universities' own names** and be sued, plead
 35 and be impleaded in all actions, suits or proceedings in any forum brought by or against [*it*] **the**
 36 **board or universities** by any and all private or state, local, federal or other public entities, agen-
 37 cies or persons.

38 (6) Encourage gifts and donations for the benefit of the [*university*] **universities**, and subject to
 39 the terms of the gift, retain, invest and use such gifts as deemed appropriate by the [*university*]
 40 **universities** or the board.

41 (7) Acquire, receive, hold, keep, pledge, control, convey, manage, use, lend, expend and invest
 42 all funds, appropriations, gifts, bequests, stock and revenue from any source to the [*university*] **uni-**
 43 **versities**.

44 (8) Borrow money for the needs of the [*university*] **universities**, in such amounts and for such
 45 time and upon such terms as may be determined by the [*university*] **universities** or the board.

1 (9) Erect, construct, improve, develop, repair, maintain, equip, furnish, lease, lend, convey, sell,
2 manage, operate, use, dispose of and hold title to buildings, structures and lands for the
3 *[university]* **universities**.

4 (10) Purchase *[any and all]* insurance, operate a self-insurance program or otherwise arrange for
5 the equivalent of insurance coverage of any nature and the indemnity and defense of *[its]* **the** offi-
6 cers, agents and employees or other persons designated by the *[university]* **universities** to carry out
7 or further the missions of the *[university]* **universities**.

8 (11) Create, develop, supervise, control and adopt academic programs, including standards,
9 qualifications, policies or practices relating to admissions, curriculum, academic advancement,
10 grading policy, student conduct, credits and scholarships and the granting of academic degrees,
11 certificates and other forms of recognition.

12 (12) Authorize, create, eliminate, establish, operate, reorganize, reduce or expand any program,
13 school, institute, health care facility or other unit of operation.

14 (13) Establish, charge, collect and use charges for enrollment into the *[university]* **universities**,
15 including charges such as tuition for education and general services, incidental fees and such other
16 charges found by the *[university]* **board** to be necessary to carry out *[its]* educational programs. Fees
17 realized in excess of amounts allocated and exceeding required reserves shall be considered surplus
18 incidental fees and shall be allocated for programs under the control of the board and found to be
19 advantageous to the cultural or physical development of students of the *[university]* **universities**
20 upon the recommendation of the recognized student *[government]* **governments** of the *[university]*
21 **universities**.

22 (14) Establish, charge, collect and use charges and fees for *[university]* **the universities'** ser-
23 vices and the use of *[university]* **the universities'** facilities.

24 (15) Impose charges, fines, fees and such other regulations considered convenient or necessary
25 to control and regulate traffic and parking of vehicles to the same extent allowed the State Board
26 of Higher Education. This authority includes the authority to enforce the regulations of the *[uni-*
27 *versity]* **universities** in a court to the extent allowed the State Board of Higher Education in en-
28 forcing the state board's regulations as provided in ORS 352.360 (7).

29 (16) Commission as special campus security officers one or more individuals who will have
30 probable cause arrest authority and the accompanying immunities as set forth in ORS 133.310 and
31 133.315 when acting in the scope of their duties, provided that such individuals are trained and
32 certified by the Department of Public Safety Standards and Training, and provided further that such
33 officers *[shall]* **are** not *[be]* authorized to carry firearms as police officers and *[shall]* **are** not *[be]*
34 considered police officers for purposes of ORS 181.610, 238.005, 243.005 or 243.736. The *[university]*
35 **universities** shall be considered *[a]* criminal justice *[agency]* **agencies** for purposes of ORS 181.715
36 and 181.720.

37 (17) Enforce and recover for payment to the *[university]* **universities** any fines that are au-
38 thorized by this chapter.

39 (18) Adopt, amend or repeal bylaws, administrative rules, regulations and orders applicable to
40 the matters that are the subject of this chapter.

41 (19) Contract with any state agency for the performance of such duties, functions and powers
42 as is appropriate. A state agency *[shall]* **may** not charge the *[university]* **universities** for such ser-
43 vices an amount that is greater than the actual cost of the services.

44 (20) Purchase, receive, subscribe for or otherwise acquire, own, hold, vote, use, sell, mortgage,
45 lend, pledge, invest in or otherwise dispose of and deal in or with the shares, stock or other equity

1 or interests in or obligations of any other entity. Separate funds may be established for such in-
 2 vestments. The State of Oregon shall have no proprietary or other interest in such investments or
 3 such funds.

4 (21) Make available, by lease or otherwise, or control access to any health care facilities or
 5 services or other of *[its]* **the board's** properties and assets to such persons, firms, partnerships, as-
 6 sociations or corporations and on such terms as considered appropriate, charge and collect rent or
 7 other fees or charges therefor and terminate or deny any such access or any such lease or other
 8 agreement for such reasons as considered appropriate and as may be consistent with its obligations
 9 under any such lease or other agreement.

10 (22) Contract for the operation of any department, section, equipment or holdings of the *[uni-*
 11 *versity]* **universities** and enter into any agreements with any person, firm or corporation for the
 12 management by said person, firm or corporation on behalf of the *[university]* **universities** of any
 13 *[of its]* properties **of the universities** or for the more efficient or economical performance of cler-
 14 ical, accounting, administrative *[and]* **or** other functions *[relating to its health care facilities]*.

15 (23) Select and appoint faculty as medical and dental staff members and others licensed to
 16 practice the healing arts, delineate and define the privileges granted each such individual, adopt and
 17 direct a plan for faculty clinical income and set the terms and conditions of that plan (including
 18 such modifications to any such existing plan as considered necessary or appropriate upon expiration
 19 of the term of such plan), and determine the extent to which and the terms upon which each such
 20 individual may provide teaching, research, consulting or other services at *[the]* **Oregon Health and**
 21 **Science** University or any other health care facility.

22 (24) Enter into affiliation, cooperation, territorial, management or other similar agreements with
 23 other public or private universities or health care providers for the sharing, division, allocation or
 24 furnishing of services on an exclusive or a nonexclusive basis, referral of patients, management of
 25 facilities, formation of health care delivery systems and other similar activities.

26 (25) Perform any other acts that in the judgment of the board or *[university]* **universities** are
 27 requisite, necessary or appropriate in accomplishing the purposes described in or carrying out the
 28 powers granted by this chapter.

29 (26) Exercise *[these powers]* **the powers granted by this chapter**, notwithstanding that as a
 30 consequence of the exercise of such powers, the *[university engages]* **universities engage** in activ-
 31 ities that might otherwise be deemed anticompetitive within the contemplation of state or federal
 32 antitrust laws.

33 **SECTION 11.** ORS 353.060 is amended to read:

34 353.060. (1) The *[Oregon Health and Science University]* **Portland Metropolitan Universities**
 35 Board of Directors shall appoint a president of *[the]* **Oregon Health and Science** University. The
 36 president is the president of the faculty and is the executive and governing officer of *[the]* **Oregon**
 37 **Health and Science** University. Subject to the supervision of the board, the president has authority
 38 to direct the affairs of *[the]* **Oregon Health and Science** University.

39 (2) **The Portland Metropolitan Universities Board of Directors shall appoint a president**
 40 **of Portland State University. The president is the president of the faculty and is the execu-**
 41 **tive and governing officer of Portland State University. Subject to the supervision of the**
 42 **board, the president has authority to direct the affairs of Portland State University.**

43 **SECTION 12.** ORS 353.070 is amended to read:

44 353.070. (1) As used in this section:

45 (a) "Direct labor" includes all work required for preparation, processing and packing, but not

1 supervision, administration, inspection or shipping.

2 (b) "Individual with a disability" means an individual who, because of the nature of the indi-
 3 vidual's disability, is not able to participate fully in competitive employment, and for whom special-
 4 ized employment opportunities must be provided.

5 (c) "Qualified nonprofit agency for individuals with disabilities" means a nonprofit activity cen-
 6 ter or rehabilitation facility:

7 (A) Organized under the laws of the United States or of this state and operated in the interest
 8 of individuals with disabilities, and the net income of which does not inure in whole or in part to
 9 the benefit of any shareholder or other individual;

10 (B) That complies with any applicable occupational health and safety standards required by the
 11 laws of the United States or of this state; and

12 (C) That in the manufacture of products and in the provision of services during the fiscal year
 13 employs individuals with disabilities for not less than 75 percent of the work hours of direct labor
 14 required for the manufacture or provision of the products or services.

15 (2) The [*Oregon Health and Science University*] **Portland Metropolitan Universities** Board of
 16 Directors shall further the policy of this state to encourage and assist individuals with disabilities
 17 to achieve maximum personal independence through useful and productive gainful employment by
 18 ensuring an expanded and constant market for sheltered workshop and activity center products and
 19 services, thereby enhancing the dignity and capacity of individuals with disabilities for self-support
 20 and minimizing their dependence on welfare and need for costly institutionalization.

21 (3) It shall be the duty of [*Oregon Health and Science University*] **the board** to:

22 (a) Determine the price of all products manufactured and services offered for sale to [*the*]
 23 **Oregon Health and Science University or Portland State University** by any qualified nonprofit
 24 agency for individuals with disabilities. The price shall recover for the workshops the cost of raw
 25 materials, labor, overhead, delivery costs and a margin held in reserve for inventory and equipment
 26 replacement;

27 (b) Revise such prices from time to time in accordance with changing cost factors;

28 (c) Make such rules regarding specifications, time of delivery and other relevant matters of
 29 procedure as shall be necessary; and

30 (d) Utilize prices and specifications, in its discretion, established by the Oregon Department of
 31 Administrative Services.

32 (4) The [*university*] **board** shall establish and publish a list of sources or potential sources of
 33 products produced by any qualified nonprofit agency for individuals with disabilities and the services
 34 provided by any such agency that the [*university*] **board** determines are suitable for its procurement.
 35 The [*university*] **board**, in its discretion, may utilize any list established and published by the Oregon
 36 Department of Administrative Services.

37 (5) If [*the university*] **Oregon Health and Science University or Portland State University**
 38 intends to procure any product or service on the procurement list, the university shall procure such
 39 product or service at the price established by the [*university*] **board** from a qualified nonprofit
 40 agency for individuals with disabilities, provided the product or service is of the appropriate spec-
 41 ifications and is available at the location and within the period required by the university.

42 (6) It is the intent of the Legislative Assembly that there be close cooperation between the
 43 board, the [*university*] **universities** and qualified nonprofit agencies for individuals with disabilities.
 44 The [*university*] **universities**, on behalf of the board, [*is*] **are** authorized to enter into such con-
 45 tractual agreements, cooperative working relationships or other arrangements as may be necessary

1 for effective coordination and efficient realization of the objectives of this section.

2 **SECTION 13.** ORS 353.080 is amended to read:

3 353.080. (1) Oregon Health and Science University shall file with the Legislative Assembly and
4 the Governor, not later than April 15 of each year, a report of the university's activities and oper-
5 ations for the preceding year.

6 (2) **Portland State University shall file with the Legislative Assembly and the Governor,**
7 **not later than April 15 of each year, a report of the university's activities and operations for**
8 **the preceding year.**

9 **SECTION 14.** ORS 353.100, as amended by section 33, chapter 100, Oregon Laws 2007, is
10 amended to read:

11 353.100. (1) The provisions of ORS chapters 35, 190, 192, 244 and 295 and ORS 30.260 to 30.460,
12 200.005 to 200.025, 200.045 to 200.090, 236.605 to 236.640, 243.650 to 243.782, 297.040, 307.090 and
13 307.112 apply to Oregon Health and Science University **and Portland State University** under the
14 same terms as they apply to public bodies other than the state.

15 (2) Except as otherwise provided by law, the provisions of ORS chapters 182, 183, 240, 270, 273,
16 276, 279A, 279B, 279C, 283, 291, 292, 293, 294 and 297 and ORS 35.550 to 35.575, 180.060, 180.210 to
17 180.235, 183.710 to 183.725, 183.745, 183.750, 184.305 to 184.345, 190.430, 190.480, 190.490, 192.105,
18 200.035, 243.105 to 243.585, 243.696, 278.011 to 278.120, 278.315 to 278.415, 279.835 to 279.855, 282.010
19 to 282.150, 357.805 to 357.895 and 656.017 (2) do not apply to the [*university*] **universities** or any
20 not-for-profit organization or other entity if the equity of the entity is owned exclusively by [*the*]
21 **Oregon Health and Science University or Portland State University** and if the organization or
22 entity is created by [*the*] **Oregon Health and Science University or Portland State University** to
23 advance any of the [*university's*] **universities'** statutory missions.

24 (3) The [*university, as a distinct governmental entity, or any organization or entity*] **universities,**
25 **as distinct governmental entities, or any organizations or entities** described in subsection (2)
26 of this section [*is*] **are** not subject to any provision of law enacted after January 1, 1995, with re-
27 spect to any governmental entity, unless the provision specifically provides that it applies to the
28 [*university*] **universities** or to [*the*] **an** organization or entity.

29 **SECTION 15.** Section 16 of this 2009 Act is added to and made a part of ORS chapter 353.

30 **SECTION 16.** (1) **Legal title to real property and facilities acquired by the State of Oregon**
31 **prior to the operative date of this section and utilized by Portland State University shall re-**
32 **main with the State of Oregon. However, the university shall have the exclusive care, cus-**
33 **tody and control of such real property and facilities pursuant to an exclusive leasehold**
34 **interest in the real property and facilities for a term of 99 years. The term of the leasehold**
35 **shall begin on the operative date of this section, and shall renew automatically and**
36 **perpetually for consecutive 99-year terms.**

37 (2) **Notwithstanding any other provisions of Oregon law concerning the authority of state**
38 **agencies to lease real property and facilities, the Oregon Department of Administrative Ser-**
39 **vices acting on behalf of the State of Oregon shall execute a ground lease for all real prop-**
40 **erty and facilities utilized by the university consistent with the provisions of this section.**

41 (3) **The ground lease is not subject to any termination unless:**

42 (a) **The State of Oregon causes all outstanding obligations of the university to be defeased**
43 **under the terms of any applicable master indenture or financing agreement; and**

44 (b) **There are no other conditions placed on the university.**

45 (4) **Upon execution of the ground lease, the university shall pay the State of Oregon the**

1 **sum of \$99 in consideration for the ground lease.**

2 **(5) The university shall manage and maintain all real property and facilities utilized by**
 3 **the university. Real property and facilities of the State of Oregon leased to the university**
 4 **pursuant to this section may not be sold by the university but may be encumbered by the**
 5 **university. Such real property and facilities shall be encumbered by the State of Oregon only**
 6 **in accordance with state law and in a manner that would not impair the financial condition**
 7 **of the university or the rights of the holders of any obligations of the university issued or**
 8 **incurred under any master indenture or other financing agreement.**

9 **SECTION 17.** ORS 353.110 is amended to read:

10 353.110. *[The]* Oregon Health and Science University **or Portland State University** may ac-
 11 quire, by condemnation or otherwise, private property that is necessary or convenient in carrying
 12 out any power granted to the university. The right to acquire property by condemnation shall be
 13 exercised as provided by ORS chapter 35.

14 **SECTION 18.** ORS 353.117 is amended to read:

15 353.117. (1) Pursuant to ORS 353.050, Oregon Health and Science University **or Portland State**
 16 **University** may create and maintain an entity that is exempt from federal income tax under section
 17 501(c)(3) of the Internal Revenue Code, as amended, for the purpose of conducting clinical care and
 18 practice and advancing other university missions by the faculty.

19 (2) Any entity created by *[the]* a university under subsection (1) of this section shall be consid-
 20 ered:

- 21 (a) A public employer for purposes of ORS 236.605 to 236.640 and ORS chapters 238 and 238A;
- 22 (b) A unit of local government for purposes of ORS 190.003 to 190.130;
- 23 (c) A public body for purposes of ORS 30.260 to 30.300 and 307.112;
- 24 (d) A public agency for purposes of ORS 200.090; and
- 25 (e) A public corporation for purposes of ORS 307.090.

26 **SECTION 19.** ORS 353.120 is amended to read:

27 353.120. The *[Oregon Health and Science University]* **Portland Metropolitan Universities Board**
 28 **of Directors** shall adopt a comprehensive alcohol and drug abuse policy and implementation plan.

29 **SECTION 20.** ORS 353.130 is amended to read:

30 353.130. The *[Oregon Health and Science University]* **Portland Metropolitan Universities Board**
 31 **of Directors** subscribes to the policy set forth under ORS 279A.015 regarding public contracting,
 32 and shall develop contract policies that support openness, impartiality and competition in the
 33 awarding of contracts in accordance with that provision. The *[university]* **board** subscribes to the
 34 intent of the social policies of ORS 279.835 to 279.855 and ORS chapters 279A, 279B and 279C and
 35 shall develop contract policies that are appropriate to *[the]* **Oregon Health and Sciences Univer-**
 36 **sity and Portland State** University and are designed to encourage affirmative action, recycling,
 37 **the** inclusion of art in public buildings, the purchase of services and goods from individuals with
 38 disabilities, the protection of workers through the payment of prevailing wages as determined by the
 39 Bureau of Labor and Industries, the provision of workers' compensation insurance to workers on
 40 contracts and the participation of emerging small businesses and businesses owned by women and
 41 minorities.

42 **SECTION 21.** ORS 353.140 is amended to read:

43 353.140. (1) By September 1 of each even-numbered year, the *[Oregon Health and Science Uni-*
 44 *versity]* **Portland Metropolitan Universities Board of Directors** shall submit to the Oregon De-
 45 partment of Administrative Services a funding request for each biennium. The Oregon Department

1 of Administrative Services shall include and submit a [*university*] **board** funding request to the
 2 Legislative Assembly as part of the Governor's biennial budget. Any such request approved by the
 3 Legislative Assembly shall be appropriated to the Oregon Department of Administrative Services for
 4 direct allocation to [*the*] **Oregon Health and Science University and Portland State University**.
 5 The budget request to the Legislative Assembly shall include a presentation on tuition and student
 6 fee levels.

7 (2) The [*university budget*] **universities' budgets** shall be prepared in accordance with generally
 8 accepted accounting principles and adopted by the [*Oregon Health and Science University*] board [*of*
 9 *Directors*] in accordance with ORS 192.610 to 192.710.

10 **SECTION 22. Section 23 of this 2009 Act is added to and made a part of ORS chapter 353.**

11 **SECTION 23. It is the intent of the Legislative Assembly that:**

12 (1) **The budget of Portland State University continue to be based on the funding formula**
 13 **used by the State Board of Higher Education to calculate the budget for state institutions**
 14 **of higher education within the Oregon University System;**

15 (2) **The Portland Metropolitan Universities Board of Directors allocate to Portland State**
 16 **University a funding amount that is based on that funding formula; and**

17 (3) **The Legislative Assembly appropriate for Portland State University an amount that**
 18 **is based on that funding formula.**

19 **SECTION 24.** ORS 353.160 is amended to read:

20 353.160. Nothing in this chapter shall affect the constitutional duties and authority of the Sec-
 21 retary of State to audit public accounts. However, [*the*] Oregon Health and Science University **and**
 22 **Portland State University** shall conduct independent audits if such audits are considered advisable
 23 by the [*university*] **Portland Metropolitan Universities Board of Directors**. Such audits shall be
 24 subject to the exclusive discretion and control of the [*university*] **board** and shall be subject to dis-
 25 closure pursuant to ORS 192.410 to 192.505.

26 **SECTION 25.** ORS 353.180 is amended to read:

27 353.180. [*Oregon Health and Science University*] **The Portland Metropolitan Universities**
 28 **Board of Directors** may adopt policies relating to the creation, use, custody and disclosure, in-
 29 cluding access, of student education records of [*the*] **Oregon Health and Science University or**
 30 **Portland State University** that are consistent with the requirements of applicable state and federal
 31 law. Whenever a student has attained 18 years of age or is attending [*the*] **Oregon Health and**
 32 **Science University or Portland State University**, the permission or consent required of and the
 33 rights accorded to a parent of the student regarding education records shall thereafter only be re-
 34 quired of and accorded to the student.

35 **SECTION 26.** ORS 353.190 is amended to read:

36 353.190. (1) [*No student shall be refused admission to the*] Oregon Health and Science University
 37 [*or be expelled*] **and Portland State University may not refuse admission to or expel an indi-**
 38 **vidual** for the sole reason that, because of religious beliefs, the [*student*] **individual** is unable to
 39 attend classes on a particular day.

40 (2) Any student in the [*university*] **universities** who, because of religious beliefs, is unable to
 41 attend classes on a particular day shall be excused on that day from any examination, study re-
 42 quirement or work requirement. However, at the student's own expense the student shall make up
 43 the examination, study requirement or work requirement missed because of the absence.

44 **SECTION 27.** ORS 353.200 is amended to read:

45 353.200. (1) A student at [*the*] Oregon Health and Science University who is a member of the

1 military and who is ordered to federal or state active duty for more than 30 consecutive days has
 2 the following rights:

3 (a) With regard to a course in which the student is enrolled and for which the student has paid
 4 tuition and fees, the right to:

5 (A) Withdraw from the course, subject to the provisions of subsection (2) of this section;

6 (B) Receive a grade of incomplete and, upon release from active duty, complete the course in
 7 accordance with the practice of the university for completion of incomplete courses; or

8 (C) Continue and complete the course for full credit, subject to the provisions of subsection (3)
 9 of this section;

10 (b) The right to a credit described in ORS 353.202 for all amounts paid for room, board, tuition
 11 and fees;

12 (c) If the student elects to withdraw from the university, the right to be readmitted and
 13 reenrolled at the university within one year after release from active duty without a requirement
 14 of redetermination of admission eligibility; and

15 (d) The right to continuation of scholarships and grants awarded to the student that were funded
 16 by the university or the Oregon Student Assistance Commission before the student was ordered to
 17 active duty.

18 (2) If the student elects to withdraw from a course under subsection (1)(a)(A) of this section, the
 19 university may not:

20 (a) Give the student academic credit for the course from which the student withdraws;

21 (b) Give the student a failing grade or a grade of incomplete or make any other negative anno-
 22 tation on the student's record; or

23 (c) Alter the student's grade point average due to the student's withdrawal from the course.

24 (3) A student who elects to continue and complete a course for full credit under subsection
 25 (1)(a)(C) of this section is subject to the following conditions:

26 (a) Course sessions the student misses due to active duty shall be counted as excused absences
 27 and may not adversely impact the student's grade for the course or rank in the student's class.

28 (b) The student may not be automatically excused from completing course assignments due
 29 during the period the student serves on active duty.

30 (c) A letter grade or a grade of pass may be awarded only if, in the opinion of the teacher of
 31 the course, the student completes sufficient work and demonstrates sufficient progress toward
 32 meeting course requirements to justify the grade.

33 (4) The [Oregon Health and Science University] **Portland Metropolitan Universities** Board of
 34 Directors shall adopt rules for the administration of this section.

35 (5) As used in this section, "member of the military" means a person who is a member of:

36 (a) The Oregon National Guard or the National Guard of any other state or territory; or

37 (b) The reserves of the Army, Navy, Air Force, Marine Corps or Coast Guard of the United
 38 States.

39 **SECTION 28.** ORS 353.202 is amended to read:

40 353.202. (1)(a) The amount of the credit specified in ORS 353.200 (1)(b) shall be based on:

41 (A) The amount of room and board paid by the student for a term that the student does not
 42 complete because the student is ordered to active duty; and

43 (B) The amount of tuition and fees paid by the student for a course from which the student
 44 withdraws.

45 (b) The amount of the credit shall be prorated based on the number of weeks remaining in the

1 term or course when the student withdraws.

2 (c) At the time a student withdraws from a course at [*the*] Oregon Health and Science University
 3 or from the university, the student must elect to claim the credit:

4 (A) As a credit toward tuition and fees or room and board if the student reenrolls at the uni-
 5 versity under ORS 353.200 (1)(c); or

6 (B) As a monetary payment.

7 (2) A student who elects to claim the credit by the method described in subsection (1)(c)(A) of
 8 this section may change the method of claiming the credit to the method described in subsection
 9 (1)(c)(B) of this section by giving notice to the university.

10 (3) A student who elects to claim the credit by the method described in subsection (1)(c)(A) of
 11 this section must use the credit or change the method of claiming the credit under subsection (2)
 12 of this section within one year after release from active duty.

13 (4) A personal representative of a student who elected to claim the credit by the method de-
 14 scribed in subsection (1)(c)(A) of this section may claim a monetary payment upon presenting evi-
 15 dence to the university that the student died while serving on active duty.

16 (5) The [*Oregon Health and Science University*] **Portland Metropolitan Universities** Board of
 17 Directors shall adopt rules for the administration of this section, including rules that determine the
 18 amount of credit and the method by which the credit is prorated.

19 **SECTION 29.** ORS 353.205 is amended to read:

20 353.205. [*The*] Oregon Health and Science University shall give credit for education and training
 21 obtained by a person while serving in the Armed Forces of the United States, as defined in ORS
 22 351.642. The education and training for which credit may be given must meet the standards adopted
 23 by the [*Oregon Health and Science University*] **Portland Metropolitan Universities** Board of Di-
 24 rectors by rule.

25 **SECTION 30.** ORS 353.210 is amended to read:

26 353.210. (1) The [*Oregon Health and Science University*] **Portland Metropolitan Universities**
 27 **Board of Directors** shall convene a physical access committee to identify barriers to access by
 28 persons with disabilities at [*the*] **Oregon Health and Science University and Portland State**
 29 **University**. The committee shall include, but not be limited to:

30 (a) One or more students with disabilities or, if there are no students with disabilities willing
 31 to participate, a person with a disability who uses the [*university's*] **universities'** facilities;

32 (b) One or more members of the faculty or staff **of the universities** with disabilities;

33 (c) The [*coordinator*] **coordinators** of services for students with disabilities for the [*university*]
 34 **universities;**

35 (d) One or more administrators of the [*university*] **universities;** and

36 (e) One or more members of the physical plant staff of the [*university*] **universities.**

37 (2) The physical access committee shall present its findings and recommendations to the [*ad-*
 38 *ministration of the university*] **board**, listing access needs and priorities for meeting those needs.
 39 These findings and recommendations shall identify the barriers to access that prevent persons with
 40 disabilities from meaningfully utilizing [*campus*] **university** facilities related to instruction, academic
 41 support, assembly and residence life.

42 (3) In preparing budget requests for each biennium, the [*university*] **board** shall include amounts
 43 for capital improvement that will be applied to the substantial reduction and eventual elimination
 44 of barriers to access by persons with disabilities as identified by the physical access committee.

45 (4) Nothing in this section and ORS 185.155 and 341.937 requires the [*university*] **universities**

1 to undertake projects for accessibility that are not otherwise required unless such projects are
2 funded specifically by the Legislative Assembly.

3 **SECTION 31.** ORS 353.250 is amended to read:

4 353.250. Notwithstanding the provisions of ORS chapters 238 and 238A, the [*Oregon Health and*
5 *Science University*] **Portland Metropolitan Universities Board of Directors** may offer to [*its*] em-
6 ployees of **Oregon Health and Science University and Portland State University**, in addition to
7 the Public Employees Retirement System, alternative retirement programs.

8 **SECTION 32.** ORS 353.260 is amended to read:

9 353.260. (1) [*Oregon Health and Science University*] **The Portland Metropolitan Universities**
10 **Board of Directors** may adopt policies governing access to **Oregon Health and Science Univer-**
11 **sity and Portland State** University personnel records that are less than 25 years old.

12 (2) Policies adopted under subsection (1) of this section shall require that personnel records be
13 subjected to restrictions on access unless the president of [*the*] **Oregon Health and Science Uni-**
14 **versity or the president of Portland State University** finds that the public interest in maintaining
15 individual rights to privacy in an adequate educational environment would not suffer by disclosure
16 of such records. Access to such records may be limited to designated classes of information or per-
17 sons, or to stated times and conditions, or to both, but cannot be limited for records more than 25
18 years old.

19 (3) No rule or order adopted pursuant to this section shall deny to a faculty member full access
20 to the member's personnel file or records kept by the [*university*] **universities**, except as provided
21 in subsection (4)(d) and (e) of this section.

22 (4)(a) The files relating to the evaluation of a faculty member shall be kept in designated,
23 available locations.

24 (b) Any evaluation received by telephone shall be documented in each of the faculty member's
25 files by means of a written summary of the conversation with the names of the conversants identi-
26 fied.

27 (c) A faculty member shall be entitled to submit, for placement in the files, evidence rebutting,
28 correcting, amplifying or explaining any document contained therein and other material that the
29 member believes might be of assistance in the evaluation process.

30 (d) Letters and other information for a faculty member of the [*university*] **universities** submitted
31 in confidence to the State Board of Higher Education or its institutions, schools or departments
32 prior to July 1, 1975, shall be maintained in the files designated by paragraph (a) of this subsection.
33 However, if a faculty member requests access to those files, the anonymity of the contributor of
34 letters and other information obtained prior to July 1, 1975, shall be protected. The full text shall
35 be made available, except that portions of the text that would serve to identify the contributor shall
36 be excised by a faculty committee. Only the names of the contributors and the excised portions of
37 the documents may be kept in a file other than the files designated by paragraph (a) of this sub-
38 section.

39 (e) Confidential letters and other information submitted to or solicited by [*the*] **Oregon Health**
40 **and Science University** after July 1, 1995, or by **Portland State University** after the operative
41 **date of this section**, and prior to the employment of a prospective faculty member are exempt from
42 the provisions of this paragraph. However, if the member is employed by [*the university*] **Oregon**
43 **Health and Science University or Portland State University**, the confidential preemployment
44 materials shall be placed in the files designated by paragraph (a) of this subsection. If a faculty
45 member requests access to the member's files, the anonymity of the contributor of confidential pre-

1 employment letters and other preemployment information shall be protected. The full text shall be
 2 made available, except that portions of the text that would serve to identify the contributor shall
 3 be excised and retained in a file other than the files designated by paragraph (a) of this subsection.

4 (f) Classroom survey evaluations by students of a faculty member's classroom or laboratory
 5 performance shall be anonymous. The record of tabulated reports shall be placed in at least one
 6 of the files designated by paragraph (a) of this subsection. All survey instruments used to obtain
 7 evaluation data shall be returned to the faculty member.

8 (g) The *[university]* **universities**, when evaluating *[its employed]* faculty members **employed by**
 9 **the universities**, *[shall]* **may** not solicit or accept letters, documents or other materials, given
 10 orally or in written form, from individuals or groups who wish their identity kept anonymous or the
 11 information they provide kept confidential.

12 (5) *[No]* **A** policy or order adopted pursuant to this section *[limits]* **does not limit** the authority
 13 of the *[university]* **universities** to prepare, without identification of individual persons who have not
 14 consented thereto, statistical or demographic reports from personnel records.

15 (6) Any category of personnel records specifically designated as confidential pursuant to valid
 16 policies or orders as provided in this section *[shall]* **may** not be deemed a public record for the
 17 purposes of ORS 192.420.

18 (7) As used in this section, "personnel records" means records containing information kept by
 19 the *[university]* **universities** concerning a faculty member and furnished by the faculty member or
 20 by others about the faculty member at the member's **request** or at the *[university's]* request **of the**
 21 **university employing the member**, including but not limited to information concerning discipline,
 22 membership activity, employment performance or other personal records of individual persons.

23 **SECTION 33.** ORS 353.270 is amended to read:

24 353.270. (1) *[Oregon Health and Science University]* **The Portland Metropolitan Universities**
 25 **Board of Directors** may authorize receipt of compensation for any officer or employee of *[the]*
 26 **Oregon Health and Science University or Portland State** University from private or public re-
 27 sources, including but not limited to income from:

28 (a) Consulting;

29 (b) Appearances and speeches;

30 (c) Intellectual property conceived, reduced to practice or originated and therefore owned within
 31 the *[university]* **universities**;

32 (d) Providing services or other valuable consideration for a private corporation, individual or
 33 entity, whether paid in cash or in kind, stock or other equity interest, or anything of value regard-
 34 less of whether there is a licensing agreement between *[the university]* **one of the universities** and
 35 the private entity;

36 (e) Performing public duties paid by private organizations, including university corporate affil-
 37 iates, that augment an officer's or employee's publicly funded salary. Such income shall be author-
 38 ized and received in accordance with policies established by the *[university]* **universities**; and

39 (f) Providing medical and other health services.

40 (2) The *[university]* **board** may not authorize compensation, as described in subsection (1) of this
 41 section, that, in the *[university's]* **board's** judgment, does not comport with the missions of the
 42 *[university]* **universities** or substantially interferes with an officer's or employee's duties to the
 43 *[university]* **universities**.

44 (3) Any compensation described and authorized under subsection (1) of this section is considered
 45 official compensation or reimbursement of expenses for purposes of ORS 244.040 and is not consid-

1 ered an honorarium prohibited by ORS 244.042. If authorization or receipt of the compensation cre-
 2 ates a potential conflict of interest, the officer or employee shall report the potential conflict in
 3 writing in accordance with policies of the [*university*] **board**. The disclosure is a public record sub-
 4 ject to public inspection.

5 (4) The [*university*] **board** shall adopt standards governing employee outside employment and
 6 activities of employees, including potential conflicts of interest, as defined by the [*university*] **board**
 7 and consistent with ORS 244.020, and the public disclosure thereof, and procedures for reporting and
 8 hearing potential or actual conflict of interest complaints.

9 **SECTION 34.** ORS 353.280 is amended to read:

10 353.280. (1) The president and professors constitute the faculty of [*the*] Oregon Health and Sci-
 11 ence University and as such have the immediate government and discipline of [*it*] **the university**
 12 and the students therein. The faculty may, subject to the supervision of the [*Oregon Health and*
 13 *Science University*] **Portland Metropolitan Universities** Board of Directors, prescribe the course
 14 of study to be pursued at the university and the textbooks to be used.

15 (2) **The president and professors constitute the faculty of Portland State University and**
 16 **as such have the immediate government and discipline of the university and the students**
 17 **therein. The faculty may, subject to the supervision of the Portland Metropolitan Universi-**
 18 **ties Board of Directors, prescribe the course of study to be pursued at the university and the**
 19 **textbooks to be used.**

20 **SECTION 35.** ORS 353.290 is amended to read:

21 353.290. The [*Oregon Health and Science University*] **Portland Metropolitan Universities Board**
 22 **of Directors** shall consider and maintain affirmative action plans and goals when reductions in
 23 faculty and staff **of Oregon Health and Science University or Portland State University** are
 24 required as a result of:

- 25 (1) Reductions in revenue that necessitate discontinuance of [*its*] educational [*program at its*
 26 *anticipated level*] **programs at anticipated levels;**
- 27 (2) Elimination of classes due to decreased student enrollment; or
- 28 (3) Reduction in courses due to administrative decisions.

29 **SECTION 36.** ORS 353.300 is amended to read:

30 353.300. [*No*] **Oregon Health and Science University and Portland State University may**
 31 **not use any** political or sectarian test [*shall ever be allowed or applied*] in the appointment of fac-
 32 ulty and other employees of the [*Oregon Health and Science University*] **universities.**

33 **SECTION 37.** Section 38 of this 2009 Act is added to and made a part of ORS chapter 353.

34 **SECTION 38.** (1) **The transfer of the duties, functions and powers relating to Portland**
 35 **State University from the State Board of Higher Education to the Portland Metropolitan**
 36 **Universities Board of Directors may not be construed in any way to impair the obligations**
 37 **or agreements of the State of Oregon or the State Board of Higher Education with respect**
 38 **to bonds, certificates of participation, financing agreements or other agreements for the**
 39 **borrowing of money issued prior to the operative date of this section by the State of Oregon**
 40 **on behalf of the State Board of Higher Education for equipment or projects for the univer-**
 41 **sity. The Portland Metropolitan Universities Board of Directors and the State Board of**
 42 **Higher Education shall take all actions necessary to ensure full compliance with all**
 43 **indentures, resolutions, declarations, agreements and other documents issued with respect**
 44 **to the bonds, certificates of participation, financing agreements or other agreements for the**
 45 **borrowing of money issued prior to the operative date of this section by the State of Oregon**

1 on behalf of the State Board of Higher Education for equipment or projects for the univer-
2 sity. The State Board of Higher Education and the Portland Metropolitan Universities Board
3 of Directors shall establish, in a written agreement that shall be subject to the approval of
4 the State Treasurer, the responsibility of the Portland Metropolitan Universities Board of
5 Directors for the payment to the State Board of Higher Education of moneys sufficient to
6 pay when due all principal, interest and any other charges on bonds, certificates of partic-
7 ipation, financing agreements or other agreements for the borrowing of money issued prior
8 to the operative date of this section by the State of Oregon on behalf of the State Board of
9 Higher Education for equipment or projects for the university.

10 (2) Holders of obligations issued by the university on or after the operative date of this
11 section may be paid *pari passu* with the obligations issued by the State of Oregon on behalf
12 of the State Board of Higher Education for equipment or projects for the university prior to
13 the operative date of this section from the rents, revenues, receipts, appropriations or other
14 income of the university, but only to the extent that:

15 (a) Such holders have no rights, liens or other interests with respect to such rents, re-
16 venues, receipts, appropriations or other income of the university that are senior or superior
17 to the rights granted to the holders of obligations issued prior to the operative date of this
18 section by the State of Oregon on behalf of the State Board of Higher Education for equip-
19 ment or projects for the university; and

20 (b) The State Board of Higher Education, the Oregon Department of Administrative
21 Services or the State of Oregon, acting for the benefit of such holders of obligations, is
22 granted a lien or other security interest in the rents, revenues, receipts, appropriations or
23 other income of the university that is not junior to and is at least *pari passu* with any lien
24 or other security interest granted to the holders of obligations issued by the university.

25 (3) Any expenses, including legal expenses, judgments, liabilities and federal arbitrage and
26 rebate penalties arising from the actions of the university or the State Board of Higher Ed-
27 ucation, if incurred with respect to bonds, certificates of participation, financing agreements
28 or other agreements for the borrowing of money issued prior to the operative date of this
29 section by the State of Oregon on behalf of the State Board of Higher Education for equip-
30 ment or projects for the university, shall be paid when due by the Portland Metropolitan
31 Universities Board of Directors, subject to the board's right to reasonably contest such ex-
32 penses, judgments, liabilities or penalties. The Portland Metropolitan Universities Board of
33 Directors shall assist the Controller of the Oregon University System in making any neces-
34 sary calculations and filing any necessary reports related to arbitrage and rebate on such
35 indebtedness.

36 (4) Any amounts deposited with the State Treasurer, the Controller of the Oregon Uni-
37 versity System or the Oregon Department of Administrative Services or its designated
38 agents in any debt service in reserve accounts for the debt service associated with any
39 bonds, certificates of participation, financing agreements or other agreements for the bor-
40 rowing of money issued prior to the operative date of this section by the State of Oregon on
41 behalf of the State Board of Higher Education for equipment or projects for the university
42 shall remain with the State Treasurer, the Controller of the Oregon University System or
43 the Oregon Department of Administrative Services or its designated agents until such time
44 as the bonds, certificates of participation, financing agreements or other agreements for the
45 borrowing of money for which such reserve accounts have been established have been retired

1 or defeased. The university shall be credited with the investment earnings on such reserve
2 accounts.

3 **SECTION 39.** ORS 353.340 is amended to read:

4 353.340. [*Oregon Health and Science University*] **The Portland Metropolitan Universities**
5 **Board of Directors** may from time to time issue and sell revenue bonds in accordance with ORS
6 chapter 287A. However, the provisions contained in ORS 287A.150 (2) to (6) do not apply to revenue
7 bonds issued by the [*university*] **board**. Such revenue bonds [*shall*] **may** not in any manner nor to
8 any extent be a general obligation of the [*university*] **board** nor a charge upon any revenues or
9 property of the [*university*] **board** not specifically pledged thereto. An obligation described in this
10 section is not an indebtedness of the State of Oregon.

11 **SECTION 40.** ORS 353.350 is amended to read:

12 353.350. Revenue bonds issued by the [*Oregon Health and Science University*] **Portland Metro-**
13 **politan Universities Board of Directors** pursuant to ORS chapter 287A shall be considered to be
14 bonds of a political subdivision of the State of Oregon for the purposes of all laws of the state.

15 **SECTION 41.** ORS 353.360 is amended to read:

16 353.360. Refunding bonds of the same character and tenor as those replaced thereby may be is-
17 sued by the [*Oregon Health and Science University*] **Portland Metropolitan Universities Board of**
18 **Directors** pursuant to ORS 287A.360 to 287A.380.

19 **SECTION 42.** ORS 353.370 is amended to read:

20 353.370. (1) In addition to, and not in limitation of, the means of satisfying state general obli-
21 gation bond obligations under ORS 291.445, [*Oregon Health and Science University*] **the Portland**
22 **Metropolitan Universities Board of Directors**, promptly upon the discovery of any shortfall in
23 moneys available to the [*university*] **board** for the payment when due of amounts under any bonds,
24 certificates of participation, financing agreements or other agreements for the borrowing of moneys
25 issued prior to July 1, 1995, by the State of Oregon on behalf of the State Board of Higher Education
26 for equipment or projects for [*the*] **Oregon Health and Science University**, shall notify in writing
27 the Legislative Assembly, or if the Legislative Assembly is not in session, the Emergency Board, of
28 the existence and amount of the shortfall.

29 (2) **In addition to, and not in limitation of, the means of satisfying state general obli-**
30 **gation bond obligations under ORS 291.445, the Portland Metropolitan Universities Board of**
31 **Directors, promptly upon the discovery of any shortfall in moneys available to the board for**
32 **the payment when due of amounts under any bonds, certificates of participation, financing**
33 **agreements or other agreements for the borrowing of moneys issued prior to the operative**
34 **date of this section by the State of Oregon on behalf of the State Board of Higher Education**
35 **for equipment or projects for Portland State University, shall notify in writing the Legisla-**
36 **tive Assembly, or if the Legislative Assembly is not in session, the Emergency Board, of the**
37 **existence and amount of the shortfall.**

38 (3) The Legislative Assembly or the Emergency Board, as the case may be, may provide funds
39 to satisfy the payment of any such amount. By enacting this provision, the Legislative Assembly
40 acknowledges its current intention to provide, from funds other than those appropriated or other-
41 wise made available to the Oregon University System, funds to pay such amount. However, except
42 as may be required by the Oregon Constitution or ORS 291.445, neither the Legislative Assembly
43 nor the Emergency Board shall have any legal obligation to provide funds under this section.

44 **SECTION 43.** ORS 353.380 is amended to read:

45 353.380. As used in ORS 353.380 to 353.420:

1 (1) “Credit enhancement agreement” means any agreement or contractual relationship between
 2 the [*Oregon Health and Science University*] **Portland Metropolitan Universities Board of Direc-**
 3 **tors** and any bank, trust company, insurance company, surety bonding company, pension fund or
 4 other financial institution providing additional credit on or security for a financing agreement or
 5 certificates of participation authorized by ORS 353.380 to 353.420.

6 (2) “Financing agreement” means a lease-purchase agreement, an installment sale agreement, a
 7 loan agreement, note agreement, short-term promissory notes, commercial papers, lines of credit or
 8 similar obligations or any other agreement to finance real or personal property that is or will be
 9 owned and operated by [*the*] **Oregon Health and Science University or Portland State University**,
 10 or to refinance previously executed financing agreements.

11 (3) “Personal property” means tangible personal property, software and fixtures.

12 (4) “Property rights” means, with respect to personal property, the rights of a secured party
 13 under ORS chapter 79, and, with respect to real property, the rights of a trustee or lender under a
 14 lease authorized by ORS 353.410 (4).

15 (5) “Software” means software and training and maintenance contracts related to the operation
 16 of computing equipment.

17 **SECTION 44.** ORS 353.390 is amended to read:

18 353.390. [*Oregon Health and Science University*] **The Portland Metropolitan Universities**
 19 **Board of Directors** may enter into financing agreements in accordance with ORS 353.380 to
 20 353.420, upon such terms as the [*university*] **board** finds to be advantageous. Amounts payable by the
 21 [*university*] **board** under a financing agreement shall be limited to funds specifically pledged, budg-
 22 eted for or otherwise made available by the [*university*] **board**. If there are insufficient available
 23 funds to pay amounts due under a financing agreement, the lender may exercise any property rights
 24 that the [*university*] **board** has granted to [*it*] **the lender** in the financing agreement against the
 25 property that was purchased with the proceeds of the financing agreement, and may apply the
 26 amounts so received toward payments scheduled to be made by the [*university*] **board** under the fi-
 27 nancing agreement.

28 **SECTION 45.** ORS 353.400 is amended to read:

29 353.400. The [*Oregon Health and Science University*] **Portland Metropolitan Universities** Board
 30 of Directors may delegate to any board member[,] **or to any** officer or employee of [*the*] Oregon
 31 Health and Science University **or Portland State University** the authority to determine maturity
 32 dates, principal amounts, redemption provisions, interest rates or methods for determining variable
 33 or adjustable interest rates, denominations and other terms and conditions of such obligations that
 34 are not appropriately determined at the time of enactment or adoption of the authorizing resolution.
 35 The board may also delegate entering into financing agreements or any other instruments authorized
 36 by law. This delegated authority shall be exercised subject to applicable requirements of law and
 37 such limitations and criteria as may be set forth in the authorizing resolution.

38 **SECTION 46.** ORS 353.410 is amended to read:

39 353.410. [*Oregon Health and Science University*] **The Portland Metropolitan Universities**
 40 **Board of Directors** may:

41 (1) Enter into agreements with third parties to hold financing agreement proceeds, payments and
 42 reserves as security for lenders, and to issue certificates of participation in the right to receive
 43 payments due from the [*university*] **board** under a financing agreement. Amounts so held shall be
 44 invested at the direction of the [*Oregon Health and Science University*] board [*of Directors*]. Interest
 45 earned on any investments held as security for a financing agreement may, at the option of the

1 board, be credited to the accounts held by the third party and applied in payment of sums due under
2 a financing agreement.

3 (2) Enter into credit enhancement agreements for financing agreements or certificates of par-
4 ticipation, provided that such credit enhancement agreements shall be payable solely from funds
5 specifically pledged, budgeted for or otherwise made available by the [*university*] **board** and amounts
6 received from the exercise of property rights granted under such financing agreements.

7 (3) Use financing agreements to finance the costs of acquiring or refinancing real or personal
8 property, plus the costs of reserves, credit enhancements and costs associated with obtaining the
9 financing.

10 (4) Grant leases of real property with a trustee or lender. Such leases may be for a term that
11 ends on the date on which all amounts due under a financing agreement have been paid or provision
12 for payment has been made, or up to 20 years after the last scheduled payment under a financing
13 agreement, whichever is later. Such leases may grant the trustee or lender the right to evict [*the*]
14 **Oregon Health and Science University or Portland State** University and exclude [*it*] **the uni-**
15 **versity** from possession of the real property for the term of the lease if the [*university*] **board** fails
16 to pay when due the amounts scheduled to be paid under a financing agreement, or otherwise de-
17 faults under a financing agreement. Upon default, the trustee or lender may sublease the land to
18 third parties and apply any rentals toward payments scheduled to be made under a financing
19 agreement.

20 (5) Grant security interests in personal property to trustees or lenders.

21 (6) Make pledges for the benefit of trustees and lenders.

22 (7) Purchase fire and extended coverage or other casualty insurance for property that is ac-
23 quired or refinanced with proceeds of a financing agreement, assign the proceeds thereof to a lender
24 or trustee to the extent of their interest, and covenant to maintain such insurance while the fi-
25 nancing agreement is unpaid, so long as available funds are sufficient to purchase such insurance.

26 **SECTION 47.** ORS 353.440 is amended to read:

27 353.440. The Legislative Assembly finds that:

28 (1) Institutions in the Oregon University System and other educational sectors have academic
29 programs that are related to or integrated with the programs of Oregon Health and Science Uni-
30 versity **and Portland State University**.

31 (2) It is in the best interest of the state that a coordinated approach be taken to these related
32 and integrated academic programs.

33 (3) In order to best ensure the continued harmony of such academic programs, [*the*] **Oregon**
34 **Health and Science University, Portland State** University and the Oregon University System
35 shall coordinate such programs and shall advise each other of the following proposed changes to
36 such academic programs:

37 (a) Creation or significant revision, such as a merger or closure, of degree programs;

38 (b) Creation or significant revision, such as a merger or closure, of schools; and

39 (c) Creation or significant revision of major academic policies.

40 (4) In order to further the coordination described by this section, **Oregon Health and Science**
41 **University and Portland State** University officers shall maintain a role in the appropriate com-
42 mittees of the State Board of Higher Education and the Oregon University System.

43 **SECTION 48.** ORS 353.445 is amended to read:

44 353.445. The [*Oregon Health and Science University*] **Portland Metropolitan Universities** Board
45 of Directors shall adopt a policy that prescribes the requirements for a venture grant program and

1 the requirements that a grant applicant must meet in order to receive grant moneys from the uni-
 2 versity venture development fund operated by Oregon Health and Science University, including re-
 3 quirements:

4 (1) That a grant recipient remain within this state for at least five years following the receipt
 5 of a grant or repay the grant plus interest;

6 (2) That the university report amounts of tax credit certificates issued by the university and
 7 cease issuing certificates until the total amount owed to the General Fund by the university at any
 8 one time under ORS 351.697 (6) does not exceed \$2.4 million; and

9 (3) That the university maintain records of income realized by the university as the result of
 10 grants made from the fund and records of amounts paid to the General Fund.

11 **SECTION 49.** ORS 353.600 is amended to read:

12 353.600. As used in ORS 353.600 to 353.612:

13 (1) "Committee" means the Oregon Nursing Shortage Coalition Committee created in ORS
 14 353.606.

15 (2) "Post-secondary education institution" means:

16 (a) A state institution under the direction of the State Board of Higher Education;

17 (b) A community college operated under ORS chapter 341;

18 (c) A school or division of Oregon Health and Science University; [*or*]

19 **(d) A school or division of Portland State University; or**

20 [*(d)*] (e) An Oregon-based, generally accredited, not-for-profit private institution of higher edu-
 21 cation.

22 **SECTION 50.** ORS 97.170 is amended to read:

23 97.170. (1) Except as set forth in subsection (4) of this section, any licensed funeral service
 24 practitioner having charge of the body of a deceased person thought to be an unclaimed indigent
 25 shall use all reasonable diligence promptly to notify the relatives of the deceased person or any
 26 other person having an interest in the deceased person and shall arrange with any relative who
 27 claims the body or with any friend of the deceased person who will pay the expenses to make dis-
 28 position of the body. If no one claims the body within five days after death, or if those notified
 29 acquiesce, the funeral service practitioner shall notify, by telephone, the Demonstrator of Anatomy
 30 of [*the*] Oregon Health and Science University. The Demonstrator of Anatomy, who shall be ap-
 31 pointed by the [*Oregon Health and Science University*] **Portland Metropolitan Universities** Board
 32 of Directors from the staff of [*the*] Oregon Health and Science University, shall immediately inform
 33 the funeral service practitioner whether the body is deemed to be in fit condition and is desired for
 34 medical instruction or the advancement of medical science. If the body is desired for these purposes,
 35 the funeral service practitioner shall arrange for a licensed embalmer to make such preparation as
 36 is necessary and shall, within 72 hours, deliver it to [*the*] Oregon Health and Science University,
 37 or any other school or college within the State of Oregon qualifying applicants for examination in
 38 the fundamental sciences as required and specified in ORS 683.010 to 683.335 and ORS chapters 676
 39 to 681 and 684 to 686, as the Demonstrator of Anatomy directs. The expenses of embalming, trans-
 40 portation of the body to such school or college, filing fees and other related expenses shall be paid
 41 from the funds appropriated specifically for the purposes of this section. Such expenses shall not
 42 exceed the normal rates charged for such services to the general public.

43 (2) If the Demonstrator of Anatomy does not require any such body for instruction or research,
 44 it may be assigned, on request, to any other properly authorized institution within this state or to
 45 any qualified physician for instruction or research.

1 (3) When the body of a deceased person is deemed in unfit condition by the Demonstrator of
2 Anatomy and disposition does not take place as set forth in subsections (1) and (2) of this section,
3 and no relatives, friends or interested persons claim the body after notification is attempted, then
4 the funeral service practitioner may commence to cremate or bury the body without the consent of
5 persons listed in ORS 97.130 and is furthermore indemnified from any liability arising from having
6 made such disposition. The method of disposition must be in the least costly manner that complies
7 with law, and that does not conflict with known wishes of the deceased. Reimbursement for costs
8 of disposition shall be made as set forth in subsection (5) of this section.

9 (4) When the deceased person is a child over whom the Department of Human Services held
10 guardianship at the time of death, and no relatives, friends or interested persons claim the body
11 after notification is attempted as set forth in subsection (1) of this section, the department may at
12 its discretion notify the Demonstrator of Anatomy and proceed as set forth in subsection (1) of this
13 section, or may authorize burial or cremation of the body. Expenses related to burial or cremation
14 authorized by the department under this subsection shall be borne by the department.

15 (5) Upon receipt of an itemized statement of expenses, the department shall reimburse the fu-
16 neral service practitioner within 30 days the reasonable costs for disposition of any unclaimed de-
17 ceased person who has insufficient assets and for whom no one takes responsibility. The method of
18 disposition must be in the least costly manner and shall not exceed \$450 per disposition.

19 **SECTION 51.** ORS 174.108 is amended to read:

20 174.108. (1) As used in the statutes of this state, a term defined in ORS 174.108 to 174.118 has
21 the meaning provided by ORS 174.108 to 174.118 only if the statute using the term makes specific
22 reference to the provision of ORS 174.108 to 174.118 that defines the term and indicates that the
23 term has the meaning specified in that provision.

24 (2) Nothing in ORS 174.108 to 174.118 affects the meaning of any statute that uses one or more
25 of the terms defined in ORS 174.108 to 174.118 and that is in effect on January 1, 2002. Nothing in
26 ORS 174.108 to 174.118 affects the meaning of any statute that uses one or more of the terms defined
27 in ORS 174.108 to 174.118 and that is enacted after January 1, 2002, unless the statute makes spe-
28 cific reference to the provision of ORS 174.108 to 174.118 that defines the term and indicates that
29 the term has the meaning specified in that provision.

30 (3) None of the terms defined in ORS 174.108 to 174.118 includes [*the*] Oregon Health and Sci-
31 ence University, **Portland State University**, the Oregon State Bar, any intergovernmental entity
32 formed by a public body with another state or with a political subdivision of another state, or any
33 intergovernmental entity formed by a public body with an agency of the federal government.

34 **SECTION 52.** ORS 181.871 is amended to read:

35 181.871. (1) ORS 181.870 to 181.887 do not apply to:

36 (a) A person certified by the Department of Public Safety Standards and Training as a police
37 officer or a parole and probation officer.

38 (b) A law enforcement officer of the United States.

39 (c) An officer or employee of this state, Oregon Health and Science University established by
40 ORS 353.020, **Portland State University established by section 2 of this 2009 Act** or the United
41 States while performing duties of the office or employment.

42 (d) A person appointed or commissioned by the Governor to perform law enforcement or security
43 services.

44 (e) An attorney admitted to practice law in this state while engaged in the practice of law.

45 (f) An insurance adjuster licensed in this state while performing duties authorized by the license.

1 (g) A person who monitors fire alarm systems and other alarm systems that are not designed to
2 detect unauthorized intrusions while monitoring such systems.

3 (h) A person while protecting the person's property.

4 (i) A person who repairs and installs intrusion alarms while repairing or installing intrusion
5 alarms.

6 (j) A person acting as an investigator as defined in ORS 703.401.

7 (k) A person performing crowd management or guest services, including, but not limited to, a
8 person described as a ticket taker, an usher, a parking attendant or event staff or a person employed
9 for the purpose of age verification by a licensee of the Oregon Liquor Control Commission, who is
10 not armed and is not hired with the primary responsibility of taking enforcement action as described
11 in ORS 181.870 (8)(f).

12 (L) A person performing security services at a facility regulated by the United States Nuclear
13 Regulatory Commission if the facility is operated by the person's employer.

14 (m) An individual while on active duty as a member of the armed services or while performing
15 duties as a law enforcement officer.

16 (n) An employee of a financial institution who has been designated as a security officer for the
17 financial institution pursuant to the Bank Protection Act of 1968 (12 U.S.C. 1881 et seq.) and regu-
18 lations adopted thereunder or pursuant to ORS 723.276 (5).

19 (2) The exemption provided by subsection (1)(k) of this section applies only:

20 (a) If there is at least one person on-site who is certified or licensed under ORS 181.878 for ev-
21 ery 10 or fewer uncertified persons performing the services described in subsection (1)(k) of this
22 section;

23 (b) If any enforcement action, as described in ORS 181.870 (8)(f), other than incidental or tem-
24 porary action, is taken by or under the supervision of a person certified or licensed under ORS
25 181.878; and

26 (c) During the time when a crowd has assembled for the purpose of attending or taking part in
27 an organized event, including pre-event assembly, event operation hours and post-event departure
28 activities.

29 **SECTION 53.** ORS 190.410 is amended to read:

30 190.410. As used in ORS 190.410 to 190.440, "public agency" includes:

31 (1) Any county, city, special district or other public corporation, commission, authority or entity
32 organized and existing under laws of this state, or any other state, or under the city or county
33 charter of any county or city of this or any other state;

34 (2) Any agency of this state or any other state; [and]

35 (3) Oregon Health and Science University[.]; and

36 (4) **Portland State University.**

37 **SECTION 54.** ORS 192.501, as amended by section 1, chapter 48, Oregon Laws 2008, is amended
38 to read:

39 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505
40 unless the public interest requires disclosure in the particular instance:

41 (1) Records of a public body pertaining to litigation to which the public body is a party if the
42 complaint has been filed, or if the complaint has not been filed, if the public body shows that such
43 litigation is reasonably likely to occur. This exemption does not apply to litigation which has been
44 concluded, and nothing in this subsection shall limit any right or opportunity granted by discovery
45 or deposition statutes to a party to litigation or potential litigation.

1 (2) Trade secrets. "Trade secrets," as used in this section, may include, but are not limited to,
2 any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or
3 compilation of information which is not patented, which is known only to certain individuals within
4 an organization and which is used in a business it conducts, having actual or potential commercial
5 value, and which gives its user an opportunity to obtain a business advantage over competitors who
6 do not know or use it.

7 (3) Investigatory information compiled for criminal law purposes. The record of an arrest or the
8 report of a crime shall be disclosed unless and only for so long as there is a clear need to delay
9 disclosure in the course of a specific investigation, including the need to protect the complaining
10 party or the victim. Nothing in this subsection shall limit any right constitutionally guaranteed, or
11 granted by statute, to disclosure or discovery in criminal cases. For purposes of this subsection, the
12 record of an arrest or the report of a crime includes, but is not limited to:

13 (a) The arrested person's name, age, residence, employment, marital status and similar bi-
14 ographical information;

15 (b) The offense with which the arrested person is charged;

16 (c) The conditions of release pursuant to ORS 135.230 to 135.290;

17 (d) The identity of and biographical information concerning both complaining party and victim;

18 (e) The identity of the investigating and arresting agency and the length of the investigation;

19 (f) The circumstances of arrest, including time, place, resistance, pursuit and weapons used; and

20 (g) Such information as may be necessary to enlist public assistance in apprehending fugitives
21 from justice.

22 (4) Test questions, scoring keys, and other data used to administer a licensing examination,
23 employment, academic or other examination or testing procedure before the examination is given
24 and if the examination is to be used again. Records establishing procedures for and instructing
25 persons administering, grading or evaluating an examination or testing procedure are included in
26 this exemption, to the extent that disclosure would create a risk that the result might be affected.

27 (5) Information consisting of production records, sale or purchase records or catch records, or
28 similar business records of a private concern or enterprise, required by law to be submitted to or
29 inspected by a governmental body to allow it to determine fees or assessments payable or to estab-
30 lish production quotas, and the amounts of such fees or assessments payable or paid, to the extent
31 that such information is in a form which would permit identification of the individual concern or
32 enterprise. This exemption does not include records submitted by long term care facilities as defined
33 in ORS 442.015 to the state for purposes of reimbursement of expenses or determining fees for pa-
34 tient care. Nothing in this subsection shall limit the use which can be made of such information for
35 regulatory purposes or its admissibility in any enforcement proceeding.

36 (6) Information relating to the appraisal of real estate prior to its acquisition.

37 (7) The names and signatures of employees who sign authorization cards or petitions for the
38 purpose of requesting representation or decertification elections.

39 (8) Investigatory information relating to any complaint filed under ORS 659A.820 or 659A.825,
40 until such time as the complaint is resolved under ORS 659A.835, or a final order is issued under
41 ORS 659A.850.

42 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and
43 663.180.

44 (10) Records, reports and other information received or compiled by the Director of the De-
45 partment of Consumer and Business Services under ORS 697.732.

1 (11) Information concerning the location of archaeological sites or objects as those terms are
2 defined in ORS 358.905, except if the governing body of an Indian tribe requests the information and
3 the need for the information is related to that Indian tribe's cultural or religious activities. This
4 exemption does not include information relating to a site that is all or part of an existing, commonly
5 known and publicized tourist facility or attraction.

6 (12) A personnel discipline action, or materials or documents supporting that action.

7 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and
8 564.100, regarding the habitat, location or population of any threatened species or endangered spe-
9 cies.

10 (14) Writings prepared by or under the direction of faculty of public educational institutions, in
11 connection with research, until publicly released, copyrighted or patented.

12 (15) Computer programs developed or purchased by or for any public body for its own use. As
13 used in this subsection, "computer program" means a series of instructions or statements which
14 permit the functioning of a computer system in a manner designed to provide storage, retrieval and
15 manipulation of data from such computer system, and any associated documentation and source
16 material that explain how to operate the computer program. "Computer program" does not include:

17 (a) The original data, including but not limited to numbers, text, voice, graphics and images;

18 (b) Analyses, compilations and other manipulated forms of the original data produced by use of
19 the program; or

20 (c) The mathematical and statistical formulas which would be used if the manipulated forms of
21 the original data were to be produced manually.

22 (16) Data and information provided by participants to mediation under ORS 36.256.

23 (17) Investigatory information relating to any complaint or charge filed under ORS chapter 654,
24 until a final administrative determination is made or, if a citation is issued, until an employer re-
25 ceives notice of any citation.

26 (18) Specific operational plans in connection with an anticipated threat to individual or public
27 safety for deployment and use of personnel and equipment, prepared or used by a public body, if
28 public disclosure of the plans would endanger an individual's life or physical safety or jeopardize a
29 law enforcement activity.

30 (19)(a) Audits or audit reports required of a telecommunications carrier. As used in this para-
31 graph, "audit or audit report" means any external or internal audit or audit report pertaining to a
32 telecommunications carrier, as defined in ORS 133.721, or pertaining to a corporation having an af-
33 filiated interest, as defined in ORS 759.390, with a telecommunications carrier that is intended to
34 make the operations of the entity more efficient, accurate or compliant with applicable rules, pro-
35 cedures or standards, that may include self-criticism and that has been filed by the telecommuni-
36 cations carrier or affiliate under compulsion of state law. "Audit or audit report" does not mean an
37 audit of a cost study that would be discoverable in a contested case proceeding and that is not
38 subject to a protective order; and

39 (b) Financial statements. As used in this paragraph, "financial statement" means a financial
40 statement of a nonregulated corporation having an affiliated interest, as defined in ORS 759.390,
41 with a telecommunications carrier, as defined in ORS 133.721.

42 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS
43 247.967.

44 (21) The following records, communications and information submitted to a housing authority
45 as defined in ORS 456.005, or to an urban renewal agency as defined in ORS 457.010, by applicants

1 for and recipients of loans, grants and tax credits:

- 2 (a) Personal and corporate financial statements and information, including tax returns;
- 3 (b) Credit reports;
- 4 (c) Project appraisals;
- 5 (d) Market studies and analyses;
- 6 (e) Articles of incorporation, partnership agreements and operating agreements;
- 7 (f) Commitment letters;
- 8 (g) Project pro forma statements;
- 9 (h) Project cost certifications and cost data;
- 10 (i) Audits;
- 11 (j) Project tenant correspondence requested to be confidential;
- 12 (k) Tenant files relating to certification; and
- 13 (L) Housing assistance payment requests.

14 (22) Records or information that, if disclosed, would allow a person to:

- 15 (a) Gain unauthorized access to buildings or other property;
- 16 (b) Identify those areas of structural or operational vulnerability that would permit unlawful
- 17 disruption to, or interference with, services; or
- 18 (c) Disrupt, interfere with or gain unauthorized access to public funds or to information pro-
- 19 cessing, communication or telecommunication systems, including the information contained in the
- 20 systems, that are used or operated by a public body.

21 (23) Records or information that would reveal or otherwise identify security measures, or

22 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to

23 protect:

- 24 (a) An individual;
- 25 (b) Buildings or other property;
- 26 (c) Information processing, communication or telecommunication systems, including the infor-
- 27 mation contained in the systems; or
- 28 (d) Those operations of the Oregon State Lottery the security of which are subject to study and
- 29 evaluation under ORS 461.180 (6).

30 (24) Personal information held by or under the direction of officials of [*the*] Oregon Health and

31 Science University or the Oregon University System about a person who has or who is interested

32 in donating money or property to the university, the system or a state institution of higher educa-

33 tion, if the information is related to the family of the person, personal assets of the person or is

34 incidental information not related to the donation.

35 **(25) Writings prepared by or under the direction of officials of Portland State University**

36 **about a person and the person's potential interest in donating money or property to the**

37 **university or the person's actual donation, unless disclosure is authorized by the person.**

38 [(25)] (26) The home address, professional address and telephone number of a person who has

39 or who is interested in donating money or property to the Oregon University System.

40 [(26)] (27) Records of the name and address of a person who files a report with or pays an as-

41 sessment to a commodity commission established under ORS 576.051 to 576.455, the Oregon Beef

42 Council created under ORS 577.210 or the Oregon Wheat Commission created under ORS 578.030.

43 [(27)] (28) Information provided to, obtained by or used by a public body to authorize, originate,

44 receive or authenticate a transfer of funds, including but not limited to a credit card number, pay-

45 ment card expiration date, password, financial institution account number and financial institution

1 routing number.

2 [(28)] (29) Social Security numbers as provided in ORS 107.840.

3 [(29)] (30) The electronic mail address of a student who attends a state institution of higher
4 education listed in ORS 352.002, [or] Oregon Health and Science University **or Portland State**
5 **University**.

6 [(30)] (31) The name, home address, professional address or location of a person that is engaged
7 in, or that provides goods or services for, medical research at Oregon Health and Science University
8 that is conducted using animals other than rodents. This subsection does not apply to Oregon
9 Health and Science University press releases, websites or other publications circulated to the gen-
10 eral public.

11 [(31)(a)] (32)(a) If requested by a public safety officer, as defined in ORS 181.610, by a district
12 attorney, by a deputy district attorney or by an assistant attorney general designated by the At-
13 torney General, the home address and home telephone number of the public safety officer or attor-
14 ney contained in the voter registration records for the public safety officer or attorney.

15 (b) If requested by a public safety officer, as defined in ORS 181.610, the home address and home
16 telephone number of the public safety officer contained in records of the Department of Public
17 Safety Standards and Training.

18 [(32)] (33) If requested by a public safety officer, as defined in ORS 181.610, by a district attor-
19 ney, by a deputy district attorney or by an assistant attorney general designated by the Attorney
20 General, the name of the public safety officer or attorney contained in county real property assess-
21 ment or taxation records. This exemption:

22 (a) Applies only to the name of the public safety officer or attorney and any other owner of the
23 property in connection with a specific property identified by the officer or attorney in a request for
24 exemption from disclosure;

25 (b) Applies only to records that may be made immediately available to the public upon request
26 in person, by telephone or using the Internet;

27 (c) Applies until the public safety officer or attorney requests termination of the exemption;

28 (d) Does not apply to disclosure of records among public bodies as defined in ORS 174.109 for
29 governmental purposes; and

30 (e) May not result in liability for a county if the name of a public safety officer or attorney is
31 disclosed after a request for exemption from disclosure is made under this subsection.

32 [(33)] (34) Land management plans required for voluntary stewardship agreements entered into
33 under ORS 541.423.

34 **SECTION 55.** ORS 192.501, as amended by section 3, chapter 455, Oregon Laws 2005, section
35 7, chapter 608, Oregon Laws 2007, section 2, chapter 687, Oregon Laws 2007, and section 2, chapter
36 48, Oregon Laws 2008, is amended to read:

37 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505
38 unless the public interest requires disclosure in the particular instance:

39 (1) Records of a public body pertaining to litigation to which the public body is a party if the
40 complaint has been filed, or if the complaint has not been filed, if the public body shows that such
41 litigation is reasonably likely to occur. This exemption does not apply to litigation which has been
42 concluded, and nothing in this subsection shall limit any right or opportunity granted by discovery
43 or deposition statutes to a party to litigation or potential litigation.

44 (2) Trade secrets. "Trade secrets," as used in this section, may include, but are not limited to,
45 any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or

1 compilation of information which is not patented, which is known only to certain individuals within
2 an organization and which is used in a business it conducts, having actual or potential commercial
3 value, and which gives its user an opportunity to obtain a business advantage over competitors who
4 do not know or use it.

5 (3) Investigatory information compiled for criminal law purposes. The record of an arrest or the
6 report of a crime shall be disclosed unless and only for so long as there is a clear need to delay
7 disclosure in the course of a specific investigation, including the need to protect the complaining
8 party or the victim. Nothing in this subsection shall limit any right constitutionally guaranteed, or
9 granted by statute, to disclosure or discovery in criminal cases. For purposes of this subsection, the
10 record of an arrest or the report of a crime includes, but is not limited to:

11 (a) The arrested person's name, age, residence, employment, marital status and similar bi-
12 ographical information;

13 (b) The offense with which the arrested person is charged;

14 (c) The conditions of release pursuant to ORS 135.230 to 135.290;

15 (d) The identity of and biographical information concerning both complaining party and victim;

16 (e) The identity of the investigating and arresting agency and the length of the investigation;

17 (f) The circumstances of arrest, including time, place, resistance, pursuit and weapons used; and

18 (g) Such information as may be necessary to enlist public assistance in apprehending fugitives
19 from justice.

20 (4) Test questions, scoring keys, and other data used to administer a licensing examination,
21 employment, academic or other examination or testing procedure before the examination is given
22 and if the examination is to be used again. Records establishing procedures for and instructing
23 persons administering, grading or evaluating an examination or testing procedure are included in
24 this exemption, to the extent that disclosure would create a risk that the result might be affected.

25 (5) Information consisting of production records, sale or purchase records or catch records, or
26 similar business records of a private concern or enterprise, required by law to be submitted to or
27 inspected by a governmental body to allow it to determine fees or assessments payable or to estab-
28 lish production quotas, and the amounts of such fees or assessments payable or paid, to the extent
29 that such information is in a form which would permit identification of the individual concern or
30 enterprise. This exemption does not include records submitted by long term care facilities as defined
31 in ORS 442.015 to the state for purposes of reimbursement of expenses or determining fees for pa-
32 tient care. Nothing in this subsection shall limit the use which can be made of such information for
33 regulatory purposes or its admissibility in any enforcement proceeding.

34 (6) Information relating to the appraisal of real estate prior to its acquisition.

35 (7) The names and signatures of employees who sign authorization cards or petitions for the
36 purpose of requesting representation or decertification elections.

37 (8) Investigatory information relating to any complaint filed under ORS 659A.820 or 659A.825,
38 until such time as the complaint is resolved under ORS 659A.835, or a final order is issued under
39 ORS 659A.850.

40 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and
41 663.180.

42 (10) Records, reports and other information received or compiled by the Director of the De-
43 partment of Consumer and Business Services under ORS 697.732.

44 (11) Information concerning the location of archaeological sites or objects as those terms are
45 defined in ORS 358.905, except if the governing body of an Indian tribe requests the information and

1 the need for the information is related to that Indian tribe's cultural or religious activities. This
2 exemption does not include information relating to a site that is all or part of an existing, commonly
3 known and publicized tourist facility or attraction.

4 (12) A personnel discipline action, or materials or documents supporting that action.

5 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and
6 564.100, regarding the habitat, location or population of any threatened species or endangered spe-
7 cies.

8 (14) Writings prepared by or under the direction of faculty of public educational institutions, in
9 connection with research, until publicly released, copyrighted or patented.

10 (15) Computer programs developed or purchased by or for any public body for its own use. As
11 used in this subsection, "computer program" means a series of instructions or statements which
12 permit the functioning of a computer system in a manner designed to provide storage, retrieval and
13 manipulation of data from such computer system, and any associated documentation and source
14 material that explain how to operate the computer program. "Computer program" does not include:

15 (a) The original data, including but not limited to numbers, text, voice, graphics and images;

16 (b) Analyses, compilations and other manipulated forms of the original data produced by use of
17 the program; or

18 (c) The mathematical and statistical formulas which would be used if the manipulated forms of
19 the original data were to be produced manually.

20 (16) Data and information provided by participants to mediation under ORS 36.256.

21 (17) Investigatory information relating to any complaint or charge filed under ORS chapter 654,
22 until a final administrative determination is made or, if a citation is issued, until an employer re-
23 ceives notice of any citation.

24 (18) Specific operational plans in connection with an anticipated threat to individual or public
25 safety for deployment and use of personnel and equipment, prepared or used by a public body, if
26 public disclosure of the plans would endanger an individual's life or physical safety or jeopardize a
27 law enforcement activity.

28 (19)(a) Audits or audit reports required of a telecommunications carrier. As used in this para-
29 graph, "audit or audit report" means any external or internal audit or audit report pertaining to a
30 telecommunications carrier, as defined in ORS 133.721, or pertaining to a corporation having an af-
31 filiated interest, as defined in ORS 759.390, with a telecommunications carrier that is intended to
32 make the operations of the entity more efficient, accurate or compliant with applicable rules, pro-
33 cedures or standards, that may include self-criticism and that has been filed by the telecommuni-
34 cations carrier or affiliate under compulsion of state law. "Audit or audit report" does not mean an
35 audit of a cost study that would be discoverable in a contested case proceeding and that is not
36 subject to a protective order; and

37 (b) Financial statements. As used in this paragraph, "financial statement" means a financial
38 statement of a nonregulated corporation having an affiliated interest, as defined in ORS 759.390,
39 with a telecommunications carrier, as defined in ORS 133.721.

40 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS
41 247.967.

42 (21) The following records, communications and information submitted to a housing authority
43 as defined in ORS 456.005, or to an urban renewal agency as defined in ORS 457.010, by applicants
44 for and recipients of loans, grants and tax credits:

45 (a) Personal and corporate financial statements and information, including tax returns;

- 1 (b) Credit reports;
- 2 (c) Project appraisals;
- 3 (d) Market studies and analyses;
- 4 (e) Articles of incorporation, partnership agreements and operating agreements;
- 5 (f) Commitment letters;
- 6 (g) Project pro forma statements;
- 7 (h) Project cost certifications and cost data;
- 8 (i) Audits;
- 9 (j) Project tenant correspondence requested to be confidential;
- 10 (k) Tenant files relating to certification; and
- 11 (L) Housing assistance payment requests.
- 12 (22) Records or information that, if disclosed, would allow a person to:
- 13 (a) Gain unauthorized access to buildings or other property;
- 14 (b) Identify those areas of structural or operational vulnerability that would permit unlawful
- 15 disruption to, or interference with, services; or
- 16 (c) Disrupt, interfere with or gain unauthorized access to public funds or to information pro-
- 17 cessing, communication or telecommunication systems, including the information contained in the
- 18 systems, that are used or operated by a public body.
- 19 (23) Records or information that would reveal or otherwise identify security measures, or
- 20 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to
- 21 protect:
- 22 (a) An individual;
- 23 (b) Buildings or other property;
- 24 (c) Information processing, communication or telecommunication systems, including the infor-
- 25 mation contained in the systems; or
- 26 (d) Those operations of the Oregon State Lottery the security of which are subject to study and
- 27 evaluation under ORS 461.180 (6).
- 28 **(24) Writings prepared by or under the direction of officials of Portland State University**
- 29 **about a person and the person's potential interest in donating money or property to the**
- 30 **university or the person's actual donation, unless disclosure is authorized by the person.**
- 31 [(24)] **(25)** Personal information held by or under the direction of officials of [the] Oregon Health
- 32 and Science University or the Oregon University System about a person who has or who is inter-
- 33 ested in donating money or property to the university, the system or a state institution of higher
- 34 education, if the information is related to the family of the person, personal assets of the person or
- 35 is incidental information not related to the donation.
- 36 [(25)] **(26)** The home address, professional address and telephone number of a person who has
- 37 or who is interested in donating money or property to the Oregon University System.
- 38 [(26)] **(27)** Records of the name and address of a person who files a report with or pays an as-
- 39 sessment to a commodity commission established under ORS 576.051 to 576.455, the Oregon Beef
- 40 Council created under ORS 577.210 or the Oregon Wheat Commission created under ORS 578.030.
- 41 [(27)] **(28)** Information provided to, obtained by or used by a public body to authorize, originate,
- 42 receive or authenticate a transfer of funds, including but not limited to a credit card number, pay-
- 43 ment card expiration date, password, financial institution account number and financial institution
- 44 routing number.
- 45 [(28)] **(29)** Social Security numbers as provided in ORS 107.840.

1 [(29)] **(30)** The electronic mail address of a student who attends a state institution of higher
2 education listed in ORS 352.002, [or] Oregon Health and Science University **or Portland State**
3 **University**.

4 [(30)(a)] **(31)(a)** If requested by a public safety officer, as defined in ORS 181.610, by a district
5 attorney, by a deputy district attorney or by an assistant attorney general designated by the At-
6 torney General, the home address and home telephone number of the public safety officer or attor-
7 ney contained in the voter registration records for the public safety officer or attorney.

8 (b) If requested by a public safety officer, as defined in ORS 181.610, the home address and home
9 telephone number of the public safety officer contained in records of the Department of Public
10 Safety Standards and Training.

11 [(31)] **(32)** If requested by a public safety officer, as defined in ORS 181.610, by a district attor-
12 ney, by a deputy district attorney or by an assistant attorney general designated by the Attorney
13 General, the name of the public safety officer or attorney contained in county real property assess-
14 ment or taxation records. This exemption:

15 (a) Applies only to the name of the public safety officer or attorney and any other owner of the
16 property in connection with a specific property identified by the officer or attorney in a request for
17 exemption from disclosure;

18 (b) Applies only to records that may be made immediately available to the public upon request
19 in person, by telephone or using the Internet;

20 (c) Applies until the public safety officer or attorney requests termination of the exemption;

21 (d) Does not apply to disclosure of records among public bodies as defined in ORS 174.109 for
22 governmental purposes; and

23 (e) May not result in liability for a county if the name of a public safety officer or attorney is
24 disclosed after a request for exemption from disclosure is made under this subsection.

25 [(32)] **(33)** Land management plans required for voluntary stewardship agreements entered into
26 under ORS 541.423.

27 **SECTION 56.** ORS 192.502 is amended to read:

28 192.502. The following public records are exempt from disclosure under ORS 192.410 to 192.505:

29 (1) Communications within a public body or between public bodies of an advisory nature to the
30 extent that they cover other than purely factual materials and are preliminary to any final agency
31 determination of policy or action. This exemption shall not apply unless the public body shows that
32 in the particular instance the public interest in encouraging frank communication between officials
33 and employees of public bodies clearly outweighs the public interest in disclosure.

34 (2) Information of a personal nature such as but not limited to that kept in a personal, medical
35 or similar file, if public disclosure would constitute an unreasonable invasion of privacy, unless the
36 public interest by clear and convincing evidence requires disclosure in the particular instance. The
37 party seeking disclosure shall have the burden of showing that public disclosure would not consti-
38 tute an unreasonable invasion of privacy.

39 (3) Public body employee or volunteer addresses, Social Security numbers, dates of birth and
40 telephone numbers contained in personnel records maintained by the public body that is the em-
41 ployer or the recipient of volunteer services. This exemption:

42 (a) Does not apply to the addresses, dates of birth and telephone numbers of employees or vol-
43 unteers who are elected officials, except that a judge or district attorney subject to election may
44 seek to exempt the judge's or district attorney's address or telephone number, or both, under the
45 terms of ORS 192.445;

1 (b) Does not apply to employees or volunteers to the extent that the party seeking disclosure
 2 shows by clear and convincing evidence that the public interest requires disclosure in a particular
 3 instance;

4 (c) Does not apply to a substitute teacher as defined in ORS 342.815 when requested by a pro-
 5 fessional education association of which the substitute teacher may be a member; and

6 (d) Does not relieve a public employer of any duty under ORS 243.650 to 243.782.

7 (4) Information submitted to a public body in confidence and not otherwise required by law to
 8 be submitted, where such information should reasonably be considered confidential, the public body
 9 has obliged itself in good faith not to disclose the information, and when the public interest would
 10 suffer by the disclosure.

11 (5) Information or records of the Department of Corrections, including the State Board of Parole
 12 and Post-Prison Supervision, to the extent that disclosure would interfere with the rehabilitation of
 13 a person in custody of the department or substantially prejudice or prevent the carrying out of the
 14 functions of the department, if the public interest in confidentiality clearly outweighs the public in-
 15 terest in disclosure.

16 (6) Records, reports and other information received or compiled by the Director of the Depart-
 17 ment of Consumer and Business Services in the administration of ORS chapters 723 and 725 not
 18 otherwise required by law to be made public, to the extent that the interests of lending institutions,
 19 their officers, employees and customers in preserving the confidentiality of such information out-
 20 weighs the public interest in disclosure.

21 (7) Reports made to or filed with the court under ORS 137.077 or 137.530.

22 (8) Any public records or information the disclosure of which is prohibited by federal law or
 23 regulations.

24 (9)(a) Public records or information the disclosure of which is prohibited or restricted or other-
 25 wise made confidential or privileged under Oregon law.

26 (b) Subject to ORS 192.423, paragraph (a) of this subsection does not apply to factual information
 27 compiled in a public record when:

28 (A) The basis for the claim of exemption is ORS 40.225;

29 (B) The factual information is not prohibited from disclosure under any applicable state or fed-
 30 eral law, regulation or court order and is not otherwise exempt from disclosure under ORS 192.410
 31 to 192.505;

32 (C) The factual information was compiled by or at the direction of an attorney as part of an
 33 investigation on behalf of the public body in response to information of possible wrongdoing by the
 34 public body;

35 (D) The factual information was not compiled in preparation for litigation, arbitration or an
 36 administrative proceeding that was reasonably likely to be initiated or that has been initiated by
 37 or against the public body; and

38 (E) The holder of the privilege under ORS 40.225 has made or authorized a public statement
 39 characterizing or partially disclosing the factual information compiled by or at the attorney's di-
 40 rection.

41 (10) Public records or information described in this section, furnished by the public body ori-
 42 ginally compiling, preparing or receiving them to any other public officer or public body in con-
 43 nection with performance of the duties of the recipient, if the considerations originally giving rise
 44 to the confidential or exempt nature of the public records or information remain applicable.

45 (11) Records of the Energy Facility Siting Council concerning the review or approval of security

1 programs pursuant to ORS 469.530.

2 (12) Employee and retiree address, telephone number and other nonfinancial membership records
 3 and employee financial records maintained by the Public Employees Retirement System pursuant to
 4 ORS chapters 238 and 238A.

5 (13) Records of or submitted to the State Treasurer, the Oregon Investment Council or the
 6 agents of the treasurer or the council relating to active or proposed publicly traded investments
 7 under ORS chapter 293, including but not limited to records regarding the acquisition, exchange or
 8 liquidation of the investments. For the purposes of this subsection:

9 (a) The exemption does not apply to:

10 (A) Information in investment records solely related to the amount paid directly into an invest-
 11 ment by, or returned from the investment directly to, the treasurer or council; or

12 (B) The identity of the entity to which the amount was paid directly or from which the amount
 13 was received directly.

14 (b) An investment in a publicly traded investment is no longer active when acquisition, exchange
 15 or liquidation of the investment has been concluded.

16 (14)(a) Records of or submitted to the State Treasurer, the Oregon Investment Council, the
 17 Oregon Growth Account Board or the agents of the treasurer, council or board relating to actual
 18 or proposed investments under ORS chapter 293 or 348 in a privately placed investment fund or a
 19 private asset including but not limited to records regarding the solicitation, acquisition, deployment,
 20 exchange or liquidation of the investments including but not limited to:

21 (A) Due diligence materials that are proprietary to an investment fund, to an asset ownership
 22 or to their respective investment vehicles.

23 (B) Financial statements of an investment fund, an asset ownership or their respective invest-
 24 ment vehicles.

25 (C) Meeting materials of an investment fund, an asset ownership or their respective investment
 26 vehicles.

27 (D) Records containing information regarding the portfolio positions in which an investment
 28 fund, an asset ownership or their respective investment vehicles invest.

29 (E) Capital call and distribution notices of an investment fund, an asset ownership or their re-
 30 spective investment vehicles.

31 (F) Investment agreements and related documents.

32 (b) The exemption under this subsection does not apply to:

33 (A) The name, address and vintage year of each privately placed investment fund.

34 (B) The dollar amount of the commitment made to each privately placed investment fund since
 35 inception of the fund.

36 (C) The dollar amount of cash contributions made to each privately placed investment fund since
 37 inception of the fund.

38 (D) The dollar amount, on a fiscal year-end basis, of cash distributions received by the State
 39 Treasurer, the Oregon Investment Council, the Oregon Growth Account Board or the agents of the
 40 treasurer, council or board from each privately placed investment fund.

41 (E) The dollar amount, on a fiscal year-end basis, of the remaining value of assets in a privately
 42 placed investment fund attributable to an investment by the State Treasurer, the Oregon Investment
 43 Council, the Oregon Growth Account Board or the agents of the treasurer, council or board.

44 (F) The net internal rate of return of each privately placed investment fund since inception of
 45 the fund.

1 (G) The investment multiple of each privately placed investment fund since inception of the fund.

2 (H) The dollar amount of the total management fees and costs paid on an annual fiscal year-end
3 basis to each privately placed investment fund.

4 (I) The dollar amount of cash profit received from each privately placed investment fund on a
5 fiscal year-end basis.

6 (15) The monthly reports prepared and submitted under ORS 293.761 and 293.766 concerning the
7 Public Employees Retirement Fund and the Industrial Accident Fund may be uniformly treated as
8 exempt from disclosure for a period of up to 90 days after the end of the calendar quarter.

9 (16) Reports of unclaimed property filed by the holders of such property to the extent permitted
10 by ORS 98.352.

11 (17) The following records, communications and information submitted to the Oregon Economic
12 and Community Development Commission, the Economic and Community Development Department,
13 the State Department of Agriculture, the Oregon Growth Account Board, the Port of Portland or
14 other ports, as defined in ORS 777.005, by applicants for investment funds, loans or services includ-
15 ing, but not limited to, those described in ORS 285A.224:

16 (a) Personal financial statements.

17 (b) Financial statements of applicants.

18 (c) Customer lists.

19 (d) Information of an applicant pertaining to litigation to which the applicant is a party if the
20 complaint has been filed, or if the complaint has not been filed, if the applicant shows that such
21 litigation is reasonably likely to occur; this exemption does not apply to litigation which has been
22 concluded, and nothing in this paragraph shall limit any right or opportunity granted by discovery
23 or deposition statutes to a party to litigation or potential litigation.

24 (e) Production, sales and cost data.

25 (f) Marketing strategy information that relates to applicant's plan to address specific markets
26 and applicant's strategy regarding specific competitors.

27 (18) Records, reports or returns submitted by private concerns or enterprises required by law
28 to be submitted to or inspected by a governmental body to allow it to determine the amount of any
29 transient lodging tax payable and the amounts of such tax payable or paid, to the extent that such
30 information is in a form which would permit identification of the individual concern or enterprise.
31 Nothing in this subsection shall limit the use which can be made of such information for regulatory
32 purposes or its admissibility in any enforcement proceedings. The public body shall notify the tax-
33 payer of the delinquency immediately by certified mail. However, in the event that the payment or
34 delivery of transient lodging taxes otherwise due to a public body is delinquent by over 60 days, the
35 public body shall disclose, upon the request of any person, the following information:

36 (a) The identity of the individual concern or enterprise that is delinquent over 60 days in the
37 payment or delivery of the taxes.

38 (b) The period for which the taxes are delinquent.

39 (c) The actual, or estimated, amount of the delinquency.

40 (19) All information supplied by a person under ORS 151.485 for the purpose of requesting ap-
41 pointed counsel, and all information supplied to the court from whatever source for the purpose of
42 verifying the financial eligibility of a person pursuant to ORS 151.485.

43 (20) Workers' compensation claim records of the Department of Consumer and Business Services,
44 except in accordance with rules adopted by the Director of the Department of Consumer and Busi-
45 ness Services, in any of the following circumstances:

1 (a) When necessary for insurers, self-insured employers and third party claim administrators to
 2 process workers' compensation claims.

3 (b) When necessary for the director, other governmental agencies of this state or the United
 4 States to carry out their duties, functions or powers.

5 (c) When the disclosure is made in such a manner that the disclosed information cannot be used
 6 to identify any worker who is the subject of a claim.

7 (d) When a worker or the worker's representative requests review of the worker's claim record.

8 (21) Sensitive business records or financial or commercial information of *[the]* Oregon Health
 9 and Science University **or Portland State University** that is not customarily provided to business
 10 competitors.

11 (22) Records of Oregon Health and Science University **or Portland State University** regarding
 12 candidates for the position of president of *[the]* **either** university.

13 (23) The records of a library, including:

14 (a) Circulation records, showing use of specific library material by a named person;

15 (b) The name of a library patron together with the address or telephone number of the patron;
 16 and

17 (c) The electronic mail address of a patron.

18 (24) The following records, communications and information obtained by the Housing and Com-
 19 munity Services Department in connection with the department's monitoring or administration of
 20 financial assistance or of housing or other developments:

21 (a) Personal and corporate financial statements and information, including tax returns.

22 (b) Credit reports.

23 (c) Project appraisals.

24 (d) Market studies and analyses.

25 (e) Articles of incorporation, partnership agreements and operating agreements.

26 (f) Commitment letters.

27 (g) Project pro forma statements.

28 (h) Project cost certifications and cost data.

29 (i) Audits.

30 (j) Project tenant correspondence.

31 (k) Personal information about a tenant.

32 (L) Housing assistance payments.

33 (25) Raster geographic information system (GIS) digital databases, provided by private forestland
 34 owners or their representatives, voluntarily and in confidence to the State Forestry Department,
 35 that is not otherwise required by law to be submitted.

36 (26) Sensitive business, commercial or financial information furnished to or developed by a
 37 public body engaged in the business of providing electricity or electricity services, if the information
 38 is directly related to a transaction described in ORS 261.348, or if the information is directly related
 39 to a bid, proposal or negotiations for the sale or purchase of electricity or electricity services, and
 40 disclosure of the information would cause a competitive disadvantage for the public body or its re-
 41 tail electricity customers. This subsection does not apply to cost-of-service studies used in the de-
 42 velopment or review of generally applicable rate schedules.

43 (27) Sensitive business, commercial or financial information furnished to or developed by the
 44 City of Klamath Falls, acting solely in connection with the ownership and operation of the Klamath
 45 Cogeneration Project, if the information is directly related to a transaction described in ORS 225.085

1 and disclosure of the information would cause a competitive disadvantage for the Klamath
2 Cogeneration Project. This subsection does not apply to cost-of-service studies used in the develop-
3 ment or review of generally applicable rate schedules.

4 (28) Personally identifiable information about customers of a municipal electric utility or a
5 people's utility district or the names, dates of birth, driver license numbers, telephone numbers,
6 electronic mail addresses or Social Security numbers of customers who receive water, sewer or
7 storm drain services from a public body as defined in ORS 174.109. The utility or district may re-
8 lease personally identifiable information about a customer, and a public body providing water, sewer
9 or storm drain services may release the name, date of birth, driver license number, telephone num-
10 ber, electronic mail address or Social Security number of a customer, if the customer consents in
11 writing or electronically, if the disclosure is necessary for the utility, district or other public body
12 to render services to the customer, if the disclosure is required pursuant to a court order or if the
13 disclosure is otherwise required by federal or state law. The utility, district or other public body
14 may charge as appropriate for the costs of providing such information. The utility, district or other
15 public body may make customer records available to third party credit agencies on a regular basis
16 in connection with the establishment and management of customer accounts or in the event such
17 accounts are delinquent.

18 (29) A record of the street and number of an employee's address submitted to a special district
19 to obtain assistance in promoting an alternative to single occupant motor vehicle transportation.

20 (30) Sensitive business records, capital development plans or financial or commercial information
21 of Oregon Corrections Enterprises that is not customarily provided to business competitors.

22 (31) Documents, materials or other information submitted to the Director of the Department of
23 Consumer and Business Services in confidence by a state, federal, foreign or international regulatory
24 or law enforcement agency or by the National Association of Insurance Commissioners, its affiliates
25 or subsidiaries under ORS 646A.250 to 646A.270, 697.005 to 697.095, 697.602 to 697.842, 705.137,
26 717.200 to 717.320, 717.900 or 717.905, ORS chapter 59, 722, 723, 725 or 726, the Bank Act or the
27 Insurance Code when:

28 (a) The document, material or other information is received upon notice or with an under-
29 standing that it is confidential or privileged under the laws of the jurisdiction that is the source of
30 the document, material or other information; and

31 (b) The director has obligated the Department of Consumer and Business Services not to dis-
32 close the document, material or other information.

33 (32) A county elections security plan developed and filed under ORS 254.074.

34 (33) Information about review or approval of programs relating to the security of:

35 (a) Generation, storage or conveyance of:

36 (A) Electricity;

37 (B) Gas in liquefied or gaseous form;

38 (C) Hazardous substances as defined in ORS 453.005 (7)(a), (b) and (d);

39 (D) Petroleum products;

40 (E) Sewage; or

41 (F) Water.

42 (b) Telecommunication systems, including cellular, wireless or radio systems.

43 (c) Data transmissions by whatever means provided.

44 (34) The information specified in ORS 25.020 (8) if the Chief Justice of the Supreme Court des-
45 ignates the information as confidential by rule under ORS 1.002.

1 **SECTION 57.** ORS 192.690, as amended by section 8, chapter 796, Oregon Laws 2007, is
 2 amended to read:

3 192.690. (1) ORS 192.610 to 192.690 do not apply to:

4 (a) The deliberations of the State Board of Parole and Post-Prison Supervision[,];

5 (b) The Psychiatric Security Review Board[,];

6 (c) State agencies conducting hearings on contested cases in accordance with the provisions of
 7 ORS chapter 183[,];

8 (d) The review by the Workers' Compensation Board or the Employment Appeals Board of
 9 [similar] **state agency** hearings **conducted** on contested cases[,];

10 (e) Meetings of the state lawyers assistance committee operating under the provisions of ORS
 11 9.568, meetings of the Health Professionals Program Supervisory Council established under ORS
 12 677.615[,] **or** meetings of the personal and practice management assistance committees operating
 13 under the provisions of ORS 9.568[,];

14 (f) The county multidisciplinary child abuse teams required to review child abuse cases in ac-
 15 cordance with the provisions of ORS 418.747[,];

16 (g) The child fatality review teams required to review child fatalities in accordance with the
 17 provisions of ORS 418.785[,] **or** the peer review committees in accordance with the provisions of ORS
 18 441.055[,];

19 (h) Mediation conducted under ORS 36.250 to 36.270[,];

20 (i) Any judicial proceeding[,];

21 (j) Meetings of the [*Oregon Health and Science University*] **Portland Metropolitan Universities**
 22 Board of Directors or its designated committee regarding candidates for the position of president
 23 of [*the Oregon Health and Science University or president of Portland State*] University or re-
 24 garding sensitive business, financial or commercial matters of the [*university*] **universities** not cus-
 25 tomarily provided to competitors related to financings, mergers, acquisitions or joint ventures or
 26 related to the sale or other disposition of, or substantial change in use of, significant real or per-
 27 sonal property, or related to health system strategies[, *or to*]; **or**

28 (k) Oregon Health and Science University **or Portland State University** faculty or staff com-
 29 mittee meetings.

30 (2) Because of the grave risk to public health and safety that would be posed by misappropri-
 31 ation or misapplication of information considered during such review and approval, ORS 192.610 to
 32 192.690 [*shall*] **do** not apply to review and approval of security programs by the Energy Facility
 33 Siting Council pursuant to ORS 469.530.

34 **SECTION 58.** ORS 238.005 is amended to read:

35 238.005. For purposes of this chapter:

36 (1) "Annuity" means payments for life derived from contributions made by a member as provided
 37 in this chapter.

38 (2) "Board" means the Public Employees Retirement Board.

39 (3) "Calendar year" means 12 calendar months commencing on January 1 and ending on De-
 40 cember 31 following.

41 (4) "Continuous service" means service not interrupted for more than five years, except that
 42 such continuous service shall be computed without regard to interruptions in the case of:

43 (a) An employee who had returned to the service of the employer as of January 1, 1945, and
 44 who remained in that employment until having established membership in the Public Employees
 45 Retirement System.

1 (b) An employee who was in the armed services on January 1, 1945, and returned to the service
2 of the employer within one year of the date of being otherwise than dishonorably discharged and
3 remained in that employment until having established membership in the Public Employees Retirement
4 System.

5 (5) "Creditable service" means any period of time during which an active member is being paid
6 a salary by a participating public employer and for which benefits under this chapter are funded by
7 employer contributions and earnings on the fund. For purposes of computing years of "creditable
8 service," full months and major fractions of a month shall be considered to be one-twelfth of a year
9 and shall be added to all full years. "Creditable service" includes all retirement credit received by
10 a member.

11 (6) "Earliest service retirement age" means the age attained by a member when the member
12 could first make application for retirement under the provisions of ORS 238.280.

13 (7) "Employee" includes, in addition to employees, public officers, but does not include:

14 (a) Persons engaged as independent contractors.

15 (b) Seasonal, emergency or casual workers whose periods of employment with any public em-
16 ployer or public employers do not total 600 hours in any calendar year.

17 (c) Persons, other than workers in the Oregon Industries for the Blind under ORS 346.190, pro-
18 vided sheltered employment or made-work by a public employer in an employment or industries
19 program maintained for the benefit of such persons.

20 (d) Persons employed and paid from federal funds received under the Emergency Job and Un-
21 employment Assistance Act of 1974 (Public Law 93-567) or any other federal program intended pri-
22 marily to alleviate unemployment. However, any such person shall be considered an "employee" if
23 not otherwise excluded by paragraphs (a) to (c) of this subsection and the public employer elects to
24 have the person so considered by an irrevocable written notice to the board.

25 (e) Persons who are employees of a railroad, as defined in ORS 824.020, and who, as such em-
26 ployees, are included in a retirement plan under federal railroad retirement statutes. This paragraph
27 shall be deemed to have been in effect since the inception of the system.

28 (8) "Final average salary" means whichever of the following is greater:

29 (a) The average salary per calendar year paid by one or more participating public employers to
30 an employee who is an active member of the system in three of the calendar years of membership
31 before the effective date of retirement of the employee, in which three years the employee was paid
32 the highest salary. The three calendar years in which the employee was paid the largest total salary
33 may include calendar years in which the employee was employed for less than a full calendar year.
34 If the number of calendar years of active membership before the effective date of retirement of the
35 employee is three or fewer, the final average salary for the employee is the average salary per cal-
36 endar year paid by one or more participating public employers to the employee in all of those years,
37 without regard to whether the employee was employed for the full calendar year.

38 (b) One-third of the total salary paid by a participating public employer to an employee who is
39 an active member of the system in the last 36 calendar months of active membership before the ef-
40 fective date of retirement of the employee.

41 (9) "Firefighter" does not include a volunteer firefighter, but does include:

42 (a) The State Fire Marshal, the chief deputy fire marshal and deputy state fire marshals; and

43 (b) An employee of the State Forestry Department who is certified by the State Forester as a
44 professional wildland firefighter and whose primary duties include the abatement of uncontrolled
45 fires as described in ORS 477.064.

1 (10) "Fiscal year" means 12 calendar months commencing on July 1 and ending on June 30 fol-
 2 lowing.

3 (11) "Fund" means the Public Employees Retirement Fund.

4 (12)(a) "Member" means a person who has established membership in the system and whose
 5 membership has not been terminated as described in ORS 238.095. "Member" includes active, inac-
 6 tive and retired members.

7 (b) "Active member" means a member who is presently employed by a participating public em-
 8 ployer in a qualifying position and who has completed the six-month period of service required by
 9 ORS 238.015.

10 (c) "Inactive member" means a member who is not employed in a qualifying position, whose
 11 membership has not been terminated in the manner described by ORS 238.095, and who is not retired
 12 for service or disability.

13 (d) "Retired member" means a member who is retired for service or disability.

14 (13)(a) "Member account" means the regular account and the variable account.

15 (b) "Regular account" means the account established for each active and inactive member under
 16 ORS 238.250.

17 (c) "Variable account" means the account established for a member who participates in the
 18 Variable Annuity Account under ORS 238.260.

19 (14) "Normal retirement age" means:

20 (a) For a person who establishes membership in the system before January 1, 1996, as described
 21 in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or firefighter
 22 or 58 years of age if the employee retires at that age as other than a police officer or firefighter.

23 (b) For a person who establishes membership in the system on or after January 1, 1996, as de-
 24 scribed in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or
 25 firefighter or 60 years of age if the employee retires at that age as other than a police officer or
 26 firefighter.

27 (15) "Pension" means annual payments for life derived from contributions by one or more public
 28 employers.

29 (16) "Police officer" includes:

30 (a) Employees of institutions defined in ORS 421.005 as Department of Corrections institutions
 31 whose duties, as assigned by the Director of the Department of Corrections, include the custody of
 32 persons committed to the custody of or transferred to the Department of Corrections and employees
 33 of the Department of Corrections who were classified as police officers on or before July 27, 1989,
 34 whether or not such classification was authorized by law.

35 (b) Employees of the Department of State Police who are classified as police officers by the
 36 Superintendent of State Police.

37 (c) Employees of the Oregon Liquor Control Commission who are classified as enforcement of-
 38 ficers by the administrator of the commission.

39 (d) Sheriffs and those deputy sheriffs or other employees of a sheriff whose duties, as classified
 40 by the sheriff, are the regular duties of police officers or corrections officers.

41 (e) Police chiefs and police personnel of a city who are classified as police officers by the
 42 council or other governing body of the city.

43 (f) Parole and probation officers employed by the Department of Corrections, parole and pro-
 44 bation officers who are transferred to county employment under ORS 423.549 and adult parole and
 45 probation officers, as defined in ORS 181.610, who are classified as police officers for the purposes

1 of this chapter by the county governing body. If a county classifies adult parole and probation offi-
 2 cers as police officers for the purposes of this chapter, and the employees so classified are repres-
 3 ented by a labor organization, any proposal by the county to change that classification or to cease
 4 to classify adult parole and probation officers as police officers for the purposes of this chapter is
 5 a mandatory subject of bargaining.

6 (g) Police officers appointed under ORS 276.021 or 276.023.

7 (h) Employees of the Port of Portland who are classified as airport police by the Board of
 8 Commissioners of the Port of Portland.

9 (i) Employees of the State Department of Agriculture who are classified as livestock police of-
 10 ficers by the Director of Agriculture.

11 (j) Employees of the Department of Public Safety Standards and Training who are classified by
 12 the department as other than secretarial or clerical personnel.

13 (k) Investigators of the Criminal Justice Division of the Department of Justice.

14 (L) Corrections officers as defined in ORS 181.610.

15 (m) Employees of the Oregon State Lottery Commission who are classified by the Director of the
 16 Oregon State Lottery as enforcement agents pursuant to ORS 461.110.

17 (n) The Director of the Department of Corrections.

18 (o) An employee who for seven consecutive years has been classified as a police officer as de-
 19 fined by this section, and who is employed or transferred by the Department of Corrections to fill
 20 a position designated by the Director of the Department of Corrections as being eligible for police
 21 officer status.

22 (p) An employee of the Department of Corrections classified as a police officer on or prior to
 23 July 27, 1989, whether or not that classification was authorized by law, as long as the employee
 24 remains in the position held on July 27, 1989. The initial classification of an employee under a sys-
 25 tem implemented pursuant to ORS 240.190 does not affect police officer status.

26 (q) Employees of a school district who are appointed and duly sworn members of a law
 27 enforcement agency of the district as provided in ORS 332.531 or otherwise employed full-time as
 28 police officers commissioned by the district.

29 (r) Employees at youth correction facilities and juvenile detention facilities under ORS 419A.050,
 30 419A.052 and 420.005 to 420.915 who are required to hold valid Oregon teaching licenses and who
 31 have supervisory, control or teaching responsibilities over juveniles committed to the custody of the
 32 Department of Corrections or the Oregon Youth Authority.

33 (s) Employees at youth correction facilities as defined in ORS 420.005 whose primary job de-
 34 scription involves the custody, control, treatment, investigation or supervision of juveniles placed
 35 in such facilities.

36 (t) Employees of the Oregon Youth Authority who are classified as juvenile parole and probation
 37 officers.

38 (17) "Public employer" means the state, one of its agencies, any city, county, or municipal or
 39 public corporation, any political subdivision of the state or any instrumentality thereof, or an agency
 40 created by one or more such governmental organizations to provide governmental services. For
 41 purposes of this chapter, such agency created by one or more governmental organizations is a gov-
 42 ernmental instrumentality and a legal entity with power to enter into contracts, hold property and
 43 sue and be sued.

44 (18) "Prior service credit" means credit provided under ORS 238.442 or under ORS 238.225 (2)
 45 to (6) (1999 Edition).

1 (19) "Qualifying position" means one or more jobs with one or more participating public em-
 2 ployers in which an employee performs 600 or more hours of service in a calendar year, excluding
 3 any service in a job for which a participating public employer does not provide benefits under this
 4 chapter pursuant to an application made under ORS 238.035.

5 (20) "Retirement credit" means a period of time that is treated as creditable service for the
 6 purposes of this chapter.

7 (21)(a) "Salary" means the remuneration paid an employee in cash out of the funds of a public
 8 employer in return for services to the employer, plus the monetary value, as determined by the
 9 Public Employees Retirement Board, of whatever living quarters, board, lodging, fuel, laundry and
 10 other advantages the employer furnishes the employee in return for services.

11 (b) "Salary" includes but is not limited to:

12 (A) Payments of employee and employer money into a deferred compensation plan, which are
 13 deemed salary paid in each month of deferral;

14 (B) The amount of participation in a tax-sheltered or deferred annuity, which is deemed salary
 15 paid in each month of participation;

16 (C) Retroactive payments made to an employee to correct a clerical error or pursuant to an
 17 award by a court or by order of or a conciliation agreement with an administration agency charged
 18 with enforcing federal or state law protecting the employee's rights to employment or wages, which
 19 shall be allocated to and deemed paid in the periods in which the work was done or in which it
 20 would have been done; and

21 (D) Wages of a deceased member paid to a surviving spouse or dependent children under ORS
 22 652.190.

23 (c) "Salary" or "other advantages" does not include:

24 (A) Travel or any other expenses incidental to employer's business which is reimbursed by the
 25 employer;

26 (B) Payments for insurance coverage by an employer on behalf of employee or employee and
 27 dependents, for which the employee has no cash option;

28 (C) Payments made on account of an employee's death;

29 (D) Any lump sum payment for accumulated unused sick leave;

30 (E) Any accelerated payment of an employment contract for a future period or an advance
 31 against future wages;

32 (F) Any retirement incentive, retirement severance pay, retirement bonus or retirement
 33 gratuitous payment;

34 (G) Payments for periods of leave of absence after the date the employer and employee have
 35 agreed that no future services qualifying pursuant to ORS 238.015 (3) will be performed, except for
 36 sick leave and vacation;

37 (H) Payments for instructional services rendered to institutions of the Department of Higher
 38 Education, **Portland State University** or [*the*] Oregon Health and Science University when such
 39 services are in excess of full-time employment subject to this chapter. A person employed under a
 40 contract for less than 12 months is subject to this subparagraph only for the months to which the
 41 contract pertains; or

42 (I) Payments made by an employer for insurance coverage provided to a domestic partner of an
 43 employee.

44 (22) "School year" means the period beginning July 1 and ending June 30 next following.

45 (23) "System" means the Public Employees Retirement System.

1 (24) "Vested" means being an active member of the system in each of five calendar years.

2 (25) "Volunteer firefighter" means a firefighter whose position normally requires less than 600
3 hours of service per year.

4 **SECTION 59.** ORS 238A.005 is amended to read:

5 238A.005. For the purposes of this chapter:

6 (1) "Active member" means a member of the pension program or the individual account program
7 of the Oregon Public Service Retirement Plan who is actively employed in a qualifying position.

8 (2) "Actuarial equivalent" means a payment or series of payments having the same value as the
9 payment or series of payments replaced, computed on the basis of interest rate and mortality as-
10 sumptions adopted by the board.

11 (3) "Board" means the Public Employees Retirement Board.

12 (4) "Eligible employee" means a person who performs services for a participating public em-
13 ployer, including elected officials other than judges. "Eligible employee" does not include:

14 (a) Persons engaged as independent contractors;

15 (b) Aliens working under a training or educational visa;

16 (c) Persons, other than workers in the Industries for the Blind Program under ORS 346.190,
17 provided sheltered employment or make-work by a public employer;

18 (d) Persons categorized by a participating public employer as student employees;

19 (e) Any person who is an inmate of a state institution;

20 (f) Employees of foreign trade offices of the Economic and Community Development Department
21 who live and perform services in foreign countries under the provisions of ORS 285A.075 (1)(g);

22 (g) An employee actively participating in an alternative retirement program established under
23 ORS 353.250 or an optional retirement plan established under ORS 341.551;

24 (h) Employees of the Oregon University System who are actively participating in an optional
25 retirement plan offered under ORS 243.800;

26 (i) Any employee who belongs to a class of employees that was not eligible on August 28, 2003,
27 for membership in the system under the provisions of ORS chapter 238 or other law;

28 (j) Any person who belongs to a class of employees who are not eligible to become members of
29 the Oregon Public Service Retirement Plan under the provisions of ORS 238A.070 (2);

30 (k) Any person who is retired under ORS 238A.100 to 238A.245 or ORS chapter 238 and who
31 continues to receive retirement benefits while employed; and

32 (L) Judges.

33 (5) "Firefighter" means:

34 (a) A person employed by a local government, as defined in ORS 174.116, whose primary job
35 duties include the fighting of fires;

36 (b) The State Fire Marshal, the chief deputy state fire marshal and deputy state fire marshals;
37 and

38 (c) An employee of the State Forestry Department who is certified by the State Forester as a
39 professional wildland firefighter and whose primary duties include the abatement of uncontrolled
40 fires as described in ORS 477.064.

41 (6) "Fund" means the Public Employees Retirement Fund.

42 (7)(a) "Hour of service" means:

43 (A) An hour for which an eligible employee is directly or indirectly paid or entitled to payment
44 by a participating public employer for performance of duties in a qualifying position; and

45 (B) An hour of vacation, holiday, illness, incapacity, jury duty, military duty or authorized leave

1 during which an employee does not perform duties but for which the employee is directly or indi-
2 rectly paid or entitled to payment by a participating public employer for services in a qualifying
3 position, as long as the hour is within the number of hours regularly scheduled for the performance
4 of duties during the period of vacation, holiday, illness, incapacity, jury duty, military duty or au-
5 thorized leave.

6 (b) "Hour of service" does not include any hour for which payment is made or due under a plan
7 maintained solely for the purpose of complying with applicable workers' compensation laws or un-
8 employment compensation laws.

9 (8) "Inactive member" means a member of the pension program or the individual account pro-
10 gram of the Oregon Public Service Retirement Plan whose membership has not been terminated, who
11 is not a retired member and who is not employed in a qualifying position.

12 (9) "Individual account program" means the defined contribution individual account program of
13 the Oregon Public Service Retirement Plan established under ORS 238A.025.

14 (10) "Member" means an eligible employee who has established membership in the pension pro-
15 gram or the individual account program of the Oregon Public Service Retirement Plan and whose
16 membership has not been terminated under ORS 238A.110 or 238A.310.

17 (11) "Participating public employer" means a public employer as defined in ORS 238.005 that
18 provides retirement benefits for employees of the public employer under the system.

19 (12) "Pension program" means the defined benefit pension program of the Oregon Public Service
20 Retirement Plan established under ORS 238A.025.

21 (13) "Police officer" means a police officer as described in ORS 238.005.

22 (14) "Qualifying position" means one or more jobs with one or more participating public em-
23 ployers in which an eligible employee performs 600 or more hours of service in a calendar year,
24 excluding any service in a job for which benefits are not provided under the Oregon Public Service
25 Retirement Plan pursuant to ORS 238A.070 (2).

26 (15) "Retired member" means a pension program member who is receiving a pension as provided
27 in ORS 238A.180 to 238A.195.

28 (16)(a) "Salary" means the remuneration paid to an active member in return for services to the
29 participating public employer, including remuneration in the form of living quarters, board or other
30 items of value, to the extent the remuneration is includable in the employee's taxable income under
31 Oregon law. Salary includes the additional amounts specified in paragraph (b) of this subsection,
32 but does not include the amounts specified in paragraph (c) of this subsection, regardless of whether
33 those amounts are includable in taxable income.

34 (b) "Salary" includes the following amounts:

35 (A) Payments of employee and employer money into a deferred compensation plan that are made
36 at the election of the employee.

37 (B) Contributions to a tax-sheltered or deferred annuity that are made at the election of the
38 employee.

39 (C) Any amount that is contributed to a cafeteria plan or qualified transportation fringe benefit
40 plan by the employer at the election of the employee and that is not includable in the taxable in-
41 come of the employee by reason of 26 U.S.C. 125 or 132(f)(4), as in effect on August 29, 2003.

42 (D) Any amount that is contributed to a cash or deferred arrangement by the employer at the
43 election of the employee and that is not included in the taxable income of the employee by reason
44 of 26 U.S.C. 402(e)(3), as in effect on August 29, 2003.

45 (E) Retroactive payments made to an employee to correct a clerical error, pursuant to an award

1 by a court or by order of or pursuant to a conciliation agreement with an administration agency
2 charged with enforcing federal or state law protecting the employee's rights to employment or
3 wages, which shall be allocated to and deemed paid in the periods in which the work was done or
4 in which the work would have been done.

5 (F) The amount of an employee contribution to the individual account program that is paid by
6 the employer and deducted from the compensation of the employee, as provided under ORS 238A.335
7 (1) and (2)(a).

8 (G) The amount of an employee contribution to the individual account program that is not paid
9 by the employer under ORS 238A.335.

10 (H) Wages of a deceased member paid to a surviving spouse or dependent children under ORS
11 652.190.

12 (c) "Salary" does not include the following amounts:

13 (A) Travel or any other expenses incidental to employer's business which is reimbursed by the
14 employer.

15 (B) Payments made on account of an employee's death.

16 (C) Any lump sum payment for accumulated unused sick leave, vacation leave or other paid
17 leave.

18 (D) Any severance payment, accelerated payment of an employment contract for a future period
19 or advance against future wages.

20 (E) Any retirement incentive, retirement bonus or retirement gratuitous payment.

21 (F) Payment for a leave of absence after the date the employer and employee have agreed that
22 no future services in a qualifying position will be performed.

23 (G) Payments for instructional services rendered to institutions of the Department of Higher
24 Education, **Portland State University** or [the] Oregon Health and Science University when those
25 services are in excess of full-time employment subject to this chapter. A person employed under a
26 contract for less than 12 months is subject to this subparagraph only for the months covered by the
27 contract.

28 (H) The amount of an employee contribution to the individual account program that is paid by
29 the employer and is not deducted from the compensation of the employee, as provided under ORS
30 238A.335 (1) and (2)(b).

31 (I) Any amount in excess of \$200,000 for a calendar year. If any period over which salary is
32 determined is less than 12 months, the \$200,000 limitation for that period shall be multiplied by a
33 fraction, the numerator of which is the number of months in the determination period and the de-
34 nominator of which is 12. The board shall adopt rules adjusting this dollar limit to incorporate
35 cost-of-living adjustments authorized by the Internal Revenue Service.

36 (17) "System" means the Public Employees Retirement System.

37 **SECTION 60.** ORS 238A.140 is amended to read:

38 238A.140. (1) An active member of the pension program accrues one year of retirement credit
39 for each complete year of service and one-twelfth of a year of retirement credit for each full month
40 and each major fraction of a month of service.

41 (2) An active member who is a school employee shall be credited with at least six months of
42 retirement credit if the member performs service for a major fraction of each month of a school year
43 that falls between January 1 and June 30, and at least six months of retirement credit if the member
44 performs service for a major fraction of each month of a school year that falls between July 1 and
45 December 31.

1 (3) When an eligible employee becomes a member under ORS 238A.100, the board shall credit
 2 the eligible employee with retirement credit for the period of employment required of the employee
 3 under ORS 238A.100.

4 (4) A member may not accrue more than one full year of retirement credit in any calendar year.

5 (5) For purposes of this section, “school employee” means:

6 (a) A person who is employed by a common school district, a union high school district or an
 7 education service district;

8 (b) An employee of the State Board of Higher Education, [*or the*] Oregon Health and Science
 9 University **or Portland State University** who is engaged in teaching or other school activity at
 10 an institution of higher education;

11 (c) An employee of the Department of Human Services, the Oregon Youth Authority, the De-
 12 partment of Corrections or the State Board of Education who is engaged in teaching or other school
 13 activity at an institution supervised by the authority, board or department; and

14 (d) An employee of a community college district other than an academic employee.

15 **SECTION 61.** ORS 243.107 is amended to read:

16 243.107. A person employed by a state institution of higher education, **Portland State Univer-**
 17 **sity** or [*the*] Oregon Health and Science University may be considered an eligible employee for
 18 participation in one of the group benefit plans described in ORS 243.135 if the State Board of Higher
 19 Education[, *or the Oregon Health and Science University*] **or the Portland Metropolitan Universi-**
 20 **ties** Board of Directors [*for Oregon Health and Science University employees,*] determines that funds
 21 are available therefor and if:

22 (1) Notwithstanding ORS 243.105 (4)(b)(F), the person is a student enrolled in [*an*] **a state** in-
 23 stitution of higher education, **Oregon Health and Science University or Portland State Univer-**
 24 **sity** and is employed as a graduate teaching assistant, graduate research assistant or a fellow at the
 25 institution **or university** and elects to participate; or

26 (2) Notwithstanding ORS 243.105 (4)(b)(B) or (C), the person is employed on a less than half-time
 27 basis in an unclassified instructional or research support capacity and elects to participate.

28 **SECTION 62.** ORS 243.910 is amended to read:

29 243.910. As used in ORS 243.910 to 243.945:

30 (1) “Board” means:

31 (a) The State Board of Higher Education for all institutions under the jurisdiction of that board
 32 as set forth in ORS 352.002[, *and for the Oregon Health and Science University means the Oregon*
 33 *Health and Science University Board of Directors*]; **and**

34 (b) **The Portland Metropolitan Universities Board of Directors for Oregon Health and**
 35 **Science University and Portland State University.**

36 (2) “Employees” means the persons appointed or employed by or under the authority of the
 37 board who hold academic rank as determined by the board.

38 (3) “System” means the Public Employees Retirement System established by ORS 238.600.

39 **SECTION 63.** ORS 244.050 is amended to read:

40 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon
 41 Government Ethics Commission a verified statement of economic interest as required under this
 42 chapter:

43 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the
 44 Bureau of Labor and Industries, Superintendent of Public Instruction, district attorneys and mem-
 45 bers of the Legislative Assembly.

- 1 (b) Any judicial officer, including justices of the peace and municipal judges, except any pro tem
2 judicial officer who does not otherwise serve as a judicial officer.
- 3 (c) Any candidate for a public office designated in paragraph (a) or (b) of this subsection.
- 4 (d) The Deputy Attorney General.
- 5 (e) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the
6 Secretary of the Senate and the Chief Clerk of the House of Representatives.
- 7 (f) The Chancellor and Vice Chancellors of the Oregon University System and the president and
8 vice presidents, or their administrative equivalents, in each institution under the jurisdiction of the
9 State Board of Higher Education.
- 10 (g) The following state officers:
- 11 (A) Adjutant General.
- 12 (B) Director of Agriculture.
- 13 (C) Manager of State Accident Insurance Fund Corporation.
- 14 (D) Water Resources Director.
- 15 (E) Director of Department of Environmental Quality.
- 16 (F) Director of Oregon Department of Administrative Services.
- 17 (G) State Fish and Wildlife Director.
- 18 (H) State Forester.
- 19 (I) State Geologist.
- 20 (J) Director of Human Services.
- 21 (K) Director of the Department of Consumer and Business Services.
- 22 (L) Director of the Department of State Lands.
- 23 (M) State Librarian.
- 24 (N) Administrator of Oregon Liquor Control Commission.
- 25 (O) Superintendent of State Police.
- 26 (P) Director of the Public Employees Retirement System.
- 27 (Q) Director of Department of Revenue.
- 28 (R) Director of Transportation.
- 29 (S) Public Utility Commissioner.
- 30 (T) Director of Veterans' Affairs.
- 31 (U) Executive Director of Oregon Government Ethics Commission.
- 32 (V) Director of the State Department of Energy.
- 33 (W) Director and each assistant director of the Oregon State Lottery.
- 34 (h) Any assistant in the Governor's office other than personal secretaries and clerical personnel.
- 35 (i) Every elected city or county official.
- 36 (j) Every member of a city or county planning, zoning or development commission.
- 37 (k) The chief executive officer of a city or county who performs the duties of manager or prin-
38 cipal administrator of the city or county.
- 39 (L) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
- 40 (m) Every member of a governing body of a metropolitan service district and the executive of-
41 ficer thereof.
- 42 (n) Each member of the board of directors of the State Accident Insurance Fund Corporation.
- 43 (o) The chief administrative officer and the financial officer of each common and union high
44 school district, education service district and community college district.
- 45 (p) Every member of the following state boards and commissions:

- 1 (A) Board of Geologic and Mineral Industries.
- 2 (B) Oregon Economic and Community Development Commission.
- 3 (C) State Board of Education.
- 4 (D) Environmental Quality Commission.
- 5 (E) Fish and Wildlife Commission of the State of Oregon.
- 6 (F) State Board of Forestry.
- 7 (G) Oregon Government Ethics Commission.
- 8 (H) Oregon Health Policy Commission.
- 9 (I) State Board of Higher Education.
- 10 (J) Oregon Investment Council.
- 11 (K) Land Conservation and Development Commission.
- 12 (L) Oregon Liquor Control Commission.
- 13 (M) Oregon Short Term Fund Board.
- 14 (N) State Marine Board.
- 15 (O) Mass transit district boards.
- 16 (P) Energy Facility Siting Council.
- 17 (Q) Board of Commissioners of the Port of Portland.
- 18 (R) Employment Relations Board.
- 19 (S) Public Employees Retirement Board.
- 20 (T) Oregon Racing Commission.
- 21 (U) Oregon Transportation Commission.
- 22 (V) Wage and Hour Commission.
- 23 (W) Water Resources Commission.
- 24 (X) Workers' Compensation Board.
- 25 (Y) Oregon Facilities Authority.
- 26 (Z) Oregon State Lottery Commission.
- 27 (AA) Pacific Northwest Electric Power and Conservation Planning Council.
- 28 (BB) Columbia River Gorge Commission.
- 29 (CC) [*Oregon Health and Science University*] **Portland Metropolitan Universities** Board of Di-
- 30 rectors.
- 31 (q) The following officers of the State Treasurer:
- 32 (A) Chief Deputy State Treasurer.
- 33 (B) Chief of staff for the office of the State Treasurer.
- 34 (C) Director of the Investment Division.
- 35 (r) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725
- 36 or 777.915 to 777.953.
- 37 (s) Every member of the board of directors of an authority created under ORS 441.525 to 441.595.
- 38 (2) By April 15 next after the date an appointment takes effect, every appointed public official
- 39 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-
- 40 ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070
- 41 and 244.090.
- 42 (3) By April 15 next after the filing deadline for the primary election, each candidate for public
- 43 office described in subsection (1) of this section shall file with the commission a statement of eco-
- 44 nomic interest as required under ORS 244.060, 244.070 and 244.090.
- 45 (4) Within 30 days after the filing deadline for the general election, each candidate for public

1 office described in subsection (1) of this section who was not a candidate in the preceding primary
2 election, or who was nominated for public office described in subsection (1) of this section at the
3 preceding primary election by write-in votes, shall file with the commission a statement of economic
4 interest as required under ORS 244.060, 244.070 and 244.090.

5 (5) Subsections (1) to (4) of this section apply only to persons who are incumbent, elected or
6 appointed public officials as of April 15 and to persons who are candidates for public office on April
7 15. Subsections (1) to (4) of this section also apply to persons who do not become candidates until
8 30 days after the filing deadline for the statewide general election.

9 (6) If a statement required to be filed under this section has not been received by the commis-
10 sion within five days after the date the statement is due, the commission shall notify the public of-
11 ficial or candidate and give the public official or candidate not less than 15 days to comply with the
12 requirements of this section. If the public official or candidate fails to comply by the date set by the
13 commission, the commission may impose a civil penalty as provided in ORS 244.350.

14 **SECTION 64.** ORS 276.227 is amended to read:

15 276.227. (1) The State of Oregon recognizes that providing and operating state government fa-
16 cilities is a significant capital investment in public infrastructure. Accordingly, it is the policy of the
17 State of Oregon to plan, finance, acquire, construct, manage and maintain state government facilities
18 in a manner that maximizes and protects this investment.

19 (2) The Oregon Department of Administrative Services shall establish a statewide planning
20 process that evaluates the needs of the state's facilities, provides comparative information on the
21 condition of the state's facilities, establishes guidelines and standards for acquiring, managing and
22 maintaining state facilities and provides financing and budgeting strategies to allocate resources to
23 facilities' needs.

24 (3)(a) The Director of the Oregon Department of Administrative Services shall establish a public
25 review process for the proposed capital projects of all state agencies. To assist in this review, the
26 director shall establish a Capital Projects Advisory Board consisting of seven members. Five mem-
27 bers shall be public members knowledgeable about construction, facilities management and mainte-
28 nance issues. Two members may be state employees. The director shall appoint the chairperson of
29 the board.

30 (b) The director, in consultation with the board, may request that agencies submit updated
31 long-range facility plans and funding strategies that reflect changes in technology and priorities. The
32 director may ask the board to report on and make recommendations related to long-range plans, the
33 condition of facilities, maintenance schedules, funding strategies and options for new facilities. The
34 director may seek recommendations from the board regarding the needs of existing facilities, funding
35 strategies and long-term facility goals.

36 (c) The review process may be applicable to capital projects meeting the definition of major
37 construction/acquisition in the Governor's budget and to significant leases.

38 (d) For each state agency proposing a capital project, the review process may include an ex-
39 amination of the following:

40 (A) The effectiveness of asset protection, including maintenance, repair and other activities;

41 (B) The effectiveness of space utilization, including an inventory of existing occupied and unoc-
42 cupied building space;

43 (C) The advisability of lease, purchase or other funding strategies;

44 (D) The condition of existing occupied and unoccupied building space;

45 (E) Appropriate technology;

1 (F) The agency's mission and long-range facilities plans; and

2 (G) For new facilities, expansions and additions, the ability of the agency to maintain and op-
3 erate all of the agency's facilities in a cost-effective manner.

4 (e) The review process shall ensure that capital project decisions are approached in a cost-
5 effective manner after considering all reasonable alternatives.

6 (f) With assistance from the board, the department shall provide recommendations and informa-
7 tion to the Governor and the Legislative Assembly on the construction, leasing and facilities man-
8 agement issues of state government.

9 (4) The department shall establish and maintain a central database of information on state-
10 owned property of all state agencies, including land, buildings, infrastructure, improvements and
11 leases. This database shall include an inventory of state-owned facilities as well as descriptive and
12 technical information.

13 (5) State agencies shall establish and implement long-range maintenance and management plans
14 for facilities for which this state is responsible to ensure that facilities are maintained in good re-
15 pair and that the useful lives of facilities are maximized. For each new facility, a maintenance and
16 management plan appropriate to the use and useful life of the facility shall be developed and im-
17 plemented.

18 (6) The department may engage in cooperative projects with local government.

19 (7) The provisions of this section [shall] **do** not apply to institutions of higher education as de-
20 scribed in ORS 352.002, **Portland State University**, [the] Oregon Health and Science University or
21 a community college as defined in ORS 341.005.

22 **SECTION 65.** ORS 276.229 is amended to read:

23 276.229. (1) State agencies shall develop four-year major construction budgets. Projects included
24 in these budgets may be accelerated or deferred upon approval of the Emergency Board.

25 (2) State agencies shall include the biennial costs associated with maintenance, major repairs
26 or building alterations in their regular budget presentation to the Legislative Assembly. Agencies
27 shall include in their budget presentations short-term and long-term plans to reduce or eliminate any
28 existing backlog of deferred maintenance.

29 (3) The provisions of this section [shall] **do** not apply to an institution of higher education as
30 described in ORS 352.002, **Portland State University**, [the] Oregon Health and Science
31 University[,] or a community college as defined in ORS 341.005.

32 **SECTION 66.** ORS 283.143 is amended to read:

33 283.143. (1) To encourage utilization of statewide integrated videoconferencing and statewide
34 online access services, the Oregon Department of Administrative Services shall, in addition to any
35 other charge or assessment for providing telecommunications services to state agencies, impose
36 upon each agency and public corporation a surcharge, in an amount established by the department.
37 All surcharge moneys collected shall be deposited in the Oregon Department of Administrative
38 Services Operating Fund, and may be expended only for state agency and public corporation tele-
39 communication and videoconferencing activities, under such terms and conditions as the department
40 may prescribe.

41 (2) Notwithstanding subsection (1) of this section, the Oregon Department of Administrative
42 Services [shall] **may** not impose the surcharge established by this section on the Department of
43 Higher Education, **Portland State University** or [the] Oregon Health and Science University. The
44 Oregon Department of Administrative Services shall enter into an agreement with the Department
45 of Higher Education, **Portland State University** and [the] Oregon Health and Science University

1 on the amounts to be paid by the Department of Higher Education, **Portland State University** and
 2 [the] Oregon Health and Science University to the Oregon Department of Administrative Services
 3 in lieu of the surcharge provided for in this section.

4 **SECTION 67.** ORS 284.701 is amended to read:

5 284.701. As used in ORS 284.701 to 284.740:

6 (1) "Oregon emerging business" means an emerging growth business as defined in ORS 348.701
 7 that has:

8 (a) Fewer than 100 employees; and

9 (b) At least 51 percent of its employees employed in Oregon.

10 (2) "Research institution" means:

11 (a) A community college as defined in ORS 341.005;

12 (b) A state institution of higher education listed in ORS 352.002;

13 (c) The Oregon Health and Science University public corporation created under ORS 353.020;

14 (d) An Oregon-based, generally accredited, not-for-profit private institution of higher education;

15 (e) A federal research laboratory conducting research in Oregon; [or]

16 (f) A private not-for-profit research institution located in Oregon; **or**

17 **(g) The Portland State University public corporation created under section 2 of this 2009**
 18 **Act.**

19 (3) "Traded sector" has the meaning given that term in ORS 285A.010.

20 **SECTION 68.** ORS 307.095 is amended to read:

21 307.095. (1) Any portion of state property that is used during the tax year for parking on a
 22 rental or fee basis to private individuals is subject to ad valorem taxation.

23 (2) The real market value of such portion shall be computed by determining that percentage
 24 which the total of receipts from private use bears to the total of receipts from all use of the prop-
 25 erty. The assessed value of such portion shall be computed as provided in ORS 308.146. However,
 26 receipts from any use by a state officer or employee in the performance of the official duties of the
 27 state officer or employee shall not be considered as receipts from private use in computing the
 28 portion subject to ad valorem taxation.

29 (3) This section and ORS 276.592 do not apply to state property that is used by the Oregon
 30 University System, **Portland State University** or [the] Oregon Health and Science University solely
 31 to provide parking for employees, students or visitors.

32 **SECTION 69.** ORS 307.110 is amended to read:

33 307.110. (1) Except as provided in ORS 307.120, all real and personal property of this state or
 34 any institution or department thereof or of any county or city, town or other municipal corporation
 35 or political subdivision of this state, held under a lease or other interest or estate less than a fee
 36 simple, by any person whose real property, if any, is taxable, except employees of the state,
 37 municipality or political subdivision as an incident to such employment, shall be subject to assess-
 38 ment and taxation for the assessed or specially assessed value thereof uniformly with real property
 39 of nonexempt ownerships.

40 (2) Each leased or rented premises not exempt under ORS 307.120 and subject to assessment and
 41 taxation under this section which is located on property used as an airport and owned by and
 42 serving a municipality or port shall be separately assessed and taxed.

43 (3) Nothing contained in this section shall be construed as subjecting to assessment and taxation
 44 any publicly owned property described in subsection (1) of this section that is:

45 (a) Leased for student housing by a school or college to students attending such a school or

1 college.

2 (b) Leased to or rented by persons, other than sublessees or subrenters, for agricultural or
3 grazing purposes and for other than a cash rental or a percentage of the crop.

4 (c) Utilized by persons under a land use permit issued by the Department of Transportation for
5 which the department's use restrictions are such that only an administrative processing fee is able
6 to be charged.

7 (d) County fairgrounds and the buildings thereon, in a county holding annual county fairs,
8 managed by the county fair board under ORS 565.230, if utilized, in addition to county fair use, for
9 any of the purposes described in ORS 565.230 (2), or for horse stalls or storage for recreational ve-
10 hicles or farm machinery or equipment.

11 (e) The properties and grounds managed and operated by the State Parks and Recreation Di-
12 rector under ORS 565.080, if utilized, in addition to the purpose of holding the Oregon State Fair,
13 for horse stalls or for storage for recreational vehicles or farm machinery or equipment.

14 (f) State property that is used by the Oregon University System, **Portland State University** or
15 [the] Oregon Health and Science University to provide parking for employees, students or visitors.

16 (g) Property of a housing authority created under ORS chapter 456 which is leased or rented to
17 persons of lower income for housing pursuant to the public and governmental purposes of the
18 housing authority. For purposes of this paragraph, "persons of lower income" has the meaning given
19 the phrase under ORS 456.055.

20 (h) Property of a health district if:

21 (A) The property is leased or rented for the purpose of providing facilities for health care
22 practitioners practicing within the county; and

23 (B) The county is a frontier rural practice county under rules adopted by the Office of Rural
24 Health.

25 (4) Property determined to be an eligible project for tax exemption under ORS 285C.600 to
26 285C.626 and 307.123 that was acquired with revenue bonds issued under ORS 285B.320 to 285B.371
27 and that is leased by this state, any institution or department thereof or any county, city, town or
28 other municipal corporation or political subdivision of this state to an eligible applicant shall be
29 assessed and taxed in accordance with ORS 307.123. The property's continued eligibility for taxation
30 and assessment under ORS 307.123 is not affected:

31 (a) If the eligible applicant retires the bonds prior to the original dates of maturity; or

32 (b) If any applicable lease or financial agreement is terminated prior to the original date of ex-
33 piration.

34 (5) The provisions of law for liens and the payment and collection of taxes levied against real
35 property of nonexempt ownerships shall apply to all real property subject to the provisions of this
36 section. Taxes remaining unpaid upon the termination of a lease or other interest or estate less than
37 a fee simple, shall remain a lien against the real or personal property.

38 (6) If the state enters into a lease of property with, or grants an interest or other estate less
39 than a fee simple in property to, a person whose real property, if any, is taxable, then within 30 days
40 after the date of the lease, or within 30 days after the date the interest or estate less than a fee
41 simple is created, the state shall file a copy of the lease or other instrument creating or evidencing
42 the interest or estate with the county assessor. This section applies notwithstanding that the prop-
43 erty may otherwise be entitled to an exemption under this section, ORS 307.120 or as otherwise
44 provided by law.

45 **SECTION 70.** ORS 336.057 is amended to read:

1 336.057. In all public schools courses of instruction shall be given in the Constitution of the
 2 United States and in the history of the United States. These courses shall:

3 (1) Begin not later than the opening of the eighth grade and shall continue in grades 9 through
 4 12.

5 (2) Be required in **Portland State University and** all state institutions of higher education,
 6 except *[the]* Oregon Health and Science University, and in all state and local institutions that pro-
 7 vide education for patients or inmates to an extent to be determined by the Superintendent of Public
 8 Instruction.

9 **SECTION 71.** ORS 341.440 is amended to read:

10 341.440. (1) A community college district may contract with another community college district,
 11 common or union high school district, education service district, the Department of Higher Educa-
 12 tion, *[the]* **Portland State University**, Oregon Health and Science University, *[with]* a private edu-
 13 cational institution accredited by the Northwest Association of Schools and Colleges or its successor
 14 or a career school as defined in ORS 345.010 to obtain educational services for students enrolled in
 15 the community college of the district. However, the educational services so obtained must meet the
 16 standards for educational services provided by the college and the contract price to the college for
 17 such services must not exceed the costs which would otherwise be incurred by the college to provide
 18 its students the same or similar services.

19 (2) Educational services for which a district operating a community college may contract include
 20 services offered by correspondence and services offered electronically or through telecommuni-
 21 cations if such services are accredited by a nationally recognized accrediting association.

22 (3) For purposes of ORS 341.626, costs incurred under subsection (1) of this section shall be
 23 considered operating expenses of the district if the contract is approved by the Commissioner for
 24 Community College Services.

25 **SECTION 72.** ORS 343.961 is amended to read:

26 343.961. (1) The Department of Education shall be responsible for payment of the cost of the
 27 education in programs with which the Department of Human Services or Oregon Youth Authority
 28 contracts for long-term care or treatment. Programs eligible for such education shall be in accord-
 29 ance with criteria adopted by rule by the State Board of Education.

30 (2) The Department of Education shall be responsible for payment of the costs of such education
 31 by contract with the school district, excluding transportation, care, treatment and medical expenses.
 32 The resident district shall provide transportation to pupils enrolled in programs under ORS 430.715
 33 who live at home but require day treatment. The payments may be made to the school district or,
 34 at the discretion of the school district, to the district providing the education, as set forth in sub-
 35 section (3) of this section, from the funds appropriated for the purpose.

36 (3) The school district in which the agency is located is responsible for providing the education
 37 directly or through an adjacent school district or through the education service district in which
 38 the program is located or one contiguous thereto. The instruction may be given in facilities of such
 39 districts or in facilities provided by such agency.

40 (4) The school district may request the Department of Education to combine several private
 41 agency school programs into one contract with a school district, an adjacent school district or an
 42 education service district.

43 (5) The Department of Human Services shall give the school district providing the education at
 44 a treatment program 14 days' notice before a student is dismissed from the treatment program.

45 (6) The Department of Education may make advances to such school district from funds appro-

1 priated therefor based on the estimated agreed cost of educating the pupils per school year. Ad-
 2 vances equal to 25 percent of such estimated cost may be made on September 1, December 1 and
 3 March 1 of the current year. The balance may be paid whenever the full determination of cost is
 4 made.

5 (7) School districts which provide the education described in this section on a year-round plan
 6 may apply for 25 percent of the funds appropriated therefor on July 1, October 1, January 1, and
 7 15 percent on April 1. The balance may be paid whenever the full determination of cost is made.

8 (8) In addition to the payment methods described in this section, the Department of Education
 9 may:

10 (a) Negotiate interagency agreements to pay for the cost of education in treatment programs
 11 operated under the auspices of the State Board of Higher Education; and

12 (b) Negotiate intergovernmental agreements to pay for the cost of education in treatment pro-
 13 grams operated under the auspices of the [*Oregon Health and Science University*] **Portland Metro-**
 14 **politan Universities** Board of Directors.

15 **SECTION 73.** ORS 348.040 is amended to read:

16 348.040. As used in ORS 348.040 to 348.070, unless the context requires otherwise:

17 (1) "Commission" means the Oregon Student Assistance Commission.

18 (2) "Eligible student" means a person who is a resident of this state, as determined by the
 19 Oregon Student Assistance Commission, at the time of application for a loan under ORS 348.040 to
 20 348.070:

21 (a) Who is enrolled in or has applied for enrollment in a qualified school;

22 (b) Who has demonstrated a satisfactory level of achievement in the high school or other school
 23 on the record of which the application for enrollment is based or in which the applicant is enrolled;
 24 and

25 (c) Who can show the necessity for financial assistance in order to continue the applicant's ed-
 26 ucation.

27 (3) "Qualified school" means a school within this state [*which*] **that** is [*a*]:

28 (a) **A** four-year, nonprofit, generally accredited institution of higher education;

29 (b) **An** accredited public or private community college or education center, or one recognized
 30 by a state educational agency;

31 (c) **A** career school that is approved by the Superintendent of Public Instruction;

32 (d) **A** medical or dental program offered by [*the*] Oregon Health and Science University;

33 (e) **A** Veterinary program offered by Oregon State University; [*or*]

34 (f) **Portland State University; or**

35 [*(f)*] (g) **An** institution [*which*] **that** is, in the opinion of the commission, comparable to such
 36 institutions, colleges, centers or schools.

37 (4) When the commission certifies that the course is not available within this state, a qualified
 38 school may include an institution, college, center or school not located in this state.

39 **SECTION 74.** ORS 348.180 is amended to read:

40 348.180. As used in this section and ORS 348.183, 348.186, 348.205, 348.230, 348.250 and 348.260:

41 (1) "Cost of education" includes but is not limited to, tuition, fees and living expenses.

42 (2) "Eligible post-secondary institution" means:

43 (a) A state institution under the direction of the State Board of Higher Education;

44 (b) A community college operated under ORS chapter 341;

45 (c) [*The*] Oregon Health and Science University; [*or*]

1 **(d) Portland State University; or**

2 [(d)] **(e)** An Oregon-based, generally accredited, not-for-profit institution of higher education.

3 (3) “Qualified student” means any resident student who plans to attend an eligible post-
4 secondary institution and who:

5 (a) Has not achieved a baccalaureate or higher degree from any post-secondary institution;

6 (b) Is enrolled in an eligible program as defined by rule of the Oregon Student Assistance
7 Commission; and

8 (c) Is making satisfactory academic progress as defined by rule of the commission.

9 **SECTION 75.** ORS 348.270 is amended to read:

10 348.270. (1) In addition to any other scholarships provided by law, the Oregon Student Assist-
11 ance Commission shall award scholarships in any state institution under the State Board of Higher
12 Education, **in Portland State University**, in [the] Oregon Health and Science University, in any
13 community college operated under ORS chapter 341[,] or in any Oregon-based regionally accredited
14 independent institution, to any student applying for enrollment or who is enrolled therein, who is:

15 (a) The natural child, adopted child or stepchild of any public safety officer who, in the line of
16 duty, was killed or so disabled, as determined by the Oregon Student Assistance Commission, that
17 the income of the public safety officer is less than that earned by public safety officers performing
18 duties comparable to those performed at the highest rank or grade attained by the public safety of-
19 ficer; or

20 (b) A former foster child who enrolls in an institution of higher education as an undergraduate
21 student not later than three years from the date the student was removed from the care of the De-
22 partment of Human Services, the date the student graduated from high school or the date the stu-
23 dent received the equivalent of a high school diploma, whichever date is earliest.

24 (2) Scholarships awarded under this section to students who are dependents of public safety of-
25 ficers or who are former foster children shall equal the amount of tuition and all fees levied by the
26 institution against the recipient of the scholarship. However, scholarships awarded to students who
27 attend independent institutions shall not exceed the amount of tuition and all fees levied by the
28 University of Oregon.

29 (3) If the student who is the dependent of a deceased public safety officer continues to remain
30 enrolled in a state institution of higher education or a community college or an independent insti-
31 tution within the State of Oregon, the student shall be entitled to renewal of the scholarship until
32 the student has received the equivalent of four years of undergraduate education and four years of
33 post-graduate education.

34 (4) If the student who is a former foster child or who is the dependent of a public safety officer
35 with a disability continues to remain enrolled in a state institution of higher education or a com-
36 munity college or an independent institution within the State of Oregon, the student shall be entitled
37 to renewal of the scholarship until the student has received the equivalent of four years of under-
38 graduate education.

39 (5) The Oregon Student Assistance Commission may require proof of the student’s relationship
40 to a public safety officer described in subsection (1) of this section or proof that the student is a
41 former foster child.

42 (6) As used in this section:

43 (a) “Former foster child” means an individual who, for a total of 12 or more months while be-
44 tween the ages of 16 and 21, was a ward of the court pursuant to ORS 419B.100 (1)(b) to (e) and in
45 the legal custody of the Department of Human Services for out-of-home placement.

(b) "Public safety officer" means:

(A) A firefighter or police officer as those terms are defined in ORS 237.610.

(B) A member of the Oregon State Police.

SECTION 76. ORS 348.597 is amended to read:

348.597. ORS 348.594 to 348.615 do not apply to:

(1) An Oregon community college;

(2) A state institution of higher education within the Oregon University System;

(3) *[The]* Oregon Health and Science University;

(4) A school that has conferred degrees under the same control for five years in Oregon from at least one operationally separate unit accredited as a separate institution by a regional accrediting association or its national successor;

(5) A school that, on the date preceding July 15, 2005, was a school described in ORS 348.594 (2)(d); *[or]*

(6) A school that is exempt from ORS 348.594 to 348.615 under ORS 348.604; **or**

(7) Portland State University.

SECTION 77. ORS 348.900 is amended to read:

348.900. (1) The Employment Department, in consultation with health care industry employers, shall perform a statewide and regional needs assessment for health care occupations to identify emerging occupations and occupations for which there is high demand or a shortage of workers. The assessment shall be performed as necessary on a periodic basis, as determined by the department, in consultation with industry employers. To perform the needs assessment, the department may consider any reliable data sources available to the department.

(2) Based on the needs assessment, the Joint Boards of Education shall inform community colleges, state institutions of higher education within the Oregon University System, Oregon Health and Science University, **Portland State University** and health care industry employers of the identified statewide needs and invite the development of health care education programs that are responsive to those needs.

(3) When approving health care education programs, the State Board of Education, the State Board of Higher Education and the *[Oregon Health and Science University]* **Portland Metropolitan Universities** Board of Directors shall use the statewide needs assessment to evaluate whether a program fulfills statewide needs. If a board determines there is a statewide need, the board shall facilitate the:

(a) Coordination of new health care education programs and existing health care education programs that are similar to the new health care education programs to address the statewide need; and

(b) Alignment of health care education programs relating to statewide access, student transferability between programs, course articulation and common student learning outcomes for health care education programs.

(4) In the development and approval of health care education programs, community colleges, state institutions of higher education, Oregon Health and Science University, **Portland State University**, the State Board of Education, the State Board of Higher Education and the *[Oregon Health and Science University]* **Portland Metropolitan Universities** Board of Directors shall consider issues related to statewide access, student transferability between programs, course articulation and common student learning outcomes for health care education programs. The colleges, institutions, *[university]* **universities** and boards shall continue to provide and improve upon an effective artic-

1 ulation and transfer framework for students in Oregon's post-secondary sectors.

2 **SECTION 78.** ORS 351.203 is amended to read:

3 351.203. (1) The State Board of Higher Education shall cooperate with the Education and
4 Workforce Policy Advisor in the development of a state comprehensive education plan including
5 post-secondary education and in review of the board's programs and budget. The board shall submit
6 in timely fashion to the advisor such data as is appropriate in a form prescribed by the advisor.

7 (2) The board shall cooperate with the mediation process administered by the Oregon Student
8 Assistance Commission pursuant to ORS 348.603 and, if a negotiated resolution cannot be reached
9 by mediation, comply with the decisions of the commission regarding proposed new post-secondary
10 programs and proposed new post-secondary locations, including those proposed by Oregon Health
11 and Science University **and Portland State University** in cooperation with the board under ORS
12 353.440.

13 **SECTION 79.** ORS 351.509 is amended to read:

14 351.509. (1) There is established in the General Fund an account to be known as the Portland
15 State University Center for Nanoscience and Nanotechnology Account. Funds in the account shall
16 be used for the expansion of microscopy and materials characterization facilities at Portland State
17 University related to a signature research center.

18 (2) The account shall consist of proceeds from lottery bonds made available to the Oregon Uni-
19 versity System **or the Portland Metropolitan Universities Board of Directors** for the purpose
20 of the Portland State University center for nanoscience and nanotechnology project described in
21 subsection (1) of this section. Interest earned on moneys in the account shall be credited to the ac-
22 count.

23 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-
24 tion 1 (3), Article XI-G of the Oregon Constitution, and are continuously appropriated to the De-
25 partment of Higher Education for the center for nanoscience and nanotechnology project described
26 in subsection (1) of this section. The account may not be credited with more than \$500,000 in in-
27 terest and proceeds from lottery bonds.

28 **SECTION 80.** ORS 351.511 is amended to read:

29 351.511. (1) There is established in the General Fund an account to be known as the Portland
30 State University Northwest Engineering Science Center Phase I Account. Funds in the account shall
31 be used for construction of an engineering science center at Portland State University.

32 (2) The account shall consist of federal and local government funds made available to and funds
33 donated to the Oregon University System **or the Portland Metropolitan Universities Board of**
34 **Directors** for the purpose of the Portland State University Northwest Engineering Science Center
35 Phase I project described in subsection (1) of this section. Interest earned on moneys in the account
36 shall be credited to the account.

37 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-
38 tion 1 (3), Article XI-G of the Oregon Constitution, and are continuously appropriated to the De-
39 partment of Higher Education for that purpose. The account may not be credited with more than
40 \$26,500,000 in interest, donations and federal and local government funds for purposes of this sub-
41 section.

42 **SECTION 81.** ORS 351.526 is amended to read:

43 351.526. (1) There is established in the General Fund an account to be known as the Millar Li-
44 brary Research Center Account. Funds in the account shall be used for the construction of a library
45 research center at Portland State University.

1 (2) The account shall consist of federal and local government funds made available to and funds
 2 donated to the Oregon University System **or the Portland Metropolitan Universities Board of**
 3 **Directors** for the purposes of the Millar Library Research Center project described in subsection
 4 (1) of this section. Interest earned on moneys in the account shall be credited to the account.

5 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-
 6 tion 1 (3), Article XI-G of the Oregon Constitution, and are continuously appropriated to the De-
 7 partment of Higher Education for that purpose. The account may not be credited with more than
 8 \$1,431,000 in interest, donations and federal and local government funds for purposes of this sub-
 9 section.

10 **SECTION 82.** ORS 351.529 is amended to read:

11 351.529. (1) There is established in the General Fund an account to be known as the Portland
 12 State University Native American Center Account. Funds in the account shall be used for con-
 13 struction of a Native American center at Portland State University.

14 (2) The account shall consist of federal and local government funds made available to and funds
 15 donated to the Oregon University System **or the Portland Metropolitan Universities Board of**
 16 **Directors** for the purpose of the Portland State University Native American Center project de-
 17 scribed in subsection (1) of this section. Interest earned on moneys in the account shall be credited
 18 to the account.

19 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-
 20 tion 1 (3), Article XI-G of the Oregon Constitution, and are continuously appropriated to the De-
 21 partment Higher Education for that purpose. The account may not be credited with more than
 22 \$1,200,000 in interest, donations and federal and local government funds for purposes of this sub-
 23 section.

24 **SECTION 83.** ORS 351.647 is amended to read:

25 351.647. The Legislative Assembly finds that:

26 (1) It is in the interest of this state and its people that Oregon residents have access to the
 27 post-secondary institutions in the Northwest which best provide for the educational needs of those
 28 students;

29 (2) The people of Oregon and their post-secondary institutions benefit through the provision of
 30 access to Oregon colleges and universities for students from the state of Washington and from the
 31 enhanced economic and cultural well-being of the northwest region;

32 (3) The state should reduce or eliminate the nonresident tuition barriers which might exist be-
 33 tween the states of Oregon and Washington to restrict or inhibit enrollment of residents of one of
 34 these states in a community college or public college or university in the other state;

35 (4) The general policy statement on reduction of admission and tuition barriers between the
 36 states of Oregon and Washington [*shall*] **does** not apply to students at [*the*] Oregon Health and
 37 Science University **or Portland State University**, where enrollment priority shall [*continue to*] be
 38 given to qualified Oregon residents; and

39 (5) The State Board of Higher Education and the State Board of Education shall develop plans
 40 to carry out the intent of this policy within the appropriations available, and shall report to the
 41 appropriate legislative review agency before implementing the plan.

42 **SECTION 84.** ORS 351.663 is amended to read:

43 351.663. (1) The State Board of Higher Education **and the Portland Metropolitan Universities**
 44 **Board of Directors** shall **jointly** establish an Engineering and Technology Industry Council. A
 45 majority of the council members shall be representatives of high technology companies in Oregon.

1 The council shall be consulted on the work plans and resource allocations for engineering education.

2 (2) The council shall establish criteria and measurements that will be used for determining in-
3 vestments made from the Oregon Engineering Education Investment Fund.

4 (3) The criteria and measurements established by the council shall include:

5 (a) Responding to the urgent engineering educational needs of Oregon's fast growing high tech-
6 nology industry, especially in the Portland metropolitan area.

7 (b) Increasing this state's faculty and program capacity to meet the graduate level, professional
8 education needs of engineers working in Oregon's high technology industry through investments in
9 public and private institutions.

10 (c) Creating additional opportunities for Oregonians to pursue education in electrical engineer-
11 ing, computer engineering and other engineering disciplines critical to the advancement of Oregon's
12 high technology industry.

13 (d) Investing relatively scarce state financial resources to:

14 (A) Address the high technology industry's most demonstrated and pressing needs;

15 (B) Produce the greatest amount of educational benefits with the least short- and long-term costs
16 to the public;

17 (C) Avoid duplicating existing public or private resources; and

18 (D) Leverage existing and future private resources for the public benefit.

19 (e) Making all investments in public and private institutions through performance-based con-
20 tracts with measurable outcomes in order to ensure strong linkage between the most urgent engi-
21 neering education needs and implemented solutions.

22 (f) Maximizing the leverage of state investment funds to build faculty and program capacity and
23 share existing and new faculty and program resources.

24 (4) Priority shall be given to investments where private financial resources from Oregon high
25 technology companies or individuals with significant interests in the growth of high technology in
26 Oregon are made available to augment public funds.

27 (5) The council shall submit biennial performance reviews of all investments made to improve
28 engineering education with public funds in public and private institutions. The reviews shall be
29 submitted to the Chancellor of the Oregon University System, *[and]* the State Board of Higher Ed-
30 ucation, **the president of Oregon Health and Science University, the president of Portland**
31 **State University and the Portland Metropolitan Universities Board of Directors.**

32 **SECTION 85.** ORS 351.666 is amended to read:

33 351.666. (1) There is established an Oregon Engineering Education Investment Fund, separate
34 and distinct from the General Fund. Interest earned by the Oregon Engineering Education Invest-
35 ment Fund shall be credited to the fund.

36 (2) The moneys in the fund are appropriated continuously to the Department of Higher Educa-
37 tion, **Portland State University and Oregon Health and Science University** for the purpose of
38 investments in engineering education.

39 (3) There is established a goal of at least \$100 million that will be invested in engineering edu-
40 cation through the fund prior to July 1, 2007.

41 **SECTION 86.** ORS 351.668 is amended to read:

42 351.668. The State Board of Higher Education **and the Portland Metropolitan Universities**
43 **Board of Directors** shall use the *[money]* **moneys** from the Oregon Engineering Education Invest-
44 ment Fund solely for the purpose of investing in engineering education. The *[board]* **boards** shall
45 follow the criteria and measurements established by the Engineering and Technology Industry

1 Council in allocating [*money*] **moneys** for investments in engineering education.

2 **SECTION 87.** ORS 351.697 is amended to read:

3 351.697. (1) Each university in the Oregon University System, [*and*] Oregon Health and Science
4 University **and Portland State University** may elect to establish a university venture development
5 fund as provided in this section for the purpose of facilitating the commercialization of university
6 research and development. A university shall direct that the university venture development fund
7 be administered, in whole or in part, by the university or by the university's affiliated foundation.

8 (2) The purposes of a university venture development fund are to provide:

9 (a) Capital for university entrepreneurial programs;

10 (b) Opportunities for students to gain experience in applying research to commercial activities;

11 (c) Proof-of-concept funding for transforming research and development concepts into commer-
12 cially viable products and services;

13 (d) Entrepreneurial opportunities for persons interested in transforming research into viable
14 commercial ventures that create jobs in this state; and

15 (e) Tax credits for contributors to university research commercialization activities.

16 (3) Each university that elects to establish a university venture development fund shall:

17 (a) Notify the Department of Revenue of the establishment of the fund;

18 (b) Either directly or through its affiliated foundation, solicit contributions to the fund and re-
19 ceive, manage and disburse moneys contributed to the fund;

20 (c) Subject to ORS 315.521 (1), 351.692 (3) and 353.445 (3), issue tax credit certificates to con-
21 tributors to the fund in the amount of the contributions;

22 (d) Establish a grant program that meets the requirements for a venture grant program under
23 policies adopted by the State Board of Higher Education under ORS 351.692 or under policies
24 adopted by the [*Oregon Health and Science University*] **Portland Metropolitan Universities** Board
25 of Directors under ORS 353.445; and

26 (e) Subject to available moneys from the fund, provide qualified grant applicants with moneys
27 for the purpose of facilitating the commercialization of university research and development.

28 (4) Except as provided in subsection (5) of this section, moneys in a university venture devel-
29 opment fund shall be disbursed only as directed by a university.

30 (5) A university or its affiliated foundation may charge its customary administrative assessment
31 to manage its university venture development fund in an amount not to exceed three percent of the
32 fund's average balance during the fiscal year of the university or its affiliated foundation. The ad-
33 ministrative assessment may be paid from the assets in the fund. Except as authorized by law, no
34 other fees or indirect costs shall be charged against the university venture development fund or any
35 associated grants or other disbursements from the fund.

36 (6) A university that has established a university venture development fund shall monitor the
37 use of grants made from the fund and identify the income realized by the university as the result
38 of the use of the grants. Income consists of cash realized from royalties, milestone and license fee
39 payments and cash from the sale of equity. The university shall cause the transfer of 20 percent of
40 the income realized from the grants to the General Fund, but not to exceed the amount of the tax
41 credits issued by the university as a result of contributions to its university venture development
42 fund. Immediately upon deposit of the transferred amount into the General Fund, the university may
43 issue new tax credits to equal the transferred amount.

44 (7) A university that has established a university venture development fund shall report annually
45 to the Legislative Assembly or, if the Legislative Assembly is not in session, to the interim legisla-

1 tive committees on revenue. The report shall be at the end of the fiscal year of the university or
 2 of its affiliated foundation and provide information for that fiscal year. The university shall include
 3 in the report the following information pertaining to its university venture development fund:

- 4 (a) The amount of donations received for the fund;
- 5 (b) The amount of income received from the fund;
- 6 (c) The amount of disbursements and grants paid from the fund;
- 7 (d) The amount of income and royalties received from disbursements from the fund; and
- 8 (e) The amount of moneys transferred from the fund to the General Fund.

9 **SECTION 88.** ORS 351.810 is amended to read:

10 351.810. The State Board of Higher Education, *[the Portland State University*, Oregon Health
 11 and Science University and the Oregon members of the Western Interstate Commission for Higher
 12 Education are authorized to take any action necessary to *[achieving the ends]* **achieve the purposes**
 13 of the Western Regional Higher Education Compact.

14 **SECTION 89.** ORS 351.820 is amended to read:

15 351.820. (1) Prior to June 1 of each even-numbered year, the Oregon members of the Western
 16 Interstate Commission for Higher Education shall determine the quotas of Oregon students for whom
 17 various kinds of educational service should be purchased in out-of-state institutions during the next
 18 biennium and shall recommend to the State Board of Higher Education and the *[Oregon Health and*
 19 *Science University]* **Portland Metropolitan Universities** Board of Directors the amount to be in-
 20 cluded in its biennial budget to cover the cost of such educational service for students enrolled in
 21 their respective institutions.

22 (2) The State Board of Higher Education and the *[Oregon Health and Science University]*
 23 **Portland Metropolitan Universities** Board of Directors shall negotiate contracts with the Western
 24 Interstate Commission for Higher Education for educational service of the kind and amount indi-
 25 cated by the quotas determined under subsection (1) of this section. The *[board]* **boards** shall make
 26 payments required by such contracts out of the money appropriated to *[it]* **the boards** for that
 27 purpose.

28 (3) The State Board of Higher Education may also contract with higher education institutions,
 29 or others, which are not members of the Western Interstate Commission for Higher Education, to
 30 furnish educational services to students who are residents of the State of Oregon in those areas of
 31 higher education where the educational institutions of the State of Oregon are unable to provide the
 32 desired professional educational opportunities.

33 **SECTION 90.** ORS 351.840 is amended to read:

34 351.840. (1) The State Board of Higher Education and the *[Oregon Health and Science*
 35 *University]* **Portland Metropolitan Universities** Board of Directors may contract with the Western
 36 Interstate Commission for Higher Education to furnish educational service in their respective
 37 Oregon institutions to out-of-state students.

38 (2) The State Board of Higher Education and the *[Oregon Health and Science University]*
 39 **Portland Metropolitan Universities** Board of Directors shall determine the number of out-of-state
 40 students that should be accepted into their respective institutions, and shall make final decisions
 41 on admission of individual applicants.

42 (3)(a) Payments made by the commission under such contracts shall be deposited in the State
 43 Treasury and credited to the accounts of the State Board of Higher Education for students enrolled
 44 in institutions under the jurisdiction of that board in the same manner that fees and tuition pay-
 45 ments for resident students are deposited and credited. The estimated amount of such payments shall

1 be considered by the board in making its biennial budgetary requests.

2 **(b) Payments made by the commission under such contracts shall be deposited with**
 3 **Portland State University for students who enroll in that university under the terms of such**
 4 **contracts.**

5 **(c)** Payments made by the commission under such contracts shall be deposited with *[the]* Oregon
 6 Health and Science University for students who enroll in that university under the terms of such
 7 contracts.

8 **SECTION 91.** ORS 352.002 is amended to read:

9 352.002. The Oregon University System consists of the programs, activities and institutions of
 10 higher education under the jurisdiction of the State Board of Higher Education including the fol-
 11 lowing:

- 12 (1) University of Oregon.
- 13 (2) Oregon State University.
- 14 [(3) *Portland State University.*]
- 15 [(4)] **(3)** Oregon Institute of Technology.
- 16 [(5)] **(4)** Western Oregon University.
- 17 [(6)] **(5)** Southern Oregon University.
- 18 [(7)] **(6)** Eastern Oregon University.

19 **SECTION 92.** ORS 352.063 is amended to read:

20 352.063. *[The Department of Higher Education]* **Portland State University** may receive moneys
 21 from any public or private source to support the Mark O. Hatfield School of Government, the Center
 22 for Lakes and Reservoirs, the Graduate School of Social Work or the Institute of Portland Metro-
 23 politan Studies created under ORS 352.066, 352.068, 352.071 and 352.074. Gifts and grants received
 24 to support the Mark O. Hatfield School of Government, the Center for Lakes and Reservoirs, the
 25 Graduate School of Social Work or the Institute of Portland Metropolitan Studies shall be credited
 26 to the appropriate fund at Portland State University *[by the Department of Higher Education]*.

27 **SECTION 93.** ORS 352.066 is amended to read:

28 352.066. (1) Pursuant to ORS 351.870, there is created within *[the Department of Higher Educa-*
 29 *tion]* **Portland State University** the Mark O. Hatfield School of Government. *[The Mark O. Hatfield*
 30 *School of Government shall be administered by Portland State University.]* The president of Portland
 31 State University shall appoint the director of the Mark O. Hatfield School of Government.

32 (2) The purposes of the Mark O. Hatfield School of Government are:

33 (a) To prepare students for careers in political service, public administration and the adminis-
 34 tration of justice;

35 (b) To perform the duties required of the school under ORS 21.480, 36.179, 183.502 and 390.240;
 36 and

37 (c) To assist the Criminal Justice Research and Policy Institute in carrying out the duties under
 38 subsection (3) of this section.

39 (3) There is created within the Mark O. Hatfield School of Government the Criminal Justice
 40 Research and Policy Institute. The institute may assist the Legislative Assembly and state and local
 41 governments in developing policies to reduce crime and delinquency by:

42 (a) Providing the Legislative Assembly with objective, nonpartisan analyses of existing or pro-
 43 posed state criminal justice policies, which analyses may not be inconsistent with state or federal
 44 law or the Oregon or United States Constitution;

45 (b) Evaluating programs, including but not limited to programs dealing with public safety

1 professionalism, ethics in leadership and childhood development, funded directly or indirectly by the
 2 State of Oregon that are intended to reduce criminal and delinquent behavior or to improve
 3 professionalism in public safety careers;

4 (c) Managing reviews and evaluations relating to major long-term issues confronting the state
 5 involving criminal and juvenile justice, public safety professionalism, ethics in leadership and early
 6 childhood development programs;

7 (d) Initiating, sponsoring, conducting and publishing research on criminal and juvenile justice,
 8 public safety professionalism, ethics in leadership and early childhood development that is peer re-
 9 viewed and directly useful to policymakers;

10 (e) Organizing conferences on current state issues that bring together policymakers, public
 11 agencies and leading academicians; and

12 (f) Seeking to strengthen the links among the Legislative Assembly, state and local governments,
 13 the Oregon Criminal Justice Commission, the Department of Public Safety Standards and Training
 14 and the academic community in the interest of more informed policymaking, the application of best
 15 practices and more relevant academic research.

16 (4) The Governor, the Chief Justice of the Supreme Court, the President of the Senate, the
 17 Speaker of the House of Representatives or the chairperson of a legislative committee with respon-
 18 sibility over criminal or juvenile justice systems or childhood development programs may request the
 19 assistance of the Criminal Justice Research and Policy Institute in evaluating criminal or juvenile
 20 justice programs developed for, but not necessarily limited to, preventing delinquency, reducing
 21 crime and improving professionalism in public safety careers.

22 (5) Agencies, departments and officers of state and local governments may assist the Criminal
 23 Justice Research and Policy Institute in the performance of its functions and furnish information,
 24 data and advice as requested by the institute.

25 **SECTION 94.** ORS 352.068 is amended to read:

26 352.068. (1) Pursuant to ORS 351.870, there is created within [*the Department of Higher Educa-*
 27 *tion*] **Portland State University** the Center for Lakes and Reservoirs. [*The Center for Lakes and*
 28 *Reservoirs shall be administered by Portland State University.*]

29 (2) The purpose of the Center for Lakes and Reservoirs is to assist state and federal agencies
 30 in researching and mitigating nonindigenous, invasive aquatic species in this state and to work with
 31 communities in developing effective management of lakes and reservoirs.

32 **SECTION 95.** ORS 352.071 is amended to read:

33 352.071. (1) Pursuant to ORS 351.870, there is created within [*the Department of Higher Educa-*
 34 *tion*] **Portland State University** the Graduate School of Social Work. [*The Graduate School of So-*
 35 *cial Work shall be administered by Portland State University.*]

36 (2) The purpose of the Graduate School of Social Work is to provide a center for specialized
 37 education and research in the social services for the betterment of communities in the Portland
 38 metropolitan area, the state and the Pacific Northwest.

39 **SECTION 96.** ORS 352.074 is amended to read:

40 352.074. (1) Pursuant to ORS 351.870, there is created within [*the Department of Higher Educa-*
 41 *tion*] **Portland State University** the Institute of Portland Metropolitan Studies. [*The Institute of*
 42 *Portland Metropolitan Studies shall be administered by Portland State University.*]

43 (2) The purpose of the Institute of Portland Metropolitan Studies is to build partnerships be-
 44 tween Portland State University's urban studies programs and the surrounding communities of met-
 45 ropolitan Portland and to sponsor public service research.

1 **SECTION 97.** ORS 461.535 is amended to read:

2 461.535. The Intercollegiate Athletic Fund is created separate and distinct from the General
3 Fund. The fund shall consist of revenues credited to the Sports Lottery Account under ORS 461.543
4 [(4)] **(5) and (6)** and any other revenues available to the fund.

5 **SECTION 98.** ORS 461.543 is amended to read:

6 461.543. **(1) As used in this section, “revenue producing sport” means a sport that**
7 **produces net revenue over expenditures during a calendar year or, if its season extends into**
8 **two calendar years, produces net revenue over expenditures during the season.**

9 [(1)] **(2)** Except as otherwise specified in subsection [(5)] **(6)** of this section, the Sports Lottery
10 Account is continuously appropriated to and shall be used by the State Board of Higher Education
11 **and the Portland Metropolitan Universities Board of Directors** to fund sports programs at state
12 institutions of higher education **within the Oregon University System and at Portland State**
13 **University.** Seventy percent of the revenues [*in the fund*] **received by each board** shall be used to
14 fund nonrevenue producing sports and 30 percent shall be used for revenue producing sports. Of
15 the total amount available in the fund, at least 50 percent shall be made available for women’s
16 athletics.

17 [(2)] **(3)** The State Board of Higher Education shall [*allocate*] **receive 82 percent of the moneys**
18 **in the Sports Lottery Account allocated under subsection (6)(a) and (b) of this section and shall**
19 **allocate these moneys** among the institutions of higher education under its jurisdiction giving due
20 consideration to:

21 (a) The athletic conference to which the institution belongs and the relative costs of competing
22 in that conference.

23 (b) The level of effort being made by the institution to generate funds and support from private
24 sources.

25 [(3) *As used in subsections (1) to (3) of this section, “revenue producing sport” is a sport that*
26 *produces net revenue over expenditures during a calendar year or if its season extends into two cal-*
27 *endar years, produces net revenue over expenditures during the season.*]

28 **(4) The Portland Metropolitan Universities Board of Directors shall receive 18 percent**
29 **of the moneys in the Sports Lottery Account allocated under subsection (6)(a) and (b) of this**
30 **section.**

31 [(4)] **(5)** An amount equal to one percent of the moneys transferred to the Administrative Ser-
32 vices Economic Development Fund from the State Lottery Fund shall be allocated from the Admin-
33 istrative Services Economic Development Fund to the Sports Lottery Account.

34 [(5)] **(6)** The amounts received by the Sports Lottery Account shall be allocated as follows:

35 (a) Eighty-eight percent for [*the purposes specified in subsections (1) to (3) of this section*]
36 **sports**, but not to exceed \$8 million annually, adjusted annually pursuant to the Consumer Price
37 Index, as defined in ORS 327.006.

38 (b) Twelve percent for the purpose of scholarships, to be distributed equally between scholar-
39 ships based on academic merit and scholarships based on need, as determined by rule of the State
40 Board of Higher Education **for state institutions of higher education within the Oregon Uni-**
41 **versity System and by rule of the Portland Metropolitan Universities Board of Directors for**
42 **Portland State University**, but not to exceed \$1,090,909 annually.

43 (c) All additional [*money*] **moneys** to the Oregon Student Assistance Commission for the Oregon
44 Opportunity Grant program under ORS 348.260.

45 **SECTION 99.** Section 1, chapter 797, Oregon Laws 2001, as amended by section 1, chapter 248,

1 Oregon Laws 2005, is amended to read:

2 **Sec. 1. (1)(a)** Subject to the provision of funding by the State Department of Geology and Min-
 3 eral Industries from gifts, grants and donations made available for carrying out this section, the
 4 State Board of Higher Education shall provide for seismic safety surveys of buildings that have a
 5 capacity of 250 or more persons and are routinely used for student activities by public institutions
 6 or departments under the control of the board.

7 **(b) For purposes of this subsection, Portland State University is under the control of the**
 8 **State Board of Higher Education.**

9 **(c)** For purposes of this section, [*the*] Oregon Health and Science University is not under the
 10 control of the **State Board of Higher Education.**

11 (2) Subject to the provision of funding by the department from gifts, grants and donations made
 12 available for carrying out this section, the State Board of Education shall provide for seismic safety
 13 surveys of buildings that have a capacity of 250 or more persons and are routinely used for student
 14 activities by kindergarten through grade 12 public schools, community colleges and education ser-
 15 vice districts.

16 (3) The boards shall ensure that the seismic safety surveys under subsection (1) or (2) of this
 17 section are conducted in accordance with the Federal Emergency Management Agency publication,
 18 "Rapid Visual Screening of Buildings for Potential Seismic Hazards: A Handbook," FEMA-154, 2002
 19 Edition, or with a later edition of that handbook allowed for seismic safety survey use under a rule
 20 adopted by the department.

21 (4) A seismic safety survey under subsection (1) or (2) of this section is not required for any
 22 building that has previously undergone a seismic safety survey or that has been constructed to the
 23 state building code standards in effect for the seismic zone classification at the site on July 19, 2001.

24 (5) The boards may, by rule, establish standards to identify which buildings are routinely used
 25 for student activities. The standards must provide for the inclusion of buildings not used as class-
 26 rooms, including but not limited to libraries, auditoriums and dining facilities. The boards shall
 27 adopt rules for determining building capacity.

28 (6) To the extent practicable, the boards shall ensure that the seismic safety surveys required
 29 under subsections (1) and (2) of this section are completed by January 1, 2007.

30 **SECTION 100.** ORS 660.315 is amended to read:

31 660.315. (1) The Governor shall designate regional workforce committees to advise the Governor,
 32 local workforce investment boards that represent federally recognized workforce areas containing
 33 multiple regions, and county elected officials on regional and local needs for workforce development.
 34 The committees shall also prepare plans for achieving regional goals and coordinate the provision
 35 of services within regions. The committees shall have private and public sector members. However,
 36 a majority of the members of each committee shall represent the private sector and include business
 37 and labor representatives. The chairperson of each committee shall be a private sector member and
 38 be elected by the committee.

39 (2) The private sector committee members shall play a critical role in workforce development,
 40 including but not limited to:

41 (a) Identifying current and future workforce needs;

42 (b) Providing feedback on public sector programs;

43 (c) Assisting public agencies in changing programs to be more effective in meeting private sector
 44 needs; and

45 (d) Being a partner in addressing workforce needs.

1 (3) Private sector members of a committee created under this section shall be appointed by
2 county commissioners and, in the region that includes the City of Portland, the Mayor of Portland.
3 The members of the committee shall reflect the broadest feasible representation from the groups
4 described in ORS 660.312 (4)(a) to (h).

5 (4) The public sector representatives on the committee are representatives who receive re-
6 sources and deliver education and workforce programs within the labor market area. Public sector
7 members shall include the broadest feasible representation from, but not be limited to, the following:

8 (a) The Department of Human Services;

9 (b) School districts, education service districts, community colleges, state institutions of higher
10 education, **Portland State University** and Oregon Health and Science University;

11 (c) The Economic and Community Development Department and local economic development
12 entities;

13 (d) The Employment Department;

14 (e) The federal Act programs; and

15 (f) Other public sector partners.

16 (5) A region may recommend to the Governor an alternate structure for its regional committee,
17 based on regional determination and mutually agreed to by the current public and private sector
18 members of the regional workforce committee and the chief elected officials. The alternate structure
19 must retain a private sector chairperson, appointments of the private sector members as provided
20 in subsection (3) of this section, and substantive public and private sector and other stakeholder
21 participation through formalized methods, such as standing committees.

22 (6) A regional workforce committee shall develop and implement a strategic regional workforce
23 plan that responds to the current and future workforce needs of the regional labor market.

24 (7) The strategic regional workforce plan shall:

25 (a) Consider the supply and demand outlook for the region;

26 (b) Identify and prioritize initiatives and resources, both public and private, to meet the regional
27 workforce needs;

28 (c) Articulate and include the coordination of both public and private resources in addressing
29 the workforce needs and goals; and

30 (d) Ensure the most appropriate use of resource investments.

31 (8) The regional workforce committee shall create or enhance the workforce program delivery
32 system to meet the strategic priorities of the region and any strategic priorities of a federally re-
33 cognized workforce area that includes that region.

34 (9) Within each region, or within overlapping regions, regional workforce committees, local
35 workforce investment boards and regional investment boards shall coordinate their planning efforts
36 to ensure that the strategic efforts and resource allocation of economic and workforce development
37 of an area are consistent. Regional workforce committees and regional investment boards will ex-
38 tend opportunities to other entities engaged in economic and workforce development programs and
39 services to participate in their joint or integrated strategic planning.

40 (10)(a) A local workforce investment board that represents a multiregional workforce area shall
41 hold regional workforce committees in the area accountable for any policy and operational respon-
42 sibilities under 2832(d) of the federal Act that is delegated to the committees in accordance with
43 state policy and local workforce investment board policy.

44 (b) A regional workforce committee within a multiregional workforce area is accountable to the
45 local workforce investment board for any policy and operational responsibilities carried out under

1 the federal Act on behalf of the board.

2 (c) As it relates to regional responsibilities under this section, a regional workforce committee
 3 may, through a vote of the committee, determine the methodology for delegating the responsibilities
 4 of the regional workforce committee to a local workforce investment board representing the multi-
 5 regional workforce area.

6 **SECTION 101.** ORS 351.010 is amended to read:

7 351.010. The Department of Higher Education shall be conducted under the control of a board
 8 of 12 directors, to be known as the State Board of Higher Education. The board shall consist of:

9 (1) Two students, who at the time of their appointment to the board, are admitted at different
 10 public institutions of higher education in Oregon listed in ORS 352.002.

11 (2) One member of the faculty at Oregon State University[, *Portland State University*] or Uni-
 12 versity of Oregon.

13 (3) One member of the faculty at Eastern Oregon University, Oregon Institute of Technology,
 14 Southern Oregon University or Western Oregon University.

15 (4) Eight members of the general public who are not students or faculty at the time of their
 16 appointment.

17 **SECTION 102.** **The duties, functions and powers of the State Board of Higher Education**
 18 **relating to Portland State University are imposed upon, transferred to and vested in the**
 19 **Portland Metropolitan Universities Board of Directors.**

20 **SECTION 103.** (1) **The Chancellor of the Oregon University System shall:**

21 (a) **Deliver to the Portland Metropolitan Universities Board of Directors all records and**
 22 **property within the jurisdiction of the chancellor that relate to the duties, functions and**
 23 **powers transferred by section 102 of this 2009 Act; and**

24 (b) **Transfer to the Portland Metropolitan Universities Board of Directors those employ-**
 25 **ees engaged primarily in the exercise of the duties, functions and powers transferred by**
 26 **section 102 of this 2009 Act.**

27 (2) **The president of Portland State University shall take possession of the records and**
 28 **property, and shall take charge of the employees and employ them in the exercise of the**
 29 **duties, functions and powers transferred by section 102 of this 2009 Act, without reduction**
 30 **of compensation but subject to change or termination of employment or compensation as**
 31 **provided by law.**

32 (3) **The Governor shall resolve any dispute between the State Board of Higher Education**
 33 **and the Portland Metropolitan Universities Board of Directors relating to transfers of re-**
 34 **records, property and employees under this section, and the Governor's decision is final.**

35 **SECTION 104.** **The transfer of duties, functions and powers to the Portland Metropolitan**
 36 **Universities Board of Directors by section 102 of this 2009 Act does not affect any action,**
 37 **proceeding or prosecution involving or with respect to such duties, functions and powers**
 38 **begun before and pending at the time of the transfer, except that the Portland Metropolitan**
 39 **Universities Board of Directors is substituted for the State Board of Higher Education in the**
 40 **action, proceeding or prosecution.**

41 **SECTION 105.** (1) **Nothing in this 2009 Act relieves a person of a liability, duty or obli-**
 42 **gation accruing under or with respect to the duties, functions and powers transferred by**
 43 **section 102 of this 2009 Act. The Portland Metropolitan Universities Board of Directors may**
 44 **undertake the collection or enforcement of any such liability, duty or obligation.**

45 (2) **The rights and obligations of the State Board of Higher Education legally incurred**

1 under contracts, leases and business transactions executed, entered into or begun before the
2 operative date of section 102 of this 2009 Act accruing under or with respect to the duties,
3 functions and powers transferred by section 102 of this 2009 Act are transferred to the
4 Portland Metropolitan Universities Board of Directors. For the purpose of succession to
5 these rights and obligations, the Portland Metropolitan Universities Board of Directors is a
6 continuation of the State Board of Higher Education and not a new authority.

7 **SECTION 106.** Notwithstanding the transfer of duties, functions and powers by section
8 102 of this 2009 Act, the rules of the State Board of Higher Education with respect to such
9 duties, functions or powers that are in effect on the operative date of section 102 of this 2009
10 Act continue in effect until superseded or repealed by rules of the Portland Metropolitan
11 Universities Board of Directors. References in such rules of the State Board of Higher Edu-
12 cation to Portland State University or an officer or employee of Portland State University
13 are considered to be references to Portland State University as established in section 2 of
14 this 2009 Act or an officer or employee of Portland State University as established in section
15 2 of this 2009 Act.

16 **SECTION 107.** Whenever, in any uncodified law or resolution of the Legislative Assembly
17 or in any rule, document, record or proceeding authorized by the Legislative Assembly, in
18 the context of the duties, functions and powers transferred by section 102 of this 2009 Act,
19 reference is made to the State Board of Higher Education, or an officer or employee of the
20 State Board of Higher Education, whose duties, functions or powers are transferred by sec-
21 tion 102 of this 2009 Act, the reference is considered to be a reference to the Portland Met-
22 ropolitan Universities Board of Directors or an officer or employee of the Portland
23 Metropolitan Universities Board of Directors who by this 2009 Act is charged with carrying
24 out such duties, functions and powers.

25 **SECTION 108.** (1) Whenever, in any uncodified law or resolution of the Legislative As-
26 sembly or in any rule, document, record or proceeding authorized by the Legislative Assem-
27 bly, reference is made to the Oregon Health and Science University Board of Directors, or
28 an officer or employee of the Oregon Health and Science University Board of Directors, the
29 reference is considered to be a reference to the Portland Metropolitan Universities Board of
30 Directors or an officer or employee of the Portland Metropolitan Universities Board of Di-
31 rectors.

32 (2) References in the rules of the Oregon Health and Science University Board of Direc-
33 tors to the Oregon Health and Science University Board of Directors or an officer or em-
34 ployee of the Oregon Health and Science University Board of Directors are considered to be
35 references to the Portland Metropolitan Universities Board of Directors or an officer or
36 employee of the Portland Metropolitan Universities Board of Directors.

37 **SECTION 109.** The transfer of duties, functions, powers, records, property and employees
38 by sections 102 and 103 of this 2009 Act does not become operative until the president of
39 Portland State University has been appointed by the Portland Metropolitan Universities
40 Board of Directors. Until then, the State Board of Higher Education shall continue to per-
41 form the duties and functions, exercise the powers and have charge of the records, property,
42 employees and moneys.

43 **SECTION 110.** Except as otherwise specifically provided in section 108 of this 2009 Act,
44 sections 2, 4, 8, 9, 16, 23, 38 and 102 to 109 of this 2009 Act and the amendments to statutes
45 and uncodified laws by sections 5 to 7, 10 to 14, 17 to 21, 24 to 36 and 39 to 101 of this 2009

1 **Act become operative on July 1, 2011.**

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