

# House Bill 2316

Sponsored by Representative GREENLICK (Presession filed.)

## 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, 2013.

## 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; and amending ORS 31.850, 97.170, 131.594, 174.108, 181.871, 183.635, 184.475, 184.477, 190.410, 192.501, 192.502, 192.690, 238.005, 238A.005, 238A.140, 243.107, 243.820, 243.910, 244.050, 276.227, 276.229, 279A.025, 283.143, 284.633, 284.701, 285B.168, 286A.001, 287A.001, 307.095, 307.110, 326.543, 329.840, 332.155, 336.057, 337.500, 337.511, 338.115, 340.005, 341.440, 343.961, 344.557, 348.180, 348.205, 348.210, 348.270, 348.394, 348.597, 348.900, 351.010, 351.203, 351.509, 351.511, 351.649, 351.656, 351.663, 351.666, 351.695, 351.697, 351.810, 351.820, 351.840, 351.870, 352.002, 352.063, 352.066, 352.068, 352.071, 352.074, 352.375, 353.010, 353.020, 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, 408.095, 431.690, 433.090, 461.535, 461.543, 660.315, 679.020, 696.182 and 759.445 and sections 13 and 17, chapter 761, Oregon Laws 2007, and section 22, chapter 904, Oregon Laws 2009.

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

**SECTION 1.** ORS 353.020 is amended to read:

353.020. (1) Oregon Health and Science 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 *[shall not be]* **is not** considered a unit of local or municipal government or a state agency for purposes of state statutes or constitutional provisions.

(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 per-**

**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 forming governmental functions and exercising governmental powers. The university shall  
 2 be an independent public corporation with statewide purposes and missions and without ter-  
 3 ritorial boundaries. The university shall be a governmental entity but is not considered a unit  
 4 of local or municipal government or a state agency for purposes of state statutes or consti-  
 5 tutional provisions.

6 **SECTION 2.** Section 3 of this 2011 Act is added to and made a part of ORS chapter 353.

7 **SECTION 3.** (1) The Portland Metropolitan Universities Board of Directors shall develop  
 8 a plan for the final reorganization of Oregon Health and Science University and Portland  
 9 State University.

10 (2) The board shall submit the plan in a report, including recommendations for any nec-  
 11 essary legislation, to the interim committees of the Legislative Assembly related to educa-  
 12 tion as appropriate, in the manner provided by ORS 192.245, no later than October 1, 2015.

13 (3) The reorganization plan adopted by the Portland Metropolitan Universities Board of  
 14 Directors shall take effect no later than July 1, 2023.

15 **SECTION 4.** ORS 353.010 is amended to read:

16 353.010. As used in this chapter:

17 [(1) "Board" means the Oregon Health and Science University Board of Directors established un-  
 18 der ORS 353.040.]

19 [(2) "Public corporation" means an entity that is created by the state to carry out public missions  
 20 and services. In order to carry out these public missions and services, a public corporation participates  
 21 in activities or provides services that are also provided by private enterprise. A public corporation is  
 22 granted increased operating flexibility in order to best ensure its success, while retaining principles of  
 23 public accountability and fundamental public policy. The board of directors of a public corporation is  
 24 appointed by the Governor and confirmed by the Senate but is otherwise delegated the authority to set  
 25 policy and manage the operations of the public corporation.]

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

28 (1) "Board" means the Portland Metropolitan Universities Board of Directors established  
 29 under ORS 353.040.

30 (2) "Oregon Health and Science University" means the Oregon Health and Science Uni-  
 31 versity public corporation created under ORS 353.020 (1).

32 (3) "Portland State University" means the Portland State University public corporation  
 33 created under ORS 353.020 (2).

34 (4) "Public corporation" means an entity that is created by the state to carry out public  
 35 missions and services and that is characterized by:

36 (a) A board of directors appointed by the Governor and confirmed by the Senate that sets  
 37 policy and manages the operations of the corporation;

38 (b) Exemption from the requirements of specified state statutes pertaining to govern-  
 39 mental operation, so as to allow increased operating flexibility to ensure success, while re-  
 40 taining principles of public accountability and implementing a fundamental public policy; and

41 (c) A public mission, but with the provision of activities and services that are also pro-  
 42 vided by private enterprise.

43 **SECTION 5.** ORS 353.030 is amended to read:

44 353.030. (1) It shall be the public policy of the Oregon Health and Science University in carrying  
 45 out its missions as a public corporation:

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

3 (b) To provide:

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

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

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

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

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

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

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

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

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

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

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

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

26 **SECTION 6. It shall be the public policy of Portland State University, in carrying out its**  
 27 **missions as a public corporation, to promote and enhance higher education as provided in**  
 28 **ORS 351.007. The university shall carry out the public purposes and missions of this section**  
 29 **in the manner that, in the determination of the Portland Metropolitan Universities Board**  
 30 **of Directors, best promotes the public welfare of the people of the State of Oregon.**

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

32 353.040. (1) There is established [*an Oregon Health and Science University*] **Portland Metro-**  
 33 **politan Universities** Board of Directors consisting of [10] **15** members. The directors, except for the  
 34 [*president of the university*] **presidents of Oregon Health and Science University and Portland**  
 35 **State University**, shall be appointed by the Governor and shall be confirmed by the Senate in the  
 36 manner prescribed in ORS 171.562 and 171.565.

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

ernor for consideration.

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

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

(b) ~~Seven~~ **Nine** representatives who, in the discretion of the Governor, have experience in areas related to the ~~university~~ **universities'** missions or that are important to the success of Oregon Health and Science University **and Portland State University**, including but not limited to higher education, health care, scientific research, **social sciences, arts**, engineering and technology and economic and business development.

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

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

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

**(f) A member of the Senate, appointed by the President of the Senate, who shall be a nonvoting member.**

**(g) A member of the House of Representatives, appointed by the Speaker of the House of Representatives, who shall be a nonvoting member.**

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

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

(6) The board shall meet at least once every three months at Oregon Health and Science University **or Portland State University**. The board shall meet at such other times and places specified by the chairperson or by a majority of the members of the board.

(7) The Governor may remove any member of the board, **except for the presidents of the universities, the member from the Senate or the member from the House of Representatives**, at any time for cause, after notice and public hearing, but not more than three members shall be removed within a period of four years, unless it is for corrupt conduct in office.

**SECTION 8. Notwithstanding the term of office specified in ORS 353.040, of the additional voting members first appointed to the Portland Metropolitan Universities Board of Directors pursuant to the amendments to ORS 353.040 by section 7 of this 2011 Act:**

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

**(2) One shall serve for a term ending July 1, 2017.**

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

**(2) The board shall report the findings of its study and its recommendations based on the study to the appropriate interim committee of the Legislative Assembly related to revenue no later than July 1, 2014.**

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

353.050. Except as otherwise provided in this chapter, the *[Oregon Health and Science*

1 *University*] **Portland Metropolitan Universities** Board of Directors, or **Oregon Health and Sci-**  
 2 **ence University and Portland State** University officials acting under the authority of the board,  
 3 shall exercise all the powers of [*the*] Oregon Health and Science University **and Portland State**  
 4 **University** and shall govern the [*university*] **universities**. [*In carrying out its powers, rights and*  
 5 *privileges, the university shall be a governmental entity performing governmental functions and exer-*  
 6 *cising governmental powers. The university or*] The board may either within or outside the state:

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

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

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

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

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

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

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

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

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

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

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

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

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

9 (14) Establish, charge, collect and use charges and fees for university services and the use of  
10 [university] **the universities'** facilities.

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

16 (16) Commission special campus security officers to be known as university police. University  
17 police commissioned under this subsection have all the powers and authority given by statute to  
18 peace officers and police officers of this state. University police shall complete training necessary  
19 for certification as police officers at an academy operated or authorized by the Department of Public  
20 Safety Standards and Training at the expense of the [Oregon Health and Science University]  
21 **Portland Metropolitan Universities** Board of Directors. University police are not authorized to  
22 carry firearms as police officers and are not police officers for purposes of ORS 238.005, 243.005 or  
23 243.736. The [university is a] **universities are** criminal justice [agency] **agencies** for purposes of  
24 ORS 181.715 and 181.720 and [a] law enforcement [unit] **units** within the meaning of ORS 181.610  
25 (12).

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

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

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

33 (20) Purchase, receive, subscribe for or otherwise acquire, own, hold, vote, use, sell, mortgage,  
34 lend, pledge, invest in or otherwise dispose of and deal in or with the shares, stock or other equity  
35 or interests in or obligations of any other entity. Separate funds may be established for such in-  
36 vestments. The State of Oregon shall have no proprietary or other interest in such investments or  
37 such funds.

38 (21) Make available, by lease or otherwise, or control access to any health care facilities or  
39 services or other of [its] **the universities'** properties and assets to such persons, firms, partnerships,  
40 associations or corporations and on such terms as considered appropriate, charge and collect rent  
41 or other fees or charges therefor and terminate or deny any such access or any such lease or other  
42 agreement for such reasons as considered appropriate and as may be consistent with its obligations  
43 under any such lease or other agreement.

44 (22) Contract for the operation of any department, section, equipment or holdings of the [uni-  
45 versity] **universities** and enter into any agreements with any person, firm or corporation for the

1 management by said person, firm or corporation on behalf of the [university] **universities** of any  
 2 [of its] properties **of the universities** or for the more efficient or economical performance of cler-  
 3 ical, accounting, administrative [and] **or** other functions [relating to its health care facilities].

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

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

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

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

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

23 353.060. (1) The [Oregon Health and Science University] **Portland Metropolitan Universities**  
 24 Board of Directors shall appoint a president of [the] **Oregon Health and Science** University. The  
 25 president is the president of the faculty and is the executive and governing officer of [the] **Oregon**  
 26 **Health and Science** University. Subject to the supervision of the board, the president has authority  
 27 to direct the affairs of [the] **Oregon Health and Science** University.

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

32 **SECTION 12. The president of Portland State University on the operative date of this**  
 33 **section shall remain as president under the supervision of the Portland Metropolitan Uni-**  
 34 **versities Board of Directors. At any time after the operative date of this section the Portland**  
 35 **Metropolitan Universities Board of Directors may choose to replace the president with a new**  
 36 **appointment.**

37 **SECTION 13.** ORS 353.070 is amended to read:

38 353.070. (1) As used in this section:

39 (a) "Direct labor" includes all work required for preparation, processing and packing, but not  
 40 supervision, administration, inspection or shipping.

41 (b) "Individual with a disability" means an individual who, because of the nature of the  
 42 individual's disability, is not able to participate fully in competitive employment, and for whom  
 43 specialized employment opportunities must be provided.

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

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

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

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

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

15 (3) It shall be the duty of [*Oregon Health and Science University*] **the board to do all of the**  
 16 **following:**

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

22 (b) Revise such prices from time to time in accordance with changing cost factors.[;]

23 (c) Make such rules regarding specifications, time of delivery and other relevant matters of  
 24 procedure as shall be necessary.[; and]

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

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

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

37 (6) It is the intent of the Legislative Assembly that there be close cooperation between the  
 38 board, the [*university*] **universities** and qualified nonprofit agencies for individuals with disabilities.  
 39 The [*university*] **universities**, on behalf of the board, [*is*] **are** authorized to enter into such con-  
 40 tractual agreements, cooperative working relationships or other arrangements as may be necessary  
 41 for effective coordination and efficient realization of the objectives of this section.

42 **SECTION 14.** ORS 353.080 is amended to read:

43 353.080. (1) Oregon Health and Science University shall file with the Legislative Assembly and  
 44 the Governor, not later than April 15 of each year, a report of the university's activities and oper-  
 45 ations for the preceding year.



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

4 **SECTION 15.** ORS 353.100 is amended to read:

5 353.100. (1) **Notwithstanding subsections (3) and (4) of this section,** the provisions of ORS  
 6 chapters 35, 190, 192, 244, **287A,** [and] 295 and **340** and ORS 30.260 to 30.460, **31.850 to 31.890,**  
 7 200.005 to 200.025, 200.045 to 200.090, 236.605 to 236.640, 243.650 to 243.782, 297.040, 307.090, [and]  
 8 **307.095,** 307.112, **337.500 to 337.506, 351.649, 351.656, 351.695, 351.820, 351.840 and 433.090 to**  
 9 **433.102** apply to Oregon Health and Science University and **Portland State University** under the  
 10 same terms as they apply to public bodies other than the state. **ORS 336.057 applies to Portland**  
 11 **State University under the same terms as it applies to public bodies other than the state.**

12 (2) Except as otherwise provided by law, the provisions of ORS chapters 182, 183, 240, 270, 273,  
 13 276, 279A, 279B, 279C, 283, **286A,** 291, 292, 293, 294 and 297 and ORS 35.550 to 35.575, 180.060,  
 14 180.210 to 180.235, 183.710 to 183.725, 183.745, 183.750, 184.305 to 184.345, 190.430, 190.480, 190.490,  
 15 192.105, 200.035, 243.105 to 243.585, 243.696, 278.011 to 278.120, 278.315 to 278.415, 279.835 to 279.855,  
 16 282.010 to 282.150, **348.594 to 348.615,** 357.805 to 357.895 and 656.017 (2) do not apply to [*the uni-*  
 17 *versity*] **Oregon Health and Science University or Portland State University** or any not-for-profit  
 18 organization or other entity if the equity of the **organization or** entity is owned exclusively by  
 19 [*the*] **either** university and if the organization or entity is created by [*the*] **either** university to ad-  
 20 vance any of [*the*] **that** university's statutory missions.

21 (3) [*The*] **Oregon Health and Science** University, as a distinct governmental entity, or any or-  
 22 ganization or entity described in subsection (2) of this section, **the equity of which is owned ex-**  
 23 **clusively by Oregon Health and Science University,** is not subject to any provision of law  
 24 enacted after January 1, 1995, with respect to any governmental entity, **that is unique to govern-**  
 25 **mental entities,** unless the provision specifically provides that it applies to the university or to the  
 26 organization or entity.

27 (4) **Portland State University, as a distinct governmental entity, or any organization or**  
 28 **entity described in subsection (2) of this section, the equity of which is owned exclusively by**  
 29 **Portland State University, is not subject to any provision of law enacted after January 1,**  
 30 **2011, with respect to any governmental entity, that is unique to governmental entities, unless**  
 31 **the provision specifically provides that it applies to the university or to the organization or**  
 32 **entity.**

33 **SECTION 16.** Section 17 of this 2011 Act is added to and made a part of ORS chapter 353.

34 **SECTION 17.** (1) **Legal title to real property and facilities acquired by the State of Oregon**  
 35 **prior to the operative date of this section and utilized by Portland State University shall re-**  
 36 **main with the State of Oregon. However, the university shall have the exclusive care, cus-**  
 37 **tody and control of such real property and facilities pursuant to an exclusive leasehold**  
 38 **interest in the real property and facilities for a term of 99 years. The term of the leasehold**  
 39 **shall begin on the operative date of this section and shall renew automatically and**  
 40 **perpetually for consecutive 99-year terms.**

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

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

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

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

4 (4) Upon execution of the ground lease, the university shall pay the State of Oregon the  
 5 sum of \$99 in consideration for the ground lease.

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

13 **SECTION 18.** ORS 353.110 is amended to read:

14 353.110. [The] Oregon Health and Science University or **Portland State University** may ac-  
 15 quire, by condemnation or otherwise, private property that is necessary or convenient in carrying  
 16 out any power granted to the university. The right to acquire property by condemnation shall be  
 17 exercised as provided by ORS chapter 35.

18 **SECTION 19.** ORS 353.117 is amended to read:

19 353.117. (1) Pursuant to ORS 353.050, Oregon Health and Science University or **Portland State**  
 20 **University** may create and maintain an entity that is exempt from federal income tax under section  
 21 501(c)(3) of the Internal Revenue Code, as amended, for the purpose of conducting clinical care and  
 22 practice and advancing other university missions by the faculty.

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

25 (a) A public employer for purposes of ORS 236.605 to 236.640 and ORS [chapters] **chapter 238**  
 26 [and 238A];

27 **(b) A participating public employer for the purposes of ORS chapter 238A;**

28 [(b)] (c) A unit of local government for purposes of ORS 190.003 to 190.130;

29 [(c)] (d) A public body for purposes of ORS 30.260 to 30.300 and 307.112;

30 [(d)] (e) A public agency for purposes of ORS 200.090; and

31 [(e)] (f) A public corporation for purposes of ORS 307.090.

32 **SECTION 20.** ORS 353.120 is amended to read:

33 353.120. The [Oregon Health and Science University] **Portland Metropolitan Universities Board**  
 34 **of Directors** shall adopt a comprehensive alcohol and drug abuse policy and implementation plan.

35 **SECTION 21.** ORS 353.130 is amended to read:

36 353.130. The [Oregon Health and Science University subscribes to the policy set forth under ORS  
 37 279A.015 regarding public contracting, and] **Portland Metropolitan Universities Board of Direc-**  
 38 **tors** shall develop contract policies that support openness, impartiality and competition in the  
 39 awarding of contracts in accordance with [that provision. The university subscribes to the intent of  
 40 the social policies of ORS 279.835 to 279.855 and ORS chapters 279A, 279B and 279C and] **the pro-**  
 41 **visions of ORS 279A.015. The board** shall develop contract policies that are appropriate to [the]  
 42 **Oregon Health and Sciences University and Portland State University** and are designed to en-  
 43 courage affirmative action, recycling, **the** inclusion of art in public buildings, the purchase of ser-  
 44 vices and goods from individuals with disabilities, the protection of workers through the payment  
 45 of prevailing wages as determined by the Bureau of Labor and Industries, the provision of workers'

1 compensation insurance to workers on contracts and the participation of emerging small businesses  
 2 and businesses owned by women and minorities.

3 **SECTION 22.** ORS 353.140 is amended to read:

4 353.140. (1) By September 1 of each even-numbered year, the [*Oregon Health and Science Uni-*  
 5 *versity*] **Portland Metropolitan Universities Board of Directors** shall submit to the Oregon De-  
 6 partment of Administrative Services a funding request for each biennium. The Oregon Department  
 7 of Administrative Services shall include and submit a [*university*] **board** funding request to the  
 8 Legislative Assembly as part of the Governor’s biennial budget. Any such request approved by the  
 9 Legislative Assembly shall be appropriated to the Oregon Department of Administrative Services for  
 10 direct allocation to [*the*] **Oregon Health and Science University and Portland State University**.  
 11 The budget request to the Legislative Assembly shall include a presentation on tuition and student  
 12 fee levels.

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

16 **SECTION 23.** Section 24 of this 2011 Act is added to and made a part of ORS chapter 353.

17 **SECTION 24.** It is the intent of the Legislative Assembly that:

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

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

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

25 **SECTION 25.** ORS 353.160 is amended to read:

26 353.160. Nothing in this chapter affects the constitutional duties and authority of the Secretary  
 27 of State to audit public accounts. However, [*the*] **Oregon Health and Science University and**  
 28 **Portland State University** shall conduct independent audits if the audits are considered advisable  
 29 by the [*university*] **Portland Metropolitan Universities Board of Directors**. Subject to ORS  
 30 297.250, the audits are subject to the exclusive discretion and control of the [*university*] **board**. [*The*  
 31 *audits are subject to disclosure pursuant to ORS 192.410 to 192.505.*]

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

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

41 **SECTION 27.** ORS 353.190 is amended to read:

42 353.190. (1) [*No student shall be refused admission to the*] **Oregon Health and Science University**  
 43 [*or be expelled*] **and Portland State University may not refuse admission to or expel an indi-**  
 44 **vidual** for the sole reason that, because of religious beliefs, the [*student*] **individual** is unable to  
 45 attend classes on a particular day.

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

5 **SECTION 28.** ORS 353.200 is amended to read:

6 353.200. (1) A student at [*the*] Oregon Health and Science University **or Portland State Uni-**  
 7 **versity** who is a member of the military and who is ordered to federal or state active duty for more  
 8 than 30 consecutive days has the following rights:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

45 **SECTION 29.** ORS 353.202 is amended to read:

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

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

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

6 (b) The amount of the credit shall be prorated based on the number of weeks remaining in the  
7 term or course when the student withdraws.

8 (c) At the time a student withdraws from a course at [*the*] Oregon Health and Science University  
9 **or Portland State University** or from [*the*] **either** university, the student must elect to claim the  
10 credit:

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

13 (B) As a monetary payment.

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

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

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

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

26 **SECTION 30.** ORS 353.205 is amended to read:

27 353.205. [*The*] Oregon Health and Science University **and Portland State University** shall give  
28 credit for education and training obtained by a person while serving in the Armed Forces of the  
29 United States, as defined in ORS 351.642. The education and training for which credit may be given  
30 must meet the standards adopted by the [*Oregon Health and Science University*] **Portland Metro-**  
31 **politan Universities** Board of Directors by rule.

32 **SECTION 31.** ORS 353.210 is amended to read:

33 353.210. (1) The [*Oregon Health and Science University*] **Portland Metropolitan Universities**  
34 **Board of Directors** shall convene a physical access committee to identify barriers to access by  
35 persons with disabilities at [*the*] **Oregon Health and Science University and Portland State**  
36 **University**. The committee shall include, but not be limited to:

37 (a) One or more students with disabilities or, if there are no students with disabilities willing  
38 to participate, a person with a disability who uses the [*university's*] facilities **of one of the uni-**  
39 **versities;**

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

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

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

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

45 (2) The physical access committee shall present its findings and recommendations to the [*ad-*

1 *ministration of the university*] **board**, listing access needs and priorities for meeting those needs.  
 2 These findings and recommendations shall identify the barriers to access that prevent persons with  
 3 disabilities from meaningfully utilizing [*campus*] **university** facilities related to instruction, academic  
 4 support, assembly and residence life.

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

8 (4) Nothing in this section and ORS 185.155 and 341.937 requires the [*university*] **universities**  
 9 to undertake projects for accessibility that are not otherwise required unless such projects are  
 10 funded specifically by the Legislative Assembly.

11 **SECTION 32.** ORS 353.250 is amended to read:

12 353.250. Notwithstanding the provisions of ORS chapters 238 and 238A, the [*Oregon Health and*  
 13 *Science University*] **Portland Metropolitan Universities Board of Directors** may offer to [*its*] em-  
 14 ployees of **Oregon Health and Science University and Portland State University**, in addition to  
 15 the Public Employees Retirement System, alternative retirement programs.

16 **SECTION 33.** ORS 353.260 is amended to read:

17 353.260. (1) [*Oregon Health and Science University*] **The Portland Metropolitan Universities**  
 18 **Board of Directors** may adopt policies governing access to **Oregon Health and Science Univer-**  
 19 **sity and Portland State** University personnel records that are less than 25 years old.

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

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

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

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

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

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

1 section.

2 (e) Confidential letters and other information submitted to or solicited by [*the*] **Oregon Health**  
 3 **and Science University** after July 1, 1995, **or by Portland State University after the operative**  
 4 **date of this section**, and prior to the employment of a prospective faculty member are exempt from  
 5 the provisions of this paragraph. However, if the member is employed by [*the university*] **Oregon**  
 6 **Health and Science University or Portland State University**, the confidential preemployment  
 7 materials shall be placed in the files designated by paragraph (a) of this subsection. If a faculty  
 8 member requests access to the member's files, the anonymity of the contributor of confidential pre-  
 9 employment letters and other preemployment information shall be protected. The full text shall be  
 10 made available, except that portions of the text that would serve to identify the contributor shall  
 11 be excised and retained in a file other than the files designated by paragraph (a) of this subsection.

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

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

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

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

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

31 **SECTION 34.** ORS 353.270 is amended to read:

32 353.270. (1) [*Oregon Health and Science University*] **The Portland Metropolitan Universities**  
 33 **Board of Directors** may authorize receipt of compensation for any officer or employee of [*the*]  
 34 **Oregon Health and Science University or Portland State University** from private or public re-  
 35 sources, including but not limited to income from:

36 (a) Consulting;

37 (b) Appearances and speeches;

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

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

44 (e) Performing public duties paid by private organizations, including university corporate affil-  
 45 iates, that augment an officer's or employee's publicly funded salary. Such income shall be author-

1 ized and received in accordance with policies established by the *[university]* **board**; and

2 (f) Providing medical and other health services.

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

7 (3) Any compensation described and authorized under subsection (1) of this section is considered  
 8 official compensation or reimbursement of expenses for purposes of ORS 244.040 and is not consid-  
 9 ered an honorarium prohibited by ORS 244.042. If authorization or receipt of the compensation cre-  
 10 ates a potential conflict of interest, the officer or employee shall report the potential conflict in  
 11 writing in accordance with policies of the *[university]* **board**. The disclosure is a public record sub-  
 12 ject to public inspection.

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

17 **SECTION 35.** ORS 353.280 is amended to read:

18 353.280. (1) The president and professors constitute the faculty of *[the]* Oregon Health and Sci-  
 19 ence University and as such have the immediate government and discipline of *[it]* **the university**  
 20 and the students therein. The faculty may, subject to the supervision of the *[Oregon Health and*  
 21 *Science University]* **Portland Metropolitan Universities** Board of Directors, prescribe the course  
 22 of study to be pursued at the university and the textbooks to be used.

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

28 **SECTION 36.** ORS 353.290 is amended to read:

29 353.290. The *[Oregon Health and Science University]* **Portland Metropolitan Universities Board**  
 30 **of Directors** shall consider and maintain affirmative action plans and goals when reductions in  
 31 faculty and staff **of Oregon Health and Science University or Portland State University** are  
 32 required as a result of:

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

37 **SECTION 37.** ORS 353.300 is amended to read:

38 353.300. *[No]* **Oregon Health and Science University and Portland State University may**  
 39 **not use any** political or sectarian test *[shall ever be allowed or applied]* in the appointment of fac-  
 40 ulty and other employees of the *[Oregon Health and Science University]* **universities**.

41 **SECTION 38.** Section 39 of this 2011 Act is added to and made a part of ORS chapter 353.

42 **SECTION 39.** (1) **The transfer of the duties, functions and powers relating to Portland**  
 43 **State University from the State Board of Higher Education to the Portland Metropolitan**  
 44 **Universities Board of Directors may not be construed in any way to impair the obligations**  
 45 **or agreements of the State of Oregon or the State Board of Higher Education with respect**



1 to bonds, certificates of participation, financing agreements or other agreements for the  
2 borrowing of money issued prior to the operative date of this section by the State of Oregon  
3 on behalf of the State Board of Higher Education for equipment or projects for the univer-  
4 sity. The Portland Metropolitan Universities Board of Directors and the State Board of  
5 Higher Education shall take all actions necessary to ensure full compliance with all  
6 indentures, resolutions, declarations, agreements and other documents issued with respect  
7 to the bonds, certificates of participation, financing agreements or other agreements for the  
8 borrowing of money issued prior to the operative date of this section by the State of Oregon  
9 on behalf of the State Board of Higher Education for equipment or projects for the univer-  
10 sity. The State Board of Higher Education and the Portland Metropolitan Universities Board  
11 of Directors shall establish, in a written agreement that shall be subject to the approval of  
12 the State Treasurer, the responsibility of the Portland Metropolitan Universities Board of  
13 Directors for the payment to the State Board of Higher Education of moneys sufficient to  
14 pay when due all principal, interest and any other charges on bonds, certificates of partic-  
15 ipation, financing agreements or other agreements for the borrowing of money issued prior  
16 to the operative date of this section by the State of Oregon on behalf of the State Board of  
17 Higher Education for equipment or projects for the university.

18 (2) Holders of obligations issued by the university on or after the operative date of this  
19 section may be paid at an equal pace with the obligations issued by the State of Oregon on  
20 behalf of the State Board of Higher Education for equipment or projects for the university  
21 prior to the operative date of this section from the rents, revenues, receipts, appropriations  
22 or other income of the university, but only to the extent that:

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

28 (b) The State Board of Higher Education, the Oregon Department of Administrative  
29 Services or the State of Oregon, acting for the benefit of such holders of obligations, is  
30 granted a lien or other security interest in the rents, revenues, receipts, appropriations or  
31 other income of the university that is not junior to and is at least on an equal footing with  
32 any lien or other security interest granted to the holders of obligations issued by the uni-  
33 versity.

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

45 (4) Any amounts deposited with the State Treasurer, the Controller of the Oregon Uni-

1 **versity System or the Oregon Department of Administrative Services or its designated**  
 2 **agents in any debt service in reserve accounts for the debt service associated with any**  
 3 **bonds, certificates of participation, financing agreements or other agreements for the bor-**  
 4 **rowing of money issued prior to the operative date of this section by the State of Oregon on**  
 5 **behalf of the State Board of Higher Education for equipment or projects for the university**  
 6 **shall remain with the State Treasurer, the Controller of the Oregon University System or**  
 7 **the Oregon Department of Administrative Services or its designated agents until such time**  
 8 **as the bonds, certificates of participation, financing agreements or other agreements for the**  
 9 **borrowing of money for which such reserve accounts have been established have been retired**  
 10 **or defeased. The university shall be credited with the investment earnings on such reserve**  
 11 **accounts.**

12 **SECTION 40.** ORS 353.340 is amended to read:

13 353.340. [*Oregon Health and Science University*] **The Portland Metropolitan Universities**  
 14 **Board of Directors** may from time to time issue and sell revenue bonds in accordance with ORS  
 15 chapter 287A. However, the provisions contained in ORS 287A.150 (2) to (6) do not apply to revenue  
 16 bonds issued by the [*university*] **board**. Such revenue bonds [*shall*] **may** not in any manner nor to  
 17 any extent be a general obligation of the [*university*] **board** nor a charge upon any revenues or  
 18 property of the [*university*] **board** not specifically pledged thereto. An obligation described in this  
 19 section is not an indebtedness of the State of Oregon.

20 **SECTION 41.** ORS 353.350 is amended to read:

21 353.350. Revenue bonds issued by the [*Oregon Health and Science University*] **Portland Metro-**  
 22 **politan Universities Board of Directors** pursuant to ORS chapter 287A shall be considered to be  
 23 bonds of a political subdivision of the State of Oregon for the purposes of all laws of the state.

24 **SECTION 42.** ORS 353.360 is amended to read:

25 353.360. Refunding bonds of the same character and tenor as those replaced thereby may be is-  
 26 sued by the [*Oregon Health and Science University*] **Portland Metropolitan Universities Board of**  
 27 **Directors** pursuant to ORS 287A.360 to 287A.380.

28 **SECTION 43.** ORS 353.370 is amended to read:

29 353.370. (1) In addition to, and not in limitation of, the means of satisfying state general obli-  
 30 gation bond obligations under ORS 291.445, [*Oregon Health and Science University*] **the Portland**  
 31 **Metropolitan Universities Board of Directors**, promptly upon the discovery of any shortfall in  
 32 moneys available to the [*university*] **board** for the payment when due of amounts under any bonds,  
 33 certificates of participation, financing agreements or other agreements for the borrowing of moneys  
 34 issued prior to July 1, 1995, by the State of Oregon on behalf of the State Board of Higher Education  
 35 for equipment or projects for [*the*] **Oregon Health and Science** University, shall notify in writing  
 36 the Legislative Assembly, or, if the Legislative Assembly is not in session, the Emergency Board,  
 37 of the existence and amount of the shortfall.

38 (2) **In addition to, and not in limitation of, the means of satisfying state general obli-**  
 39 **gation bond obligations under ORS 291.445, the Portland Metropolitan Universities Board of**  
 40 **Directors, promptly upon the discovery of any shortfall in moneys available to the board for**  
 41 **the payment when due of amounts under any bonds, certificates of participation, financing**  
 42 **agreements or other agreements for the borrowing of moneys issued prior to the operative**  
 43 **date of this section by the State of Oregon on behalf of the State Board of Higher Education**  
 44 **for equipment or projects for Portland State University, shall notify in writing the Legisla-**  
 45 **tive Assembly, or, if the Legislative Assembly is not in session, the Emergency Board, of the**

1 **existence and amount of the shortfall.**

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

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

9 353.380. As used in ORS 353.380 to 353.420:

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

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

20 (3) "Personal property" means tangible personal property, software and fixtures.

21 (4) "Property rights" means, with respect to personal property, the rights of a secured party  
22 under ORS chapter 79, and, with respect to real property, the rights of a trustee or lender under a  
23 lease authorized by ORS 353.410 (4).

24 (5) "Software" means software and training and maintenance contracts related to the operation  
25 of computing equipment.

26 **SECTION 45.** ORS 353.390 is amended to read:

27 353.390. [*Oregon Health and Science University*] **The Portland Metropolitan Universities**  
28 **Board of Directors** may enter into financing agreements in accordance with ORS 353.380 to  
29 353.420, upon such terms as the [*university*] **board** finds to be advantageous. Amounts payable by the  
30 [*university*] **board** under a financing agreement shall be limited to funds specifically pledged, budg-  
31 eted for or otherwise made available by the [*university*] **board**. If there are insufficient available  
32 funds to pay amounts due under a financing agreement, the lender may exercise any property rights  
33 that the [*university*] **board** has granted to [*it*] **the lender** in the financing agreement against the  
34 property that was purchased with the proceeds of the financing agreement, and may apply the  
35 amounts so received toward payments scheduled to be made by the [*university*] **board** under the fi-  
36 nancing agreement.

37 **SECTION 46.** ORS 353.400 is amended to read:

38 353.400. The [*Oregon Health and Science University*] **Portland Metropolitan Universities** Board  
39 of Directors may delegate to any board member[,] **or to any** officer or employee of the Oregon  
40 Health and Science University **or Portland State University** the authority to determine maturity  
41 dates, principal amounts, redemption provisions, interest rates or methods for determining variable  
42 or adjustable interest rates, denominations and other terms and conditions of such obligations that  
43 are not appropriately determined at the time of enactment or adoption of the authorizing resolution.  
44 The board may also delegate entering into financing agreements or any other instruments authorized  
45 by law. This delegated authority shall be exercised subject to applicable requirements of law and

1 such limitations and criteria as may be set forth in the authorizing resolution.

2 **SECTION 47.** ORS 353.410 is amended to read:

3 353.410. [*Oregon Health and Science University*] **The Portland Metropolitan Universities**  
 4 **Board of Directors** may:

5 (1) Enter into agreements with third parties to hold financing agreement proceeds, payments and  
 6 reserves as security for lenders, and to issue certificates of participation in the right to receive  
 7 payments due from the [*university*] **board** under a financing agreement. Amounts so held shall be  
 8 invested at the direction of the [*Oregon Health and Science University*] board [*of Directors*]. Interest  
 9 earned on any investments held as security for a financing agreement may, at the option of the  
 10 board, be credited to the accounts held by the third party and applied in payment of sums due under  
 11 a financing agreement.

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

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

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

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

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

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

35 **SECTION 48.** ORS 353.440 is amended to read:

36 353.440. The Legislative Assembly finds that:

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

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

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

- 1 (a) Creation or significant revision, such as a merger or closure, of degree programs;
- 2 (b) Creation or significant revision, such as a merger or closure, of schools; and
- 3 (c) Creation or significant revision of major academic policies.

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

7 **SECTION 49.** ORS 353.445 is amended to read:

8 353.445. The [*Oregon Health and Science University*] **Portland Metropolitan Universities** Board  
 9 of Directors shall adopt a policy that prescribes the requirements for a venture grant program and  
 10 the requirements that a grant applicant must meet in order to receive grant moneys from the uni-  
 11 versity venture development fund operated by Oregon Health and Science University **or Portland**  
 12 **State University**, including requirements:

- 13 (1) That a grant recipient remain within this state for at least five years following the receipt  
 14 of a grant or repay the grant plus interest;
- 15 (2) That the university report amounts of tax credit certificates issued by the university and  
 16 cease issuing certificates until the total amount owed to the General Fund by the university at any  
 17 one time under ORS 351.697 (6) does not exceed \$2.4 million; and
- 18 (3) That the university maintain records of income realized by the university as the result of  
 19 grants made from the fund and records of amounts paid to the General Fund.

20 **SECTION 50.** ORS 353.600 is amended to read:

21 353.600. As used in ORS 353.600 to 353.612:

- 22 (1) "Committee" means the Oregon Nursing Shortage Coalition Committee created in ORS  
 23 353.606.
- 24 (2) "Post-secondary education institution" means:  
 25 (a) A state institution under the direction of the State Board of Higher Education;  
 26 (b) A community college operated under ORS chapter 341;  
 27 (c) A school or division of Oregon Health and Science University; [*or*]  
 28 **(d) A school or division of Portland State University; or**  
 29 [*d*] **(e) An Oregon-based, generally accredited, not-for-profit private institution of higher edu-**  
 30 **cation.**

31 **SECTION 51.** ORS 31.850 is amended to read:

32 31.850. For the purposes of ORS 31.850 to 31.890:

- 33 (1) "Conduct" means an act or omission that has occurred or that may occur in the future.
- 34 (2) "Domicile" means the place identified under ORS 31.865.
- 35 (3) "Injury" means physical or nonphysical harm to a person or property caused by the conduct  
 36 of another person.
- 37 (4) "Law," when used in reference to the law of another state, does not include that state's  
 38 choice-of-law rules.
- 39 (5) "Noncontractual claim" means a claim, other than a claim for failure to perform a contrac-  
 40 tual or other consensual obligation, that arises from a tort as defined in ORS 30.260, or any conduct  
 41 that caused or may cause injury compensable by damages, without regard to whether damages are  
 42 sought.
- 43 (6) "Person" means a person as defined in ORS 174.100 and a public body.
- 44 (7) "Public body" means a public body as defined in ORS 174.109, [*the*] Oregon Health and Sci-  
 45 ence University, **Portland State University** and the Oregon State Bar.

1 (8) "State" means, unless the context requires otherwise, the United States, any state, territory,  
2 possession or other jurisdiction of the United States, any Indian tribe or other Native American,  
3 Hawaiian or Alaskan group recognized by federal law or formally acknowledged by a state of the  
4 United States, and any foreign country or territorial subdivision of such country that has its own  
5 system of laws.

6 **SECTION 52.** ORS 97.170 is amended to read:

7 97.170. (1) As used in this section, "indigent person" means a deceased person who does not have  
8 a death or final expense benefit or insurance policy that pays for disposition of the deceased  
9 person's body or other means to pay for disposition of the deceased person's body and who has no  
10 relative or other person with the legal right to direct and the means to pay for disposition of the  
11 deceased person's body.

12 (2)(a) The [*Oregon Health and Science University*] **Portland Metropolitan Universities Board**  
13 **of Directors** shall appoint a Demonstrator of Anatomy from the staff of [*the*] **Oregon Health and**  
14 **Science University**.

15 (b) The Demonstrator of Anatomy shall maintain a list of institutions that may accept or process  
16 bodies for education or research purposes.

17 (3) A medical examiner as defined in ORS 146.003 or a health care facility as defined in ORS  
18 442.015 that has charge of an unclaimed body of a deceased person shall promptly attempt to locate  
19 and notify the relatives of the deceased person or other persons who have an interest in the de-  
20 ceased person and shall arrange with any person who will pay the expenses to make disposition of  
21 the body. If the medical examiner or health care facility cannot locate a person who will pay the  
22 expenses of disposition of the body, the medical examiner or health care facility may transfer the  
23 body to a licensed funeral service practitioner.

24 (4)(a) A licensed funeral service practitioner who takes custody of the unclaimed body of a de-  
25 ceased person shall promptly verify that a medical examiner or health care facility attempted to  
26 locate relatives and interested persons as provided in subsection (3) of this section.

27 (b) If a medical examiner or health care facility has not attempted to locate relatives and in-  
28 terested persons as provided in subsection (3) of this section, the funeral service practitioner shall,  
29 within five days after taking custody of the body, attempt to locate and notify relatives and inter-  
30 ested persons and shall arrange with any person who will pay the expenses to make disposition of  
31 the body.

32 (c) If no one claims the body within five days after the funeral service practitioner takes custody  
33 of the body, or if the persons notified acquiesce, the funeral service practitioner may transfer the  
34 body to an institution approved by the Demonstrator of Anatomy under subsection (2) of this section  
35 that desires the body for education or research purposes. The funeral service practitioner shall ar-  
36 range with an institution that desires the body to pay for care, preparation and transportation of  
37 the body to the institution.

38 (d) If no relative, interested person or institution claims the body as provided in paragraphs (b)  
39 and (c) of this subsection, the funeral service practitioner may cremate or bury the body without the  
40 consent of persons listed in ORS 97.130 and is indemnified from any liability arising from having  
41 made such disposition. The method of disposition must be in the least costly and most environ-  
42 mentally sound manner that complies with law, and that does not conflict with known wishes of the  
43 deceased. If the deceased person is an indigent person, the Department of Human Services shall  
44 reimburse the funeral service practitioner for the costs of disposition under subsection (6) of this  
45 section.

1 (5) When the deceased person is a child over whom the department held guardianship at the  
 2 time of death, the department shall promptly attempt to locate and notify the relatives of the de-  
 3 ceased child or any other person who has an interest in the deceased child and shall arrange with  
 4 any person who will pay the expenses to make disposition of the body. If no relatives or interested  
 5 persons claim the body, the department may transfer the body to an institution that is on the list  
 6 maintained by the Demonstrator of Anatomy under subsection (2) of this section that desires the  
 7 body for education or research purposes, or may authorize burial or cremation of the body. The  
 8 department shall pay expenses related to burial or cremation authorized by the department under  
 9 this subsection.

10 (6) Upon receipt of an itemized statement of expenses and proof as required by the department  
 11 by rule that the deceased person is an indigent person, the department shall reimburse a funeral  
 12 service practitioner the reasonable costs for disposition of the body of any unclaimed deceased in-  
 13 digent person. The method of disposition must be in the least costly and most environmentally sound  
 14 manner that complies with law. The department may adopt rules establishing the process for re-  
 15 imbursement and setting the maximum amount that may be reimbursed to a funeral service practi-  
 16 tioner under this subsection.

17 **SECTION 53.** ORS 131.594 is amended to read:

18 131.594. (1) After the seizing agency distributes property under ORS 131.588, and when the  
 19 seizing agency is not the state, the seizing agency shall dispose of and distribute property as follows:

20 (a) The seizing agency shall pay costs first from the property or its proceeds. As used in this  
 21 subsection, “costs” includes the expenses of publication, service of notices, towing, storage and  
 22 servicing or maintaining the seized property under ORS 131.564.

23 (b) After costs have been paid, the seizing agency shall distribute to the victim any amount the  
 24 seizing agency was ordered to distribute under ORS 131.588 (4).

25 (c) After costs have been paid and distributions under paragraph (b) of this subsection have been  
 26 made, the seizing agency shall distribute the rest of the property to the general fund of the political  
 27 subdivision that operates the seizing agency.

28 (2) Of the property distributed under subsection (1)(c) of this section, the political subdivision  
 29 shall distribute:

30 (a) Three percent to the Asset Forfeiture Oversight Account established in ORS 131A.460;

31 (b) Seven percent to the Illegal Drug Cleanup Fund established in ORS 475.495 for the purposes  
 32 specified in ORS 475.495 (5) and (6); and

33 (c) Ten percent to the state General Fund.

34 (3) Of the property distributed under subsection (1)(c) of this section that remains in the general  
 35 fund of the political subdivision after the distributions required by subsection (2) of this section have  
 36 been made:

37 (a) Fifty percent must be for official law enforcement use; and

38 (b) Fifty percent must be used for substance abuse treatment pursuant to a plan developed under  
 39 ORS 430.420.

40 (4) Except as otherwise provided by intergovernmental agreement, the seizing agency may:

41 (a) Sell, lease, lend or transfer the property or proceeds to any federal, state or local law  
 42 enforcement agency or district attorney.

43 (b) Sell the forfeited property by public or other commercially reasonable sale and pay from the  
 44 proceeds the expenses of keeping and selling the property.

45 (c) Retain the property.

1 (d) With written authorization from the district attorney for the seizing agency's jurisdiction,  
 2 destroy any firearms or controlled substances.

3 (5) A political subdivision may sell as much property as may be needed to make the distributions  
 4 required by subsections (1) and (2) of this section. A political subdivision shall make distributions  
 5 to the Asset Forfeiture Oversight Account, the Illegal Drug Cleanup Fund and the state General  
 6 Fund that are required by subsection (2) of this section once every three months. The distributions  
 7 are due within 20 days of the end of each quarter. Interest does not accrue on amounts that are paid  
 8 within the period specified by this subsection.

9 (6) A seizing agency may donate growing equipment and laboratory equipment that was used,  
 10 or intended for use, in manufacturing of controlled substances to a public school, a community col-  
 11 lege, [or] a state institution of higher education **or Portland State University**.

12 (7) This section applies only to criminal forfeiture proceeds arising out of prohibited conduct.

13 **SECTION 54.** ORS 174.108 is amended to read:

14 174.108. (1) As used in the statutes of this state, a term defined in ORS 174.108 to 174.118 has  
 15 the meaning provided by ORS 174.108 to 174.118 only if the statute using the term makes specific  
 16 reference to the provision of ORS 174.108 to 174.118 that defines the term and indicates that the  
 17 term has the meaning specified in that provision.

18 (2) Nothing in ORS 174.108 to 174.118 affects the meaning of any statute that uses one or more  
 19 of the terms defined in ORS 174.108 to 174.118 and that is in effect on January 1, 2002. Nothing in  
 20 ORS 174.108 to 174.118 affects the meaning of any statute that uses one or more of the terms defined  
 21 in ORS 174.108 to 174.118 and that is enacted after January 1, 2002, unless the statute makes spe-  
 22 cific reference to the provision of ORS 174.108 to 174.118 that defines the term and indicates that  
 23 the term has the meaning specified in that provision.

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

28 **SECTION 55.** ORS 181.871 is amended to read:

29 181.871. (1) ORS 181.870 to 181.887 do not apply to:

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

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

33 (c) An officer or employee of this state, Oregon Health and Science University established by  
 34 ORS 353.020 (1), **Portland State University established by ORS 353.020 (2)** or the United States  
 35 while performing duties of the office or employment.

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

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

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

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

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

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

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



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

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

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

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

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

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

17 (b) If any enforcement action, as described in ORS 181.870 (8)(f), other than incidental or tem-  
 18 porary action, is taken by or under the supervision of a person certified or licensed under ORS  
 19 181.878; and

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

23 **SECTION 56.** ORS 183.635 is amended to read:

24 183.635. (1) Except as provided in this section, all agencies must use administrative law judges  
 25 assigned from the Office of Administrative Hearings established under ORS 183.605 to conduct con-  
 26 tested case hearings, without regard to whether those hearings are subject to the procedural re-  
 27 quirements for contested case hearings.

28 (2) The following agencies need not use administrative law judges assigned from the office:

29 (a) Attorney General.

30 (b) Boards of stewards appointed by the Oregon Racing Commission.

31 (c) Bureau of Labor and Industries and the Commissioner of the Bureau of Labor and Industries.

32 (d) Department of Corrections.

33 (e) Department of Education, State Board of Education and Superintendent of Public Instruction.

34 (f) Department of Human Services for vocational rehabilitation services cases under 29 U.S.C.  
 35 722(c) and disability determination cases under 42 U.S.C. 405.

36 (g) Department of Revenue.

37 (h) Department of State Police.

38 (i) Employment Appeals Board.

39 (j) Employment Relations Board.

40 (k) Energy Facility Siting Council.

41 (L) Fair Dismissal Appeals Board.

42 (m) Governor.

43 (n) Land Conservation and Development Commission.

44 (o) Land Use Board of Appeals.

45 (p) Local government boundary commissions created pursuant to ORS 199.430.

1 (q) Oregon University System and institutions of higher education listed in ORS 352.002 **and**  
 2 **Portland State University.**

3 (r) Oregon Youth Authority.

4 (s) Psychiatric Security Review Board.

5 (t) Public Utility Commission.

6 (u) State Accident Insurance Fund Corporation.

7 (v) State Apprenticeship and Training Council.

8 (w) State Board of Parole and Post-Prison Supervision.

9 (x) State Land Board.

10 (y) State Treasurer.

11 (z) Wage and Hour Commission.

12 (3) The Workers' Compensation Board is exempt from using administrative law judges assigned  
 13 from the office for any hearing conducted by the board under ORS chapters 147, 654 and 656. Except  
 14 as specifically provided in this subsection, the Department of Consumer and Business Services must  
 15 use administrative law judges assigned from the office only for contested cases arising out of the  
 16 department's powers and duties under:

17 (a) ORS 86A.095 to 86A.198, 86A.990 and 86A.992 and ORS chapter 59;

18 (b) ORS chapter 455;

19 (c) ORS chapter 674;

20 (d) ORS chapters 706 to 716;

21 (e) ORS chapter 717;

22 (f) ORS chapters 723, 725 and 726; and

23 (g) ORS chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748 and 750.

24 (4) Notwithstanding any other provision of law, in any proceeding in which an agency is re-  
 25 quired to use an administrative law judge assigned from the office, an officer or employee of the  
 26 agency may not conduct the hearing on behalf of the agency.

27 (5) Notwithstanding any other provision of ORS 183.605 to 183.690, an agency is not required to  
 28 use an administrative law judge assigned from the office if:

29 (a) Federal law requires that a different administrative law judge or hearing officer be used; or

30 (b) Use of an administrative law judge from the office could result in a loss of federal funds.

31 (6) Notwithstanding any other provision of this section, the Department of Environmental  
 32 Quality must use administrative law judges assigned from the office only for contested case hearings  
 33 conducted under the provisions of ORS 183.413 to 183.470.

34 **SECTION 57.** ORS 184.475 is amended to read:

35 184.475. (1) The purposes of information technology portfolio-based management are to:

36 (a) Ensure that state agencies link their information technology investments with business plans;

37 (b) Facilitate risk assessment of information technology projects and investments;

38 (c) Ensure that state agencies justify information technology investments on the basis of sound  
 39 business cases;

40 (d) Ensure that state agencies facilitate development and review of information technology per-  
 41 formance related to business operations;

42 (e) Identify projects that can cross agency and program lines to leverage resources; and

43 (f) Assist in state government-wide planning for common, shared information technology  
 44 infrastructure.

45 (2) The Oregon Department of Administrative Services shall integrate state agency strategic and

1 business planning, technology planning and budgeting and project expenditure processes into the  
 2 department's information technology portfolio-based management.

3 (3) In cooperation with state agencies, the department shall conduct and maintain a continuous  
 4 inventory of each state agency's current and planned investments in information technology, a  
 5 compilation of information about those assets and the total life cycle cost of those assets. The de-  
 6 partment shall develop and implement state government-wide standards, processes and procedures  
 7 for the required inventory and for the management of the state government-wide information tech-  
 8 nology portfolio. State agencies shall participate in the information technology portfolio-based man-  
 9 agement and shall comply with the standards, processes and procedures established by the  
 10 department under this subsection. The provisions of this subsection do not relieve any state agency  
 11 from accountability for equipment, materials, supplies and tangible and intangible personal property  
 12 under its control.

13 (4) The department shall ensure that state agencies implement portfolio-based management of  
 14 information technology resources in accordance with this section and with rules adopted by the  
 15 Director of the Oregon Department of Administrative Services.

16 (5) This section does not apply to competitive research grants and contracts at institutions of  
 17 higher education listed in ORS 352.002 **or Portland State University.**

18 (6) In implementing the provisions of this section, the department shall submit state  
 19 government-wide policies for review to the Joint Legislative Committee on Information Management  
 20 and Technology.

21 **SECTION 58.** ORS 184.477 is amended to read:

22 184.477. (1) The purpose of enterprise management is to create a plan and implement a state  
 23 government-wide approach for managing distributed information technology assets to minimize total  
 24 ownership costs from acquisition through retirement, while realizing maximum benefits for trans-  
 25 acting the state's business and delivering services to its citizens.

26 (2) With input and recommendations from state agencies, the Oregon Department of Adminis-  
 27 trative Services shall develop a plan for the state government-wide management of distributed in-  
 28 formation technology assets. The plan shall prescribe the state government-wide infrastructure and  
 29 services for managing these assets. The plan shall be submitted to the Joint Legislative Committee  
 30 on Information Management and Technology for review.

31 (3) Following review by the Joint Legislative Committee on Information Management and  
 32 Technology, the department shall ensure state agency implementation of the plan, including the de-  
 33 velopment of appropriate standards, processes and procedures.

34 (4) State agencies shall participate in the enterprise management of information technology as-  
 35 sets and shall comply with the standards, processes and procedures of the department.

36 (5) This section does not apply to competitive research grants and contracts at institutions of  
 37 higher education listed in ORS 352.002 **or Portland State University.**

38 **SECTION 59.** ORS 190.410 is amended to read:

39 190.410. As used in ORS 190.410 to 190.440, "public agency" includes:

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

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

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

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

**SECTION 60.** ORS 192.501 is amended to read:

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

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

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

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

(a) The arrested person's name, age, residence, employment, marital status and similar biographical information;

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

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

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

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

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

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

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

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

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

(7) The names and signatures of employees who sign authorization cards or petitions for the

1 purpose of requesting representation or decertification elections.

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

5 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and  
6 663.180.

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

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

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

15 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and  
16 564.100, regarding the habitat, location or population of any threatened species or endangered spe-  
17 cies.

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

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

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

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

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

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

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

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

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

1 subject to a protective order; and

2 (b) Financial statements. As used in this paragraph, “financial statement” means a financial  
 3 statement of a nonregulated corporation having an affiliated interest, as defined in ORS 759.390,  
 4 with a telecommunications carrier, as defined in ORS 133.721.

5 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS  
 6 247.967.

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

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

11 (b) Credit reports;

12 (c) Project appraisals;

13 (d) Market studies and analyses;

14 (e) Articles of incorporation, partnership agreements and operating agreements;

15 (f) Commitment letters;

16 (g) Project pro forma statements;

17 (h) Project cost certifications and cost data;

18 (i) Audits;

19 (j) Project tenant correspondence requested to be confidential;

20 (k) Tenant files relating to certification; and

21 (L) Housing assistance payment requests.

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

23 (a) Gain unauthorized access to buildings or other property;

24 (b) Identify those areas of structural or operational vulnerability that would permit unlawful  
 25 disruption to, or interference with, services; or

26 (c) Disrupt, interfere with or gain unauthorized access to public funds or to information pro-  
 27 cessing, communication or telecommunication systems, including the information contained in the  
 28 systems, that are used or operated by a public body.

29 (23) Records or information that would reveal or otherwise identify security measures, or  
 30 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to  
 31 protect:

32 (a) An individual;

33 (b) Buildings or other property;

34 (c) Information processing, communication or telecommunication systems, including the infor-  
 35 mation contained in the systems; or

36 (d) Those operations of the Oregon State Lottery the security of which are subject to study and  
 37 evaluation under ORS 461.180 (6).

38 (24) Personal information held by or under the direction of officials of [*the*] Oregon Health and  
 39 Science University, **Portland State University** or the Oregon University System about a person  
 40 who has or who is interested in donating money or property to the university, the system or a state  
 41 institution of higher education, if the information is related to the family of the person, personal  
 42 assets of the person or is incidental information not related to the donation.

43 (25) The home address, professional address and telephone number of a person who has or who  
 44 is interested in donating money or property to the Oregon University System.

45 (26) Records of the name and address of a person who files a report with or pays an assessment

1 to a commodity commission established under ORS 576.051 to 576.455, the Oregon Beef Council  
 2 created under ORS 577.210 or the Oregon Wheat Commission created under ORS 578.030.

3 (27) Information provided to, obtained by or used by a public body to authorize, originate, re-  
 4 ceive or authenticate a transfer of funds, including but not limited to a credit card number, payment  
 5 card expiration date, password, financial institution account number and financial institution routing  
 6 number.

7 (28) Social Security numbers as provided in ORS 107.840.

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

10 (30) The name, home address, professional address or location of a person that is engaged in,  
 11 or that provides goods or services for, medical research at Oregon Health and Science University  
 12 that is conducted using animals other than rodents. This subsection does not apply to Oregon Health  
 13 and Science University press releases, websites or other publications circulated to the general pub-  
 14 lic.

15 (31) If requested by a public safety officer, as defined in ORS 181.610:

16 (a) The home address and home telephone number of the public safety officer contained in the  
 17 voter registration records for the public safety officer.

18 (b) The home address and home telephone number of the public safety officer contained in re-  
 19 cords of the Department of Public Safety Standards and Training.

20 (c) The name of the public safety officer contained in county real property assessment or taxa-  
 21 tion records. This exemption:

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

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 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 the county if the name of the public safety officer is disclosed  
 31 after a request for exemption from disclosure is made under this subsection.

32 (32) Unless the public records request is made by a financial institution, as defined in ORS  
 33 706.008, consumer finance company licensed under ORS chapter 725, mortgage banker or mortgage  
 34 broker licensed under ORS 86A.095 to 86A.198, 86A.990 and 86A.992 and ORS chapter 59, or title  
 35 company for business purposes, records described in paragraph (a) of this subsection, if the ex-  
 36 emption from disclosure of the records is sought by an individual described in paragraph (b) of this  
 37 subsection using the procedure described in paragraph (c) of this subsection:

38 (a) The home address, home or cellular telephone number or personal electronic mail address  
 39 contained in the records of any public body that has received the request that is set forth in:

40 (A) A warranty deed, deed of trust, mortgage, lien, deed of reconveyance, release, satisfaction,  
 41 substitution of trustee, easement, dog license, marriage license or military discharge record that is  
 42 in the possession of the county clerk; or

43 (B) Any public record of a public body other than the county clerk.

44 (b) The individual claiming the exemption from disclosure must be a district attorney, a deputy  
 45 district attorney, the Attorney General or an assistant attorney general, the United States Attorney

1 for the District of Oregon or an assistant United States attorney for the District of Oregon, a city  
 2 attorney who engages in the prosecution of criminal matters or a deputy city attorney who engages  
 3 in the prosecution of criminal matters.

4 (c) The individual claiming the exemption from disclosure must do so by filing the claim in  
 5 writing with the public body for which the exemption from disclosure is being claimed on a form  
 6 prescribed by the public body. Unless the claim is filed with the county clerk, the claim form shall  
 7 list the public records in the possession of the public body to which the exemption applies. The ex-  
 8 emption applies until the individual claiming the exemption requests termination of the exemption  
 9 or ceases to qualify for the exemption.

10 (33) Land management plans required for voluntary stewardship agreements entered into under  
 11 ORS 541.423.

12 (34) Sensitive business records or financial or commercial information of the State Accident In-  
 13 surance Fund Corporation that is not customarily provided to business competitors. This exemption  
 14 does not:

15 (a) Apply to the formulas for determining dividends to be paid to employers insured by the State  
 16 Accident Insurance Fund Corporation;

17 (b) Apply to contracts for advertising, public relations or lobbying services or to documents re-  
 18 lated to the formation of such contracts;

19 (c) Apply to group insurance contracts or to documents relating to the formation of such con-  
 20 tracts, except that employer account records shall remain exempt from disclosure as provided in  
 21 ORS 192.502 (35); or

22 (d) Provide the basis for opposing the discovery of documents in litigation pursuant to the ap-  
 23 plicable rules of civil procedure.

24 (35) Records of the Department of Public Safety Standards and Training relating to investi-  
 25 gations conducted under ORS 181.662 or 181.878 (6), until the department issues the report described  
 26 in ORS 181.662 or 181.878.

27 (36) A medical examiner’s report, autopsy report or laboratory test report ordered by a medical  
 28 examiner under ORS 146.117.

29 **SECTION 61.** ORS 192.501, as amended by section 3, chapter 455, Oregon Laws 2005, section  
 30 7, chapter 608, Oregon Laws 2007, section 2, chapter 687, Oregon Laws 2007, section 2, chapter 48,  
 31 Oregon Laws 2008, section 3, chapter 57, Oregon Laws 2009, section 2, chapter 135, Oregon Laws  
 32 2009, section 4, chapter 222, Oregon Laws 2009, and section 2, chapter 769, Oregon Laws 2009, is  
 33 amended to read:

34 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505  
 35 unless the public interest requires disclosure in the particular instance:

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

41 (2) Trade secrets. “Trade secrets,” as used in this section, may include, but are not limited to,  
 42 any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or  
 43 compilation of information which is not patented, which is known only to certain individuals within  
 44 an organization and which is used in a business it conducts, having actual or potential commercial  
 45 value, and which gives its user an opportunity to obtain a business advantage over competitors who



1 do not know or use it.

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

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

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

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

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

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

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

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

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

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

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

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

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

37 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and  
38 663.180.

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

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

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

2 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and  
 3 564.100, regarding the habitat, location or population of any threatened species or endangered spe-  
 4 cies.

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

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

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

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

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

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

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

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

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

34 (b) Financial statements. As used in this paragraph, “financial statement” means a financial  
 35 statement of a nonregulated corporation having an affiliated interest, as defined in ORS 759.390,  
 36 with a telecommunications carrier, as defined in ORS 133.721.

37 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS  
 38 247.967.

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

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

43 (b) Credit reports;

44 (c) Project appraisals;

45 (d) Market studies and analyses;

- 1 (e) Articles of incorporation, partnership agreements and operating agreements;
- 2 (f) Commitment letters;
- 3 (g) Project pro forma statements;
- 4 (h) Project cost certifications and cost data;
- 5 (i) Audits;
- 6 (j) Project tenant correspondence requested to be confidential;
- 7 (k) Tenant files relating to certification; and
- 8 (L) Housing assistance payment requests.
- 9 (22) Records or information that, if disclosed, would allow a person to:
  - 10 (a) Gain unauthorized access to buildings or other property;
  - 11 (b) Identify those areas of structural or operational vulnerability that would permit unlawful
  - 12 disruption to, or interference with, services; or
  - 13 (c) Disrupt, interfere with or gain unauthorized access to public funds or to information pro-
  - 14 cessing, communication or telecommunication systems, including the information contained in the
  - 15 systems, that are used or operated by a public body.
- 16 (23) Records or information that would reveal or otherwise identify security measures, or
- 17 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to
- 18 protect:
  - 19 (a) An individual;
  - 20 (b) Buildings or other property;
  - 21 (c) Information processing, communication or telecommunication systems, including the infor-
  - 22 mation contained in the systems; or
  - 23 (d) Those operations of the Oregon State Lottery the security of which are subject to study and
  - 24 evaluation under ORS 461.180 (6).
- 25 (24) Personal information held by or under the direction of officials of [*the*] Oregon Health and
- 26 Science University, **Portland State University** or the Oregon University System about a person
- 27 who has or who is interested in donating money or property to the university, the system or a state
- 28 institution of higher education, if the information is related to the family of the person, personal
- 29 assets of the person or is incidental information not related to the donation.
- 30 (25) The home address, professional address and telephone number of a person who has or who
- 31 is interested in donating money or property to the Oregon University System.
- 32 (26) Records of the name and address of a person who files a report with or pays an assessment
- 33 to a commodity commission established under ORS 576.051 to 576.455, the Oregon Beef Council
- 34 created under ORS 577.210 or the Oregon Wheat Commission created under ORS 578.030.
- 35 (27) Information provided to, obtained by or used by a public body to authorize, originate, re-
- 36 ceive or authenticate a transfer of funds, including but not limited to a credit card number, payment
- 37 card expiration date, password, financial institution account number and financial institution routing
- 38 number.
- 39 (28) Social Security numbers as provided in ORS 107.840.
- 40 (29) The electronic mail address of a student who attends a state institution of higher education
- 41 listed in ORS 352.002, [*or*] Oregon Health and Science University **or Portland State University**.
- 42 (30) If requested by a public safety officer, as defined in ORS 181.610:
  - 43 (a) The home address and home telephone number of the public safety officer contained in the
  - 44 voter registration records for the public safety officer.
  - 45 (b) The home address and home telephone number of the public safety officer contained in re-

1 cords of the Department of Public Safety Standards and Training.

2 (c) The name of the public safety officer contained in county real property assessment or taxa-  
3 tion records. This exemption:

4 (A) Applies only to the name of the public safety officer and any other owner of the property  
5 in connection with a specific property identified by the officer in a request for exemption from dis-  
6 closure;

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

9 (C) Applies until the public safety officer requests termination of the exemption;

10 (D) Does not apply to disclosure of records among public bodies as defined in ORS 174.109 for  
11 governmental purposes; and

12 (E) May not result in liability for the county if the name of the public safety officer is disclosed  
13 after a request for exemption from disclosure is made under this subsection.

14 (31) Unless the public records request is made by a financial institution, as defined in ORS  
15 706.008, consumer finance company licensed under ORS chapter 725, mortgage banker or mortgage  
16 broker licensed under ORS 86A.095 to 86A.198, 86A.990 and 86A.992 and ORS chapter 59, or title  
17 company for business purposes, records described in paragraph (a) of this subsection, if the ex-  
18 emption from disclosure of the records is sought by an individual described in paragraph (b) of this  
19 subsection using the procedure described in paragraph (c) of this subsection:

20 (a) The home address, home or cellular telephone number or personal electronic mail address  
21 contained in the records of any public body that has received the request that is set forth in:

22 (A) A warranty deed, deed of trust, mortgage, lien, deed of reconveyance, release, satisfaction,  
23 substitution of trustee, easement, dog license, marriage license or military discharge record that is  
24 in the possession of the county clerk; or

25 (B) Any public record of a public body other than the county clerk.

26 (b) The individual claiming the exemption from disclosure must be a district attorney, a deputy  
27 district attorney, the Attorney General or an assistant attorney general, the United States Attorney  
28 for the District of Oregon or an assistant United States attorney for the District of Oregon, a city  
29 attorney who engages in the prosecution of criminal matters or a deputy city attorney who engages  
30 in the prosecution of criminal matters.

31 (c) The individual claiming the exemption from disclosure must do so by filing the claim in  
32 writing with the public body for which the exemption from disclosure is being claimed on a form  
33 prescribed by the public body. Unless the claim is filed with the county clerk, the claim form shall  
34 list the public records in the possession of the public body to which the exemption applies. The ex-  
35 emption applies until the individual claiming the exemption requests termination of the exemption  
36 or ceases to qualify for the exemption.

37 (32) Land management plans required for voluntary stewardship agreements entered into under  
38 ORS 541.423.

39 (33) Sensitive business records or financial or commercial information of the State Accident In-  
40 surance Fund Corporation that is not customarily provided to business competitors. This exemption  
41 does not:

42 (a) Apply to the formulas for determining dividends to be paid to employers insured by the State  
43 Accident Insurance Fund Corporation;

44 (b) Apply to contracts for advertising, public relations or lobbying services or to documents re-  
45 lated to the formation of such contracts;

1 (c) Apply to group insurance contracts or to documents relating to the formation of such con-  
 2 tracts, except that employer account records shall remain exempt from disclosure as provided in  
 3 ORS 192.502 (35); or

4 (d) Provide the basis for opposing the discovery of documents in litigation pursuant to the ap-  
 5 plicable rules of civil procedure.

6 (34) Records of the Department of Public Safety Standards and Training relating to investi-  
 7 gations conducted under ORS 181.662 or 181.878 (6), until the department issues the report described  
 8 in ORS 181.662 or 181.878.

9 (35) A medical examiner's report, autopsy report or laboratory test report ordered by a medical  
 10 examiner under ORS 146.117.

11 **SECTION 62.** ORS 192.502, as amended by section 15, chapter 76, Oregon Laws 2010, is  
 12 amended to read:

13 192.502. The following public records are exempt from disclosure under ORS 192.410 to 192.505:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

30 (11) Records of the Energy Facility Siting Council concerning the review or approval of security  
 31 programs pursuant to ORS 469.530.

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

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

39 (a) The exemption does not apply to:

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

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

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

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

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

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

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

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

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

16 (F) Investment agreements and related documents.

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

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

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

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

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

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

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

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

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

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

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

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

41 (17)(a) The following records, communications and information submitted to the Oregon Business  
 42 Development Commission, the Oregon Business Development Department, the State Department of  
 43 Agriculture, the Oregon Growth Account Board, the Port of Portland or other ports, as defined in  
 44 ORS 777.005, by applicants for investment funds, loans or services including, but not limited to,  
 45 those described in ORS 285A.224:

1 (A) Personal financial statements.

2 (B) Financial statements of applicants.

3 (C) Customer lists.

4 (D) Information of an applicant pertaining to litigation to which the applicant is a party if the  
5 complaint has been filed, or if the complaint has not been filed, if the applicant shows that such  
6 litigation is reasonably likely to occur; this exemption does not apply to litigation which has been  
7 concluded, and nothing in this subparagraph shall limit any right or opportunity granted by discov-  
8 ery or deposition statutes to a party to litigation or potential litigation.

9 (E) Production, sales and cost data.

10 (F) Marketing strategy information that relates to applicant's plan to address specific markets  
11 and applicant's strategy regarding specific competitors.

12 (b) The following records, communications and information submitted to the State Department  
13 of Energy by applicants for tax credits:

14 (A) Personal financial statements.

15 (B) Financial statements of applicants.

16 (C) Customer lists.

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

22 (E) Production, sales and cost data.

23 (F) Marketing strategy information that relates to applicant's plan to address specific markets  
24 and applicant's strategy regarding specific competitors.

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

20 (b) Credit reports.

21 (c) Project appraisals.

22 (d) Market studies and analyses.

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

24 (f) Commitment letters.

25 (g) Project pro forma statements.

26 (h) Project cost certifications and cost data.

27 (i) Audits.

28 (j) Project tenant correspondence.

29 (k) Personal information about a tenant.

30 (L) Housing assistance payments.

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

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

41 (27) Sensitive business, commercial or financial information furnished to or developed by the  
 42 City of Klamath Falls, acting solely in connection with the ownership and operation of the Klamath  
 43 Cogeneration Project, if the information is directly related to a transaction described in ORS 225.085  
 44 and disclosure of the information would cause a competitive disadvantage for the Klamath  
 45 Cogeneration Project. This subsection does not apply to cost-of-service studies used in the develop-

1 ment or review of generally applicable rate schedules.

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

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

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

20 (31) Documents, materials or other information submitted to the Director of the Department of  
 21 Consumer and Business Services in confidence by a state, federal, foreign or international regulatory  
 22 or law enforcement agency or by the National Association of Insurance Commissioners, its affiliates  
 23 or subsidiaries under ORS 86A.095 to 86A.198, 86A.990, 86A.992, 697.005 to 697.095, 697.602 to  
 24 697.842, 705.137, 717.200 to 717.320, 717.900 or 717.905, ORS chapter 59, 723, 725 or 726, the Bank  
 25 Act or the Insurance Code when:

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

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

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

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

33 (a) Generation, storage or conveyance of:

34 (A) Electricity;

35 (B) Gas in liquefied or gaseous form;

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

37 (D) Petroleum products;

38 (E) Sewage; or

39 (F) Water.

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

41 (c) Data transmissions by whatever means provided.

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

44 (35)(a) Employer account records of the State Accident Insurance Fund Corporation.

45 (b) As used in this subsection, "employer account records" means all records maintained in any

1 form that are specifically related to the account of any employer insured, previously insured or un-  
 2 der consideration to be insured by the State Accident Insurance Fund Corporation and any infor-  
 3 mation obtained or developed by the corporation in connection with providing, offering to provide  
 4 or declining to provide insurance to a specific employer. “Employer account records” includes, but  
 5 is not limited to, an employer’s payroll records, premium payment history, payroll classifications,  
 6 employee names and identification information, experience modification factors, loss experience and  
 7 dividend payment history.

8 (c) The exemption provided by this subsection may not serve as the basis for opposition to the  
 9 discovery documents in litigation pursuant to applicable rules of civil procedure.

10 (36)(a) Claimant files of the State Accident Insurance Fund Corporation.

11 (b) As used in this subsection, “claimant files” includes, but is not limited to, all records held  
 12 by the corporation pertaining to a person who has made a claim, as defined in ORS 656.005, and all  
 13 records pertaining to such a claim.

14 (c) The exemption provided by this subsection may not serve as the basis for opposition to the  
 15 discovery documents in litigation pursuant to applicable rules of civil procedure.

16 (37) Except as authorized by ORS 408.425, records that certify or verify an individual’s discharge  
 17 or other separation from military service.

18 **SECTION 63.** ORS 192.690 is amended to read:

19 192.690. (1) ORS 192.610 to 192.690 do not apply to:

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

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

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

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

26 (e) Meetings of the state lawyers assistance committee operating under the provisions of ORS  
 27 9.568, meetings of the personal and practice management assistance committees operating under the  
 28 provisions of ORS 9.568[,];

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

31 (g) The child fatality review teams required to review child fatalities in accordance with the  
 32 provisions of ORS 418.785[,] **or** the peer review committees in accordance with the provisions of ORS  
 33 441.055[,];

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

35 (i) Any judicial proceeding[,];

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

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

45 (2) Because of the grave risk to public health and safety that would be posed by misappropri-

1 ation or misapplication of information considered during such review and approval, ORS 192.610 to  
 2 192.690 [shall] do not apply to review and approval of security programs by the Energy Facility  
 3 Siting Council pursuant to ORS 469.530.

4 **SECTION 64.** ORS 238.005, as amended by section 8, chapter 1, Oregon Laws 2010, is amended  
 5 to read:

6 238.005. For purposes of this chapter:

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

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

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

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

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

17 (b) An employee who was in the armed services on January 1, 1945, and returned to the service  
 18 of the employer within one year of the date of being otherwise than dishonorably discharged and  
 19 remained in that employment until having established membership in the Public Employees Retire-  
 20 ment System.

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

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

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

30 (a) Persons engaged as independent contractors.

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

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

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

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

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

45 (a) The average salary per calendar year paid by one or more participating public employers to

1 an employee who is an active member of the system in three of the calendar years of membership  
 2 before the effective date of retirement of the employee, in which three years the employee was paid  
 3 the highest salary. The three calendar years in which the employee was paid the largest total salary  
 4 may include calendar years in which the employee was employed for less than a full calendar year.  
 5 If the number of calendar years of active membership before the effective date of retirement of the  
 6 employee is three or fewer, the final average salary for the employee is the average salary per cal-  
 7 endar year paid by one or more participating public employers to the employee in all of those years,  
 8 without regard to whether the employee was employed for the full calendar year.

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

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

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

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

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

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

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

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

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

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

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

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

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

35 (14) "Normal retirement age" means:

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

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

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

45 (16) "Police officer" includes:

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

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

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

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

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

14 (f) Parole and probation officers employed by the Department of Corrections, parole and pro-  
15 bation officers who are transferred to county employment under ORS 423.549 and adult parole and  
16 probation officers, as defined in ORS 181.610, who are classified as police officers for the purposes  
17 of this chapter by the county governing body. If a county classifies adult parole and probation offi-  
18 cers as police officers for the purposes of this chapter, and the employees so classified are repres-  
19 ented by a labor organization, any proposal by the county to change that classification or to cease  
20 to classify adult parole and probation officers as police officers for the purposes of this chapter is  
21 a mandatory subject of bargaining.

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

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

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

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

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

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

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

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

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

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

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

45 (r) Employees at youth correction facilities and juvenile detention facilities under ORS 419A.050,

1 419A.052 and 420.005 to 420.915 who are required to hold valid Oregon teaching licenses and who  
 2 have supervisory, control or teaching responsibilities over juveniles committed to the custody of the  
 3 Department of Corrections or the Oregon Youth Authority.

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

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

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

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

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

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

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

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

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

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

32 (C) Retroactive payments described in section 7, chapter 1, Oregon Laws 2010; and

33 (D) Wages of a deceased member paid to a surviving spouse or dependent children under ORS  
 34 652.190.

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

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

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

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

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

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

44 (F) Any retirement incentive, retirement severance pay, retirement bonus or retirement  
 45 gratuitous payment;

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

4 (H) Payments for instructional services rendered to institutions of the Oregon University  
 5 System, **Portland State University** or *[the]* Oregon Health and Science University when such ser-  
 6 vices are in excess of full-time employment subject to this chapter. A person employed under a  
 7 contract for less than 12 months is subject to this subparagraph only for the months to which the  
 8 contract pertains; or

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

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

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

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

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

16 **SECTION 65.** ORS 238A.005, as amended by section 9, chapter 1, Oregon Laws 2010, and section  
 17 1, chapter 82, Oregon Laws 2010, is amended to read:

18 238A.005. For the purposes of this chapter:

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

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

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

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

27 (a) Persons engaged as independent contractors;

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

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

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

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

33 (f) Employees of foreign trade offices of the Oregon Business Development Department who live  
 34 and perform services in foreign countries under the provisions of ORS 285A.075 (1)(g);

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

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

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

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

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

45 (L) Judges.



- 1 (5) “Firefighter” means:
- 2 (a) A person employed by a local government, as defined in ORS 174.116, whose primary job
- 3 duties include the fighting of fires;
- 4 (b) The State Fire Marshal, the chief deputy state fire marshal and deputy state fire marshals;
- 5 and
- 6 (c) An employee of the State Forestry Department who is certified by the State Forester as a
- 7 professional wildland firefighter and whose primary duties include the abatement of uncontrolled
- 8 fires as described in ORS 477.064.
- 9 (6) “Fund” means the Public Employees Retirement Fund.
- 10 (7)(a) “Hour of service” means:
- 11 (A) An hour for which an eligible employee is directly or indirectly paid or entitled to payment
- 12 by a participating public employer for performance of duties in a qualifying position; and
- 13 (B) An hour of vacation, holiday, illness, incapacity, jury duty, military duty or authorized leave
- 14 during which an employee does not perform duties but for which the employee is directly or indi-
- 15 rectly paid or entitled to payment by a participating public employer for services in a qualifying
- 16 position, as long as the hour is within the number of hours regularly scheduled for the performance
- 17 of duties during the period of vacation, holiday, illness, incapacity, jury duty, military duty or au-
- 18 thorized leave.
- 19 (b) “Hour of service” does not include any hour for which payment is made or due under a plan
- 20 maintained solely for the purpose of complying with applicable workers’ compensation laws or un-
- 21 employment compensation laws.
- 22 (8) “Inactive member” means a member of the pension program or the individual account pro-
- 23 gram of the Oregon Public Service Retirement Plan whose membership has not been terminated, who
- 24 is not a retired member and who is not employed in a qualifying position.
- 25 (9) “Individual account program” means the defined contribution individual account program of
- 26 the Oregon Public Service Retirement Plan established under ORS 238A.025.
- 27 (10) “Member” means an eligible employee who has established membership in the pension pro-
- 28 gram or the individual account program of the Oregon Public Service Retirement Plan and whose
- 29 membership has not been terminated under ORS 238A.110 or 238A.310.
- 30 (11) “Participating public employer” means a public employer as defined in ORS 238.005 that
- 31 provides retirement benefits for employees of the public employer under the system.
- 32 (12) “Pension program” means the defined benefit pension program of the Oregon Public Service
- 33 Retirement Plan established under ORS 238A.025.
- 34 (13) “Police officer” means a police officer as described in ORS 238.005.
- 35 (14) “Qualifying position” means one or more jobs with one or more participating public em-
- 36 ployers in which an eligible employee performs 600 or more hours of service in a calendar year,
- 37 excluding any service in a job for which benefits are not provided under the Oregon Public Service
- 38 Retirement Plan pursuant to ORS 238A.070 (2).
- 39 (15) “Retired member” means a pension program member who is receiving a pension as provided
- 40 in ORS 238A.180 to 238A.195.
- 41 (16)(a) “Salary” means the remuneration paid to an active member in return for services to the
- 42 participating public employer, including remuneration in the form of living quarters, board or other
- 43 items of value, to the extent the remuneration is includable in the employee’s taxable income under
- 44 Oregon law. Salary includes the additional amounts specified in paragraph (b) of this subsection,
- 45 but does not include the amounts specified in paragraph (c) of this subsection, regardless of whether

1 those amounts are includable in taxable income.

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

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

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

7 (C) Any amount that is contributed to a cafeteria plan or qualified transportation fringe benefit  
8 plan by the employer at the election of the employee and that is not includable in the taxable in-  
9 come of the employee by reason of 26 U.S.C. 125 or 132(f)(4), as in effect on December 31, 2009.

10 (D) Any amount that is contributed to a cash or deferred arrangement by the employer at the  
11 election of the employee and that is not included in the taxable income of the employee by reason  
12 of 26 U.S.C. 402(e)(3), as in effect on December 31, 2009.

13 (E) Retroactive payments described in section 7, chapter 1, Oregon Laws 2010.

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

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

19 (H) Wages of a deceased member paid to a surviving spouse or dependent children under ORS  
20 652.190.

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

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

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

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

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

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

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

32 (G) Payments for instructional services rendered to institutions of the Oregon University  
33 System, **Portland State University** or [the] Oregon Health and Science University when those  
34 services are in excess of full-time employment subject to this chapter. A person employed under a  
35 contract for less than 12 months is subject to this subparagraph only for the months covered by the  
36 contract.

37 (H) The amount of an employee contribution to the individual account program that is paid by  
38 the employer and is not deducted from the compensation of the employee, as provided under ORS  
39 238A.335 (1) and (2)(b).

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

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

**SECTION 66.** ORS 238A.140 is amended to read:

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

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

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

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

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

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

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

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

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

**SECTION 67.** ORS 243.107 is amended to read:

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

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

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

**SECTION 68.** ORS 243.820 is amended to read:

243.820. (1) In order to obtain the advantages of 26 U.S.C. 403(b), or any equivalent provision of federal law, an employer may agree with an employee who performs services for an educational institution that:

(a) The employee's salary will be reduced monthly by a stated amount, or the employee will forgo monthly a salary increase of a stated amount; and

(b) On behalf of the employee, the employer shall contribute monthly an amount equal to the stated amount determined under paragraph (a) of this subsection as premiums for an annuity contract or to a custodial account for investment in the stock of regulated investment companies as

1 defined in 26 U.S.C. 403(b)(7)(C). The amount contributed by the employer under this subsection  
 2 may not exceed the stated amount.

3 (2) Notwithstanding any other provision of law, pursuant to an agreement under subsection (1)  
 4 of this section, the stated amounts shall be forwarded by the employer as annuity premiums to the  
 5 company or association with which it has entered into an annuity contract or to the regulated in-  
 6 vestment company or its transfer agent for the benefit of the employee.

7 (3) An employer may make nonelective employer contributions on behalf of an employee who  
 8 performs services for an educational institution as premiums for an annuity contract, or to a cus-  
 9 todial account for investment in the stock of regulated investment companies as defined in 26 U.S.C.  
 10 403(b)(7)(C), for the purpose of obtaining the advantages of 26 U.S.C. 403(b) or any equivalent pro-  
 11 vision of federal law. Employer contributions under this subsection are in addition to any employee  
 12 contributions under subsection (1) of this section.

13 (4) As used in this section:

14 (a) "Educational institution" means an educational institution that normally maintains a regular  
 15 faculty and curriculum and normally has a regularly organized body of students in attendance at the  
 16 place where its educational activities are carried on or an education service district.

17 (b) "Employer" means the State Board of Higher Education, any other state agency, a commu-  
 18 nity college district, a school district, **Portland State University**, *[the]* Oregon Health and Science  
 19 University or an education service district employing an individual who performs services for an  
 20 educational institution.

21 **SECTION 69.** ORS 243.910 is amended to read:

22 243.910. As used in ORS 243.910 to 243.945:

23 (1) "Board" means:

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

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

29 (2) "Employees" means the persons appointed or employed by or under the authority of the  
 30 board who hold academic rank as determined by the board.

31 (3) "System" means the Public Employees Retirement System established by ORS 238.600.

32 **SECTION 70.** ORS 244.050 is amended to read:

33 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon  
 34 Government Ethics Commission a verified statement of economic interest as required under this  
 35 chapter:

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

39 (b) Any judicial officer, including justices of the peace and municipal judges, except any pro tem  
 40 judicial officer who does not otherwise serve as a judicial officer.

41 (c) Any candidate for a public office designated in paragraph (a) or (b) of this subsection.

42 (d) The Deputy Attorney General.

43 (e) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the  
 44 Secretary of the Senate and the Chief Clerk of the House of Representatives.

45 (f) The Chancellor and Vice Chancellors of the Oregon University System and the president and

- 1 vice presidents, or their administrative equivalents, in each institution under the jurisdiction of the  
 2 State Board of Higher Education.
- 3 (g) The following state officers:
- 4 (A) Adjutant General.
- 5 (B) Director of Agriculture.
- 6 (C) Manager of State Accident Insurance Fund Corporation.
- 7 (D) Water Resources Director.
- 8 (E) Director of Department of Environmental Quality.
- 9 (F) Director of Oregon Department of Administrative Services.
- 10 (G) State Fish and Wildlife Director.
- 11 (H) State Forester.
- 12 (I) State Geologist.
- 13 (J) Director of Human Services.
- 14 (K) Director of the Department of Consumer and Business Services.
- 15 (L) Director of the Department of State Lands.
- 16 (M) State Librarian.
- 17 (N) Administrator of Oregon Liquor Control Commission.
- 18 (O) Superintendent of State Police.
- 19 (P) Director of the Public Employees Retirement System.
- 20 (Q) Director of Department of Revenue.
- 21 (R) Director of Transportation.
- 22 (S) Public Utility Commissioner.
- 23 (T) Director of Veterans' Affairs.
- 24 (U) Executive director of Oregon Government Ethics Commission.
- 25 (V) Director of the State Department of Energy.
- 26 (W) Director and each assistant director of the Oregon State Lottery.
- 27 (X) Director of the Department of Corrections.
- 28 (Y) Director of the Oregon Department of Aviation.
- 29 (Z) Executive director of the Oregon Criminal Justice Commission.
- 30 (AA) Director of the Oregon Business Development Department.
- 31 (BB) Director of the Office of Emergency Management.
- 32 (CC) Director of the Employment Department.
- 33 (DD) Chief of staff for the Governor.
- 34 (EE) Administrator of the Office for Oregon Health Policy and Research.
- 35 (FF) Director of the Housing and Community Services Department.
- 36 (GG) State Court Administrator.
- 37 (HH) Director of the Department of Land Conservation and Development.
- 38 (II) Board chairperson of the Land Use Board of Appeals.
- 39 (JJ) State Marine Director.
- 40 (KK) Executive director of the Oregon Racing Commission.
- 41 (LL) State Parks and Recreation Director.
- 42 (MM) Public defense services executive director.
- 43 (NN) Chairperson of the Public Employees' Benefit Board.
- 44 (OO) Director of the Department of Public Safety Standards and Training.
- 45 (PP) Chairperson of the Oregon Student Assistance Commission.

- 1 (QQ) Executive director of the Oregon Watershed Enhancement Board.
- 2 (RR) Director of the Oregon Youth Authority.
- 3 (SS) Director of the Oregon Health Authority.
- 4 (h) Any assistant in the Governor's office other than personal secretaries and clerical personnel.
- 5 (i) Every elected city or county official.
- 6 (j) Every member of a city or county planning, zoning or development commission.
- 7 (k) The chief executive officer of a city or county who performs the duties of manager or prin-
- 8 cipal administrator of the city or county.
- 9 (L) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
- 10 (m) Every member of a governing body of a metropolitan service district and the executive of-
- 11 ficer thereof.
- 12 (n) Each member of the board of directors of the State Accident Insurance Fund Corporation.
- 13 (o) The chief administrative officer and the financial officer of each common and union high
- 14 school district, education service district and community college district.
- 15 (p) Every member of the following state boards and commissions:
- 16 (A) Board of Geologic and Mineral Industries.
- 17 (B) Oregon Business Development Commission.
- 18 (C) State Board of Education.
- 19 (D) Environmental Quality Commission.
- 20 (E) Fish and Wildlife Commission of the State of Oregon.
- 21 (F) State Board of Forestry.
- 22 (G) Oregon Government Ethics Commission.
- 23 (H) Oregon Health Policy Board.
- 24 (I) State Board of Higher Education.
- 25 (J) Oregon Investment Council.
- 26 (K) Land Conservation and Development Commission.
- 27 (L) Oregon Liquor Control Commission.
- 28 (M) Oregon Short Term Fund Board.
- 29 (N) State Marine Board.
- 30 (O) Mass transit district boards.
- 31 (P) Energy Facility Siting Council.
- 32 (Q) Board of Commissioners of the Port of Portland.
- 33 (R) Employment Relations Board.
- 34 (S) Public Employees Retirement Board.
- 35 (T) Oregon Racing Commission.
- 36 (U) Oregon Transportation Commission.
- 37 (V) Wage and Hour Commission.
- 38 (W) Water Resources Commission.
- 39 (X) Workers' Compensation Board.
- 40 (Y) Oregon Facilities Authority.
- 41 (Z) Oregon State Lottery Commission.
- 42 (AA) Pacific Northwest Electric Power and Conservation Planning Council.
- 43 (BB) Columbia River Gorge Commission.
- 44 (CC) [*Oregon Health and Science University*] **Portland Metropolitan Universities** Board of Di-
- 45 rectors.

1 (DD) Capitol Planning Commission.

2 (q) The following officers of the State Treasurer:

3 (A) Chief Deputy State Treasurer.

4 (B) Chief of staff for the office of the State Treasurer.

5 (C) Director of the Investment Division.

6 (r) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725  
7 or 777.915 to 777.953.

8 (s) Every member of the board of directors of an authority created under ORS 441.525 to 441.595.

9 (2) By April 15 next after the date an appointment takes effect, every appointed public official  
10 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-  
11 ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070  
12 and 244.090.

13 (3) By April 15 next after the filing deadline for the primary election, each candidate described  
14 in subsection (1) of this section shall file with the commission a statement of economic interest as  
15 required under ORS 244.060, 244.070 and 244.090.

16 (4) Within 30 days after the filing deadline for the general election, each candidate described in  
17 subsection (1) of this section who was not a candidate in the preceding primary election, or who  
18 was nominated for public office described in subsection (1) of this section at the preceding primary  
19 election by write-in votes, shall file with the commission a statement of economic interest as re-  
20 quired under ORS 244.060, 244.070 and 244.090.

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

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

30 **SECTION 71.** ORS 276.227 is amended to read:

31 276.227. (1) The State of Oregon recognizes that providing and operating state government fa-  
32 cilities is a significant capital investment in public infrastructure. Accordingly, it is the policy of the  
33 State of Oregon to plan, finance, acquire, construct, manage and maintain state government facilities  
34 in a manner that maximizes and protects this investment.

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

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

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

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

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

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

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

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

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

16 (E) Appropriate technology;

17 (F) The agency’s mission and long-range facilities plans; and

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

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

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

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

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

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

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

38 **SECTION 72.** ORS 276.229 is amended to read:

39 276.229. (1) State agencies shall develop four-year major construction budgets. Projects included  
 40 in these budgets may be accelerated or deferred upon approval of the Emergency Board.

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

45 (3) The provisions of this section [*shall*] **do** not apply to an institution of higher education as



1 described in ORS 352.002, **Portland State University**, [the] Oregon Health and Science University,  
 2 or a community college as defined in ORS 341.005.

3 **SECTION 73.** ORS 279A.025 is amended to read:

4 279A.025. (1) Except as provided in subsections (2) to (4) of this section, the Public Contracting  
 5 Code applies to all public contracting.

6 (2) The Public Contracting Code does not apply to:

7 (a) Contracts between a contracting agency and:

8 (A) Another contracting agency;

9 (B) [The] Oregon Health and Science University;

10 (C) **Portland State University**;

11 [(C)] (D) The Oregon State Bar;

12 [(D)] (E) A governmental body of another state;

13 [(E)] (F) The federal government;

14 [(F)] (G) An American Indian tribe or an agency of an American Indian tribe;

15 [(G)] (H) A nation, or a governmental body in a nation, other than the United States; or

16 [(H)] (I) An intergovernmental entity formed between or among:

17 (i) Governmental bodies of this or another state;

18 (ii) The federal government;

19 (iii) An American Indian tribe or an agency of an American Indian tribe;

20 (iv) A nation other than the United States; or

21 (v) A governmental body in a nation other than the United States;

22 (b) Agreements authorized by ORS chapter 190 or by a statute, charter provision, ordinance or  
 23 other authority for establishing agreements between or among governmental bodies or agencies or  
 24 tribal governing bodies or agencies;

25 (c) Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and  
 26 414.145 for purposes of source selection;

27 (d) Grants;

28 (e) Contracts for professional or expert witnesses or consultants to provide services or testimony  
 29 relating to existing or potential litigation or legal matters in which a public body is or may become  
 30 interested;

31 (f) Acquisitions or disposals of real property or interest in real property;

32 (g) Sole-source expenditures when rates are set by law or ordinance for purposes of source se-  
 33 lection;

34 (h) Contracts for the procurement or distribution of textbooks;

35 (i) Procurements by a contracting agency from an Oregon Corrections Enterprises program;

36 (j) The procurement, transportation or distribution of distilled liquor, as defined in ORS 471.001,  
 37 or the appointment of agents under ORS 471.750 by the Oregon Liquor Control Commission;

38 (k) Contracts entered into under ORS chapter 180 between the Attorney General and private  
 39 counsel or special legal assistants;

40 (L) Contracts for the sale of timber from lands owned or managed by the State Board of Forestry  
 41 and the State Forestry Department;

42 (m) Contracts for forest protection or forest related activities, as described in ORS 477.406, by  
 43 the State Forester or the State Board of Forestry;

44 (n) Sponsorship agreements entered into by the State Parks and Recreation Director in accord-  
 45 ance with ORS 565.080 (4);

1 (o) Contracts entered into by the Housing and Community Services Department in exercising the  
 2 department's duties prescribed in ORS chapters 456 and 458, except that the department's public  
 3 contracting for goods and services is subject to ORS chapter 279B;

4 (p) Contracts entered into by the State Treasurer in exercising the powers of that office pre-  
 5 scribed in ORS chapters 178, 286A, 287A, 289, 293, 294 and 295, including but not limited to invest-  
 6 ment contracts and agreements, banking services, clearing house services and collateralization  
 7 agreements, bond documents, certificates of participation and other debt repayment agreements, and  
 8 any associated contracts, agreements and documents, regardless of whether the obligations that the  
 9 contracts, agreements or documents establish are general, special or limited, except that the State  
 10 Treasurer's public contracting for goods and services is subject to ORS chapter 279B;

11 (q) Contracts, agreements or other documents entered into, issued or established in connection  
 12 with:

13 (A) The issuance of obligations, as defined in ORS 286A.100 and 287A.310, of a public body;

14 (B) The making of program loans and similar extensions or advances of funds, aid or assistance  
 15 by a public body to a public or private body for the purpose of carrying out, promoting or sustaining  
 16 activities or programs authorized by law; or

17 (C) The investment of funds by a public body as authorized by law, and other financial trans-  
 18 actions of a public body that by their character cannot practically be established under the com-  
 19 petitive contractor selection procedures of ORS 279B.050 to 279B.085;

20 (r) Contracts for employee benefit plans as provided in ORS 243.105 (1), 243.125 (4), 243.221,  
 21 243.275, 243.291, 243.303 and 243.565;

22 (s) Contracts for employee benefit plans as provided in ORS 243.860 to 243.886; or

23 (t) Any other public contracting of a public body specifically exempted from the code by another  
 24 provision of law.

25 (3) The Public Contracting Code does not apply to the contracting activities of:

26 (a) The Oregon State Lottery Commission;

27 (b) The Oregon University System and member institutions, except as provided in ORS 351.086;

28 (c) The legislative department;

29 (d) The judicial department;

30 (e) Semi-independent state agencies listed in ORS 182.454, except as provided in ORS 279.835 to  
 31 279.855 and 279A.250 to 279A.290;

32 (f) Oregon Corrections Enterprises;

33 (g) The Oregon Film and Video Office, except as provided in ORS 279A.100 and 279A.250 to  
 34 279A.290;

35 (h) The Travel Information Council, except as provided in ORS 279A.250 to 279A.290;

36 (i) The Oregon 529 College Savings Network and the Oregon 529 College Savings Board;

37 (j) The Oregon Innovation Council;

38 (k) The Oregon Utility Notification Center; or

39 (L) Any other public body specifically exempted from the code by another provision of law.

40 (4) ORS 279A.200 to 279A.225 and 279B.050 to 279B.085 do not apply to contracts made with  
 41 qualified nonprofit agencies providing employment opportunities for individuals with disabilities un-  
 42 der ORS 279.835 to 279.855.

43 **SECTION 74.** ORS 283.143 is amended to read:

44 283.143. (1) To encourage utilization of statewide integrated videoconferencing and statewide  
 45 online access services, the Oregon Department of Administrative Services shall, in addition to any

1 other charge or assessment for providing telecommunications services to state agencies, impose  
 2 upon each agency and public corporation a surcharge, in an amount established by the department.  
 3 All surcharge moneys collected shall be deposited in the Oregon Department of Administrative  
 4 Services Operating Fund, and may be expended only for state agency and public corporation tele-  
 5 communication and videoconferencing activities, under such terms and conditions as the department  
 6 may prescribe.

7 (2) Notwithstanding subsection (1) of this section, the Oregon Department of Administrative  
 8 Services *[shall]* **may** not impose the surcharge established by this section on the Oregon University  
 9 System, **Portland State University** or *[the]* Oregon Health and Science University. The Oregon  
 10 Department of Administrative Services shall enter into an agreement with the Oregon University  
 11 System, **Portland State University** and *[the]* Oregon Health and Science University on the amounts  
 12 to be paid by the Oregon University System, **Portland State University** and *[the]* Oregon Health  
 13 and Science University to the Oregon Department of Administrative Services in lieu of the sur-  
 14 charge provided for in this section.

15 **SECTION 75.** ORS 284.633 is amended to read:

16 284.633. (1) The Oregon Progress Board may enter into an agreement with:

17 (a) Any state agency for the provision of clerical, technical and management personnel to the  
 18 board to serve as the board’s staff and for the provision of other administrative, operational or  
 19 overhead expenses necessary to accomplish the public purposes of the board.

20 (b) A nongovernmental entity for the provision of administrative, operational or overhead ex-  
 21 penses necessary to accomplish the public purposes of the board.

22 (2) As used in this section:

23 (a) “Public institution of higher education” means a community college, *[or]* a state institution  
 24 of higher education listed in ORS 352.002 **or Portland State University**.

25 (b) “State agency” means any officer, board, commission, department, division or institution in  
 26 the executive or administrative branch of state government or a public institution of higher educa-  
 27 tion.

28 **SECTION 76.** ORS 284.701 is amended to read:

29 284.701. As used in ORS 284.701 to 284.740:

30 (1) “Oregon emerging business” means an emerging growth business as defined in ORS 348.701  
 31 that has:

32 (a) Fewer than 100 employees; and

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

34 (2) “Research institution” means:

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

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

37 (c) The Oregon Health and Science University public corporation created under ORS 353.020  
 38 (1);

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

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

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

42 **(g) The Portland State University public corporation created under ORS 353.020 (2).**

43 (3) “Traded sector” has the meaning given that term in ORS 285A.010.

44 **SECTION 77.** ORS 285B.168 is amended to read:

45 285B.168. (1) The Oregon Business Development Department may make grants available to a

1 community college district, a community college service district or, with the concurrence of the  
 2 Commissioner for Community College Services and the Chancellor of the Oregon University System,  
 3 a state university to assist in the formation, improvement and operation of small business develop-  
 4 ment centers. If a community college district, a community college service district or a state uni-  
 5 versity is unable to adequately provide services in a specific geographic area, the department may  
 6 make grants available to other service providers as determined by the department. The grant ap-  
 7 plication shall include:

8 (a) Plans for providing small business owners and managers individual counseling, to the great-  
 9 est extent practicable, in subject areas critical to small business success;

10 (b) A budget for the year for which a grant is requested, including cost apportionment among  
 11 the department, small business clients, the community college, state university or other service  
 12 providers and other sources;

13 (c) A plan for evaluating the effect of the program on small business clients served; and

14 (d) A plan for providing collaboration with other state agencies, state-supported organizations  
 15 and private sector entities that provide services to small businesses.

16 (2) The grants made under subsection (1) of this section are to be used by the grant recipient  
 17 to provide:

18 (a) Small business development center staff and support staff;

19 (b) Expert resource persons from the business community;

20 (c) Other training and business resources as approved by the department in skill areas for  
 21 which, or areas of the state where, the grant recipient can demonstrate it does not otherwise have  
 22 the capacity or expertise to provide the resources; and

23 (d) Other costs related to providing training, counseling and business resources to small busi-  
 24 ness clients.

25 (3) To be eligible for a grant under subsection (1) of this section, the recipient shall be required  
 26 to provide funds, in-kind contributions or some combination of funds and contributions, in accord-  
 27 ance with rules adopted by the department.

28 (4) Subject to the approval of the department, a grant recipient may subcontract funds received  
 29 under this section to any other entity that is eligible to receive funding under this section.

30 (5) The grant recipient shall submit a final report to the department after the distribution of  
 31 grant funds and the delivery of services to the proposed business clients. The report shall state  
 32 whether the plan and related budget have met the applicable criteria as described in the recipient's  
 33 application for the grant period.

34 (6) As used in this section, "state university" means a state institution of higher education listed  
 35 in ORS 352.002 **or Portland State University**.

36 **SECTION 78.** ORS 286A.001 is amended to read:

37 286A.001. As used in this chapter:

38 (1) "Agreement for exchange of interest rates" means a contract, or an option or forward com-  
 39 mitment to enter into a contract, for the exchange of interest rates that provides for:

40 (a) Payments based on levels of or changes in interest rates; or

41 (b) Provisions to hedge payment, rate, spread or similar exposure including, but not limited to,  
 42 an interest rate floor or cap or an option, put or call.

43 (2) "Bond":

44 (a) Means a contractual undertaking or instrument of the State of Oregon to repay borrowed  
 45 moneys.

1 (b) Does not mean a financing agreement, as defined in ORS 283.085, if the principal amount of  
 2 the agreement is \$100,000 or less, or a credit enhancement device.

3 (3) “Counterparty” means an entity with whom the State of Oregon enters into an agreement for  
 4 exchange of interest rates.

5 (4) “Credit enhancement device”:

6 (a) Means a letter of credit, line of credit, standby bond purchase agreement, bond insurance  
 7 policy, reserve surety bond or other device or facility used to enhance the creditworthiness, liquidity  
 8 or marketability of bonds or agreements for the exchange of interest rates; and

9 (b) Does not mean a bond.

10 (5) “Credit enhancement device fee” means a payment required to be made to the provider of a  
 11 credit enhancement device securing a bond or securing an agreement for the exchange of interest  
 12 rates.

13 (6) “General obligation bond” means a bond that constitutes indebtedness of the state under  
 14 section 7, Article XI of the Oregon Constitution, and that is exempt from the \$50,000 limitation on  
 15 indebtedness set forth in that section.

16 (7) “Operative document” means a bond declaration, trust agreement, indenture, security  
 17 agreement or other document in which the State of Oregon pledges property as security for an ob-  
 18 ligation, as defined in ORS 286A.100.

19 (8) “Refunding bond” means a bond of the State of Oregon that is issued to refund another bond,  
 20 regardless of whether the refunding is on a current, advance, forward delivery, synthetic or other  
 21 basis.

22 (9) “Related agency” means the state agency that requests the State Treasurer to issue bonds  
 23 pursuant to ORS 286A.025 or for which the State Treasurer has issued bonds.

24 (10) “Related bond” means a bond for which the State of Oregon enters into an agreement for  
 25 exchange of interest rates.

26 (11) “Revenue” means all fees, tolls, excise taxes, assessments, property taxes and other taxes,  
 27 rates, charges, rentals and other income or receipts derived by a state agency or to which a state  
 28 agency is entitled.

29 (12) “Revenue bond” means a bond of the State of Oregon that is not a general obligation bond.

30 (13) “State agency”:

31 (a) Includes a statewide elected officer, board, commission, department, division, authority or  
 32 other entity, without regard to the designation given to the entity, that is within state government,  
 33 as defined in ORS 174.111; and

34 (b) Does not include:

35 (A) A statewide elected judge;

36 (B) The State Treasurer;

37 (C) A local government, as defined in ORS 174.116;

38 (D) *[The]* Oregon Health and Science University;

39 **(E) Portland State University;**

40 *[(E)]* **(F)** A special government body, as defined in ORS 174.117, except to the extent a special  
 41 government body must be considered a state agency in order to achieve the purposes of Article XI-K  
 42 of the Oregon Constitution; or

43 *[(F)]* **(G)** A semi-independent state agency listed in ORS 182.454, 377.835 or 674.305, or any other  
 44 state agency denominated by statute as a semi-independent state agency.

45 (14) “Termination payment” means the amount payable under an agreement for exchange of in-

1 terest rates by one party to another party as a result of the termination, in whole or part, of the  
 2 agreement prior to the expiration of the stated term.

3 **SECTION 79.** ORS 287A.001 is amended to read:

4 287A.001. As used in this chapter:

5 (1) "Advance refunding bond" means a bond all or part of the proceeds of which are to be used  
 6 to pay an outstanding bond one year or more after the advance refunding bond is issued.

7 (2) "Agreement for exchange of interest rates" means a contract, or an option or forward com-  
 8 mitment to enter into a contract, for an exchange of interest rates for related bonds that provides  
 9 for:

10 (a) Payments based on levels or changes in interest rates; or

11 (b) Provisions to hedge payment, rate, spread or similar exposure including, but not limited to,  
 12 an interest rate floor or cap or an option, put or call.

13 (3) "Bond":

14 (a) Means a contractual undertaking or instrument of a public body to repay borrowed moneys.

15 (b) Does not mean a credit enhancement device.

16 (4) "Capital construction" has the meaning given that term in ORS 310.140.

17 (5) "Capital improvements" has the meaning given that term in ORS 310.140.

18 (6) "Credit enhancement device":

19 (a) Means a letter of credit, line of credit, standby bond purchase agreement, bond insurance  
 20 policy, reserve surety bond or other device or facility used to enhance the creditworthiness, liquidity  
 21 or marketability of bonds or agreements for exchange of interest rates.

22 (b) Does not mean a bond.

23 (7) "Current refunding bond" means a bond the proceeds of which are to be used to pay or  
 24 purchase an outstanding bond less than one year after the current refunding bond is issued.

25 (8) "Forward current refunding" means execution and delivery of a purchase agreement or sim-  
 26 ilar instrument under which a public body contracts to sell current refunding bonds for delivery at  
 27 a future date that is one year or more after execution of the purchase agreement or similar instru-  
 28 ment.

29 (9) "General obligation bond" means exempt bonded indebtedness, as defined in ORS 310.140,  
 30 that is secured by a commitment to levy ad valorem taxes outside the limits of sections 11 and 11b,  
 31 Article XI of the Oregon Constitution.

32 (10) "Lawfully available funds" means revenues or other moneys of a public body including, but  
 33 not limited to, moneys credited to the general fund of the public body, revenues from an ad valorem  
 34 tax and revenues derived from other taxes levied by the public body that are not dedicated, re-  
 35 stricted or obligated by law or contract to an inconsistent expenditure or use.

36 (11) "Operative document" means a bond declaration, trust agreement, indenture, security  
 37 agreement or other document in which a public body pledges revenue or property as security for a  
 38 bond.

39 (12) "Pledge" means:

40 (a) To create a lien on property pursuant to ORS 287A.310.

41 (b) A lien created on property pursuant to ORS 287A.310.

42 (13) "Public body" means:

43 (a) A county of this state;

44 (b) A city of this state;

45 (c) A local service district as defined in ORS 174.116 (2);

1 (d) A special government body as defined in ORS 174.117;

2 (e) **Portland State University**;

3 [(e)] (f) Oregon Health and Science University; or

4 [(f)] (g) Any other political subdivision of this state that is authorized by the Legislative As-  
5 sembly to issue bonds.

6 (14) "Refunding bond" means an advance refunding bond, a current refunding bond or a forward  
7 current refunding bond.

8 (15) "Related bond" means a bond for which the public body enters into an agreement for ex-  
9 change of interest rates or obtains a credit enhancement device.

10 (16) "Revenue" means all fees, tolls, excise taxes, assessments, property taxes and other taxes,  
11 rates, charges, rentals and other income or receipts derived by a public body or to which a public  
12 body is entitled.

13 (17) "Revenue bond" means a bond that is not a general obligation bond.

14 (18) "Termination payment" means the amount payable under an agreement for exchange of in-  
15 terest rates by one party to another party as a result of the termination, in whole or part, of the  
16 agreement prior to the expiration of the stated term.

17 **SECTION 80.** ORS 307.095 is amended to read:

18 307.095. (1) Any portion of state property that is used during the tax year for parking on a  
19 rental or fee basis to private individuals is subject to ad valorem taxation.

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

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

29 **SECTION 81.** ORS 307.110 is amended to read:

30 307.110. (1) Except as provided in ORS 307.120, all real and personal property of this state or  
31 any institution or department thereof or of any county or city, town or other municipal corporation  
32 or political subdivision of this state, held under a lease or other interest or estate less than a fee  
33 simple, by any person whose real property, if any, is taxable, except employees of the state,  
34 municipality or political subdivision as an incident to such employment, shall be subject to assess-  
35 ment and taxation for the assessed or specially assessed value thereof uniformly with real property  
36 of nonexempt ownerships.

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

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

42 (a) Leased for student housing by a school or college to students attending such a school or  
43 college.

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

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

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

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

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

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

17 (h) Property of a health district if:

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

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

22 (4) Property determined to be an eligible project for tax exemption under ORS 285C.600 to  
 23 285C.626 and 307.123 that was acquired with revenue bonds issued under ORS 285B.320 to 285B.371  
 24 and that is leased by this state, any institution or department thereof or any county, city, town or  
 25 other municipal corporation or political subdivision of this state to an eligible applicant shall be  
 26 assessed and taxed in accordance with ORS 307.123. The property's continued eligibility for taxation  
 27 and assessment under ORS 307.123 is not affected:

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

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

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

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

42 **SECTION 82.** ORS 326.543 is amended to read:

43 326.543. (1) As used in this section:

44 (a) "Education service district" has the meaning given that term in ORS 334.003.

45 (b) "Facility" means the school operated under ORS 346.010.



(c) “Post-secondary institution” means:

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

(B) A state institution of higher education listed in ORS 352.002; *[and]*

(C) *[The]* Oregon Health and Science University*[/i]; **and***

**(D) Portland State University.**

(d) “School district” has the meaning given that term in ORS 330.005.

(2) The interest or estate of an education service district, a facility, a post-secondary institution or a school district in any real property may not be extinguished or diminished by adverse possession.

**SECTION 83.** ORS 329.840 is amended to read:

329.840. (1) There is created the Oregon Virtual School District within the Department of Education. The purpose of the Oregon Virtual School District is to provide online courses to kindergarten through grade 12 public school students.

(2) The Oregon Virtual School District shall provide online courses that meet academic content standards as defined in ORS 329.007 and meet other criteria adopted by the State Board of Education. Any person who teaches an online course must be properly licensed or registered as required by ORS 338.135 and 342.173 for a person employed by a school district or public charter school. All school districts and public charter schools may allow students to access the online courses offered by the Oregon Virtual School District.

(3) The Superintendent of Public Instruction may contract with education service districts, school districts, public charter schools, community colleges, state institutions of higher education, **Portland State University** or any other public entity to provide online courses through the Oregon Virtual School District.

(4) Statutes and rules that apply to other school districts do not apply to the Oregon Virtual School District except as provided under this section or by rule of the State Board of Education. The Oregon Virtual School District is not considered a school district for purposes of apportionment of the State School Fund and the department may not receive a direct apportionment under ORS 327.008 from the State School Fund for the Oregon Virtual School District.

(5) The board may adopt the rules necessary for the administration of the Oregon Virtual School District and shall adopt rules to establish:

(a) The procedure and criteria to be used for the selection of online courses to be offered through the Oregon Virtual School District;

(b) The qualifications of students who may access online courses through the Oregon Virtual School District;

(c) The number of credits for which students may access online courses through the Oregon Virtual School District; and

(d) The student-to-teacher ratio for online courses offered through the Oregon Virtual School District.

**SECTION 84.** ORS 332.155 is amended to read:

332.155. A district school board:

(1) May furnish, equip, repair, lease, purchase and build schoolhouses, including high schools, junior high schools, career and technical education schools, gymnasiums, houses for teachers and other employees, and like buildings; and locate, buy and lease lands for all school purposes. Leases authorized by this section include lease-purchase agreements whereunder the district may acquire ownership of the leased property at a nominal price. Such leases and lease-purchase agreements may

1 be for a term of up to 30 years.

2 (2) May contract for the removal or containment of asbestos substances in school buildings and  
 3 for repairs made necessary by such removal or containment. Contracts authorized by this section  
 4 may be for a term exceeding one year.

5 (3) May construct or cooperate in the construction of schools for training of student teachers  
 6 on state or district owned lands, for any state institution of higher education, **including Portland**  
 7 **State University**, in or contiguous to the district, and to expend district funds in so doing.

8 (4) May acquire personal property by a lease-purchase agreement or contract of purchase for a  
 9 term exceeding one year. A lease-purchase agreement is one in which the rent payable by the dis-  
 10 trict is expressly agreed to have been established to reflect the savings resulting from the exemption  
 11 from taxation, and the district is entitled to ownership of the property at a nominal or other price  
 12 that is stated or determinable by the terms of the agreement and was not intended to reflect the true  
 13 value of the property.

14 (5) May lease, sell and convey all property of the district as may not in the judgment of the  
 15 district school board be required for school purposes.

16 (6) May sell property of the district in transactions whereby the district has the right to lease,  
 17 occupy or reacquire the property following the sale or have facilities constructed thereon or fur-  
 18 nished to the specifications of the district. The construction or furnishing of such facilities shall be  
 19 subject to:

20 (a) ORS chapter 279A, except ORS 279A.125 and 279A.250 to 279A.290;

21 (b) ORS chapter 279B, except ORS 279B.235, 279B.240, 279B.270, 279B.275 and 279B.280; and

22 (c) ORS chapter 279C.005, 279C.100 to 279C.125 and 279C.300 to 279C.470.

23 (7) Shall furnish the schools with supplies, equipment, apparatus and services essential to  
 24 meeting the requirements of a standard school and may furnish such other supplies, equipment, ap-  
 25 paratus and services as the board considers advisable.

26 (8) May construct, purchase or lease in cooperation with other school districts or community  
 27 college districts facilities for secondary career and technical education programs for pupils of more  
 28 than one district and may furnish or cooperate in furnishing supplies and equipment for such facil-  
 29 ities, to be financed in the same manner as other school buildings and supplies are financed.

30 (9) May purchase real property upon a contractual basis when the period of time allowed for  
 31 payment under the contract does not exceed 30 years.

32 (10) May purchase relocatable classrooms and other relocatable structures in installment  
 33 transactions in which deferred installments of the purchase price are payable over not more than  
 34 10 years from the date such property is delivered to the district for occupancy and are secured by  
 35 a security interest in such property. Such transactions may take the form of, but are not limited to,  
 36 lease-purchase agreements.

37 (11) May enter into rental or lease-purchase agreements covering motor vehicles operated by the  
 38 district.

39 **SECTION 85.** ORS 336.057 is amended to read:

40 336.057. In all public schools courses of instruction shall be given in the Constitution of the  
 41 United States and in the history of the United States. These courses shall:

42 (1) Begin not later than the opening of the eighth grade and shall continue in grades 9 through  
 43 12.

44 (2) Be required in **Portland State University and** all state institutions of higher education,  
 45 except the Oregon Health and Science University, and in all state and local institutions that provide

1 education for patients or inmates to an extent to be determined by the Superintendent of Public  
2 Instruction.

3 **SECTION 86.** ORS 337.500 is amended to read:

4 337.500. As used in ORS 337.500 to 337.506:

5 (1) "Adopter" means any faculty member or academic department or other adopting entity at a  
6 higher education institution responsible for considering and choosing course materials to be utilized  
7 in connection with accredited courses taught at the institution.

8 (2) "Higher education institution" means:

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

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

11 (c) [The] Oregon Health and Science University;

12 **(d) Portland State University;**

13 [(d)] (e) A private institution of higher education located in Oregon; and

14 [(e)] (f) A bookstore that serves as the primary bookstore for an entity listed in paragraphs (a)  
15 to [(d)] (e) of this subsection.

16 (3) "Special edition" means a bound book that does not constitute a traditional textbook and  
17 that may or may not be used for instructional purposes.

18 (4)(a) "Textbook bundle" means a textbook packaged together with other supplemental course  
19 materials, including but not limited to workbooks, study guides, online technologies, online course  
20 resources, CD-ROMs or other books, to be sold as course material for one price.

21 (b) "Textbook bundle" does not include a textbook that is unusable without the supplemental  
22 course materials, materials that cannot be sold separately due to third-party contractual agreements,  
23 custom editions or special editions.

24 **SECTION 87.** ORS 337.511 is amended to read:

25 337.511. As used in ORS 337.511 to 337.524:

26 (1) "Alternative format" means any medium or format for the presentation of instructional ma-  
27 terials other than standard print that is needed by a post-secondary student with a print disability  
28 for a reading accommodation, including but not limited to Braille, large print texts, audio re-  
29 cordings, digital texts and digital talking books.

30 (2) "Electronic format" means a medium or format containing digital text.

31 (3) "Instructional material" means a textbook or other material if:

32 (a) The textbook or other material, including additional prints or new editions of previously  
33 published instructional material, is published on or after January 1, 2004, and is published primarily  
34 for use by students in a course of study in which a post-secondary student with a print disability is  
35 enrolled;

36 (b) The textbook or other material is required for a student's success in the course, as deter-  
37 mined by the course instructor in consultation with the representative making the request for an  
38 electronic format under ORS 337.517 (2);

39 (c) The textbook or other material is required for the course as stated in the course syllabus  
40 or other curriculum documents, or the use of the materials by the student is necessary for the  
41 completion of course assignments that are used to evaluate the student, such as to determine the  
42 student's proficiency level or assign a grade; and

43 (d) Software is commercially available to permit the conversion of an electronic file of the  
44 textbook or other material into a format that is compatible with assistive technologies such as  
45 speech synthesis software or Braille translation software.

1 (4) “Post-secondary education institution” means:

2 (a) A state institution of higher education listed in ORS 352.002;

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

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

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

6 [(d)] **(e)** An Oregon-based, generally accredited institution of higher education.

7 (5) “Print disability” means a disability that prevents a student from effectively utilizing print  
8 material and may include blindness, other serious visual impairments, specific learning disabilities  
9 or the inability to hold a book.

10 (6) “Printed instructional material” means instructional material in book or other printed form.

11 (7) “Publisher” means any person that publishes or manufactures instructional material used by  
12 students attending a post-secondary education institution.

13 (8) “Structural integrity” means the inclusion of all of the information provided in printed in-  
14 structional material, including but not limited to the text of the material sidebars, the tables of  
15 contents, the chapter headings and subheadings, the footnotes, the page numbers, the indexes and  
16 the glossaries.

17 (9) “Working day” means a day that is not a Saturday, Sunday or legal holiday.

18 **SECTION 88.** ORS 338.115, as amended by section 2, chapter 53, Oregon Laws 2010, is amended  
19 to read:

20 338.115. (1) Statutes and rules that apply to school district boards, school districts or other  
21 public schools do not apply to public charter schools. However, the following laws do apply to public  
22 charter schools:

23 (a) Federal law;

24 (b) ORS 192.410 to 192.505 (public records law);

25 (c) ORS 192.610 to 192.690 (public meetings law);

26 (d) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law);

27 (e) ORS 181.534, 326.603, 326.607, 342.223 and 342.232 (criminal records checks);

28 (f) ORS 337.150 (textbooks);

29 (g) ORS 339.141, 339.147 and 339.155 (tuition and fees);

30 (h) ORS 659.850, 659.855 and 659.860 (discrimination);

31 (i) ORS 30.260 to 30.300 (tort claims);

32 (j) Health and safety statutes and rules;

33 (k) Any statute or rule that is listed in the charter;

34 (L) The statewide assessment system developed by the Department of Education for mathemat-  
35 ics, science and English under ORS 329.485 (2);

36 (m) ORS 329.045 (academic content standards and instruction);

37 (n) Any statute or rule that establishes requirements for instructional time provided by a school  
38 during each day or during a year;

39 (o) ORS 339.250 (12) (prohibition on infliction of corporal punishment);

40 (p) ORS 339.370, 339.372, 339.388 and 339.400 (reporting of child abuse and training on pre-  
41 vention and identification of child abuse);

42 (q) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative cer-  
43 tificate);

44 (r) ORS chapter 657 (Employment Department Law);

45 (s) ORS 339.326;

1 (t) Section 1, chapter 53, Oregon Laws 2010 (consideration for educational services); and

2 (u) This chapter.

3 (2) Notwithstanding subsection (1) of this section, a charter may specify that statutes and rules  
4 that apply to school district boards, school districts and other public schools may apply to a public  
5 charter school.

6 (3) If a statute or rule applies to a public charter school, then the terms “school district” and  
7 “public school” include public charter school as those terms are used in that statute or rule.

8 (4) A public charter school may not violate the Establishment Clause of the First Amendment  
9 to the United States Constitution or section 5, Article I of the Oregon Constitution, or be religion  
10 based.

11 (5) A public charter school shall maintain an active enrollment of at least 25 students.

12 (6) A public charter school may sue or be sued as a separate legal entity.

13 (7) The sponsor, members of the governing board of the sponsor acting in their official capacities  
14 and employees of a sponsor acting in their official capacities are immune from civil liability with  
15 respect to all activities related to a public charter school within the scope of their duties or em-  
16 ployment.

17 (8) A public charter school may enter into contracts and may lease facilities and services from  
18 a school district, education service district, state institution of higher education, **including**  
19 **Portland State University**, other governmental unit or any person or legal entity.

20 (9) A public charter school may not levy taxes or issue bonds under which the public incurs li-  
21 ability.

22 (10) A public charter school may receive and accept gifts, grants and donations from any source  
23 for expenditure to carry out the lawful functions of the school.

24 (11) The school district in which the public charter school is located shall offer a high school  
25 diploma, a modified diploma, an extended diploma or an alternative certificate to any public charter  
26 school student who meets the district’s and state’s standards for a high school diploma, a modified  
27 diploma, an extended diploma or an alternative certificate.

28 (12) A high school diploma, a modified diploma, an extended diploma or an alternative certificate  
29 issued by a public charter school grants to the holder the same rights and privileges as a high  
30 school diploma, a modified diploma, an extended diploma or an alternative certificate issued by a  
31 nonchartered public school.

32 (13) Prior to beginning operation, the public charter school shall show proof of insurance to the  
33 sponsor as specified in the charter.

34 (14) A public charter school may receive services from an education service district in the same  
35 manner as a nonchartered public school in the school district in which the public charter school is  
36 located.

37 **SECTION 89.** ORS 338.115, as amended by section 7, chapter 839, Oregon Laws 2007, section  
38 12, chapter 50, Oregon Laws 2008, section 4, chapter 618, Oregon Laws 2009, and section 3, chapter  
39 53, Oregon Laws 2010, is amended to read:

40 338.115. (1) Statutes and rules that apply to school district boards, school districts or other  
41 public schools do not apply to public charter schools. However, the following laws do apply to public  
42 charter schools:

43 (a) Federal law;

44 (b) ORS 192.410 to 192.505 (public records law);

45 (c) ORS 192.610 to 192.690 (public meetings law);

- 1 (d) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law);
- 2 (e) ORS 181.534, 326.603, 326.607, 342.223 and 342.232 (criminal records checks);
- 3 (f) ORS 337.150 (textbooks);
- 4 (g) ORS 339.141, 339.147 and 339.155 (tuition and fees);
- 5 (h) ORS 659.850, 659.855 and 659.860 (discrimination);
- 6 (i) ORS 30.260 to 30.300 (tort claims);
- 7 (j) Health and safety statutes and rules;
- 8 (k) Any statute or rule that is listed in the charter;
- 9 (L) The statewide assessment system developed by the Department of Education for mathemat-
- 10 ics, science and English under ORS 329.485 (2);
- 11 (m) ORS 329.045 (academic content standards and instruction);
- 12 (n) ORS 329.496 (physical education);
- 13 (o) Any statute or rule that establishes requirements for instructional time provided by a school
- 14 during each day or during a year;
- 15 (p) ORS 339.250 (12) (prohibition on infliction of corporal punishment);
- 16 (q) ORS 339.370, 339.372, 339.388 and 339.400 (reporting of child abuse and training on pre-
- 17 vention and identification of child abuse);
- 18 (r) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative cer-
- 19 tificate);
- 20 (s) ORS chapter 657 (Employment Department Law);
- 21 (t) ORS 339.326;
- 22 (u) Section 1, chapter 53, Oregon Laws 2010 (consideration for educational services); and
- 23 (v) This chapter.
- 24 (2) Notwithstanding subsection (1) of this section, a charter may specify that statutes and rules
- 25 that apply to school district boards, school districts and other public schools may apply to a public
- 26 charter school.
- 27 (3) If a statute or rule applies to a public charter school, then the terms “school district” and
- 28 “public school” include public charter school as those terms are used in that statute or rule.
- 29 (4) A public charter school may not violate the Establishment Clause of the First Amendment
- 30 to the United States Constitution or section 5, Article I of the Oregon Constitution, or be religion
- 31 based.
- 32 (5) A public charter school shall maintain an active enrollment of at least 25 students.
- 33 (6) A public charter school may sue or be sued as a separate legal entity.
- 34 (7) The sponsor, members of the governing board of the sponsor acting in their official capacities
- 35 and employees of a sponsor acting in their official capacities are immune from civil liability with
- 36 respect to all activities related to a public charter school within the scope of their duties or em-
- 37 ployment.
- 38 (8) A public charter school may enter into contracts and may lease facilities and services from
- 39 a school district, education service district, state institution of higher education, **including**
- 40 **Portland State University**, other governmental unit or any person or legal entity.
- 41 (9) A public charter school may not levy taxes or issue bonds under which the public incurs li-
- 42 ability.
- 43 (10) A public charter school may receive and accept gifts, grants and donations from any source
- 44 for expenditure to carry out the lawful functions of the school.
- 45 (11) The school district in which the public charter school is located shall offer a high school

1 diploma, a modified diploma, an extended diploma or an alternative certificate to any public charter  
 2 school student who meets the district’s and state’s standards for a high school diploma, a modified  
 3 diploma, an extended diploma or an alternative certificate.

4 (12) A high school diploma, a modified diploma, an extended diploma or an alternative certificate  
 5 issued by a public charter school grants to the holder the same rights and privileges as a high  
 6 school diploma, a modified diploma, an extended diploma or an alternative certificate issued by a  
 7 nonchartered public school.

8 (13) Prior to beginning operation, the public charter school shall show proof of insurance to the  
 9 sponsor as specified in the charter.

10 (14) A public charter school may receive services from an education service district in the same  
 11 manner as a nonchartered public school in the school district in which the public charter school is  
 12 located.

13 **SECTION 90.** ORS 340.005 is amended to read:

14 340.005. For purposes of this chapter:

15 (1) “Accelerated college credit program” has the meaning given that term by rules adopted by  
 16 the State Board of Education.

17 (2) “At-risk student” means:

18 (a) A student who qualifies for a free or reduced lunch program; or

19 (b) An at-risk student as defined by rules adopted by the board if the board has adopted rules  
 20 to define an at-risk student.

21 (3) “Duplicate course” means a course with a scope that is identical to the scope of another  
 22 course.

23 (4)(a) “Eligible post-secondary course” means any nonsectarian course or program offered  
 24 through an eligible post-secondary institution if the course or program may lead to high school  
 25 completion, a certificate, professional certification, associate degree or baccalaureate degree.

26 (b) “Eligible post-secondary course” does not include a duplicate course offered at the student’s  
 27 resident school.

28 (c) “Eligible post-secondary course” includes:

29 (A) Academic courses;

30 (B) Career and technical education courses; and

31 (C) Distance education courses.

32 (5) “Eligible post-secondary institution” means:

33 (a) A community college;

34 (b) A state institution of higher education listed in ORS 352.002; [and]

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

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

37 (6)(a) “Eligible student” means a student who is enrolled in an Oregon public school and who:

38 (A) Is 16 years of age or older at the time of enrollment in a course under the Expanded Options  
 39 Program;

40 (B)(i) Is in grade 11 or 12 at the time of enrollment in a course under the Expanded Options  
 41 Program; or

42 (ii) Is not in grade 11 or 12, because the student has not completed the required number of  
 43 credits, but who has been allowed by the school district to participate in the program;

44 (C) Has developed an educational learning plan as described in ORS 340.025; and

45 (D) Has not successfully completed the requirements for a high school diploma as established

1 by ORS 329.451, the State Board of Education and the school district board.

2 (b) "Eligible student" does not include a foreign exchange student enrolled in a school under a  
3 cultural exchange program.

4 (7) "Expanded Options Program" means the program created under this chapter.

5 (8) "Scope" means depth and breadth of course content as evidenced through a planned course  
6 statement including content outline, applicable state content standards where appropriate, course  
7 goals and student outcomes.

8 **SECTION 91.** ORS 341.440 is amended to read:

9 341.440. (1) A community college district may contract with another community college district,  
10 common or union high school district, education service district, the Oregon University System,  
11 **Portland State University**, [the] Oregon Health and Science University, [with] a private educa-  
12 tional institution accredited by the Northwest Association of Schools and Colleges or its successor  
13 or a career school as defined in ORS 345.010 to obtain educational services for students enrolled in  
14 the community college of the district. However, the educational services so obtained must meet the  
15 standards for educational services provided by the college and the contract price to the college for  
16 such services must not exceed the costs which would otherwise be incurred by the college to provide  
17 its students the same or similar services.

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

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

24 **SECTION 92.** ORS 343.961 is amended to read:

25 343.961. (1) The Department of Education shall be responsible for payment of the cost of the  
26 education in programs with which the Oregon Health Authority or Oregon Youth Authority con-  
27 tracts for long-term care or treatment. Programs eligible for such education shall be in accordance  
28 with criteria adopted by rule by the State Board of Education.

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

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

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

42 (5) The Oregon Youth Authority shall give the school district providing the education at a  
43 treatment program 14 days' notice before a student is dismissed from the treatment program.

44 (6) The Department of Education may make advances to such school district from funds appro-  
45 priated therefor based on the estimated agreed cost of educating the pupils per school year. Ad-



1 vances equal to 25 percent of such estimated cost may be made on September 1, December 1 and  
 2 March 1 of the current year. The balance may be paid whenever the full determination of cost is  
 3 made.

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

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

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

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

14 **SECTION 93.** ORS 344.557 is amended to read:

15 344.557. (1) The Department of Human Services may refer a person for vocational training only  
 16 to the following schools or programs:

17 (a) A school that has accreditation recognized by the United States Department of Education.

18 (b) A school that has been approved by the Oregon Student Assistance Commission through the  
 19 Office of Degree Authorization to offer and confer degrees in Oregon.

20 (c) A community college.

21 (d) A state institution of higher education within the Oregon University System.

22 (e) [*The*] Oregon Health and Science University.

23 **(f) Portland State University.**

24 [*f*] **(g)** A career school licensed under ORS 345.010 to 345.450.

25 [*g*] **(h)** An apprenticeship program that is registered with the State Apprenticeship and Train-  
 26 ing Council.

27 (2) This section does not apply to vocational rehabilitation training.

28 **SECTION 94.** ORS 348.180 is amended to read:

29 348.180. As used in this section and ORS [*348.183,*] 348.186, 348.205, 348.230, 348.250 and 348.260:

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

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

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

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

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

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

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

37 (3) "Qualified student" means any resident student who plans to attend an eligible post-  
 38 secondary institution and who:

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

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

42 (c) Is making satisfactory academic progress as defined by rule of the commission.

43 **SECTION 95.** ORS 348.205 is amended to read:

44 348.205. (1) The Oregon Opportunity Grant program is established within the Oregon Student  
 45 Assistance Commission.

1 (2) Under the program, the cost of education of a qualified student shall be shared by the stu-  
2 dent, the family of the student, the federal government and the state.

3 (3) The commission shall determine the cost of education of a qualified student based on the type  
4 of eligible post-secondary institution the student is attending. The cost of education equals:

5 (a) For a student attending a community college, the average cost of education of attending a  
6 community college in this state;

7 (b) For a student attending an institution under the direction of the State Board of Higher Ed-  
8 ucation, the average cost of education of attending an institution under the direction of the board;

9 (c) For a student attending a two-year Oregon-based, generally accredited, not-for-profit institu-  
10 tion of higher education, the average cost of education of attending a community college in this  
11 state; and

12 (d) For a student attending the Oregon Health and Science University, **Portland State Uni-**  
13 **versity** or a four-year Oregon-based, generally accredited, not-for-profit institution of higher educa-  
14 tion, the average cost of education of attending an institution under the direction of the board.

15 (4)(a) The commission shall determine the amount of the student share. The student share shall  
16 be based on:

17 (A) The type of eligible post-secondary institution the student is attending;

18 (B) The number of hours of work that the commission determines may be reasonably expected  
19 from the student; and

20 (C) The amount of loans that the commission determines would constitute a manageable debt  
21 burden for the student.

22 (b) The student shall determine how to cover the student share through income from work,  
23 loans, savings and scholarships.

24 (c) The student share for a student who attends a community college may not exceed the amount  
25 that the commission determines a student may earn based on the number of hours of work reason-  
26 ably expected from the student under paragraph (a) of this subsection.

27 (d) The student share for a student who attends an eligible post-secondary institution that is not  
28 a community college may not exceed the sum of the amount that the commission determines a stu-  
29 dent may receive as loans plus the amount a student may earn based on the number of hours of  
30 work reasonably expected from the student under paragraph (a) of this subsection.

31 (5) The commission shall determine the amount of the family share. The family share shall be  
32 based on the resources of the family.

33 (6) The commission shall determine the amount of the federal share based on how much the  
34 student or the student's family is expected to receive from the federal government as grants, loans,  
35 tax credits or other student assistance.

36 (7)(a) The commission shall determine the amount of the state share. The state share shall be  
37 equal to the cost of education reduced by the student share, family share and amount received by  
38 the student from the federal government.

39 (b) The commission shall establish a minimum amount that a student may receive as a state  
40 share. If the commission determines that the amount of the state share of a student is below the  
41 minimum amount, the student may not receive the state share.

42 (c) In determining the amount of the state share, the commission shall consider the total amount  
43 available to award as grants to all qualified students. If the commission must reduce the amount of  
44 the state share under this paragraph, the commission may not reduce the amount of the state share  
45 awarded to students in the low income range in a greater proportion than the amount that the state

1 share for students in other income ranges is reduced.

2 **SECTION 96.** ORS 348.210 is amended to read:

3 348.210. (1) In addition to any other scholarships provided by law, the Oregon Student Assist-  
4 ance Commission may award scholarships at Eastern Oregon University to resident undergraduate  
5 students applying for enrollment in the university or who are pursuing courses therein. The number  
6 of students who receive scholarships under this subsection may not exceed two and one-half percent  
7 of the number of students who are enrolled at the university. The scholarships shall be awarded  
8 upon the basis of a record of high intellectual standing and deportment in the school or institution  
9 where the applicant has received or is receiving preparatory training, the necessity for financial  
10 assistance and other qualifications of such nature that the awarding of scholarships will operate not  
11 only to the advantage of the applicant but to the people of Oregon. A scholarship awarded under  
12 this subsection may not exceed in value the amount of the tuition and other fees, including the fees  
13 that are levied against the recipient of the scholarship by the State Board of Higher Education at  
14 the university.

15 (2) The commission may award tuition and fee-exempting scholarships to students from foreign  
16 nations who are enrolled in state institutions of higher education **or Portland State University**.  
17 A student may not receive a scholarship under this subsection that exceeds the amount of tuition  
18 and fees owed by the student.

19 (3) The value of scholarships awarded each year under subsection (2) of this section may not  
20 exceed in aggregate an amount equal to 10 percent of the amount of tuition and fees paid in the  
21 preceding year to the Oregon University System by students enrolled in state institutions of higher  
22 education who were not Oregon residents.

23 **SECTION 97.** ORS 348.270 is amended to read:

24 348.270. (1) In addition to any other scholarships provided by law, the Oregon Student Assist-  
25 ance Commission shall award scholarships in any state institution under the State Board of Higher  
26 Education, **in Portland State University**, in [the] Oregon Health and Science University, in any  
27 community college operated under ORS chapter 341[,] or in any Oregon-based regionally accredited  
28 independent institution, to any student applying for enrollment or who is enrolled therein, who is:

29 (a) The natural child, adopted child or stepchild of any public safety officer who, in the line of  
30 duty, was killed or so disabled, as determined by the Oregon Student Assistance Commission, that  
31 the income of the public safety officer is less than that earned by public safety officers performing  
32 duties comparable to those performed at the highest rank or grade attained by the public safety of-  
33 ficer; or

34 (b) A former foster child who enrolls in an institution of higher education as an undergraduate  
35 student not later than three years from the date the student was removed from the care of the De-  
36 partment of Human Services, the date the student graduated from high school or the date the stu-  
37 dent received the equivalent of a high school diploma, whichever date is earliest.

38 (2) Scholarships awarded under this section to students who are dependents of public safety of-  
39 ficers or who are former foster children shall equal the amount of tuition and all fees levied by the  
40 institution against the recipient of the scholarship. However, scholarships awarded to students who  
41 attend independent institutions **or Portland State University** shall not exceed the amount of tui-  
42 tion and all fees levied by the University of Oregon.

43 (3) If the student who is the dependent of a deceased public safety officer continues to remain  
44 enrolled in a state institution of higher education [or], **Portland State University**, a community  
45 college or an independent institution within the State of Oregon, the student shall be entitled to

1 renewal of the scholarship until the student has received the equivalent of four years of under-  
 2 graduate education and four years of post-graduate education.

3 (4) If the student who is a former foster child or who is the dependent of a public safety officer  
 4 with a disability continues to remain enrolled in a state institution of higher education [*or*],  
 5 **Portland State University**, a community college or an independent institution within the State of  
 6 Oregon, the student shall be entitled to renewal of the scholarship until the student has received  
 7 the equivalent of four years of undergraduate education.

8 (5) The Oregon Student Assistance Commission may require proof of the student's relationship  
 9 to a public safety officer described in subsection (1) of this section or proof that the student is a  
 10 former foster child.

11 (6) As used in this section:

12 (a) "Former foster child" means an individual who, for a total of 12 or more months while be-  
 13 tween the ages of 16 and 21, was a ward of the court pursuant to ORS 419B.100 (1)(b) to (e) and in  
 14 the legal custody of the Department of Human Services for out-of-home placement.

15 (b) "Public safety officer" means:

16 (A) A firefighter or police officer as those terms are defined in ORS 237.610.

17 (B) A member of the Oregon State Police.

18 **SECTION 98.** ORS 348.394 is amended to read:

19 348.394. As used in ORS 348.394 to 348.406:

20 (1) "Eligible post-secondary institution" means:

21 (a) A state institution under the direction of the State Board of Higher Education listed in ORS  
 22 352.002 **or Portland State University**;

23 (b) A community college as defined in ORS 341.005; or

24 (c) A generally accredited, not-for-profit institution of higher education.

25 (2) "Participant" means a student who receives a grant under ORS 348.401.

26 **SECTION 99.** ORS 348.597 is amended to read:

27 348.597. (1) Except as provided in subsection (2) of this section, ORS 348.594 to 348.615 apply to  
 28 all schools that operate in this state.

29 (2) ORS 348.594 to 348.615 do not apply to:

30 (a) An Oregon community college;

31 (b) A state institution of higher education within the Oregon University System;

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

33 **(d) Portland State University**;

34 [*d*] (e) A school, or a separately accredited campus of a school, if the school:

35 (A) Is a nonprofit school that is exempt from federal income tax under section 501(c)(3) of the  
 36 Internal Revenue Code;

37 (B) Conferred degrees in this state under the same control for at least five consecutive years;  
 38 and

39 (C) Is accredited by a regional accrediting association or its national successor;

40 [*e*] (f) A school that, [*on the date preceding*] **before** July 15, 2005, was a school [*described in*  
 41 *ORS 348.594 (2)(d)*] **that met the criteria and procedures to obtain a religious exemption**  
 42 **adopted by rule by the Oregon Student Assistance Commission and offered only degrees with**  
 43 **approved titles in theology or religious occupations**; or

44 [*f*] (g) A school that is exempt from ORS 348.594 to 348.615 under ORS 348.604.

45 **SECTION 100.** ORS 348.900 is amended to read:

1 348.900. (1) The Employment Department, in consultation with health care industry employers,  
 2 shall perform a statewide and regional needs assessment for health care occupations to identify  
 3 emerging occupations and occupations for which there is high demand or a shortage of workers. The  
 4 assessment shall be performed as necessary on a periodic basis, as determined by the department,  
 5 in consultation with industry employers. To perform the needs assessment, the department may  
 6 consider any reliable data sources available to the department.

7 (2) Based on the needs assessment, the Joint Boards of Education shall inform community col-  
 8 leges, state institutions of higher education within the Oregon University System, Oregon Health  
 9 and Science University, **Portland State University** and health care industry employers of the  
 10 identified statewide needs and invite the development of health care education programs that are  
 11 responsive to those needs.

12 (3) When approving health care education programs, the State Board of Education, the State  
 13 Board of Higher Education and the [*Oregon Health and Science University*] **Portland Metropolitan**  
 14 **Universities** Board of Directors shall use the statewide needs assessment to evaluate whether a  
 15 program fulfills statewide needs. If a board determines there is a statewide need, the board shall  
 16 facilitate the:

17 (a) Coordination of new health care education programs and existing health care education  
 18 programs that are similar to the new health care education programs to address the statewide need;  
 19 and

20 (b) Alignment of health care education programs relating to statewide access, student  
 21 transferability between programs, course articulation and common student learning outcomes for  
 22 health care education programs.

23 (4) In the development and approval of health care education programs, community colleges,  
 24 state institutions of higher education, Oregon Health and Science University, **Portland State Uni-**  
 25 **versity**, the State Board of Education, the State Board of Higher Education and the [*Oregon Health*  
 26 *and Science University*] **Portland Metropolitan Universities** Board of Directors shall consider is-  
 27 sues related to statewide access, student transferability between programs, course articulation and  
 28 common student learning outcomes for health care education programs. The colleges, institutions,  
 29 [*university*] **universities** and boards shall continue to provide and improve upon an effective artic-  
 30 ulation and transfer framework for students in Oregon's post-secondary sectors.

31 **SECTION 101.** ORS 351.010 is amended to read:

32 351.010. The Oregon University System is established and is organized as described in ORS  
 33 352.002. The system shall be conducted under the control of a board of 12 directors, to be known  
 34 as the State Board of Higher Education. The board shall consist of:

35 (1) Two students, who at the time of their appointment to the board, are admitted at different  
 36 public institutions of higher education in Oregon listed in ORS 352.002.

37 (2) One member of the faculty at Oregon State University[, *Portland State University*] or Uni-  
 38 versity of Oregon.

39 (3) One member of the faculty at Eastern Oregon University, Oregon Institute of Technology,  
 40 Southern Oregon University or Western Oregon University.

41 (4) Eight members of the general public who are not students or faculty at the time of their  
 42 appointment.

43 **SECTION 102.** ORS 351.203 is amended to read:

44 351.203. (1) The State Board of Higher Education shall cooperate with the Education and  
 45 Workforce Policy Advisor in the development of a state comprehensive education plan including

1 post-secondary education and in review of the board's programs and budget. The board shall submit  
 2 in timely fashion to the advisor such data as is appropriate in a form prescribed by the advisor.

3 (2) The board shall cooperate with the mediation process administered by the Oregon Student  
 4 Assistance Commission pursuant to ORS 348.603 and, if a negotiated resolution cannot be reached  
 5 by mediation, comply with the decisions of the commission regarding proposed new post-secondary  
 6 programs and proposed new post-secondary locations, including those proposed by Oregon Health  
 7 and Science University **and Portland State University** in cooperation with the board under ORS  
 8 353.440.

9 **SECTION 103.** Section 13, chapter 761, Oregon Laws 2007, as amended by section 5, chapter  
 10 2, Oregon Laws 2009, and section 93, chapter 762, Oregon Laws 2009, is amended to read:

11 **Sec. 13.** (1) There is established in the General Fund an account to be known as the Portland  
 12 State University Science Research and Teaching Center and Hazardous Waste Facility Account.  
 13 Funds in the account shall be used for the construction, remodeling, expansion and renovation of  
 14 facilities for a Science Research and Teaching Center and Hazardous Waste Facility Phase I at  
 15 Portland State University.

16 (2) The account shall consist of proceeds from certificates of participation, grant funds, gift  
 17 funds, proceeds of legal settlements, federal and local government funds made available to and funds  
 18 donated to the Oregon University System **or the Portland Metropolitan Universities Board of**  
 19 **Directors** for the purpose of the center and facility project described in subsection (1) of this sec-  
 20 tion. Interest earned on moneys in the account shall be credited to the account. The account may  
 21 not be credited with more than \$7,000,000 for purposes of this subsection.

22 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-  
 23 tion 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the Oregon  
 24 University System and may be transferred to the account designated by ORS 351.626 for the center  
 25 and facility project described in subsection (1) of this section.

26 **SECTION 104.** Section 17, chapter 761, Oregon Laws 2007, as amended by section 97, chapter  
 27 762, Oregon Laws 2009, is amended to read:

28 **Sec. 17.** (1) There is established in the General Fund an account to be known as the Portland  
 29 State University Science PCAT Redevelopment Account. Funds in the account shall be used for the  
 30 construction, remodeling, expansion and renovation of facilities on the current site of the Portland  
 31 Center for Advanced Technology at Portland State University.

32 (2) The account shall consist of grant funds, gift funds, proceeds of legal settlements, federal and  
 33 local government funds made available to and funds donated to the Oregon University System **or**  
 34 **the Portland Metropolitan Universities Board of Directors** for the purpose of the project de-  
 35 scribed in subsection (1) of this section. Interest earned on moneys in the account shall be credited  
 36 to the account. The account may not be credited with more than \$10,000,000 for purposes of this  
 37 subsection.

38 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-  
 39 tion 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the Oregon  
 40 University System and may be transferred to the account designated by ORS 351.626 for the project  
 41 described in subsection (1) of this section.

42 **SECTION 105.** Section 22, chapter 904, Oregon Laws 2009, is amended to read:

43 **Sec. 22.** (1) There is established in the General Fund an account to be known as the Portland  
 44 State University Science Research and Teaching Center/Hazardous Waste Facility Phase 2 Project  
 45 Account. Funds in the account shall be used for the construction, remodeling, expansion and reno-

1 vation of facilities for a facility project at Oregon State University.

2 (2) The account shall consist of proceeds from grant funds, gift funds and federal and local  
3 government funds made available to the Oregon University System **or the Portland Metropolitan**  
4 **Universities Board of Directors** for the purpose of the facility project described in subsection (1)  
5 of this section. Interest earned on moneys in the account shall be credited to the account. The  
6 account may not be credited with more than \$2,500,000 for purposes of this subsection.

7 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-  
8 tion 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the Oregon  
9 University System and may be transferred to the Department of Higher Education Capital Con-  
10 struction Fund for the facility project described in subsection (1) of this section.

11 **SECTION 106.** ORS 351.509 is amended to read:

12 351.509. (1) There is established in the General Fund an account to be known as the Portland  
13 State University Center for Nanoscience and Nanotechnology Account. Funds in the account shall  
14 be used for the expansion of microscopy and materials characterization facilities at Portland State  
15 University related to a signature research center.

16 (2) The account shall consist of proceeds from lottery bonds made available to the Oregon Uni-  
17 versity System **or the Portland Metropolitan Universities Board of Directors** for the purpose  
18 of the Portland State University center for nanoscience and nanotechnology project described in  
19 subsection (1) of this section. Interest earned on moneys in the account shall be credited to the ac-  
20 count.

21 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-  
22 tion 1 (3), Article XI-G of the Oregon Constitution, and are continuously appropriated to the Oregon  
23 University System for the center for nanoscience and nanotechnology project described in sub-  
24 section (1) of this section. The account may not be credited with more than \$500,000 in interest and  
25 proceeds from lottery bonds.

26 **SECTION 107.** ORS 351.511 is amended to read:

27 351.511. (1) There is established in the General Fund an account to be known as the Portland  
28 State University Northwest Engineering Science Center Phase I Account. Funds in the account shall  
29 be used for construction of an engineering science center at Portland State University.

30 (2) The account shall consist of federal and local government funds made available to and funds  
31 donated to the Oregon University System **or the Portland Metropolitan Universities Board of**  
32 **Directors** for the purpose of the Portland State University Northwest Engineering Science Center  
33 Phase I project described in subsection (1) of this section. Interest earned on moneys in the account  
34 shall be credited to the account.

35 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-  
36 tion 1 (3), Article XI-G of the Oregon Constitution, and are continuously appropriated to the Oregon  
37 University System for that purpose. The account may not be credited with more than \$26,500,000 in  
38 interest, donations and federal and local government funds for purposes of this subsection.

39 **SECTION 108.** ORS 351.649 is amended to read:

40 351.649. (1) For the purposes of this section:

41 (a) "Public institution of higher education" means:

42 (A) A community college;

43 (B) A state institution of higher education listed in ORS 352.002; *[and]*

44 (C) *[The]* Oregon Health and Science University*.[.]; and*

45 **(D) Portland State University.**

(b) “School-sponsored media” means materials that are prepared, substantially written, published or broadcast by student journalists, that are distributed or generally made available, either free of charge or for a fee, to members of the student body and that are prepared under the direction of a student media adviser. “School-sponsored media” does not include media intended for distribution or transmission solely in the classrooms in which they are produced.

(c) “Student journalist” means a student who gathers, compiles, writes, edits, photographs, records or prepares information for dissemination in school-sponsored media.

(d) “Student media adviser” means a person who is employed, appointed or designated by a public institution of higher education to supervise, or provide instruction relating to, school-sponsored media.

(2) Student journalists are responsible for determining the news, opinion, feature and advertising content of school-sponsored media. This subsection does not prevent a student media adviser from teaching professional standards of English and journalism to the student journalists.

(3) Nothing in this section may be interpreted to authorize expression by students that:

(a) Is libelous or slanderous;

(b) Constitutes an unwarranted invasion of privacy;

(c) Violates federal or state statutes, rules or regulations or state common law; or

(d) So incites students as to create a clear and present danger of:

(A) The commission of unlawful acts on or off school premises;

(B) The violation of school policies; or

(C) The material and substantial disruption of the orderly operation of the school. A school official must base a forecast of material and substantial disruption on specific facts, including past experience in the school and current events influencing student behavior, and not on undifferentiated fear or apprehension.

(4) Any student enrolled in a public institution of higher education may commence a civil action to obtain damages under this subsection and appropriate injunctive or declaratory relief as determined by a court for a violation of subsection (2) of this section, the First Amendment to the United States Constitution or section 8, Article I of the Oregon Constitution. Upon a motion, a court may award \$100 in damages and injunctive and declaratory relief to a prevailing plaintiff in a civil action brought under this subsection.

**SECTION 109.** ORS 351.656 is amended to read:

351.656. (1) As used in this section:

(a) “Child” means a child, adopted child or stepchild of a service member.

(b) “Eligible post-secondary institution” means:

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

**(B) Portland State University; and**

~~[(B)] (C) [The] Oregon Health and Science University.~~

(c) “Qualified student” means a child, a spouse or an unremarried surviving spouse of a service member.

(d) “Service member” means a person who:

(A) As a member of the Armed Forces of the United States, died on active duty;

(B) As a member of the Armed Forces of the United States, died as a result of a military service connected disability; or

(C) Is 100 percent disabled as the result of a military service connected disability, as certified by the United States Department of Veterans Affairs or any branch of the Armed Forces of the



1 United States.

2 (2) Subject to subsections (3) to (6) of this section, an eligible post-secondary institution shall  
3 waive tuition for a qualified student for courses that may lead to a baccalaureate degree or a  
4 master's degree. A qualified student who received a tuition waiver for a baccalaureate degree may  
5 also qualify for a tuition waiver for a master's degree.

6 (3)(a) The maximum waiver granted under this section shall be as follows:

7 (A) For a baccalaureate degree, the total number of credit hours that equals four years of full-  
8 time attendance at an eligible post-secondary institution.

9 (B) For a master's degree, the total number of credit hours that equals two years of full-time  
10 attendance at an eligible post-secondary institution.

11 (b) Notwithstanding paragraph (a) of this subsection, a waiver may not exceed the total number  
12 of credit hours the qualified student needs to graduate with a baccalaureate degree or a master's  
13 degree.

14 (4) A waiver may be granted under this section only for credit hours for courses that are offered  
15 by an eligible post-secondary institution and are available for enrollment regardless of whether the  
16 qualified student attends the course and pays tuition.

17 (5) A qualified student may receive a waiver under this section if the student:

18 (a) At the time of application for a waiver, is considered a resident of this state for the purpose  
19 of determining tuition to be paid at an eligible post-secondary institution; and

20 (b) Has been admitted to an eligible post-secondary institution for a baccalaureate degree pro-  
21 gram or has been admitted to a master's degree program at an eligible post-secondary institution.

22 (6)(a) A child who applies for a waiver under this section must be 23 years of age or younger  
23 at the time the child applies for a waiver.

24 (b) Notwithstanding paragraph (a) of this subsection, a child who is older than 23 years of age  
25 is eligible for a waiver for a master's degree if the child:

26 (A) Applied for and received a waiver for a baccalaureate degree when the child was 23 years  
27 of age or younger; and

28 (B) Applied for a waiver for a master's degree within 12 months of receiving a baccalaureate  
29 degree.

30 **SECTION 110.** ORS 351.663 is amended to read:

31 351.663. (1) The Engineering and Technology Industry Council is established. A majority of the  
32 council members are representatives of high technology companies in Oregon. The council shall be  
33 consulted on the work plans and resource allocations for engineering education.

34 (2) The council shall establish criteria and measurements that will be used for determining in-  
35 vestments made from the account designated by ORS 351.666.

36 (3) The criteria and measurements established by the council include:

37 (a) Responding to the urgent engineering educational needs of Oregon's fast growing high tech-  
38 nology industry, especially in the Portland metropolitan area.

39 (b) Increasing this state's faculty and program capacity to meet the graduate level, professional  
40 education needs of engineers working in Oregon's high technology industry through investments in  
41 public and private institutions.

42 (c) Creating additional opportunities for Oregonians to pursue education in electrical engineer-  
43 ing, computer engineering and other engineering disciplines critical to the advancement of Oregon's  
44 high technology industry.

45 (d) Investing relatively scarce state financial resources to:

1 (A) Address the high technology industry’s most demonstrated and pressing needs;

2 (B) Produce the greatest amount of educational benefits with the least short-term and long-term  
3 costs to the public;

4 (C) Avoid duplicating existing public or private resources; and

5 (D) Leverage existing and future private resources for the public benefit.

6 (e) Making all investments in public and private institutions through performance-based con-  
7 tracts with measurable outcomes in order to ensure strong linkage between the most urgent engi-  
8 neering education needs and implemented solutions.

9 (f) Maximizing the leverage of state investment funds to build faculty and program capacity and  
10 share existing and new faculty and program resources.

11 (4) Priority is given to investments where private financial resources from Oregon high tech-  
12 nology companies or individuals with significant interests in the growth of high technology in  
13 Oregon are made available to augment public funds.

14 (5) The council must submit biennial performance reviews of all investments made to improve  
15 engineering education with public funds in public and private institutions. The reviews must be  
16 submitted to the Chancellor of the Oregon University System, *[and]* the State Board of Higher Ed-  
17 ucation, **the president of Oregon Health and Science University, the president of Portland**  
18 **State University and the Portland Metropolitan Universities Board of Directors.**

19 **SECTION 111.** ORS 351.666 is amended to read:

20 351.666. (1) An account in the Oregon University System Fund established by ORS 351.506 is  
21 designated for the purpose of investments in engineering education. Interest earned on moneys in  
22 the account is credited to the account.

23 (2) The State Board of Higher Education shall use the moneys in the account designated by this  
24 section solely for the purpose of investing in engineering education. The board shall follow the cri-  
25 teria and measurements established by the Engineering and Technology Industry Council in allo-  
26 cating moneys for investments in engineering education.

27 **(3) The State Board of Higher Education may allocate moneys for investments in engi-**  
28 **neering education, subject to the criteria and measurements established by the Engineering**  
29 **and Technology Industry Council, to investments in engineering education at Portland State**  
30 **University.**

31 **SECTION 112.** ORS 351.695 is amended to read:

32 351.695. (1) A university within the Oregon University System may deposit moneys received for  
33 its university venture development fund in the Higher Education Donation Fund established under  
34 ORS 351.130.

35 (2) Notwithstanding ORS 351.697 (5), the State Treasurer, as payment for expenses, may deduct  
36 a fee pursuant to ORS 293.718 from a university venture development fund administered by a uni-  
37 versity within the Oregon University System, **Portland State University** or *[the]* Oregon Health  
38 and Science University.

39 (3) A university within the Oregon University System, **Portland State University** or the  
40 Oregon Health and Science University may direct that moneys credited to its university venture  
41 development fund be held and invested by the university’s affiliated foundation. Any moneys held  
42 by an affiliated foundation under this section or ORS 351.697 are not subject to the provisions of  
43 ORS chapter 293 or 295 and may not be considered public or state funds for any purpose. Moneys  
44 transferred to an affiliated foundation under this section or ORS 351.697 may be used only as pro-  
45 vided under ORS 351.692, 351.695, 351.697 and 353.445.

1 (4) At the request of a university within the Oregon University System, moneys in the Higher  
2 Education Donation Fund that were deposited by the university under this section may be trans-  
3 ferred to the university's affiliated foundation.

4 (5) A university within the Oregon University System, **Portland State University** or the  
5 Oregon Health and Science University may retain or may elect to have its affiliated foundation re-  
6 tain some or all of the principal contributed to a university venture development fund for investment  
7 to perpetuate and increase the moneys available for expenditure. The balance of the fund and the  
8 earnings on that balance may be used as provided under ORS 351.692, 351.695, 351.697 and 353.445.

9 **SECTION 113.** ORS 351.697 is amended to read:

10 351.697. (1) Each university in the Oregon University System, **Portland State University** and  
11 Oregon Health and Science University may elect to establish a university venture development fund  
12 as provided in this section for the purpose of facilitating the commercialization of university re-  
13 search and development. A university shall direct that the university venture development fund be  
14 administered, in whole or in part, by the university or by the university's affiliated foundation.

15 (2) The purposes of a university venture development fund are to provide:

16 (a) Capital for university entrepreneurial programs;

17 (b) Opportunities for students to gain experience in applying research to commercial activities;

18 (c) Proof-of-concept funding for transforming research and development concepts into commer-  
19 cially viable products and services;

20 (d) Entrepreneurial opportunities for persons interested in transforming research into viable  
21 commercial ventures that create jobs in this state; and

22 (e) Tax credits for contributors to university research commercialization activities.

23 (3) Each university that elects to establish a university venture development fund shall:

24 (a) Notify the Department of Revenue of the establishment of the fund;

25 (b) Either directly or through its affiliated foundation, solicit contributions to the fund and re-  
26 ceive, manage and disburse moneys contributed to the fund;

27 (c) Subject to ORS 315.521 (1), 351.692 (3) and 353.445 (3), issue tax credit certificates to con-  
28 tributors to the fund in the amount of the contributions;

29 (d) Establish a grant program that meets the requirements for a venture grant program under  
30 policies adopted by the State Board of Higher Education under ORS 351.692 or under policies  
31 adopted by the [*Oregon Health and Science University*] **Portland Metropolitan Universities** Board  
32 of Directors under ORS 353.445; and

33 (e) Subject to available moneys from the fund, provide qualified grant applicants with moneys  
34 for the purpose of facilitating the commercialization of university research and development.

35 (4) Except as provided in subsection (5) of this section, moneys in a university venture devel-  
36 opment fund shall be disbursed only as directed by a university.

37 (5) A university or its affiliated foundation may charge its customary administrative assessment  
38 to manage its university venture development fund in an amount not to exceed three percent of the  
39 fund's average balance during the fiscal year of the university or its affiliated foundation. The ad-  
40 ministrative assessment may be paid from the assets in the fund. Except as authorized by law, no  
41 other fees or indirect costs shall be charged against the university venture development fund or any  
42 associated grants or other disbursements from the fund.

43 (6) A university that has established a university venture development fund shall monitor the  
44 use of grants made from the fund and identify the income realized by the university as the result  
45 of the use of the grants. Income consists of cash realized from royalties, milestone and license fee

1 payments and cash from the sale of equity. The university shall cause the transfer of 20 percent of  
 2 the income realized from the grants to the General Fund, but not to exceed the amount of the tax  
 3 credits issued by the university as a result of contributions to its university venture development  
 4 fund. Immediately upon deposit of the transferred amount into the General Fund, the university may  
 5 issue new tax credits to equal the transferred amount.

6 (7) A university that has established a university venture development fund shall report annually  
 7 to the Legislative Assembly or, if the Legislative Assembly is not in session, to the interim legisla-  
 8 tive committees on revenue. The report shall be at the end of the fiscal year of the university or  
 9 of its affiliated foundation and provide information for that fiscal year. The university shall include  
 10 in the report the following information pertaining to its university venture development fund:

- 11 (a) The amount of donations received for the fund;
- 12 (b) The amount of income received from the fund;
- 13 (c) The amount of disbursements and grants paid from the fund;
- 14 (d) The amount of income and royalties received from disbursements from the fund; and
- 15 (e) The amount of moneys transferred from the fund to the General Fund.

16 **SECTION 114.** ORS 351.810 is amended to read:

17 351.810. The State Board of Higher Education, [*the*] **Portland State University**, Oregon Health  
 18 and Science University and the Oregon members of the Western Interstate Commission for Higher  
 19 Education are authorized to take any action necessary to [*achieving the ends*] **achieve the purposes**  
 20 of the Western Regional Higher Education Compact.

21 **SECTION 115.** ORS 351.820 is amended to read:

22 351.820. (1) Prior to June 1 of each even-numbered year the Oregon members of the Western  
 23 Interstate Commission for Higher Education shall determine the quotas of Oregon students for whom  
 24 various kinds of educational service should be purchased in out-of-state institutions during the next  
 25 biennium and shall recommend to the State Board of Higher Education and the [*Oregon Health and*  
 26 *Science University*] **Portland Metropolitan Universities** Board of Directors the amount to be in-  
 27 cluded in its biennial budget to cover the cost of such educational service for students enrolled in  
 28 their respective institutions.

29 (2) The State Board of Higher Education and the [*Oregon Health and Science University*]  
 30 **Portland Metropolitan Universities** Board of Directors shall negotiate contracts with the Western  
 31 Interstate Commission for Higher Education for educational service of the kind and amount indi-  
 32 cated by the quotas determined under subsection (1) of this section. The [*board*] **boards** shall make  
 33 payments required by such contracts out of the money appropriated to [*it*] **the boards** for that  
 34 purpose.

35 (3) The State Board of Higher Education may also contract with higher education institutions,  
 36 or others, which are not members of the Western Interstate Commission for Higher Education, to  
 37 furnish educational services to students who are residents of the State of Oregon in those areas of  
 38 higher education where the educational institutions of the State of Oregon are unable to provide the  
 39 desired professional educational opportunities.

40 **SECTION 116.** ORS 351.840 is amended to read:

41 351.840. (1) The State Board of Higher Education and the [*Oregon Health and Science*  
 42 *University*] **Portland Metropolitan Universities** Board of Directors may contract with the Western  
 43 Interstate Commission for Higher Education to furnish educational service in their respective  
 44 Oregon institutions to out-of-state students.

45 (2) The State Board of Higher Education and the [*Oregon Health and Science University*]

1 **Portland Metropolitan Universities** Board of Directors shall determine the number of out-of-state  
 2 students that should be accepted into their respective institutions, and shall make final decisions  
 3 on admission of individual applicants.

4 (3)(a) Payments made by the commission under such contracts [*shall*] **must** be deposited in and  
 5 credited to a designated account in the Oregon University System Fund established by ORS 351.506  
 6 for students enrolled in institutions under the jurisdiction of the State Board of Higher Education  
 7 in the same manner that fees and tuition payments for resident students are deposited and credited.  
 8 The estimated amount of the payments must be considered by the board in making its biennial  
 9 budgetary requests.

10 (b) **Payments made by the commission under such contracts shall be deposited with**  
 11 **Portland State University for students who enroll in that university under the terms of such**  
 12 **contracts.**

13 (c) Payments made by the commission under such contracts must be deposited with the Oregon  
 14 Health and Science University for students who enroll in that university under the terms of such  
 15 contracts.

16 **SECTION 117.** ORS 351.870 is amended to read:

17 351.870. (1) The Legislative Assembly finds and declares that basic research is fundamental to  
 18 the continuation and expansion of applied research and is thus a necessary ingredient in economic  
 19 growth. The Legislative Assembly further finds that basic research is itself an important activity  
 20 which should be promoted.

21 (2) It is the policy of this state that basic research is an appropriate and necessary activity of  
 22 our public universities. Further, the State of Oregon has an obligation with other states and the  
 23 federal government to encourage and finance basic research if the state and nation are to be active  
 24 participants in a future which will require ever increasing levels of knowledge and understanding.

25 (3) The Legislative Assembly acknowledges that a characteristic of basic research is that no  
 26 defined result can be guaranteed and asserts that only through scholarly investigation can knowl-  
 27 edge be advanced to be later developed and applied.

28 (4) The Legislative Assembly believes that moneys for basic research should be regularly ap-  
 29 propriated and that such moneys should be used for support of qualified investigators and funding  
 30 of research projects.

31 (5) The Legislative Assembly intends that in implementing the policy on basic research or any  
 32 other research policy, the State Board of Higher Education **and the Portland Metropolitan Uni-**  
 33 **versities Board of Directors**, in keeping with the principle of academic freedom, shall [*insure*]  
 34 **ensure** open and free inquiry and publication in all institutions under [*its jurisdiction*] **their juris-**  
 35 **dictions.**

36 **SECTION 118.** ORS 352.002 is amended to read:

37 352.002. The Oregon University System consists of the programs, activities and institutions of  
 38 higher education under the jurisdiction of the State Board of Higher Education including the fol-  
 39 lowing:

- 40 (1) University of Oregon.
- 41 (2) Oregon State University.
- 42 [(3) *Portland State University.*]
- 43 [(4)] (3) Oregon Institute of Technology.
- 44 [(5)] (4) Western Oregon University.
- 45 [(6)] (5) Southern Oregon University.

1 [(7)] (6) Eastern Oregon University.

2 **SECTION 119.** ORS 352.063 is amended to read:

3 352.063. [*The Oregon University System*] **Portland State University** may receive moneys from  
 4 any public or private source to support the Mark O. Hatfield School of Government, the Center for  
 5 Lakes and Reservoirs, the Graduate School of Social Work or the Institute of Portland Metropolitan  
 6 Studies created under ORS 352.066, 352.068, 352.071 and 352.074. Gifts and grants received to support  
 7 the Mark O. Hatfield School of Government, the Center for Lakes and Reservoirs, the Graduate  
 8 School of Social Work or the Institute of Portland Metropolitan Studies shall be credited to the  
 9 appropriate fund at Portland State University [*by the Oregon University System*].

10 **SECTION 120.** ORS 352.066 is amended to read:

11 352.066. (1) Pursuant to ORS 351.870, there is created within [*the Oregon University System*]  
 12 **Portland State University** the Mark O. Hatfield School of Government. [*The Mark O. Hatfield*  
 13 *School of Government shall be administered by Portland State University.*] The president of Portland  
 14 State University shall appoint the director of the Mark O. Hatfield School of Government.

15 (2) The purposes of the Mark O. Hatfield School of Government are:

16 (a) To prepare students for careers in political service, public administration and the adminis-  
 17 tration of justice;

18 (b) To perform the duties required of the school under ORS 21.480, 36.179, 183.502 and 390.240;  
 19 and

20 (c) To assist the Criminal Justice Research and Policy Institute in carrying out the duties under  
 21 subsection (3) of this section.

22 (3) There is created within the Mark O. Hatfield School of Government the Criminal Justice  
 23 Research and Policy Institute. The institute may assist the Legislative Assembly and state and local  
 24 governments in developing policies to reduce crime and delinquency by:

25 (a) Providing the Legislative Assembly with objective, nonpartisan [*analyses*] **analysis** of exist-  
 26 ing or proposed state criminal justice policies, [*which analyses may not be inconsistent*] **consistent**  
 27 with state or federal law [*or*] **and** the Oregon [*or*] **and** United States [*Constitution*] **Constitutions**;

28 (b) Evaluating programs, including but not limited to programs dealing with public safety  
 29 professionalism, ethics in leadership and childhood development, funded directly or indirectly by the  
 30 State of Oregon that are intended to reduce criminal and delinquent behavior or to improve  
 31 professionalism in public safety careers;

32 (c) Managing reviews and evaluations relating to major long-term issues confronting the state  
 33 involving criminal and juvenile justice, public safety professionalism, ethics in leadership and early  
 34 childhood development programs;

35 (d) Initiating, sponsoring, conducting and publishing research on criminal and juvenile justice,  
 36 public safety professionalism, ethics in leadership and early childhood development that is peer re-  
 37 viewed and directly useful to policymakers;

38 (e) Organizing conferences on current state issues that bring together policymakers, public  
 39 agencies and leading academicians; and

40 (f) Seeking to strengthen the links among the Legislative Assembly, state and local governments,  
 41 the Oregon Criminal Justice Commission, the Department of Public Safety Standards and Training  
 42 and the academic community in the interest of more informed policymaking, the application of best  
 43 practices and more relevant academic research.

44 (4) The Governor, the Chief Justice of the Supreme Court, the President of the Senate, the  
 45 Speaker of the House of Representatives or the chairperson of a legislative committee with respon-

1 sibility over criminal or juvenile justice systems or childhood development programs may request the  
 2 assistance of the Criminal Justice Research and Policy Institute in evaluating criminal or juvenile  
 3 justice programs developed for, but not necessarily limited to, preventing delinquency, reducing  
 4 crime and improving professionalism in public safety careers.

5 (5) Agencies, departments and officers of state and local governments may assist the Criminal  
 6 Justice Research and Policy Institute in the performance of its functions and furnish information,  
 7 data and advice as requested by the institute.

8 **SECTION 121.** ORS 352.068 is amended to read:

9 352.068. (1) Pursuant to ORS 351.870, there is created within [*the Oregon University System*]  
 10 **Portland State University** the Center for Lakes and Reservoirs. [*The Center for Lakes and Reser-*  
 11 *voirs shall be administered by Portland State University.*]

12 (2) The purpose of the Center for Lakes and Reservoirs is to assist state and federal agencies  
 13 in researching and mitigating nonindigenous, invasive aquatic species in this state and to work with  
 14 communities in developing effective management of lakes and reservoirs.

15 **SECTION 122.** ORS 352.071 is amended to read:

16 352.071. (1) Pursuant to ORS 351.870, there is created within [*the Oregon University System*]  
 17 **Portland State University** the Graduate School of Social Work. [*The Graduate School of Social*  
 18 *Work shall be administered by Portland State University.*]

19 (2) The purpose of the Graduate School of Social Work is to provide a center for specialized  
 20 education and research in the social services for the betterment of communities in the Portland  
 21 metropolitan area, the state and the Pacific Northwest.

22 **SECTION 123.** ORS 352.074 is amended to read:

23 352.074. (1) Pursuant to ORS 351.870, there is created within [*the Oregon University System*]  
 24 **Portland State University** the Institute of Portland Metropolitan Studies. [*The Institute of Portland*  
 25 *Metropolitan Studies shall be administered by Portland State University.*]

26 (2) The purpose of the Institute of Portland Metropolitan Studies is to build partnerships be-  
 27 tween Portland State University's urban studies programs and the surrounding communities of met-  
 28 ropolitan Portland and to sponsor public service research.

29 **SECTION 124.** ORS 352.375 is amended to read:

30 352.375. (1) A state institution of higher education listed in ORS 352.002, **Portland State Uni-**  
 31 **versity** or a community college shall charge an enrolled student who is not a resident of this state  
 32 and who is attending classes as an undergraduate on a public university or community college  
 33 campus in this state tuition and fees no greater than the resident rate plus 50 percent of the dif-  
 34 ference between the resident rate and the nonresident rate if the student served in the Armed  
 35 Forces of the United States and was relieved or discharged from that service under honorable con-  
 36 ditions.

37 (2) Every state institution of higher education listed in ORS 352.002, **Portland State University**  
 38 and **every** community college in this state shall participate to the fullest extent allowed in the fed-  
 39 eral educational assistance programs under the Supplemental Appropriations Act of 2008 (P.L.  
 40 110-252) so as to reduce the overall tuition rate for students eligible for tuition rate reduction under  
 41 subsection (1) of this section to the resident tuition rate.

42 (3) A person who served in the Armed Forces of the United States and who receives federal  
 43 tuition benefits in excess of the tuition and fees the person is charged under subsection (1) of this  
 44 section at a state institution of higher education listed in ORS 352.002, **Portland State University**  
 45 or a community college where the person is enrolled shall pay tuition and fees equal to the federal

1 tuition benefits received.

2 (4) Distance education and self-support courses as identified by each state institution of higher  
3 education listed in ORS 352.002, **Portland State University** and **each** community college are ex-  
4 empt from the tuition reduction provisions of this section.

5 (5) If a nonresident student otherwise eligible for tuition benefits under this section is receiving  
6 federal vocational rehabilitation education benefits, that student shall pay full nonresident tuition  
7 and fees charged by a state institution of higher education listed in ORS 352.002, **Portland State**  
8 **University** or a community college.

9 **SECTION 125.** ORS 408.095 is amended to read:

10 408.095. (1) As used in this section, “community college” has the meaning given that term in  
11 ORS 341.005.

12 (2) There is created in the Department of Veterans’ Affairs the Campus Veterans’ Service Offi-  
13 cers Program.

14 (3) The purpose of the program is to provide educational outreach to veterans to help ensure  
15 that they obtain maximum state and federal benefits.

16 (4) The department shall appoint a sufficient number of campus veterans’ service officers to en-  
17 sure that each Oregon community college, **Portland State University** and each institution in the  
18 Oregon University System, as described in ORS 352.002, is provided veterans’ services.

19 (5) Each community college, **Portland State University** and **each** institution in the Oregon  
20 University System shall provide office space that may be used for the provision of veterans’ services.

21 (6) The department may adopt rules to implement the Campus Veterans’ Service Officers Pro-  
22 gram.

23 **SECTION 126.** ORS 431.690, as amended by section 1, chapter 27, Oregon Laws 2010, and sec-  
24 tion 6, chapter 62, Oregon Laws 2010, is amended to read:

25 431.690. (1) As used in this section, “place of public assembly” means a single building that has  
26 50,000 square feet or more of indoor floor space and where:

27 (a)(A) The public congregates for purposes such as deliberation, shopping, entertainment,  
28 amusement or awaiting transportation; or

29 (B) Business activities are conducted; and

30 (b) At least 50 individuals congregate on a normal business day.

31 (2) Notwithstanding ORS 431.680 (3), the owner of a place of public assembly shall have on the  
32 premises at least one automated external defibrillator.

33 (3) Notwithstanding subsection (2) of this section:

34 (a) A community college, [or] a state institution of higher education listed in ORS 352.002 **and**  
35 **Portland State University** shall have at least one automated external defibrillator on the campus  
36 of the community college, [or] institution **or university**; and

37 (b) If the campus of the community college, [or] institution of higher education **or university**  
38 contains more than one place of public assembly, the community college, [or] institution **or uni-**  
39 **versity** shall ensure that at least one automated external defibrillator is readily available to each  
40 place of public assembly.

41 (4) Subsection (2) of this section does not apply to a building primarily used for worship or ed-  
42 ucation associated with worship.

43 **SECTION 127.** ORS 433.090 is amended to read:

44 433.090. As used in ORS 433.090 to 433.102:

45 (1) “Authorized user” means a person or entity authorized to provide information to or to re-



1 ceive information from an immunization registry or immunization tracking and recall system under  
 2 ORS 433.090 to 433.102. “Authorized user” includes, but is not limited to, licensed health care pro-  
 3 viders, health care institutions, insurance carriers, the Oregon medical assistance program, parents  
 4 or guardians of children under 18 years of age, clients 18 years of age or older, post-secondary ed-  
 5 ucation institutions, schools, children’s facilities, local health departments, the Oregon Health Au-  
 6 thority and agents of the authority.

7 (2) “Children’s facility” has the meaning given that term in ORS 433.235.

8 (3) “Client” means any person registered with any Oregon immunization tracking and recall  
 9 system.

10 (4) “Immunization record” includes but is not limited to the following:

- 11 (a) Any immunization received;
- 12 (b) Date immunization was received;
- 13 (c) Complication or side effect associated with immunization;
- 14 (d) Date and place of birth of a client;
- 15 (e) Hospital where a client was born;
- 16 (f) Client’s name; and
- 17 (g) Mother’s name.

18 (5) “Immunization registry” means any listing of clients and information relating to their im-  
 19 munization status, without regard to whether the registry is maintained in this state or elsewhere.

20 (6) “Immunization tracking and recall record” includes but is not limited to the client’s name,  
 21 address of the parent or guardian of the client, telephone number, insurance carrier, health care  
 22 provider and other information needed to send reminder cards to, place telephone calls to or per-  
 23 sonally contact the client or the parent or the guardian of a client for the purposes of informing the  
 24 client, parent or guardian that the client is late in receiving the recommended immunizations.

25 (7) “Local health department” has the meaning given that term in ORS 433.235.

26 (8) “Parent or guardian” has the meaning given the term “parent” in ORS 433.235.

27 (9) “Post-secondary education institution” means:

28 (a) A state institution of higher education under the jurisdiction of the State Board of Higher  
 29 Education;

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

31 (c) **Portland State University;**

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

33 [(d)] (e) An Oregon-based, generally accredited, private institution of higher education.

34 (10) “Provider” means a physician or a health care professional who is acting within the scope  
 35 of his or her licensure and responsible for providing immunization services or for coordinating im-  
 36 munization services within a clinic, public health site, school or other immunization site.

37 (11) “School” has the meaning given that term in ORS 433.235.

38 (12) “Tracking and recall system” means a system attached to an immunization registry designed  
 39 to contact clients listed in the immunization registry for the purposes of assisting in the completion  
 40 of the immunization series in a timely manner.

41 **SECTION 128.** ORS 461.535 is amended to read:

42 461.535. The Intercollegiate Athletic Fund is created separate and distinct from the General  
 43 Fund. The fund shall consist of revenues credited to the Sports Lottery Account under ORS 461.543  
 44 [(4)] (5) and any other revenues available to the fund.

45 **SECTION 129.** ORS 461.543 is amended to read:

1 461.543. (1) **As used in this section, “revenue producing sport” means a sport that**  
 2 **produces net revenue over expenditures during a calendar year or, if its season extends into**  
 3 **two calendar years, produces net revenue over expenditures during the season.**

4 [(1)] (2) Except as otherwise specified in subsection [(5)] (6) of this section, the Sports Lottery  
 5 Account is continuously appropriated to and shall be used by the State Board of Higher Education  
 6 **and the Portland Metropolitan Universities Board of Directors** to fund sports programs at state  
 7 institutions of higher education **within the Oregon University System and at Portland State**  
 8 **University**. Seventy percent of the revenues [*in the fund*] **received by each board** shall be used to  
 9 fund nonrevenue producing sports and 30 percent shall be used for revenue producing sports. Of  
 10 the total amount available in the fund, at least 50 percent shall be made available for women’s  
 11 athletics.

12 [(2)] (3) The State Board of Higher Education shall [*allocate*] **receive 82 percent of the moneys**  
 13 **in the Sports Lottery Account allocated under subsection (6)(a) and (b) of this section and shall**  
 14 **allocate these moneys** among the institutions of higher education under its jurisdiction giving due  
 15 consideration to:

16 (a) The athletic conference to which the institution belongs and the relative costs of competing  
 17 in that conference.

18 (b) The level of effort being made by the institution to generate funds and support from private  
 19 sources.

20 [(3) *As used in subsections (1) to (3) of this section, “revenue producing sport” is a sport that*  
 21 *produces net revenue over expenditures during a calendar year or if its season extends into two cal-*  
 22 *endar years, produces net revenue over expenditures during the season.*]

23 (4) **The Portland Metropolitan Universities Board of Directors shall receive 18 percent**  
 24 **of the moneys in the Sports Lottery Account allocated under subsection (6)(a) and (b) of this**  
 25 **section.**

26 [(4)] (5) An amount equal to one percent of the moneys transferred to the Administrative Ser-  
 27 vices Economic Development Fund from the State Lottery Fund shall be allocated from the Admin-  
 28 istrative Services Economic Development Fund to the Sports Lottery Account.

29 [(5)] (6) The amounts received by the Sports Lottery Account shall be allocated as follows:

30 (a) Eighty-eight percent for [*the purposes specified in subsections (1) to (3) of this section*]  
 31 **sports**, but not to exceed \$8 million annually, adjusted annually pursuant to the Consumer Price  
 32 Index, as defined in ORS 327.006.

33 (b) Twelve percent for the purpose of scholarships, to be distributed equally between scholar-  
 34 ships based on academic merit and scholarships based on need, as determined by rule of the State  
 35 Board of Higher Education **for state institutions of higher education within the Oregon Uni-**  
 36 **versity System and by rule of the Portland Metropolitan Universities Board of Directors for**  
 37 **Portland State University**, but not to exceed \$1,090,909 annually.

38 (c) All additional [*money*] **moneys** to the Oregon Student Assistance Commission for the Oregon  
 39 Opportunity Grant program under ORS 348.260.

40 **SECTION 130.** ORS 660.315 is amended to read:

41 660.315. (1) The Governor shall designate regional workforce committees to advise the Governor,  
 42 local workforce investment boards that represent federally recognized workforce areas containing  
 43 multiple regions, and county elected officials on regional and local needs for workforce development.  
 44 The committees shall also prepare plans for achieving regional goals and coordinate the provision  
 45 of services within regions. The committees shall have private and public sector members. However,

1 a majority of the members of each committee shall represent the private sector and include business  
2 and labor representatives. The chairperson of each committee shall be a private sector member and  
3 be elected by the committee.

4 (2) The private sector committee members shall play a critical role in workforce development,  
5 including but not limited to:

6 (a) Identifying current and future workforce needs;

7 (b) Providing feedback on public sector programs;

8 (c) Assisting public agencies in changing programs to be more effective in meeting private sector  
9 needs; and

10 (d) Being a partner in addressing workforce needs.

11 (3) Private sector members of a committee created under this section shall be appointed by  
12 county commissioners and, in the region that includes the City of Portland, the Mayor of Portland.  
13 The members of the committee shall reflect the broadest feasible representation from the groups  
14 described in ORS 660.312 (4)(a) to (h).

15 (4) The public sector representatives on the committee are representatives who receive re-  
16 sources and deliver education and workforce programs within the labor market area. Public sector  
17 members shall include the broadest feasible representation from, but not be limited to, the following:

18 (a) The Department of Human Services;

19 (b) School districts, education service districts, community colleges, state institutions of higher  
20 education, **Portland State University** and Oregon Health and Science University;

21 (c) The Oregon Business Development Department and local economic development entities;

22 (d) The Employment Department;

23 (e) The federal Act programs; and

24 (f) Other public sector partners.

25 (5) A region may recommend to the Governor an alternate structure for its regional committee,  
26 based on regional determination and mutually agreed to by the current public and private sector  
27 members of the regional workforce committee and the chief elected officials. The alternate structure  
28 must retain a private sector chairperson, appointments of the private sector members as provided  
29 in subsection (3) of this section, and substantive public and private sector and other stakeholder  
30 participation through formalized methods, such as standing committees.

31 (6) A regional workforce committee shall develop and implement a strategic regional workforce  
32 plan that responds to the current and future workforce needs of the regional labor market.

33 (7) The strategic regional workforce plan shall:

34 (a) Consider the supply and demand outlook for the region;

35 (b) Identify and prioritize initiatives and resources, both public and private, to meet the regional  
36 workforce needs;

37 (c) Articulate and include the coordination of both public and private resources in addressing  
38 the workforce needs and goals; and

39 (d) Ensure the most appropriate use of resource investments.

40 (8) The regional workforce committee shall create or enhance the workforce program delivery  
41 system to meet the strategic priorities of the region and any strategic priorities of a federally re-  
42 cognized workforce area that includes that region.

43 (9) Within each region, or within overlapping regions, regional workforce committees, local  
44 workforce investment boards and regional investment boards shall coordinate their planning efforts  
45 to ensure that the strategic efforts and resource allocation of economic and workforce development

1 of an area are consistent. Regional workforce committees and regional investment boards will ex-  
 2 tend opportunities to other entities engaged in economic and workforce development programs and  
 3 services to participate in their joint or integrated strategic planning.

4 (10)(a) A local workforce investment board that represents a multiregional workforce area shall  
 5 hold regional workforce committees in the area accountable for any policy and operational respon-  
 6 sibilities under 2832(d) of the federal Act that is delegated to the committees in accordance with  
 7 state policy and local workforce investment board policy.

8 (b) A regional workforce committee within a multiregional workforce area is accountable to the  
 9 local workforce investment board for any policy and operational responsibilities carried out under  
 10 the federal Act on behalf of the board.

11 (c) As it relates to regional responsibilities under this section, a regional workforce committee  
 12 may, through a vote of the committee, determine the methodology for delegating the responsibilities  
 13 of the regional workforce committee to a local workforce investment board representing the multi-  
 14 regional workforce area.

15 **SECTION 131.** ORS 679.020 is amended to read:

16 679.020. (1) A person may not practice dentistry without a license.

17 (2) Only a person licensed as a dentist by the Oregon Board of Dentistry may own, operate,  
 18 conduct or maintain a dental practice, office or clinic in this state.

19 (3) The restrictions of subsection (2) of this section, as they relate to owning and operating a  
 20 dental office or clinic, do not apply to a dental office or clinic owned or operated by any of the  
 21 following:

22 (a) A labor organization as defined in ORS 243.650 and 663.005 (6), or to any nonprofit organ-  
 23 ization formed by or on behalf of such labor organization for the purpose of providing dental ser-  
 24 vices. Such labor organization must have had an active existence for at least three years, have a  
 25 constitution and bylaws, and be maintained in good faith for purposes other than providing dental  
 26 services.

27 (b) The School of Dentistry of the Oregon Health and Science University.

28 (c) Institutions of higher education listed in ORS 352.002 **and Portland State University.**

29 (d) Local governments.

30 (e) Institutions or programs accredited by the Commission on Dental Accreditation of the  
 31 American Dental Association to provide education and training.

32 (f) Nonprofit corporations organized under Oregon law to provide dental services to rural areas  
 33 and medically underserved populations of migrant, rural community or homeless individuals under  
 34 42 U.S.C. 254b or 254c or health centers qualified under 42 U.S.C. 1396d(l)(2)(B) operating in com-  
 35 pliance with other applicable state and federal law.

36 (g) Nonprofit charitable corporations as described in section 501(c)(3) of the Internal Revenue  
 37 Code and determined by the Oregon Board of Dentistry as providing dental services by volunteer  
 38 licensed dentists to populations with limited access to dental care at no charge or a substantially  
 39 reduced charge.

40 (4) For the purpose of owning or operating a dental office or clinic, an entity described in sub-  
 41 section (3) of this section must:

42 (a) Name an actively licensed dentist as its dental director, who shall be subject to the pro-  
 43 visions of ORS 679.140 in the capacity as dental director. The dental director, or an actively licensed  
 44 dentist designated by the director, shall have responsibility for the clinical practice of dentistry,  
 45 which includes, but is not limited to:

1 (A) Diagnosis of conditions within the human oral cavity and its adjacent tissues and structures.

2 (B) Prescribing drugs that are administered to patients in the practice of dentistry.

3 (C) The treatment plan of any dental patient.

4 (D) Overall quality of patient care that is rendered or performed in the practice of dentistry.

5 (E) Supervision of dental hygienists, dental assistants or other personnel involved in direct pa-  
6 tient care and the authorization for procedures performed by them in accordance with the standards  
7 of supervision established by statute or by the rules of the board.

8 (F) Other specific services within the scope of clinical dental practice.

9 (G) Retention of patient dental records as required by statute or by rule of the board.

10 (H) Ensuring that each patient receiving services from the dental office or clinic has a dentist  
11 of record.

12 (b) Maintain current records of the names of licensed dentists who supervise the clinical activ-  
13 ities of dental hygienists, dental assistants or other personnel involved in direct patient care utilized  
14 by the entity. The records must be available to the board upon written request.

15 (5) Subsections (1) and (2) of this section do not apply to a limited access permit dental hygienist  
16 who renders services authorized by a limited access permit issued by the board pursuant to ORS  
17 680.200.

18 (6) Nothing in this chapter precludes a person or entity not licensed by the board from:

19 (a) Ownership or leasehold of any tangible or intangible assets used in a dental office or clinic.  
20 These assets include real property, furnishings, equipment and inventory but do not include dental  
21 records of patients related to clinical care.

22 (b) Employing or contracting for the services of personnel other than licensed dentists.

23 (c) Management of the business aspects of a dental office or clinic that do not include the clin-  
24 ical practice of dentistry.

25 (7) If all of the ownership interests of a dentist or dentists in a dental office or clinic are held  
26 by an administrator, executor, personal representative, guardian, conservator or receiver of the es-  
27 tate of a former shareholder, member or partner, the administrator, executor, personal represen-  
28 tative, guardian, conservator or receiver may retain the ownership interest for a period of 12 months  
29 following the creation of the ownership interest. The board shall extend the ownership period for  
30 an additional 12 months upon 30 days' notice and may grant additional extensions upon reasonable  
31 request.

32 **SECTION 132.** ORS 696.182 is amended to read:

33 696.182. (1) The Real Estate Agency, with advice from real estate professionals and educators,  
34 shall prescribe rules for certifying real estate continuing education providers.

35 (2) The agency shall include in the rules that an applicant for certification under this section  
36 must be:

37 (a) A main or branch office of a real estate broker or principal real estate broker registered  
38 with the agency under ORS 696.026;

39 (b) A title or escrow company conducting business in this state;

40 (c) A real estate trade association or a trade association in a related field;

41 (d) A real estate multiple listing service;

42 (e) A private career school approved by the agency to teach continuing education courses;

43 (f) An accredited community college, **Portland State University** or an accredited state insti-  
44 tution of higher education;

45 (g) A distance learning provider approved by the agency; or

1 (h) Another provider approved by the Real Estate Board.

2 (3) The agency, in consultation with real estate professionals and educators, shall provide by  
3 rule:

4 (a) A broad list of course topics that are eligible for continuing education credit required by  
5 ORS 696.174; and

6 (b) Learning objectives for each course topic.

7 (4) The list of course topics developed by the agency under subsection (3) of this section must  
8 allow for changes in the real estate profession.

9 (5) The minimum length of each course is one hour. A continuing education provider or course  
10 instructor may allow a break of no more than 10 minutes for each hour of instruction.

11 **SECTION 133.** ORS 759.445 is amended to read:

12 759.445. (1) There is established in the State Treasury, separate and distinct from the General  
13 Fund, the Connecting Oregon Communities Fund. Moneys in the fund shall consist of amounts de-  
14 posited in the fund under ORS 759.405 and any other moneys deposited by a telecommunications  
15 carrier that elects to be subject to ORS 759.405 and 759.410, including amounts deposited pursuant  
16 to a performance assurance plan implemented by a telecommunications carrier in connection with  
17 an application under 47 U.S.C. 271, as in effect on January 1, 2002. Interest earned on moneys in the  
18 fund shall accrue to the fund. Moneys in the fund may be invested as provided in ORS 293.701 to  
19 293.820. Moneys in the fund shall be used to provide access to advanced telecommunications tech-  
20 nology in elementary schools and high schools, colleges and universities, community colleges, public  
21 television corporations, rural health care providers, public libraries and other eligible persons.

22 (2) Two dedicated accounts shall be established within the Connecting Oregon Communities  
23 Fund for purposes of supporting education and public access to advanced telecommunications ser-  
24 vices. The first \$25 million of the moneys deposited in the Connecting Oregon Communities Fund in  
25 both 2000 and 2001 shall be appropriated to the School Technology Account established under sub-  
26 section (3) of this section. Except as provided in subsection (8) of this section, any additional moneys  
27 available in the fund shall be appropriated to the Public Access Account established under sub-  
28 section (4) of this section.

29 (3) There is established the School Technology Account within the Connecting Oregon Commu-  
30 nities Fund. The purpose of the School Technology Account is to improve access to advanced tele-  
31 communications services for students attending public school in kindergarten through grade 12.  
32 Moneys in the account shall be expended as provided in section 34, chapter 1093, Oregon Laws 1999.

33 (4)(a) There is established the Public Access Account within the Connecting Oregon Communi-  
34 ties Fund. The purpose of the Public Access Account is to improve access to advanced telecommu-  
35 nications services for community colleges, universities, public libraries and rural health care  
36 providers.

37 (b) If funding has not been provided from other sources, the first \$3 million available in the  
38 Public Access Account shall be transferred to the Oregon University System for the purpose of  
39 funding the Oregon Wide Area Network project to provide and expand Internet access for the  
40 Oregon University System. The Oregon University System shall complete an audit of bandwidth  
41 utilization and report to the Joint Legislative Committee on Information Management and Technol-  
42 ogy during the Seventy-first Legislative Assembly in the manner provided in ORS 192.245.

43 (c) Following the transfer of funds described in paragraph (b) of this subsection, the next \$1  
44 million available in the Public Access Account shall be transferred to the Oregon University System  
45 for Oregon State University for the purpose of providing virtual access to persons with disabilities.

1 (d) Following the transfer of funds as described in paragraphs (b) and (c) of this subsection, the  
2 next \$2 million available in the Public Access Account shall be transferred to the Department of  
3 Community Colleges and Workforce Development for distribution to community colleges for the  
4 purpose of developing connectivity and distance education programs.

5 (e) Following the transfer of funds described in paragraphs (b) to (d) of this subsection, the next  
6 \$4 million available in the Public Access Account shall be transferred to the Oregon University  
7 System for video transport and network management services for the Oregon University System.

8 (f) Following the transfer of funds described in paragraphs (b) to (e) of this subsection, the next  
9 \$5.5 million available in the Public Access Account shall be transferred to the Oregon Public  
10 Broadcasting Corporation for the purpose of digitizing the state television network, using the  
11 Oregon Enterprise Network when possible.

12 (g) Following the transfer of funds described in paragraphs (b) to (f) of this subsection, the next  
13 \$500,000 available in the Public Access Account shall be transferred to the Southern Oregon Public  
14 Television Corporation for the purpose of digitizing the state television network, using the Oregon  
15 Enterprise Network when possible.

16 (h) Following the transfer of funds described in paragraphs (b) to (g) of this subsection, a state  
17 institution of higher education, including **Portland State University** and *[the]* Oregon Health and  
18 Science University, may apply for one-time matching funds up to \$1 million from the Public Access  
19 Account to endow a telecommunications chair for the purpose of increasing research and develop-  
20 ment of advanced telecommunications services applications. Only one chair may be endowed under  
21 this paragraph.

22 (5)(a) The Oregon Business Development Commission shall approve expenditure of any remaining  
23 moneys in the Public Access Account consistent with this section and ORS 759.430.

24 (b) Community colleges, state institutions of higher education, **Portland State University**,  
25 public libraries, public television corporations and rural health care providers may apply to the  
26 Oregon Business Development Commission for funding from the Public Access Account under this  
27 subsection.

28 (c) Funds received from the account shall be used for the purchase of advanced telecommuni-  
29 cations services, equipment or recurring costs of telecommunications connectivity. Priority shall be  
30 given to collaborative projects that improve access to advanced telecommunications services.

31 (d) Funds available in the Public Access Account under this subsection are continuously ap-  
32 propriated to the Oregon Business Development Department for the purposes described in this sub-  
33 section.

34 (6) Public libraries and rural health care providers must apply for federal universal service  
35 support in order to be eligible for a grant from the Public Access Account.

36 (7) The video transport and network management services purchased with funds made available  
37 under this section shall be purchased through the Oregon Department of Administrative Services.

38 (8) Any moneys deposited in the Connecting Oregon Communities Fund under subsection (1) of  
39 this section pursuant to a performance assurance plan implemented by a telecommunications carrier  
40 in connection with an application under 47 U.S.C. 271, as in effect on January 1, 2002, shall be  
41 placed in the School Technology Account to be expended as provided in section 34, chapter 1093,  
42 Oregon Laws 1999.

43 **SECTION 134. The duties, functions and powers of the State Board of Higher Education**  
44 **relating to Portland State University are imposed upon, transferred to and vested in the**  
45 **Portland Metropolitan Universities Board of Directors.**

**SECTION 135.** (1) The Chancellor of the Oregon University System shall:

(a) Deliver to the Portland Metropolitan Universities Board of Directors all records and property within the jurisdiction of the chancellor that relate to the duties, functions and powers transferred by section 134 of this 2011 Act; and

(b) Transfer to the Portland Metropolitan Universities Board of Directors those employees engaged primarily in the exercise of the duties, functions and powers transferred by section 134 of this 2011 Act.

(2) The president of Portland State University shall take possession of the records and property, and shall take charge of the employees and employ them in the exercise of the duties, functions and powers transferred by section 134 of this 2011 Act, without reduction of compensation but subject to change or termination of employment or compensation as provided by law.

(3) The Governor shall resolve any dispute between the State Board of Higher Education and the Portland Metropolitan Universities Board of Directors relating to transfers of records, property and employees under this section, and the Governor's decision is final.

**SECTION 136.** The transfer of duties, functions and powers to the Portland Metropolitan Universities Board of Directors by section 134 of this 2011 Act does not affect any action, proceeding or prosecution involving or with respect to such duties, functions and powers begun before and pending at the time of the transfer, except that the Portland Metropolitan Universities Board of Directors is substituted for the State Board of Higher Education in the action, proceeding or prosecution.

**SECTION 137.** (1) Nothing in sections 134 to 140 of this 2011 Act relieves a person of a liability, duty or obligation accruing under or with respect to the duties, functions and powers transferred by section 134 of this 2011 Act. The Portland Metropolitan Universities Board of Directors may undertake the collection or enforcement of any such liability, duty or obligation.

(2) The rights and obligations of the State Board of Higher Education legally incurred under contracts, leases and business transactions executed, entered into or begun before the operative date of section 134 of this 2011 Act accruing under or with respect to the duties, functions and powers transferred by section 134 of this 2011 Act are transferred to the Portland Metropolitan Universities Board of Directors. For the purpose of succession to these rights and obligations, the Portland Metropolitan Universities Board of Directors is a continuation of the State Board of Higher Education and not a new authority.

**SECTION 138.** Notwithstanding the transfer of duties, functions and powers by section 134 of this 2011 Act, the rules of the State Board of Higher Education with respect to such duties, functions or powers that are in effect on the operative date of section 134 of this 2011 Act continue in effect until superseded or repealed by rules of the Portland Metropolitan Universities Board of Directors. References in such rules of the State Board of Higher Education to Portland State University or an officer or employee of Portland State University are considered to be references to Portland State University as established in ORS 353.020 (2) or an officer or employee of Portland State University.

**SECTION 139.** Whenever, in any uncodified law or resolution of the Legislative Assembly or in any rule, document, record or proceeding authorized by the Legislative Assembly, in the context of the duties, functions and powers transferred by section 134 of this 2011 Act, reference is made to the State Board of Higher Education, or an officer or employee of the



1 State Board of Higher Education whose duties, functions or powers are transferred by sec-  
 2 tion 134 of this 2011 Act, the reference is considered to be a reference to the Portland Met-  
 3 ropolitan Universities Board of Directors or an officer or employee of the Portland  
 4 Metropolitan Universities Board of Directors who by section 134 of this 2011 Act is charged  
 5 with carrying out such duties, functions and powers.

6 SECTION 140. (1) Whenever, in any uncodified law or resolution of the Legislative As-  
 7 sembly or in any rule, document, record or proceeding authorized by the Legislative Assem-  
 8 bly, reference is made to the Oregon Health and Science University Board of Directors or  
 9 an officer or employee of the Oregon Health and Science University Board of Directors, the  
 10 reference is considered to be a reference to the Portland Metropolitan Universities Board of  
 11 Directors or an officer or employee of the Portland Metropolitan Universities Board of Di-  
 12 rectors.

13 (2) References in the rules of the Oregon Health and Science University Board of Direc-  
 14 tors to the Oregon Health and Science University Board of Directors or an officer or em-  
 15 ployee of the Oregon Health and Science University Board of Directors are considered to be  
 16 references to the Portland Metropolitan Universities Board of Directors or an officer or  
 17 employee of the Portland Metropolitan Universities Board of Directors.

18 SECTION 141. Sections 3, 8, 9, 12, 17, 24, 39 and 134 to 140 of this 2011 Act and the  
 19 amendments to statutes and uncodified laws by sections 1, 4 to 7, 10, 11, 13 to 15, 18 to 22,  
 20 25 to 37 and 40 to 133 of this 2011 Act become operative on July 1, 2013.

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