

House Bill 3683

Sponsored by Representative HOYLE; Representatives HOLVEY, NATHANSON, Senator BEYER

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 University of Oregon as independent public university, governed by University of Oregon Board of Directors.

Empowers State Board of Higher Education to adopt performance benchmarks to be achieved by University of Oregon.

Exempts university from certain laws and future amendments to certain existing laws.

Allows university to obtain insurance and adopt alternative employee benefit plans. Requires university to adhere to existing collective bargaining agreements, unless modifications are collectively bargained, and to collectively bargain employee benefit plans. Allows university to issue revenue bonds and enter into credit enhancement agreements and financing agreements. Allows university to sue and be sued, make all necessary or convenient contracts and do any other act in relation to university property and matters of university concern.

Declares emergency, effective July 1, 2011.

A BILL FOR AN ACT

1
2 Relating to the University of Oregon; creating new provisions; amending ORS 30.264, 31.850, 36.145,
3 36.150, 36.155, 174.108, 181.871, 182.122, 183.635, 184.475, 184.477, 184.631, 190.410, 192.501,
4 192.502, 192.690, 238.005, 238.200, 238.300, 238.350, 238A.005, 238A.140, 243.107, 243.778, 243.820,
5 243.850, 243.910, 243.945, 244.050, 270.100, 273.785, 276.227, 276.229, 276.610, 276.612, 279A.025,
6 282.076, 283.143, 284.633, 284.701, 284.735, 285B.168, 285B.174, 286A.001, 286A.700, 287A.001,
7 291.038, 291.055, 307.095, 307.110, 326.543, 337.500, 337.511, 339.885, 340.005, 341.440, 342.147,
8 342.443, 344.259, 344.557, 344.753, 348.180, 348.205, 348.270, 348.282, 348.394, 348.470, 348.597,
9 348.900, 348.910, 351.517, 351.518, 351.519, 351.521, 351.538, 351.539, 351.649, 351.656, 351.695,
10 351.697, 351.810, 351.820, 351.840, 352.002, 352.021, 352.046, 352.048, 352.049, 352.051, 353.600,
11 357.004, 408.095, 431.690, 433.090, 461.543, 657.732, 659.850, 659.860, 660.315, 660.358, 679.020,
12 743.550, 759.445, 815.080, 820.100, 820.110, 820.120, 820.130, 820.150 and 825.017 and sections 14
13 and 15, chapter 761, Oregon Laws 2007, and section 24, chapter 904, Oregon Laws 2009; repeal-
14 ing ORS 352.035; and declaring an emergency.

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

16 **SECTION 1. As used in sections 1 to 52 of this 2011 Act:**

17 (1) **“Board” means the University of Oregon Board of Directors established under section**
18 **4 of this 2011 Act.**

19 (2) **“Public university” means a body politic and corporate that is created by the state**
20 **to carry out public missions and services relating to education, culture, research, the de-**
21 **velopment, enhancement and dissemination of information, economic and business develop-**
22 **ment and other matters beneficial to this state. A “public university” is a state institution**
23 **of higher education, but is not an agency, department or division of the state or part of the**
24 **executive branch except as set forth in sections 1 to 52 of this 2011 Act.**

25 (3) **“University” means the University of Oregon public university established under sec-**

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.

tion 2 of this 2011 Act.

SECTION 2. (1) The University of Oregon is established as a public university and shall be governed by the University of Oregon Board of Directors. The board may exercise authority over matters of university concern to the fullest extent allowed by Constitutions and laws of the United States and this state, as fully as if each particular power comprised in that general authority were specifically listed in sections 1 to 52 of this 2011 Act. The board may delegate and provide for the further delegation of any of its powers and authorities.

(2) The powers granted by this section are in addition to any other grants of power to the University of Oregon in sections 1 to 52 of this 2011 Act and may not be construed to limit or qualify any such grant. The powers granted by this section shall be liberally construed to the end that the board shall have all powers over matters of university concern that is possible for it to have under the Constitutions and laws of the United States and this state.

(3) The university is an instrumentality of state government, performing governmental functions and exercising governmental powers. The university is independent, has statewide purposes and is without territorial boundaries. The university is a state institution of higher education, but is not an agency, department or division of the state, a unit of local or municipal government or part of the executive branch except as set forth in sections 1 to 52 of this 2011 Act.

(4)(a) A claim against the university is not a claim against the State of Oregon. A debt or obligation of the university is not a debt or obligation of the State of Oregon. Claims against the university and obligations of the university are not recoverable from the assets and funds of the State of Oregon.

(b) The university is not authorized to act in the name of the State of Oregon and attorneys representing the university do not represent the state.

(5) Nothing in sections 1 to 52 of this 2011 Act may be construed as a waiver by the university of any form of defense or immunity, whether it be sovereign immunity, governmental immunity, immunity based upon the Eleventh Amendment to the Constitution of the United States or immunity from any claim or from the jurisdiction of any court.

(6) The Legislative Assembly intends that sections 1 to 52 of this 2011 Act serve as the model for the creation of public universities in addition to the University of Oregon at such time as other institutions of higher education currently under the jurisdiction of the State Board of Higher Education may desire to become independent public universities and request the Legislative Assembly to create them as such.

SECTION 3. (1) It shall be the policy of the University of Oregon as a public university:

(a) To serve the people of this state by educating citizens of the state, region, nation and world;

(b) To provide:

(A) An educational environment that stimulates creative inquiry, critical thinking, clear communication and original scholarship by and for the benefit of students, faculty, staff and the greater community; and

(B) Education, research and service that contribute to the development of new knowledge and the enhancement of the culture and economy of this state;

(c) To encourage the preservation, enhancement and dissemination of knowledge and culture;

1 (d) To provide individuals with the tools for a lifetime of learning so as to allow them to
2 enhance their quality of life, contribute to civic discourse and civil society and participate
3 effectively in a global society;

4 (e) To create an educated workforce that keeps the Oregon economy innovative and
5 competitive;

6 (f) To provide public service activities that engage the professional expertise of faculty
7 to solve society's problems;

8 (g) To share with this state many services and cultural activities of immense importance
9 to the quality of life enjoyed by Oregonians and others; and

10 (h) To strive for excellence in all of its endeavors while maintaining institutional integ-
11 rity.

12 (2) The university shall carry out the policies of this section in the manner that, in the
13 determination of the University of Oregon Board of Directors, best promotes the welfare of
14 the people of this state.

15 **SECTION 4.** (1) There is established a University of Oregon Board of Directors, consist-
16 ing of 15 members.

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

18 (a) Seven members appointed by the Governor and confirmed by the Senate in the man-
19 ner prescribed in ORS 171.562 and 171.565. These members shall include one student enrolled
20 at the University of Oregon and one faculty member of the university.

21 (b) One member who is a nonstudent member of the State Board of Higher Education,
22 appointed by the State Board of Higher Education.

23 (c) One member who is a member of the University of Oregon Foundation Board of
24 Trustees, appointed by the University of Oregon Board of Directors in consultation with the
25 foundation board of trustees.

26 (d) Five members appointed by the University of Oregon Board of Directors. At least one
27 of the members appointed by the board shall be a regular employee, as defined in ORS
28 240.015, of the university.

29 (e) The president of the university, who shall be a nonvoting member.

30 (3) The board may appoint other nonvoting members as it deems in the best interests
31 of the university.

32 (4)(a) Except for the president of the university, the term of office of each nonstudent
33 member is four years. The term of office of the student member is two years.

34 (b) Before the expiration of the term of a member, the appointing authority shall appoint
35 a successor whose term begins on July 1 next following. A member is eligible for reappoint-
36 ment for one additional term.

37 (c) If there is a vacancy for any cause, the appointing authority shall make an appoint-
38 ment to become effective for the remainder of the unexpired term. For members appointed
39 by the Governor, the board shall nominate a slate of candidates whenever a vacancy occurs
40 or is announced and shall forward the names of the recommended candidates to the Gover-
41 nor for consideration.

42 (d) A student enrolled at the university may not be appointed to, or continue to serve
43 on, the board unless the student is in good standing pursuant to bylaws or policies of the
44 board.

45 (5) Except as provided in subsection (2)(a) and (d) of this section, a voting member may

1 not be an employee of the university, the Oregon University System or the State of Oregon.

2 (6) The board shall select one of its members as the chairperson, another as vice chair-
 3 person and another as secretary, for such terms and with such duties and powers as the
 4 board considers necessary for performance of the functions of those offices. The board shall
 5 adopt bylaws for its governance, including provisions specifying how a quorum is constituted
 6 and when a quorum is necessary.

7 (7) The board shall meet at least once every three months on the university campus.
 8 Board members may participate in the meeting electronically as provided in ORS 192.610 to
 9 192.690. The board shall meet at such other times and places specified by the chairperson or
 10 by a majority of the members of the board.

11 (8) An appointing authority may remove any member appointed by the authority at any
 12 time for cause, after notice and public hearing.

13 **SECTION 5.** Notwithstanding the terms of office specified in section 4 of this 2011 Act,
 14 of the members first appointed to the University of Oregon Board of Directors, other than
 15 the president of the University of Oregon:

16 (1) Four members appointed by the Governor, including the student member, and three
 17 members appointed by the University of Oregon Board of Directors shall serve for terms
 18 ending June 30, 2013; and

19 (2) The following shall serve for terms ending June 30, 2015:

20 (a) Three members appointed by the Governor, including the faculty member;

21 (b) Two members appointed by the University of Oregon Board of Directors, including the
 22 regular employee, as defined in ORS 240.015, member;

23 (c) The member appointed by the State Board of Higher Education; and

24 (d) The member appointed in consultation with the University of Oregon Foundation
 25 Board of Trustees.

26 **SECTION 6.** The Governor and the State Board of Higher Education shall appoint mem-
 27 bers to the University of Oregon Board of Directors pursuant to section 4 (2)(a) and (b) of
 28 this 2011 Act no later than 60 days after the effective date of this 2011 Act. These board
 29 members shall appoint the board members described in section 4 (2)(c) and (d) of this 2011
 30 Act no later than 60 days after confirmation of the gubernatorial appointees by the Senate.

31 **SECTION 7.** (1) The University of Oregon Board of Directors may, within or outside the
 32 state, do all things necessary or convenient involving matters of concern to the University
 33 of Oregon, including without limitation the following:

34 (a) Enact any and all policies for the governance of the university, which, to the extent
 35 set forth in those policies, shall have the force of law and may be enforced through univer-
 36 sity procedures and in any court of competent jurisdiction.

37 (b) Hire and employ personnel and prescribe all conditions of employment, including but
 38 not limited to compensation, benefits and tenure.

39 (c) Enter into any and all contracts and agreements with any public or private entity.

40 (d) Enter into any partnership, joint venture or other business arrangement and create
 41 and participate fully in the operation of any business structure or organization.

42 (e) Borrow money and issue debt of any kind and pledge revenue to repay any loan or
 43 indebtedness.

44 (f) Acquire, purchase, purchase on a contractual basis, borrow, receive, own, hold, con-
 45 trol, convey, sell, manage, operate, lease, lease-purchase, license, lend, invest in, issue, im-

1 prove, develop, use, expend and dispose of personal property, including intellectual property,
 2 of any nature, tangible or intangible.

3 (g) Acquire, purchase, purchase on a contractual basis, borrow, receive, own, hold, con-
 4 trol, convey, sell, manage, operate, lease, lease-purchase, license, lend, invest in, improve,
 5 develop, use, expend and dispose of real property.

6 (h) Sue and be sued and issue and enforce subpoenas in the board's name.

7 (i) Obtain and receive gifts, bequests and donations for the benefit of the university and,
 8 subject to the terms of the gift, retain, invest and use such gifts as deemed appropriate by
 9 the university or the board. The board may assess a reasonable management fee against all
 10 gifts, bequests and donations and the earnings thereon.

11 (j) Acquire, purchase, accept, borrow, receive, own, hold, deposit, pledge, control, convey,
 12 manage, use, lend, expend and invest all funds, appropriations, instruments, earnings and
 13 revenue. The authority under this paragraph includes accepting and expending funds from
 14 the United States Government for any purpose. The board may deposit any and all funds,
 15 appropriations, instruments, earnings and revenue in any financial institution and retain all
 16 interest, earnings, and appreciation accruing from such deposits.

17 (k) Erect, construct, improve, remodel, develop, repair, maintain, equip, furnish, lease,
 18 lend, convey, sell, manage, operate, use and dispose of any building, structure, land or
 19 project.

20 (L) Acquire any and all insurance, operate a self-insurance program or otherwise arrange
 21 for the equivalent of insurance coverage of any nature or type.

22 (m) Create, develop, manage and control educational, research, service and any other
 23 programs.

24 (n) Set standards for the admission, graduation and discipline of students.

25 (o) Authorize, establish, eliminate, manage, operate, reorganize, reduce or expand any
 26 program, school, institute, college or unit of operation.

27 (p) Authorize, establish, eliminate, charge, collect, manage, use in any manner and ex-
 28 pend all revenue derived from tuition, fees and any other charges and fines. The board shall
 29 request the joint recommendation of the recognized student government and the president
 30 of the university, who shall obtain the recommendation of the recognized student govern-
 31 ment, prior to authorizing, establishing or eliminating incidental fees for programs under the
 32 supervision or control of the board and found by the board to be advantageous to the cultural
 33 or physical development of students.

34 (q) Acquire, receive, own, hold, use, sell, mortgage, lend, pledge, invest in or otherwise
 35 dispose of and deal in or with the shares, stock, bonds, or other equity or interests in or
 36 obligations of any entity.

37 (r) Make available and perform any and all services on such terms as considered appro-
 38 priate.

39 (s) Delegate any and all powers and duties and provide for any further delegation.

40 (t) Provide and disseminate to the public information relating to the program, operation
 41 and finances of the university.

42 (u) Exercise any other power, duty or responsibility necessary or convenient over mat-
 43 ters of university concern.

44 (2) The absence of express authority may not be construed to deny that authority to the
 45 university or to limit or qualify any such power. Powers of the board shall be liberally con-

1 strued to effect the purposes of the university.

2 **SECTION 8.** The University of Oregon Board of Directors shall appoint a president of the
3 University of Oregon. The president of the university is the president of the faculty and is
4 the chief executive officer of the university. The president of the university has authority
5 to direct the affairs and operation of the university, subject to the policies of the board.

6 **SECTION 9.** (1) Notwithstanding subsection (5) of this section, the provisions of ORS
7 30.260 to 30.460, 200.005 to 200.025, 200.045 to 200.090, 236.605 to 236.640, 243.650 to 243.782,
8 297.040, 307.090 and 307.112 and ORS chapters 35, 190, 192, 244 and 295 apply to the University
9 of Oregon under the same terms as they apply to public bodies other than the state.

10 (2) Notwithstanding subsection (1) of this section, ORS 190.430 and 192.105 do not apply
11 to the university or any not-for-profit organization or other entity if the equity of the entity
12 is owned exclusively by the university and if the organization or entity is created by the
13 university to advance any of the university's statutory missions.

14 (3) Except as otherwise provided by law, the provisions of ORS 35.550 to 35.575, 180.060,
15 180.210 to 180.235, 184.305 to 184.345, 190.480, 190.490, 200.035, 243.105 to 243.585, 243.696, 279.835
16 to 279.855, 357.805 to 357.895 and 656.017 (2) and ORS chapters 182, 183, 240, 270, 273, 276, 278,
17 279A, 279B, 279C, 282, 283, 291, 292, 293, 294 and 297 do not apply to the university or any
18 not-for-profit organization or other entity if the equity of the entity is owned exclusively by
19 the university and if the organization or entity is created by the university to advance any
20 of the university's statutory missions.

21 (4) Notwithstanding subsections (3) and (5) of this section, ORS 240.167, 279B.055 (3),
22 279C.380 (1)(a) and (3), 279C.600 to 279C.625, 279C.800, 279C.810, 279C.825, 279C.830, 279C.835,
23 279C.840, 279C.845, 279C.850, 279C.855, 279C.860, 279C.865 and 279C.870 apply to the university
24 under the same terms as they apply to public bodies other than the state.

25 (5) The university, as a distinct governmental entity, or any organization or entity de-
26 scribed in subsection (2) of this section is not subject to any provision of law enacted after
27 January 1, 2011, with respect to any governmental entity, that is unique to governmental
28 entities, unless the provision specifically provides that it applies to the university or to the
29 organization or entity.

30 **SECTION 10.** (1) Notwithstanding section 9 of this 2011 Act, ORS 243.105 to 243.585 apply
31 to the University of Oregon under the same terms as ORS 243.105 to 243.585 apply to public
32 bodies other than the state, until the University of Oregon Board of Directors, in accordance
33 with the provisions of any collective bargaining agreement, adopts a new personnel system
34 or alternative employee benefit plan. Until such time as a new personnel system is adopted,
35 the university shall exercise exclusive administrative authority and control over the existing
36 personnel system, consistent with the provisions of ORS 243.105 to 243.585.

37 (2) Notwithstanding section 9 of this 2011 Act, collective bargaining agreements negoti-
38 ated by this state pursuant to ORS 240.321 after the effective date of this 2011 Act that are
39 applicable to employees of the Oregon University System apply to the University of Oregon
40 if the new collective bargaining agreement is a successor to a collective bargaining agree-
41 ment negotiated by this state and applicable to the same class of employees of the university
42 prior to the effective date of this 2011 Act. Such successor agreements shall continue to ap-
43 ply to the university until the board and the applicable collective bargaining organization
44 agree to bargain a separate collective bargaining agreement between the university and the
45 collective bargaining organization.

SECTION 11. (1) As used in this section:

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

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

(c) "Qualified nonprofit agency for individuals with disabilities" means a nonprofit activity center or rehabilitation facility:

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

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

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

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

(3) It shall be the duty of the University of Oregon to:

(a) Determine the price of all products manufactured and services offered for sale to the university by any qualified nonprofit agency for individuals with disabilities. The price shall recover for the workshops the cost of raw materials, labor, overhead, delivery costs and a margin held in reserve for inventory and equipment replacement.

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

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

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

(4) The university shall establish and publish a list of sources or potential sources of products produced by any qualified nonprofit agency for individuals with disabilities and the services provided by any such agency that the university determines are suitable for its procurement. The university, in its discretion, may utilize any list established and published by the department.

(5) If the university intends to procure any product or service on the procurement list, the university shall procure such product or service at the price established by the university from a qualified nonprofit agency for individuals with disabilities, provided the product or service is of the appropriate specifications and is available at the location and within the period required by the university.

(6) It is the intent of the Legislative Assembly that there be close cooperation between the board, the university and qualified nonprofit agencies for individuals with disabilities. The university, on behalf of the board, is authorized to enter into such contractual ar-

1 rangements, cooperative working relationships or other arrangements as may be necessary
 2 for effective coordination and efficient realization of the objective of this section.

3 **SECTION 12.** The University of Oregon Board of Directors shall file with the Legislative
 4 Assembly and the Governor, not later than April 15 of each year, a report of the activities
 5 and operations of the University of Oregon for the preceding year.

6 **SECTION 13.** (1) The University of Oregon Board of Directors may lease, purchase or
 7 otherwise acquire such real property as in its sole discretion is necessary or convenient to
 8 carry out any power granted to the university. The board may enter into contracts of pur-
 9 chase or agreements that the board deems necessary to carry out this authorization. The
 10 board may mortgage or pledge any property so purchased, or its contracts to purchase, to-
 11 gether with the income from such property, to secure the payment of the purchase price
 12 thereof.

13 (2) Legal title to all real property acquired by the University of Oregon after the effective
 14 date of this 2011 Act shall be taken and held in the name of the university. Legal title to all
 15 real property of this state held or managed for the use and benefit of the university as of
 16 the effective date of this 2011 Act shall continue to be vested in this state.

17 (3) The board may lease, sell, convey and control the use of, in whole or in part, all
 18 property of this state held or managed for the use and benefit of the university as of the
 19 effective date of this 2011 Act or that is acquired by the university after the effective date
 20 of this 2011 Act. Authorized conveyances of all real property acquired by or vested in this
 21 state for the use or benefit of the university or acquired by or vested in the university, other
 22 than the state lands classified as university lands under ORS 273.251, shall be executed by
 23 the chairperson and secretary of the board.

24 (4) Except as otherwise provided by law, proceeds from the lease, sale or conveyance of
 25 real property pursuant to subsection (3) of this section shall be deposited into an account
 26 at the University of Oregon for the benefit of the university.

27 **SECTION 14.** The University of Oregon Board of Directors may, in the management of
 28 all forestlands under its control and supervision, sell the forest products on such lands. In
 29 the management of its forestlands, the board may lease mineral and geothermal resource
 30 rights.

31 **SECTION 15.** The University of Oregon may acquire, by condemnation or otherwise, pri-
 32 vate property that is necessary or convenient in carrying out any power granted to the uni-
 33 versity.

34 **SECTION 16.** The University of Oregon shall adopt a comprehensive alcohol and drug
 35 abuse policy and implementation plan.

36 **SECTION 17.** (1) The University of Oregon shall develop contract policies that support
 37 openness, impartiality and competition in the awarding of contracts in accordance with ORS
 38 279A.015.

39 (2) The university shall also develop contract policies that are designed to encourage af-
 40 firmative action, recycling, inclusion of art in public buildings, the purchase of goods and
 41 services from individuals with disabilities, the protection of workers through the payment
 42 of prevailing wages as determined by the Bureau of Labor and Industries, the provision of
 43 workers' compensation insurance to workers on contracts and the participation of emerging
 44 small businesses and businesses owned by women and minorities.

45 (3) The University of Oregon Board of Directors shall have the authority to enact poli-

1 cies, appropriate for the use of the university, governing public contracting and may devise
 2 and publish forms for use in carrying out the policies.

3 **SECTION 18.** (1)(a) On or before September 1 of each even-numbered year the University
 4 of Oregon shall submit to the Oregon Department of Administrative Services a funding re-
 5 quest for the following biennium.

6 (b) The department shall include and submit the university's funding request to the
 7 Legislative Assembly as part of the Governor's biennial budget. Any such request approved
 8 by the Legislative Assembly shall be appropriated to the department for direct allocation to
 9 the university.

10 (c) The budget request to the Legislative Assembly shall include any proposed tuition
 11 increase for an academic year during the biennium for undergraduate students who are
 12 residents of Oregon that is more than five percent over the amount of annual tuition that
 13 was payable in the preceding academic year. Notwithstanding section 7 (1)(p) of this 2011
 14 Act, the Legislative Assembly must approve any such increase as part of approval of the
 15 budget request.

16 (2) The University of Oregon Board of Directors is not required to seek expenditure
 17 limitation approval from the Legislative Assembly to spend other available moneys, including
 18 without limitation tuition and other fees or revenues collected pursuant to the board's au-
 19 thority under section 7 of this 2011 Act.

20 (3) The University of Oregon Board of Directors shall adopt a budget on a regular
 21 schedule determined by the board.

22 **SECTION 19.** (1) The University of Oregon may conduct independent audits if such audits
 23 are considered advisable by the university. The audits are subject to the exclusive discretion
 24 and control of the university and are subject to disclosure pursuant to ORS 192.410 to 192.505.

25 (2) Nothing in this section affects the constitutional duties and authority of the Secretary
 26 of State to audit public accounts.

27 **SECTION 20.** The University of Oregon may commission special campus security officers
 28 with authority and immunities set forth in ORS 352.385.

29 **SECTION 21.** (1) The University of Oregon Board of Directors may enact such regulations
 30 as the board deems convenient or necessary to provide for the policing, control and regu-
 31 lation of traffic and parking of vehicles on University of Oregon property. The regulations
 32 may provide for the registration of vehicles, the designation of parking areas and the as-
 33 sessment and collection of reasonable fees and charges for parking. The board may require
 34 that before a quarterly or yearly parking privilege for any vehicle is granted to any full-time
 35 or part-time student to use board property, the student must show that the vehicle is oper-
 36 ated by a student holding a valid driver's license, that the vehicle is currently registered and
 37 that the student driving the vehicle is insured under a motor vehicle liability insurance policy
 38 that meets the requirements described in ORS 806.080 or that the student or owner of the
 39 vehicle has provided the Department of Transportation with other satisfactory proof of
 40 compliance with the financial responsibility requirements of this state.

41 (2) The regulations enacted pursuant to subsection (1) of this section shall be enforced
 42 administratively under procedures adopted by the board. Administrative and disciplinary
 43 sanctions may be imposed upon students, faculty and staff for violation of the regulations,
 44 including, but not limited to, a reasonable monetary penalty that may be deducted from
 45 student deposits and faculty or staff salaries or other funds in the possession of the univer-

1 sity. The board shall provide opportunity for hearing for the determination of controversies
 2 in connection with imposition of fines or penalties. Persons other than students, faculty or
 3 staff may voluntarily submit to the hearing procedures prescribed by the board, and shall
 4 be bound by the results of the hearing. The powers granted to the board by this section are
 5 supplemental to the existing powers of the board with respect to the governance of activities
 6 of students, faculty and staff and the control and management of property under the board's
 7 jurisdiction.

8 (3) The regulations enacted pursuant to subsection (1) of this section may also be en-
 9 forced by the impoundment of vehicles, and a reasonable fee may be enacted for the cost of
 10 impoundment and storage, if any, prior to the release of the vehicles to their owners.

11 (4) Every peace officer may enforce the regulations made by the board under subsection
 12 (1) of this section. The board, for the purpose of enforcing its regulations governing traffic
 13 control, may appoint peace officers who have the same authority as other peace officers as
 14 defined in ORS 133.005.

15 (5) The board and any municipal corporation or any department, agency or political sub-
 16 division of this state may enter into agreements or contracts for the purpose of providing a
 17 uniform system of enforcement of the regulations of the board enacted pursuant to sub-
 18 section (1) of this section.

19 (6) In proceedings brought to enforce regulations enacted pursuant to subsection (1) of
 20 this section, it shall be sufficient to charge the defendant by an unsworn written notice as
 21 provided by law. Proceedings to enforce regulations enacted pursuant to subsection (1) of
 22 this section may be brought in the name of the board in a circuit court, a justice court or
 23 a municipal court for offenses committed within the territorial jurisdiction of such court.
 24 Such courts shall have concurrent jurisdiction over offenses committed within their respec-
 25 tive jurisdictions. All fines, penalties and court costs recovered shall be paid to the clerk of
 26 the court involved and shall be disposed of as provided by law.

27 **SECTION 22.** (1) For the purpose of requesting a state or nationwide criminal records
 28 check under ORS 181.534, the University of Oregon may require the fingerprints of a person
 29 who:

30 (a)(A) Is employed or applying for employment by the university; or

31 (B) Provides services or seeks to provide services to the university as a contractor or
 32 volunteer; and

33 (b) Is, or will be, working or providing services in a position that is designated as a
 34 critical or security-sensitive position.

35 (2) For the purposes of this section, "critical or security-sensitive position" means a po-
 36 sition in which the person:

37 (a) Has direct access to persons under 18 years of age, or has direct access to student
 38 residence facilities because the person's work duties require the person to be present in the
 39 residence facility;

40 (b) Is providing information technology services and has control over, or access to, in-
 41 formation technology systems that would allow the person to harm the information tech-
 42 nology systems or the information contained in the systems;

43 (c) Has access to information, the disclosure of which is prohibited by state or federal
 44 laws, rules or regulations or information that is defined as confidential under state or federal
 45 laws, rules or regulations;

1 (d) Has access to property where chemicals, hazardous materials and other items con-
 2 trolled by state or federal laws or regulations are located;

3 (e) Has access to laboratories, nuclear facilities or utility plants to which access is re-
 4 stricted to protect the health or safety of the public;

5 (f) Has financial, financial aid, payroll or purchasing responsibilities as one of the
 6 person's primary responsibilities; or

7 (g) Has access to personal information about university employees or members of the
 8 public including Social Security numbers, dates of birth, driver license numbers, medical in-
 9 formation, personal financial information or criminal background information.

10 **SECTION 23.** The University of Oregon Board of Directors may open, establish, lay out
 11 and dedicate to the public use any streets through lands owned by or used for the University
 12 of Oregon. When such streets are opened, established and laid out, they are declared to be
 13 dedicated to the public use. The university shall be the road authority pursuant to ORS
 14 810.010 (4) for all roads through lands owned by or used for the university.

15 **SECTION 24.** The University of Oregon may adopt policies relating to the creation, use,
 16 custody and disclosure of, including access to, student education records of the university
 17 that are consistent with the requirements of applicable state and federal law. Whenever a
 18 student has attained 18 years of age or is attending the university, the permission or consent
 19 required of and the rights accorded to a parent of the student regarding education records
 20 is thereafter only required of and accorded to the student.

21 **SECTION 25.** (1) The University of Oregon may not refuse admission or expel a student
 22 for the sole reason that, because of religious beliefs, the student is unable to attend classes
 23 on a particular day.

24 (2) Any student enrolled at the university who, because of religious beliefs, is unable to
 25 attend classes on a particular day, must be excused on that day from any examination, study
 26 requirement or work requirement. However, at the student's own expense, the student may
 27 be required to make up the examination, study requirement or work requirement missed
 28 because of the absence.

29 **SECTION 26.** (1) A student enrolled at the University of Oregon who is a member of the
 30 military and who is ordered to federal or state active duty for more than 30 consecutive days
 31 has the following rights:

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

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

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

37 (C) Continue and complete the course for full credit, subject to the provisions of sub-
 38 section (3) of this section;

39 (b) The right to a credit described in section 27 of this 2011 Act for all amounts paid for
 40 room, board, tuition and fees;

41 (c) If the student elects to withdraw from the university, the right to be readmitted and
 42 reenrolled at the university within one year after release from active duty without a re-
 43 quirement for redetermination of admission eligibility; and

44 (d) The right to continuation of scholarships and grants awarded to the student that were
 45 funded by the university or the Oregon Student Assistance Commission before the student

1 was ordered to active duty.

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

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

5 (b) Give the student a failing grade or a grade of incomplete or make any other negative
 6 annotation on the student's record; or

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

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

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

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

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

19 (4) The University of Oregon Board of Directors shall adopt rules for the administration
 20 of this section.

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

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

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

26 **SECTION 27.** (1)(a) The amount of the credit specified in section 26 (1)(b) of this 2011 Act
 27 shall be based on:

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

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

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

34 (c) At the time a student withdraws from a course at the University of Oregon or from
 35 the university, the student must elect to claim the credit:

36 (A) As a credit toward tuition and fees or room and board if the student reenrolls at the
 37 university under section 26 (1)(c) of this 2011 Act; or

38 (B) As a monetary payment.

39 (2) A student who elects to claim the credit by the method described in subsection
 40 (1)(c)(A) of this section may change the method of claiming the credit to the method de-
 41 scribed in subsection (1)(c)(B) of this section by giving notice to the university.

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

45 (4) A personal representative of a student who elected to claim the credit by the method

1 described in subsection (1)(c)(A) of this section may claim a monetary payment upon pre-
 2 senting evidence to the university that the student died while serving on active duty.

3 (5) The University of Oregon Board of Directors shall adopt rules for the administration
 4 of this section, including rules that determine the amount of credit and the method by which
 5 the credit is prorated.

6 **SECTION 28.** The University of Oregon shall give credit for education and training ob-
 7 tained by a person while serving in the Armed Forces of the United States, as defined in ORS
 8 351.642. The education and training for which credit may be given must meet the standards
 9 adopted by the University of Oregon Board of Directors.

10 **SECTION 29.** (1) The University of Oregon shall charge an enrolled student who is not a
 11 resident of this state and who is attending classes as an undergraduate tuition and fees no
 12 greater than the resident rate plus 50 percent of the difference between the resident rate
 13 and the nonresident rate if the student served in the Armed Forces of the United States and
 14 was relieved or discharged from that service under honorable conditions.

15 (2) The university shall participate to the fullest extent allowed in the federal educational
 16 assistance programs under the Supplemental Appropriations Act of 2008 (P.L. 110-252) so as
 17 to reduce the overall tuition rate for students eligible for tuition rate reduction under sub-
 18 section (1) of this section to the resident tuition rate.

19 (3) A person who served in the Armed Forces of the United States and who receives
 20 federal tuition benefits in excess of the tuition and fees the person is charged under sub-
 21 section (1) of this section at the university shall pay tuition and fees equal to the federal
 22 tuition benefits received.

23 (4) Distance education and self-support courses as identified by the university are exempt
 24 from the tuition reduction provisions of this section.

25 (5) If a nonresident student otherwise eligible for tuition benefits under this section is
 26 receiving federal vocational rehabilitation education benefits, that student shall pay full
 27 nonresident tuition and fees charged by the University of Oregon.

28 **SECTION 30.** (1) The University of Oregon shall convene a physical access committee to
 29 identify barriers to access by persons with disabilities at the university. The committee shall
 30 include, but not be limited to:

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

33 (b) One or more members of the faculty or staff who have disabilities;

34 (c) The coordinator of services for students with disabilities for the university;

35 (d) One or more administrators of the university; and

36 (e) One or more members of the physical plant staff of the university.

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

42 (3) In preparing funding requests for each biennium pursuant to section 18 of this 2011
 43 Act, the university shall include amounts for capital improvement that will be applied to the
 44 substantial reduction and eventual elimination of barriers to access by persons with disabil-
 45 ities as identified by the physical access committee.

1 (4) Nothing in this section and ORS 185.155 and 341.937 requires the university to under-
2 take projects for accessibility that are not otherwise required unless such projects are
3 funded specifically by the Legislative Assembly.

4 **SECTION 31.** (1) The University of Oregon Board of Directors may adopt policies gov-
5 erning access to University of Oregon personnel records that are less than 25 years old.

6 (2) Policies adopted under subsection (1) of this section shall require that personnel re-
7 cords be subjected to restrictions on access unless the president of the university finds that
8 the public interest in maintaining individual rights to privacy in an adequate educational
9 environment would not suffer by disclosure of such records. Access to such records may be
10 limited to designated classes of information or persons, or to stated times and conditions,
11 or to both, but cannot be limited for records more than 25 years old.

12 (3) A rule or order adopted pursuant to this section may not deny to a faculty member
13 full access to the member's personnel file or records kept by the university, except as pro-
14 vided in subsection (4)(d) and (e) of this section.

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

17 (b) Any evaluation received by telephone shall be documented in each of the faculty
18 member's files by means of a written summary of the conversation with the names of the
19 conversants identified.

20 (c) A faculty member shall be entitled to submit, for placement in the files, evidence re-
21 butting, correcting, amplifying or explaining any document contained therein and other ma-
22 terial that the member believes might be of assistance in the evaluation process.

23 (d) Letters and other information for a faculty member of the university submitted in
24 confidence to the State Board of Higher Education or its institutions, schools or departments
25 prior to July 1, 1975, shall be maintained in the files designated by paragraph (a) of this
26 subsection. However, if a faculty member requests access to those files, the anonymity of
27 the contributor of letters and other information obtained prior to July 1, 1975, shall be pro-
28 tected. The full text shall be made available, except that portions of the text that would serve
29 to identify the contributor shall be excised by a faculty committee. Only the names of the
30 contributors and the excised portions of the documents may be kept in a file other than the
31 files designated by paragraph (a) of this subsection.

32 (e) Confidential letters and other information submitted to or solicited by the university
33 after July 1, 2011, and prior to the employment of a prospective faculty member are exempt
34 from the provisions of this paragraph. However, if the member is employed by the university,
35 the confidential preemployment materials shall be placed in the files designated by paragraph
36 (a) of this subsection. If a faculty member requests access to the member's files, the ano-
37 nymity of the contributor of confidential preemployment letters and other preemployment
38 information shall be protected. The full text shall be made available, except that portions of
39 the text that would serve to identify the contributor shall be excised and retained in a file
40 other than the files designated by paragraph (a) of this subsection.

41 (f) Classroom survey evaluations by students of a faculty member's classroom or labo-
42 ratory performance shall be anonymous. The record of tabulated reports shall be placed in
43 at least one of the files designated by paragraph (a) of this subsection. All survey instru-
44 ments used to obtain evaluation data shall be returned to the faculty member.

45 (g) The university, when evaluating its employed faculty members, may not solicit or

1 accept letters, documents or other materials, given orally or in written form, from individ-
 2 uals or groups who wish their identity kept anonymous or the information the individuals
 3 or groups provide kept confidential.

4 (5) A policy or order adopted pursuant to this section does not limit the authority of the
 5 university to prepare, without identification of individual persons who have not consented
 6 thereto, statistical or demographic reports from personnel records.

7 (6) Any category of personnel records specifically designated as confidential pursuant to
 8 valid policies or orders as provided in this section may not be deemed a public record for the
 9 purposes of ORS 192.420.

10 (7) As used in this section, "personnel records" means records containing information
 11 kept by the university concerning a faculty member and furnished by the faculty member
 12 or by others about the faculty member at the member's or at the university's request, in-
 13 cluding but not limited to information concerning discipline, membership activity and em-
 14 ployment performance, or other personal records of individual persons.

15 **SECTION 32.** (1) The University of Oregon Board of Directors may authorize receipt of
 16 compensation by any officer or employee from private or public resources, including, but not
 17 limited to, income from:

18 (a) Consulting;

19 (b) Appearances and speeches;

20 (c) Intellectual property conceived, reduced to practice or originated and therefore owned
 21 within the University of Oregon;

22 (d) Providing services or other valuable consideration for a private corporation, individual
 23 or entity, whether paid in cash or in-kind, stock or other equity interest, or anything of
 24 value regardless of whether there is a licensing agreement between the university and the
 25 private entity; and

26 (e) Performing public duties paid by private organizations, including university corporate
 27 affiliates, that augment an officer's or employee's publicly funded salary. Such income shall
 28 be authorized and received in accordance with policies and rules established by the board.

29 (2) The board may not authorize compensation, as described in subsection (1) of this
 30 section, that, in the board's judgment, does not comport with the mission of the university
 31 or substantially interferes with an officer's or employee's duties to the university.

32 (3) Any compensation described and authorized under subsection (1) of this section is
 33 considered official compensation or reimbursement of expenses for purposes of ORS 244.040
 34 and is not considered an honorarium prohibited by ORS 244.042. If authorization or receipt
 35 of the compensation creates a potential conflict of interest, the officer or employee shall
 36 report the potential conflict in writing in accordance with rules of the board. The disclosure
 37 is a public record subject to public inspection.

38 (4) The board shall adopt by rule standards governing employee outside employment and
 39 activities, including potential conflicts of interest, as defined by board rule and consistent
 40 with ORS 244.020, and the public disclosure thereof, and procedures for reporting and hearing
 41 potential or actual conflict of interest complaints.

42 **SECTION 33.** The president and professors constitute the faculty of the University of
 43 Oregon and have the immediate government and discipline of it and the students therein.
 44 The faculty may, subject to the supervision of the University of Oregon Board of Directors,
 45 prescribe the course of study to be pursued at the university and the textbooks to be used.

1 **SECTION 34.** The University of Oregon shall consider and maintain affirmative action
 2 plans and goals when reductions in faculty and staff are required as a result of:

- 3 (1) Reductions in revenue that necessitate discontinuance of the university's educational
 4 program at its anticipated level;
- 5 (2) Elimination of classes due to decreased student enrollment; or
- 6 (3) Reduction in courses due to administrative decisions.

7 **SECTION 35.** A political or sectarian test may never be allowed or applied in the ap-
 8 pointment of faculty and other employees of the University of Oregon.

9 **SECTION 36.** (1) Nothing in sections 1 to 52 of this 2011 Act may be construed to impair
 10 the obligations or agreements of the State of Oregon or the State Board of Higher Education
 11 with respect to bonds, certificates of participation, financing agreements or other agree-
 12 ments for the borrowing of money issued prior to the effective date of this 2011 Act by the
 13 State of Oregon on behalf of the State Board of Higher Education for equipment or projects
 14 for the benefit of the University of Oregon. The university and the Oregon University Sys-
 15 tem shall take all actions necessary to ensure full compliance with all indentures, resol-
 16 utions, declarations, agreements and other documents issued with respect to the bonds,
 17 certificates of participation, financing agreements or other agreements for the borrowing of
 18 money issued prior to the effective date of this 2011 Act by the State of Oregon on behalf
 19 of the State Board of Higher Education for the benefit of the university.

20 (2) The university and the Oregon University System shall establish, in a written agree-
 21 ment that is subject to the approval of the State Treasurer:

22 (a) The responsibility of the university for the payment to the State Board of Higher
 23 Education of moneys sufficient to pay when due all principal, interest and any other charges
 24 on bonds, certificates of participation, financing agreements or other agreements for the
 25 borrowing of money issued prior to the effective date of this 2011 Act by the State of Oregon
 26 on behalf of the State Board of Higher Education for the benefit of the university; and

27 (b) A requirement that the university periodically provide cash flow projections and other
 28 information as the State Treasurer requests to determine the sufficiency of the university's
 29 revenues to satisfy the requirements of bonds, certificates of participation, financing agree-
 30 ments or other agreements for the borrowing of money issued prior to and after the effective
 31 date of this 2011 Act by the State of Oregon for the benefit of the university, credit en-
 32 hancement devices or agreements for exchange of interest rates entered into in connection
 33 with those borrowings and any loans to the university funded by state general obligation
 34 bonds issued prior to the effective date of this 2011 Act.

35 (3)(a) Holders of obligations issued on or after the effective date of this 2011 Act by the
 36 university may be paid after the university reserves sufficient funds each biennium to satisfy
 37 any payment or reserve requirements relating to bonds, certificates of participation, financ-
 38 ing agreements or other agreements for the borrowing of moneys issued by the State of
 39 Oregon for the benefit of the university, credit enhancement devices or agreements for ex-
 40 change of interest rates entered into in connection with those borrowings and loans to the
 41 university funded by state general obligation bonds.

42 (b) The university may pledge all or a portion of its remaining rents, revenues, receipts,
 43 appropriations or other income to secure revenue bonds issued under section 37 of this 2011
 44 Act, credit enhancement devices or agreements for exchange of interest rates related to
 45 such revenue bonds, or other obligations issued by the university, but only to the extent

1 that:

2 (A) Such holders have no rights, liens or other interests with respect to such rents, re-
3 venues, receipts, appropriations or other income of the university that are on parity with
4 or are senior or superior to the rights granted to the State of Oregon and the holders of
5 bonds, certificates of participation, financing agreements or other agreements for the bor-
6 rowing of moneys issued by the State Treasurer for the benefit of the university, credit en-
7 hancement devices or agreements for exchange of interest rates entered into in connection
8 with those borrowings and loans to the university funded by state general obligation bonds
9 issued prior to the effective date of this 2011 Act; and

10 (B) The State Board of Higher Education, the Oregon Department of Administrative
11 Services or the State of Oregon is granted a lien or other security interest in the rents, re-
12 venues, receipts, appropriations or other income of the university that is superior to any lien
13 or other security interest granted to the holders of obligations issued by the university.

14 (4)(a) The principal, interest and any premium on any bonds, certificates of participation,
15 financing agreements or other agreements for the borrowing of moneys issued before or af-
16 ter the effective date of this 2011 Act by the State of Oregon for the benefit of the university,
17 and any credit enhancement devices or agreements for exchange of interest rates entered
18 into in connection with those borrowings, shall be paid from the sources specified in the laws
19 and documents authorizing the bond, certificate of participation, financing agreement or
20 other agreement for the borrowing of moneys, credit enhancement device or agreement for
21 exchange of interest rates. The university must pay any other expenses and liabilities, in-
22 cluding but not limited to closing costs, legal expenses, costs of settling claims, judgments,
23 federal arbitrage rebates and penalties and expenses arising from an inquiry, audit or other
24 action by a federal or state regulatory body, except to the extent that the liability or expense
25 results from the negligence or willful misconduct of a state agency.

26 (b) Pursuant to ORS chapter 180, on behalf of the State Treasurer or any other state
27 agency, the Attorney General shall appear, commence, prosecute or defend any action, suit,
28 cause or proceeding arising from any bonds, certificates of participation, financing agree-
29 ments or other agreements for the borrowing of moneys, and any credit enhancement de-
30 vices or agreements for exchange of interest rates entered into in connection with those
31 borrowings, issued by the State of Oregon for the benefit of the university.

32 (5) Any amounts deposited with the State Treasurer, the Controller of the Oregon Uni-
33 versity System, or the Oregon Department of Administrative Services or its designated
34 agents, in any debt service in reserve accounts for the debt service associated with any
35 bonds, certificates of participation, financing agreements or other agreements for the bor-
36 rowing of moneys issued prior to the effective date of this 2011 Act by the State of Oregon
37 on behalf of the State Board of Higher Education for the benefit of the university shall re-
38 main with the State Treasurer, the Controller of the Oregon University System, or the
39 Oregon Department of Administrative Services or its designated agents, until such time as
40 the bonds, certificates of participation, financing agreements or other agreements for the
41 borrowing of moneys, for which such debt service in reserve accounts has been established,
42 have been retired or defeased.

43 **SECTION 37.** The University of Oregon may from time to time issue and sell revenue
44 bonds in accordance with ORS chapter 287A. However, the provisions contained in ORS
45 287A.150 (2) to (6) do not apply to revenue bonds issued by the university. Such revenue

1 bonds are neither a general obligation of the university nor a charge upon any revenues or
2 property of the university not specifically pledged thereto. An obligation described in this
3 section is not an indebtedness of the State of Oregon.

4 **SECTION 38.** Revenue bonds issued by the University of Oregon under section 37 of this
5 2011 Act are considered to be bonds or obligations of a political subdivision of the State of
6 Oregon for the purposes of all laws of this state.

7 **SECTION 39.** Refunding bonds and advance refunding bonds of the same character and
8 tenor as those replaced by them may be issued by the University of Oregon pursuant to ORS
9 287A.360 to 287A.380.

10 **SECTION 40.** In addition to, and not in limitation of, the means of satisfying state gen-
11 eral obligation bond obligations under ORS 291.445, the University of Oregon, promptly upon
12 the discovery of any shortfall in moneys available to the university for the payment when
13 due of amounts under any bonds, certificates of participation, financing agreements or other
14 agreements for the borrowing of moneys issued prior to the effective date of this 2011 Act
15 by the State of Oregon on behalf of the State Board of Higher Education for equipment or
16 projects for the benefit of the university, shall notify in writing the Legislative Assembly,
17 or if the Legislative Assembly is not in session, the Emergency Board, of the existence and
18 amount of the shortfall. The Legislative Assembly or the Emergency Board, as the case may
19 be, may allocate funds to satisfy the payment of any such amount. By enacting this section,
20 the Legislative Assembly acknowledges its current intention to allocate, from funds other
21 than those appropriated or otherwise made available to the Oregon University System or to
22 the Oregon Department of Administrative Services for direct allocation to the university,
23 funds to pay such amount. However, except as may be required by the Oregon Constitution
24 or ORS 291.445, neither the Legislative Assembly nor the Emergency Board shall have any
25 legal obligation to allocate funds under this section.

26 **SECTION 41.** In order to provide funds for the purposes specified in Article XI-G of the
27 Oregon Constitution, the University of Oregon Board of Directors may request the State
28 Treasurer to issue bonds in accordance with the provisions of ORS chapter 286A.

29 **SECTION 42.** In order to provide funds for the purposes specified in Article XI-F(1) of the
30 Oregon Constitution, the University of Oregon Board of Directors may request the State
31 Treasurer to issue bonds in accordance with the provisions of ORS chapter 286A.

32 **SECTION 43.** If the electors of this state authorize the issuance of bonds for the benefit
33 of the University of Oregon individually or in its capacity as a public university, the Uni-
34 versity of Oregon Board of Directors may request the State Treasurer to issue bonds for
35 such purposes in accordance with the provisions of ORS chapter 286A.

36 **SECTION 44.** If the University of Oregon Board of Directors requests the State Treas-
37 urer to issue bonds pursuant to sections 41 to 43 of this 2011 Act, the board shall be a related
38 agency under ORS 286A.001 to 286A.195 for issuance or administration of the bonds.

39 **SECTION 45.** As used in sections 45 to 49 of this 2011 Act:

40 (1) "Credit enhancement agreement" means any agreement or contractual relationship
41 between the University of Oregon and any bank, trust company, insurance company, surety
42 bonding company, pension fund or other financial institution providing additional credit on
43 or security for a financing agreement or certificates of participation authorized by sections
44 45 to 49 of this 2011 Act.

45 (2) "Financing agreement" means a lease-purchase agreement, an installment sale

1 agreement, a loan agreement, a note agreement, short-term promissory notes, commercial
 2 papers, lines of credit or similar obligations or any other agreement to finance real or per-
 3 sonal property that is or will be owned and operated by the university, or to refinance pre-
 4 viously executed financing agreements.

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

6 (4) "Property rights" means, with respect to personal property, the rights of a secured
 7 party under ORS chapter 79, and, with respect to real property, the rights of a trustee or
 8 lender under a lease authorized by section 48 (4) of this 2011 Act.

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

11 **SECTION 46.** (1) Subject to the limitations of section 37 of this 2011 Act, the University
 12 of Oregon may enter into financing agreements in accordance with sections 45 to 49 of this
 13 2011 Act, upon such terms as the university finds to be advantageous. Amounts payable by
 14 the university under a financing agreement shall be limited to funds available for such pur-
 15 poses under section 37 of this 2011 Act and specifically pledged, budgeted for or otherwise
 16 made available by the university. If there are insufficient funds available to pay amounts due
 17 under a financing agreement, the lender may exercise any property rights that the university
 18 has granted to it in the financing agreement against the property that was purchased with
 19 the proceeds of the financing agreement, and may apply the amounts so received toward
 20 payments scheduled to be made by the university under the financing agreement.

21 (2) Subsection (1) of this section does not apply to, and the university may not grant a
 22 security interest in, lease as security for or grant any other right under, a financing agree-
 23 ment with respect to any real or personal property that has been financed with general ob-
 24 ligation bonds, certificates of participation, financing agreements or other borrowings of the
 25 State of Oregon for the benefit of the university unless those obligations of the State of
 26 Oregon are fully paid.

27 **SECTION 47.** The University of Oregon Board of Directors may delegate to any board
 28 member, the president of the University of Oregon or the president's designee the authority
 29 to determine maturity dates, principal amounts, redemption provisions, interest rates or
 30 methods for determining variable or adjustable interest rates, denominations and other
 31 terms and conditions of such obligations that are not appropriately determined at the time
 32 of enactment or adoption of the authorizing resolution. The board may also delegate entering
 33 into financing agreements or any other instruments authorized by law. This delegated au-
 34 thority shall be exercised subject to applicable requirements of law and such limitations and
 35 criteria as may be set forth in the authorizing resolution.

36 **SECTION 48.** (1) The University of Oregon may:

37 (a) Enter into agreements with third parties to hold financing agreement proceeds, pay-
 38 ments and reserves as security for lenders, and to issue certificates of participation in the
 39 right to receive payments due from the university under a financing agreement. Amounts
 40 so held shall be invested at the direction of the University of Oregon Board of Directors.
 41 Interest earned on any investments held as security for a financing agreement may, at the
 42 option of the board, be credited to the accounts held by the third party and applied in pay-
 43 ment of sums due under a financing agreement.

44 (b) Enter into credit enhancement agreements for financing agreements or certificates
 45 of participation, provided that such credit enhancement agreements shall be payable solely

1 from funds specifically pledged, budgeted for or otherwise made available by the university
2 and amounts received from the exercise of property rights granted under such financing
3 agreements.

4 (c) Use financing agreements to finance the costs of acquiring or refinancing real or
5 personal property, plus the costs of reserves, credit enhancements and costs associated with
6 obtaining the financing.

7 (d) Grant leases of real property with a trustee or lender. Such leases may be for a term
8 that ends on the date on which all amounts due under a financing agreement have been paid
9 or provision for payment has been made, or for a term of up to 20 years after the last
10 scheduled payment under a financing agreement, whichever is later. Such leases may grant
11 the trustee or lender the right to evict the university and exclude it from possession of the
12 real property for the term of the lease if the university fails to pay when due the amounts
13 scheduled to be paid under a financing agreement, or otherwise defaults under a financing
14 agreement. Upon default, the trustee or lender may sublease the land to third parties and
15 apply any rentals toward payments scheduled to be made under a financing agreement.

16 (e) Grant security interests in personal property to trustees or lenders.

17 (f) Make pledges for the benefit of trustees and lenders.

18 (g) Purchase fire and extended coverage or other casualty insurance for property that is
19 acquired or refinanced with proceeds of a financing agreement, assign the proceeds thereof
20 to a lender or trustee to the extent of their interest, and covenant to maintain such insur-
21 ance while the financing agreement is unpaid, as long as available funds are sufficient to
22 purchase such insurance.

23 (2) The provisions of subsection (1) of this section do not apply to, and the university
24 may not grant a security interest in, lease as security for or grant any other right under, a
25 financing agreement with respect to any real or personal property that has been financed
26 with general obligation bonds, certificates of participation, financing agreements or other
27 borrowings of the State of Oregon for the benefit of the university unless those obligations
28 of the State of Oregon are fully paid.

29 SECTION 49. A lease or financing agreement under sections 45 to 49 of this 2011 Act does
30 not cause property to be subject to property taxation and is disregarded in determining
31 whether property is exempt from taxation under ORS chapter 307.

32 SECTION 50. The University of Oregon Board of Directors may, in its discretion, accept
33 financial assistance and grants, either in the form of money or labor, from the United States
34 or any of its agencies, subject to the terms and conditions thereof, regardless of any laws
35 of this state in conflict with the regulations of the federal government with respect thereto,
36 and may also accept from others any donation or grant of land or gift of money or other
37 valuable gift or thing, for any of the purposes contemplated by Article XI-F(1) and Article
38 XI-G of the Oregon Constitution and sections 38 to 49 of this 2011 Act. Unless enjoined by
39 the terms or conditions of any such gift or grant, the board may convert the same, or any
40 of them, into money, through sale or disposal thereof.

41 SECTION 51. (1) The State Board of Higher Education, in coordination with the Univer-
42 sity of Oregon, shall adopt performance benchmarks for the university. The benchmarks
43 must reflect the educational outcomes that the State Board of Higher Education expects
44 from the university. The State Board of Higher Education may not prescribe how the
45 benchmarks are to be achieved. The president of the university and the University of Oregon

1 Board of Directors have exclusive jurisdiction and control over the means and methods of
2 achieving the performance benchmarks.

3 (2) The State Board of Higher Education annually shall assess the university's compli-
4 ance with the benchmarks described in subsection (1) of this section and shall issue an an-
5 nual report as to the university's achievements. The state board may recommend to the
6 Legislative Assembly incentives to encourage compliance with the benchmarks or penalties
7 for failure to comply with one or more benchmarks.

8 (3) The university and the Oregon University System shall coordinate academic programs
9 so that the programs are integrated and complementary. To accomplish this purpose, uni-
10 versity officers shall maintain a role in the appropriate committees of the State Board of
11 Higher Education and the Oregon University System. The State Board of Higher Education
12 shall have final authority over creation of new degree programs at the University of Oregon.

13 SECTION 52. The University of Oregon Board of Directors shall adopt a policy that pre-
14 scribes the requirements for a venture grant program and the requirements that a grant
15 applicant must meet in order to receive grant moneys from the university venture develop-
16 ment fund administered by the University of Oregon, including requirements:

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

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

22 (3) That the university maintain records of income realized by the university as the re-
23 sult of grants made from the university venture development fund and records of amounts
24 paid to the General Fund.

25 SECTION 53. As used in sections 53 to 64 of this 2011 Act:

26 (1) "Former university" means the University of Oregon in its former status as a uni-
27 versity within the Oregon University System under ORS 352.002, as set forth in the 2009
28 Edition of the Oregon Revised Statutes.

29 (2) "University" means the University of Oregon public university established under sec-
30 tion 2 of this 2011 Act.

31 (3) "University board" means the University of Oregon Board of Directors established
32 under section 4 of this 2011 Act.

33 SECTION 54. (1) Pursuant to the provisions of ORS 236.605 to 236.640, and except as
34 otherwise expressly provided in sections 1 to 52 of this 2011 Act, all persons employed by the
35 University of Oregon on the effective date of this 2011 Act shall continue their employment
36 with the university and shall retain any seniority, contractual rights or tenure granted prior
37 to the effective date of this 2011 Act.

38 (2) Nothing in sections 1 to 52 of this 2011 Act shall affect the representation rights of
39 collective bargaining organizations that represent university employees. Nothing in sections
40 1 to 52 of this 2011 Act shall affect any term or condition of any collective bargaining
41 agreement in effect on the effective date of this 2011 Act.

42 SECTION 55. All of the duties, functions and powers of the former university are trans-
43 ferred to the university as if the university were a continuation of the former university and
44 not a new authority.

45 SECTION 56. (1) All records and property of the former university shall be considered

1 the records and property of the university.

2 (2) There are transferred to the University of Oregon Board of Directors title to and
 3 possession of all the supplies, materials, equipment, records, books, papers and facilities of
 4 the State Board of Higher Education pertaining to the former university.

5 (3) Title to real property acquired prior to the effective date of this 2011 Act utilized by
 6 the former university or held or managed by the State of Oregon for the benefit of the for-
 7 mer university shall be continuously held in the name of the State of Oregon, except that
 8 the university has the exclusive care, custody and control of such real property and facilities.

9 (4) The University of Oregon Board of Directors may sell, convey or lease such property,
 10 or any interest therein, as the university board deems in the best interest of the university
 11 as provided in section 13 of this 2011 Act.

12 **SECTION 57.** All unexpended moneys, including but not limited to General Fund appro-
 13 priations, gifts, bequests, other funds, assessments, liability and worker's compensation re-
 14 serves and premiums that are appropriated to, held, managed or invested by or on behalf of
 15 or otherwise available to the former university or its president, for the purposes of any of
 16 its duties, functions or powers transferred by sections 1 to 52 of this 2011 Act to the uni-
 17 versity, are appropriated and transferred to the university.

18 **SECTION 58.** (1) Any proceeding, action, prosecution or other business or matter
 19 undertaken or commenced before the effective date of this 2011 Act by the former university,
 20 with respect to the duties, functions or powers transferred to the university by sections 1
 21 to 52 of this 2011 Act and still pending on the effective date of this 2011 Act may be conducted
 22 and completed by the university in the same manner, under the same terms and conditions
 23 and with the same effect as though undertaken, conducted or completed by the former uni-
 24 versity before the transfer.

25 (2) The transfer of duties, functions and powers to the University of Oregon Board of
 26 Directors under sections 1 to 52 of this 2011 Act does not affect any action, suit, proceeding
 27 or prosecution involving or with respect to such duties, functions and powers begun before
 28 and pending at the time of the transfer, except that the university board shall be substituted
 29 for the State Board of Higher Education in any such action, suit, proceeding or prosecution.

30 (3) Any proceeding, action, prosecution or other business or matter undertaken or com-
 31 menced before the effective date of this 2011 Act by a state officer or agency, with respect
 32 to the duties, functions or powers transferred to the university and still pending on the ef-
 33 fective date of this 2011 Act, may be conducted and completed by the university in the same
 34 manner, under the same terms and conditions and with the same effect as though under-
 35 taken, conducted or completed by the former university before the transfer.

36 **SECTION 59.** Nothing in sections 1 to 52 of this 2011 Act relieves any person of any ob-
 37 ligation with respect to a tax, fee, fine or other charge, interest, penalty, forfeiture or other
 38 liability, duty or obligation.

39 **SECTION 60.** The university is considered to be a continuation of the former university
 40 with respect to its duties, functions and powers, and not a new authority for the purpose of
 41 succession to all rights and obligations of the former university as constituted at the time
 42 of such assignment or transfer, except as otherwise provided in sections 1 to 52 of this 2011
 43 Act, with the same force and effect as if such duties, functions and powers had not been
 44 assigned or transferred.

45 **SECTION 61.** (1) Whenever, in any law or resolution of the Legislative Assembly or in

1 any rule, document, record or proceeding authorized thereby, reference is made to the former
2 university, or an employee of the former university, whose duties, functions or powers
3 are assigned or transferred by sections 1 to 52 of this 2011 Act, except as otherwise provided
4 by sections 1 to 52 of this 2011 Act, such reference is considered to describe the university
5 or employee of the university that, by sections 1 to 52 of this 2011 Act, is charged with carrying
6 out such duties, functions and powers.

7 (2) There are imposed upon, transferred to and vested in the University of Oregon Board
8 of Directors the duties, functions and powers of the State Board of Higher Education that
9 pertain to the former university.

10 (3) Notwithstanding the transfer of duties, functions and powers by sections 1 to 52 of
11 this 2011 Act, the lawfully adopted rules of the State Board of Higher Education pertaining
12 to the former university in effect on the effective date of this 2011 Act continue in effect
13 until lawfully superseded or repealed by the University of Oregon Board of Directors. Refer-
14 ences in rules of the State Board of Higher Education to the state board or an officer or
15 employee of the state board are considered to be references to the University of Oregon
16 Board of Directors.

17 **SECTION 62.** A transfer of duties, functions, powers, rights, records, property, employees
18 or moneys by sections 1 to 52 of this 2011 Act becomes operative on January 1, 2012. The
19 university shall exercise and perform such duties, functions, powers and rights, and shall
20 take charge of such records, property, employees and moneys.

21 **SECTION 63.** The rights and obligations of the State Board of Higher Education legally
22 incurred under contracts, leases and business transactions executed, entered into or begun
23 before the effective date of this 2011 Act pertaining to the former university are transferred
24 to the University of Oregon Board of Directors. For the purpose of succession to these rights
25 and obligations, the university board is considered to be a continuation of the State Board
26 of Higher Education and not a new authority, and the university board must exercise such
27 rights and fulfill such obligations as if they had not been transferred.

28 **SECTION 64.** For the purpose of administering and enforcing the duties, functions and
29 powers transferred by sections 1 to 52 of this 2011 Act and for the payment of the expenses
30 lawfully incurred by the State Board of Higher Education with respect to the administration
31 and enforcement of such duties, functions and powers pertaining to the former university,
32 the University of Oregon Board of Directors may expend the moneys that are authorized to
33 be expended by the State Board of Higher Education for administering and enforcing the
34 duties, functions and powers transferred by sections 1 to 52 of this 2011 Act and that are
35 unexpended on the effective date of this 2011 Act. Subject to section 36 of this 2011 Act, the
36 university board shall assume and pay all outstanding obligations lawfully incurred by the
37 State Board of Higher Education pertaining to the former university before the effective date
38 of this 2011 Act that are properly charged against amounts authorized by this section to be
39 expended by the university board.

40 **SECTION 65.** ORS 192.502, as amended by section 15, chapter 76, Oregon Laws 2010, is
41 amended to read:

42 192.502. The following public records are exempt from disclosure under ORS 192.410 to 192.505:

43 (1) Communications within a public body or between public bodies of an advisory nature to the
44 extent that they cover other than purely factual materials and are preliminary to any final agency
45 determination of policy or action. This exemption shall not apply unless the public body shows that

1 in the particular instance the public interest in encouraging frank communication between officials
2 and employees of public bodies clearly outweighs the public interest in disclosure.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 (a) The exemption does not apply to:

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

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

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

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

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

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

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

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

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

45 (F) Investment agreements and related documents.

- 1 (b) The exemption under this subsection does not apply to:
- 2 (A) The name, address and vintage year of each privately placed investment fund.
- 3 (B) The dollar amount of the commitment made to each privately placed investment fund since
4 inception of the fund.
- 5 (C) The dollar amount of cash contributions made to each privately placed investment fund since
6 inception of the fund.
- 7 (D) The dollar amount, on a fiscal year-end basis, of cash distributions received by the State
8 Treasurer, the Oregon Investment Council, the Oregon Growth Account Board or the agents of the
9 treasurer, council or board from each privately placed investment fund.
- 10 (E) The dollar amount, on a fiscal year-end basis, of the remaining value of assets in a privately
11 placed investment fund attributable to an investment by the State Treasurer, the Oregon Investment
12 Council, the Oregon Growth Account Board or the agents of the treasurer, council or board.
- 13 (F) The net internal rate of return of each privately placed investment fund since inception of
14 the fund.
- 15 (G) The investment multiple of each privately placed investment fund since inception of the fund.
- 16 (H) The dollar amount of the total management fees and costs paid on an annual fiscal year-end
17 basis to each privately placed investment fund.
- 18 (I) The dollar amount of cash profit received from each privately placed investment fund on a
19 fiscal year-end basis.
- 20 (15) The monthly reports prepared and submitted under ORS 293.761 and 293.766 concerning the
21 Public Employees Retirement Fund and the Industrial Accident Fund may be uniformly treated as
22 exempt from disclosure for a period of up to 90 days after the end of the calendar quarter.
- 23 (16) Reports of unclaimed property filed by the holders of such property to the extent permitted
24 by ORS 98.352.
- 25 (17)(a) The following records, communications and information submitted to the Oregon Business
26 Development Commission, the Oregon Business Development Department, the State Department of
27 Agriculture, the Oregon Growth Account Board, the Port of Portland or other ports, as defined in
28 ORS 777.005, by applicants for investment funds, loans or services including, but not limited to,
29 those described in ORS 285A.224:
- 30 (A) Personal financial statements.
- 31 (B) Financial statements of applicants.
- 32 (C) Customer lists.
- 33 (D) Information of an applicant pertaining to litigation to which the applicant is a party if the
34 complaint has been filed, or if the complaint has not been filed, if the applicant shows that such
35 litigation is reasonably likely to occur; this exemption does not apply to litigation which has been
36 concluded, and nothing in this subparagraph shall limit any right or opportunity granted by discov-
37 ery or deposition statutes to a party to litigation or potential litigation.
- 38 (E) Production, sales and cost data.
- 39 (F) Marketing strategy information that relates to applicant's plan to address specific markets
40 and applicant's strategy regarding specific competitors.
- 41 (b) The following records, communications and information submitted to the State Department
42 of Energy by applicants for tax credits:
- 43 (A) Personal financial statements.
- 44 (B) Financial statements of applicants.
- 45 (C) Customer lists.

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

6 (E) Production, sales and cost data.

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

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

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

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

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

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

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

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

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

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

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

35 (21) Sensitive business records or financial or commercial information of the Oregon Health and
 36 Science University that is not customarily provided to business competitors.

37 (22) Records of Oregon Health and Science University regarding candidates for the position of
 38 president of the university.

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

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

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

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

44 (24) The following records, communications and information obtained by the Housing and Com-
 45 munity Services Department in connection with the department's monitoring or administration of

1 financial assistance or of housing or other developments:

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

3 (b) Credit reports.

4 (c) Project appraisals.

5 (d) Market studies and analyses.

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

7 (f) Commitment letters.

8 (g) Project pro forma statements.

9 (h) Project cost certifications and cost data.

10 (i) Audits.

11 (j) Project tenant correspondence.

12 (k) Personal information about a tenant.

13 (L) Housing assistance payments.

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

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

24 (27) Sensitive business, commercial or financial information furnished to or developed by the
25 City of Klamath Falls, acting solely in connection with the ownership and operation of the Klamath
26 Cogeneration Project, if the information is directly related to a transaction described in ORS 225.085
27 and disclosure of the information would cause a competitive disadvantage for the Klamath
28 Cogeneration Project. This subsection does not apply to cost-of-service studies used in the develop-
29 ment or review of generally applicable rate schedules.

30 (28) Personally identifiable information about customers of a municipal electric utility or a
31 people's utility district or the names, dates of birth, driver license numbers, telephone numbers,
32 electronic mail addresses or Social Security numbers of customers who receive water, sewer or
33 storm drain services from a public body as defined in ORS 174.109. The utility or district may re-
34 lease personally identifiable information about a customer, and a public body providing water, sewer
35 or storm drain services may release the name, date of birth, driver license number, telephone num-
36 ber, electronic mail address or Social Security number of a customer, if the customer consents in
37 writing or electronically, if the disclosure is necessary for the utility, district or other public body
38 to render services to the customer, if the disclosure is required pursuant to a court order or if the
39 disclosure is otherwise required by federal or state law. The utility, district or other public body
40 may charge as appropriate for the costs of providing such information. The utility, district or other
41 public body may make customer records available to third party credit agencies on a regular basis
42 in connection with the establishment and management of customer accounts or in the event such
43 accounts are delinquent.

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

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

3 (31) Documents, materials or other information submitted to the Director of the Department of
 4 Consumer and Business Services in confidence by a state, federal, foreign or international regulatory
 5 or law enforcement agency or by the National Association of Insurance Commissioners, its affiliates
 6 or subsidiaries under ORS 86A.095 to 86A.198, 86A.990, 86A.992, 697.005 to 697.095, 697.602 to
 7 697.842, 705.137, 717.200 to 717.320, 717.900 or 717.905, ORS chapter 59, 723, 725 or 726, the Bank
 8 Act or the Insurance Code when:

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

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

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

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

16 (a) Generation, storage or conveyance of:

17 (A) Electricity;

18 (B) Gas in liquefied or gaseous form;

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

20 (D) Petroleum products;

21 (E) Sewage; or

22 (F) Water.

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

24 (c) Data transmissions by whatever means provided.

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

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

28 (b) As used in this subsection, "employer account records" means all records maintained in any
 29 form that are specifically related to the account of any employer insured, previously insured or un-
 30 der consideration to be insured by the State Accident Insurance Fund Corporation and any infor-
 31 mation obtained or developed by the corporation in connection with providing, offering to provide
 32 or declining to provide insurance to a specific employer. "Employer account records" includes, but
 33 is not limited to, an employer's payroll records, premium payment history, payroll classifications,
 34 employee names and identification information, experience modification factors, loss experience and
 35 dividend payment history.

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

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

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

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

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

1 **(38) Sensitive business records or financial or commercial information of the University**
 2 **of Oregon that is not customarily provided to business competitors.**

3 **(39) Records of the University of Oregon regarding candidates for the position of presi-**
 4 **dent of the university.**

5 **SECTION 66.** ORS 192.690 is amended to read:

6 192.690. (1) ORS 192.610 to 192.690 do not apply to the deliberations of the State Board of Parole
 7 and Post-Prison Supervision, the Psychiatric Security Review Board, state agencies conducting
 8 hearings on contested cases in accordance with the provisions of ORS chapter 183, the review by
 9 the Workers' Compensation Board or the Employment Appeals Board of similar hearings on con-
 10 tested cases, meetings of the state lawyers assistance committee operating under the provisions of
 11 ORS 9.568, meetings of the personal and practice management assistance committees operating un-
 12 der the provisions of ORS 9.568, the county multidisciplinary child abuse teams required to review
 13 child abuse cases in accordance with the provisions of ORS 418.747, the child fatality review teams
 14 required to review child fatalities in accordance with the provisions of ORS 418.785, the peer review
 15 committees in accordance with the provisions of ORS 441.055, mediation conducted under ORS
 16 36.250 to 36.270, any judicial proceeding, meetings of the Oregon Health and Science University
 17 Board of Directors or its designated committee regarding candidates for the position of president
 18 of the university or regarding sensitive business, financial or commercial matters of the university
 19 not customarily provided to competitors related to financings, mergers, acquisitions or joint ventures
 20 or related to the sale or other disposition of, or substantial change in use of, significant real or
 21 personal property, or related to health system strategies, or to Oregon Health and Science Univer-
 22 sity faculty or staff committee meetings, **meetings of the University of Oregon Board of Direc-**
 23 **tors or its designated committee regarding candidates for the position of president of the**
 24 **University of Oregon or regarding sensitive business, financial or commercial matters of the**
 25 **university not customarily provided to competitors related to financings, mergers, acquisi-**
 26 **tions or joint ventures or related to the sale or other disposition of, or substantial change**
 27 **in use of, significant real or personal property, or to university faculty or staff committee**
 28 **meetings.**

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

33 **SECTION 67.** ORS 30.264 is amended to read:

34 30.264. (1)(a) The State Board of Higher Education may authorize higher education institutions
 35 under the control of the **state** board to provide liability insurance coverage for students involved
 36 in off-campus experiential activities, including, but not limited to, student teaching, internships,
 37 clinical experiences, capstone projects and related activities.

38 [(2)] (b) If commercial liability insurance coverage is not available to higher education insti-
 39 tutions **under the control of the state board**, students participating in the activities described in
 40 **paragraph (a) of this subsection [(1) of this section]** shall be considered to be acting within the
 41 course and scope of state employment duties for purposes of ORS 30.260 to 30.300.

42 (2)(a) **The University of Oregon Board of Directors may authorize the University of**
 43 **Oregon to provide liability insurance coverage for students involved in off-campus**
 44 **experiential activities, including, but not limited to, student teaching, internships, clinical**
 45 **experiences, capstone projects and related activities.**

1 (b) If commercial liability insurance is not available to the university, students partic-
 2 ipating in the activities described in paragraph (a) of this subsection shall be considered to
 3 be acting within the course and scope of university employment duties for the purposes of
 4 ORS 30.260 to 30.300.

5 **SECTION 68.** ORS 31.850 is amended to read:

6 31.850. For the purposes of ORS 31.850 to 31.890:

7 (1) "Conduct" means an act or omission that has occurred or that may occur in the future.

8 (2) "Domicile" means the place identified under ORS 31.865.

9 (3) "Injury" means physical or nonphysical harm to a person or property caused by the conduct
 10 of another person.

11 (4) "Law," when used in reference to the law of another state, does not include that state's
 12 choice-of-law rules.

13 (5) "Noncontractual claim" means a claim, other than a claim for failure to perform a contrac-
 14 tual or other consensual obligation, that arises from a tort as defined in ORS 30.260, or any conduct
 15 that caused or may cause injury compensable by damages, without regard to whether damages are
 16 sought.

17 (6) "Person" means a person as defined in ORS 174.100 and a public body.

18 (7) "Public body" means a public body as defined in ORS 174.109, **the University of Oregon,**
 19 **the Oregon Health and Science University[,]** and the Oregon State Bar.

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

25 **SECTION 69.** ORS 36.145 is amended to read:

26 36.145. The Dispute Resolution Account is established in the State Treasury, separate and dis-
 27 tinct from the General Fund. All moneys received under ORS 36.150 shall be deposited to the credit
 28 of the account. Notwithstanding the provisions of ORS 291.238, all moneys in the account are con-
 29 tinuously appropriated to the Oregon University System **and the University of Oregon** for the
 30 purposes for which the moneys were made available and shall be expended in accordance with the
 31 terms and conditions upon which the moneys were made available.

32 **SECTION 70.** ORS 36.150 is amended to read:

33 36.150. The Oregon University System, on behalf of the Mark O. Hatfield School of Government
 34 **and the University of Oregon, on behalf of** the University of Oregon School of Law, may accept
 35 and expend moneys from any public or private source, including the federal government, made
 36 available for the purpose of encouraging, promoting or establishing dispute resolution programs in
 37 Oregon or to facilitate and assist the schools in carrying out the responsibilities of the schools un-
 38 der ORS 36.100 to 36.238 and 183.502. All moneys received by the Oregon University System **and**
 39 **the University of Oregon** under this section shall be deposited in the Dispute Resolution Account.

40 **SECTION 71.** ORS 36.155 is amended to read:

41 36.155. The Dean of the University of Oregon School of Law shall award grants for the purpose
 42 of providing dispute resolution services in counties. Grants under this section shall be made from
 43 funds [*appropriated*] **allocated** to the [*Oregon University System*] **University of Oregon** on behalf
 44 of the University of Oregon School of Law for distribution under this section. The [*State Board of*
 45 *Higher Education*] **University of Oregon Board of Directors** may adopt rules for the operation of

1 the grant program.

2 **SECTION 72.** ORS 174.108 is amended to read:

3 174.108. (1) As used in the statutes of this state, a term defined in ORS 174.108 to 174.118 has
4 the meaning provided by ORS 174.108 to 174.118 only if the statute using the term makes specific
5 reference to the provision of ORS 174.108 to 174.118 that defines the term and indicates that the
6 term has the meaning specified in that provision.

7 (2) Nothing in ORS 174.108 to 174.118 affects the meaning of any statute that uses one or more
8 of the terms defined in ORS 174.108 to 174.118 and that is in effect on January 1, 2002. Nothing in
9 ORS 174.108 to 174.118 affects the meaning of any statute that uses one or more of the terms defined
10 in ORS 174.108 to 174.118 and that is enacted after January 1, 2002, unless the statute makes spe-
11 cific reference to the provision of ORS 174.108 to 174.118 that defines the term and indicates that
12 the term has the meaning specified in that provision.

13 (3) None of the terms defined in ORS 174.108 to 174.118 includes **the University of Oregon**, the
14 Oregon Health and Science University, the Oregon State Bar, any intergovernmental entity formed
15 by a public body with another state or with a political subdivision of another state, or any inter-
16 governmental entity formed by a public body with an agency of the federal government.

17 **SECTION 73.** ORS 181.871 is amended to read:

18 181.871. (1) ORS 181.870 to 181.887 do not apply to:

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

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

22 (c) An officer or employee of this state, **the University of Oregon established by section 2**
23 **of this 2011 Act**, Oregon Health and Science University established by ORS 353.020 or the United
24 States while performing duties of the office or employment.

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

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

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

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

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

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

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

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

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

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

44 (n) An employee of a financial institution who has been designated as a security officer for the
45 financial institution pursuant to the Bank Protection Act of 1968 (12 U.S.C. 1881 et seq.) and regu-

lations adopted thereunder or pursuant to ORS 723.276 (5).

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

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

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

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

SECTION 74. ORS 182.122 is amended to read:

182.122. (1) As used in this section:

(a) "Executive department" has the meaning given that term in ORS 174.112.

(b) "Information systems" means computers, hardware, software, storage media, networks, operational procedures and processes used in the collection, processing, storage, sharing or distribution of information within, or with any access beyond ordinary public access to, the state's shared computing and network infrastructure.

(2) The Oregon Department of Administrative Services has responsibility for and authority over information systems security in the executive department, including taking all measures reasonably necessary to protect the availability, integrity or confidentiality of information systems or the information stored in information systems. The Oregon Department of Administrative Services shall, after consultation and collaborative development with agencies, establish a state information systems security plan and associated standards, policies and procedures.

(3) The Oregon Department of Administrative Services, in its sole discretion, shall:

(a) Review and verify the security of information systems operated by or on behalf of agencies;

(b) Monitor state network traffic to identify and react to security threats; and

(c) Conduct vulnerability assessments of agency information systems for the purpose of evaluating and responding to the susceptibility of information systems to attack, disruption or any other event that threatens the availability, integrity or confidentiality of information systems or the information stored in information systems.

(4) The Oregon Department of Administrative Services shall contract with qualified, independent consultants for the purpose of conducting vulnerability assessments under subsection (3) of this section.

(5) In collaboration with agencies, the Oregon Department of Administrative Services shall develop and implement policies for responding to events that damage or threaten the availability, integrity or confidentiality of information systems or the information stored in information systems, whether those systems are within, interoperable with or outside the state's shared computing and network infrastructure. In the policies, the department shall prescribe actions reasonably necessary to:

(a) Promptly assemble and deploy in a coordinated manner the expertise, tools and methodologies required to prevent or mitigate the damage caused or threatened by an event;

(b) Promptly alert other persons of the event and of the actions reasonably necessary to prevent or mitigate the damage caused or threatened by the event;

(c) Implement forensic techniques and controls developed under subsection (6) of this section;

1 (d) Evaluate the event for the purpose of possible improvements to the security of information
 2 systems; and

3 (e) Communicate and share information with agencies, using preexisting incident response ca-
 4 pabilities.

5 (6) After consultation and collaborative development with agencies, the Oregon Department of
 6 Administrative Services shall implement forensic techniques and controls for the security of infor-
 7 mation systems, whether those systems are within, interoperable with or outside the state's shared
 8 computing and network infrastructure. The techniques and controls must include the use of spe-
 9 cialized expertise, tools and methodologies, to investigate events that damage or threaten the
 10 availability, integrity or confidentiality of information systems or the information stored in infor-
 11 mation systems. The department shall consult with the Oregon State Police, the Office of Emergency
 12 Management, the Governor and others as necessary in developing forensic techniques and controls
 13 under this section.

14 (7) The Oregon Department of Administrative Services shall ensure that reasonably appropriate
 15 remedial actions are undertaken when the department finds that such actions are reasonably nec-
 16 essary by reason of vulnerability assessments of information systems under subsection (3) of this
 17 section, evaluation of events under subsection (5) of this section and other evaluations and audits.

18 (8)(a) Agencies are responsible for the security of computers, hardware, software, storage media,
 19 networks, operational procedures and processes used in the collection, processing, storage, sharing
 20 or distribution of information outside the state's shared computing and network infrastructure fol-
 21 lowing information security standards, policies and procedures established by the Oregon Depart-
 22 ment of Administrative Services and developed collaboratively with agencies. Agencies may
 23 establish plans, standards and measures that are more stringent than the standards established by
 24 the department to address specific agency needs if those plans, standards and measures do not
 25 contradict or contravene the state information systems security plan. Independent agency security
 26 plans shall be developed within the framework of the state information systems security plan.

27 (b) An agency shall report the results of any vulnerability assessment, evaluation or audit con-
 28 ducted by the agency to the department for the purposes of consolidating statewide security re-
 29 porting and, when appropriate, to prompt a state incident response.

30 (9) This section does not apply to:

31 (a) Research and student computer systems used by or in conjunction with the **University of**
 32 **Oregon**, the State Board of Higher Education or any state institution of higher education within
 33 the Oregon University System; and

34 (b)(A) Gaming systems and networks operated by the Oregon State Lottery or its contractors;
 35 or

36 (B) The results of Oregon State Lottery reviews, evaluations and vulnerability assessments of
 37 computer systems outside the state's shared computing and network infrastructure.

38 (10) The Oregon Department of Administrative Services shall adopt rules to carry out its re-
 39 sponsibilities under this section.

40 **SECTION 75.** ORS 183.635 is amended to read:

41 183.635. (1) Except as provided in this section, all agencies must use administrative law judges
 42 assigned from the Office of Administrative Hearings established under ORS 183.605 to conduct con-
 43 tested case hearings, without regard to whether those hearings are subject to the procedural re-
 44 quirements for contested case hearings.

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

- 1 (a) Attorney General.
- 2 (b) Boards of stewards appointed by the Oregon Racing Commission.
- 3 (c) Bureau of Labor and Industries and the Commissioner of the Bureau of Labor and Industries.
- 4 (d) Department of Corrections.
- 5 (e) Department of Education, State Board of Education and Superintendent of Public Instruction.
- 6 (f) Department of Human Services for vocational rehabilitation services cases under 29 U.S.C.
- 7 722(c) and disability determination cases under 42 U.S.C. 405.
- 8 (g) Department of Revenue.
- 9 (h) Department of State Police.
- 10 (i) Employment Appeals Board.
- 11 (j) Employment Relations Board.
- 12 (k) Energy Facility Siting Council.
- 13 (L) Fair Dismissal Appeals Board.
- 14 (m) Governor.
- 15 (n) Land Conservation and Development Commission.
- 16 (o) Land Use Board of Appeals.
- 17 (p) Local government boundary commissions created pursuant to ORS 199.430.
- 18 (q) Oregon University System and institutions of higher education listed in ORS 352.002.
- 19 (r) Oregon Youth Authority.
- 20 (s) Psychiatric Security Review Board.
- 21 (t) Public Utility Commission.
- 22 (u) State Accident Insurance Fund Corporation.
- 23 (v) State Apprenticeship and Training Council.
- 24 (w) State Board of Parole and Post-Prison Supervision.
- 25 (x) State Land Board.
- 26 (y) State Treasurer.
- 27 **(z) University of Oregon.**
- 28 [(z)] **(aa)** Wage and Hour Commission.

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

- 34 (a) ORS 86A.095 to 86A.198, 86A.990 and 86A.992 and ORS chapter 59;
- 35 (b) ORS chapter 455;
- 36 (c) ORS chapter 674;
- 37 (d) ORS chapters 706 to 716;
- 38 (e) ORS chapter 717;
- 39 (f) ORS chapters 723, 725 and 726; and
- 40 (g) ORS chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748 and 750.

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

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

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

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

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

6 **SECTION 76.** ORS 184.475 is amended to read:

7 184.475. (1) The purposes of information technology portfolio-based management are to:

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

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

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

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

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

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

17 (2) The Oregon Department of Administrative Services shall integrate state agency strategic and
18 business planning, technology planning and budgeting and project expenditure processes into the
19 department's information technology portfolio-based management.

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

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

33 (5) This section does not apply to competitive research grants and contracts at institutions of
34 higher education listed in ORS 352.002 **or the University of Oregon.**

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

38 **SECTION 77.** ORS 184.477 is amended to read:

39 184.477. (1) The purpose of enterprise management is to create a plan and implement a state
40 government-wide approach for managing distributed information technology assets to minimize total
41 ownership costs from acquisition through retirement, while realizing maximum benefits for trans-
42 acting the state's business and delivering services to its citizens.

43 (2) With input and recommendations from state agencies, the Oregon Department of Adminis-
44 trative Services shall develop a plan for the state government-wide management of distributed in-
45 formation technology assets. The plan shall prescribe the state government-wide infrastructure and

1 services for managing these assets. The plan shall be submitted to the Joint Legislative Committee
 2 on Information Management and Technology for review.

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

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

8 (5) This section does not apply to competitive research grants and contracts at institutions of
 9 higher education listed in ORS 352.002 **or the University of Oregon.**

10 **SECTION 78.** ORS 184.631 is amended to read:

11 184.631. (1) The Department of Transportation shall establish a public-private partnership re-
 12 search and development program.

13 (2) As part of the program established under this section, the department may enter into joint
 14 research and development agreements for the purpose of developing products for market that may
 15 reduce the cost of maintenance and preservation or extend the useful life of the state's highways
 16 or that may improve highway safety. The department may enter into agreements with the following:

- 17 (a) Individuals.
- 18 (b) Businesses.
- 19 (c) Nonprofit organizations.
- 20 (d) The State Board of Higher Education.
- 21 **(e) The University of Oregon.**

22 (3) The department may enter into agreements under subsection (2) of this section that allow the
 23 department to obtain royalties or other financial benefits from the sale or use of products developed
 24 through the public-private partnership research and development program.

25 (4) Moneys that the department is authorized to spend on planning and research may be used
 26 for development of products under this section.

27 (5) The department shall adopt rules that govern the solicitation and selection of product de-
 28 velopment projects that will receive funding under the program established under this section.

29 **SECTION 79.** ORS 190.410 is amended to read:

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

- 31 (1) Any county, city, special district or other public corporation, commission, authority or entity
 32 organized and existing under laws of this state, or any other state, or under the city or county
 33 charter of any county or city of this or any other state;
- 34 (2) Any agency of this state or any other state; *[and]*
- 35 (3) Oregon Health and Science University; **and**
- 36 **(4) The University of Oregon.**

37 **SECTION 80.** ORS 192.501 is amended to read:

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

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

45 (2) Trade secrets. "Trade secrets," as used in this section, may include, but are not limited to,

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

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

- 12 (a) The arrested person's name, age, residence, employment, marital status and similar bi-
 13 ographical information;
- 14 (b) The offense with which the arrested person is charged;
- 15 (c) The conditions of release pursuant to ORS 135.230 to 135.290;
- 16 (d) The identity of and biographical information concerning both complaining party and victim;
- 17 (e) The identity of the investigating and arresting agency and the length of the investigation;
- 18 (f) The circumstances of arrest, including time, place, resistance, pursuit and weapons used; and
- 19 (g) Such information as may be necessary to enlist public assistance in apprehending fugitives
 20 from justice.

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

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

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

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

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

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

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

45 (11) Information concerning the location of archaeological sites or objects as those terms are

1 defined in ORS 358.905, except if the governing body of an Indian tribe requests the information and
 2 the need for the information is related to that Indian tribe's cultural or religious activities. This
 3 exemption does not include information relating to a site that is all or part of an existing, commonly
 4 known and publicized tourist facility or attraction.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 listed in ORS 352.002, **the University of Oregon** or Oregon Health and Science University.

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

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

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

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

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

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

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

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

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

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

24 (32) Unless the public records request is made by a financial institution, as defined in ORS
 25 706.008, consumer finance company licensed under ORS chapter 725, mortgage banker or mortgage
 26 broker licensed under ORS 86A.095 to 86A.198, 86A.990 and 86A.992 and ORS chapter 59, or title
 27 company for business purposes, records described in paragraph (a) of this subsection, if the ex-
 28 emption from disclosure of the records is sought by an individual described in paragraph (b) of this
 29 subsection using the procedure described in paragraph (c) of this subsection:

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

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

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

36 (b) The individual claiming the exemption from disclosure must be a district attorney, a deputy
 37 district attorney, the Attorney General or an assistant attorney general, the United States Attorney
 38 for the District of Oregon or an assistant United States attorney for the District of Oregon, a city
 39 attorney who engages in the prosecution of criminal matters or a deputy city attorney who engages
 40 in the prosecution of criminal matters.

41 (c) The individual claiming the exemption from disclosure must do so by filing the claim in
 42 writing with the public body for which the exemption from disclosure is being claimed on a form
 43 prescribed by the public body. Unless the claim is filed with the county clerk, the claim form shall
 44 list the public records in the possession of the public body to which the exemption applies. The ex-
 45 emption applies until the individual claiming the exemption requests termination of the exemption

1 or ceases to qualify for the exemption.

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

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

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

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

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

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

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

19 (36) A medical examiner's report, autopsy report or laboratory test report ordered by a medical
20 examiner under ORS 146.117.

21 **SECTION 81.** ORS 192.501, as amended by section 3, chapter 455, Oregon Laws 2005, section
22 7, chapter 608, Oregon Laws 2007, section 2, chapter 687, Oregon Laws 2007, section 2, chapter 48,
23 Oregon Laws 2008, section 3, chapter 57, Oregon Laws 2009, section 2, chapter 135, Oregon Laws
24 2009, section 4, chapter 222, Oregon Laws 2009, and section 2, chapter 769, Oregon Laws 2009, is
25 amended to read:

26 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505
27 unless the public interest requires disclosure in the particular instance:

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

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

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

45 (a) The arrested person's name, age, residence, employment, marital status and similar bi-

1 ographical information;

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

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

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

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

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

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

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

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

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

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

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

29 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and
30 663.180.

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

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

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

39 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and
40 564.100, regarding the habitat, location or population of any threatened species or endangered spe-
41 cies.

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

44 (15) Computer programs developed or purchased by or for any public body for its own use. As
45 used in this subsection, "computer program" means a series of instructions or statements which

1 permit the functioning of a computer system in a manner designed to provide storage, retrieval and
 2 manipulation of data from such computer system, and any associated documentation and source
 3 material that explain how to operate the computer program. "Computer program" does not include:

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

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

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

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

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

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

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

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

29 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS
 30 247.967.

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

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

35 (b) Credit reports;

36 (c) Project appraisals;

37 (d) Market studies and analyses;

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

39 (f) Commitment letters;

40 (g) Project pro forma statements;

41 (h) Project cost certifications and cost data;

42 (i) Audits;

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

44 (k) Tenant files relating to certification; and

45 (L) Housing assistance payment requests.

- 1 (22) Records or information that, if disclosed, would allow a person to:
- 2 (a) Gain unauthorized access to buildings or other property;
- 3 (b) Identify those areas of structural or operational vulnerability that would permit unlawful
- 4 disruption to, or interference with, services; or
- 5 (c) Disrupt, interfere with or gain unauthorized access to public funds or to information pro-
- 6 cessing, communication or telecommunication systems, including the information contained in the
- 7 systems, that are used or operated by a public body.
- 8 (23) Records or information that would reveal or otherwise identify security measures, or
- 9 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to
- 10 protect:
- 11 (a) An individual;
- 12 (b) Buildings or other property;
- 13 (c) Information processing, communication or telecommunication systems, including the infor-
- 14 mation contained in the systems; or
- 15 (d) Those operations of the Oregon State Lottery the security of which are subject to study and
- 16 evaluation under ORS 461.180 (6).
- 17 (24) Personal information held by or under the direction of officials of the Oregon Health and
- 18 Science University, **the University of Oregon** or the Oregon University System about a person who
- 19 has or who is interested in donating money or property to the university, the system or a state in-
- 20 stitution of higher education, if the information is related to the family of the person, personal assets
- 21 of the person or is incidental information not related to the donation.
- 22 (25) The home address, professional address and telephone number of a person who has or who
- 23 is interested in donating money or property to **the University of Oregon** or the Oregon University
- 24 System.
- 25 (26) Records of the name and address of a person who files a report with or pays an assessment
- 26 to a commodity commission established under ORS 576.051 to 576.455, the Oregon Beef Council
- 27 created under ORS 577.210 or the Oregon Wheat Commission created under ORS 578.030.
- 28 (27) Information provided to, obtained by or used by a public body to authorize, originate, re-
- 29 ceive or authenticate a transfer of funds, including but not limited to a credit card number, payment
- 30 card expiration date, password, financial institution account number and financial institution routing
- 31 number.
- 32 (28) Social Security numbers as provided in ORS 107.840.
- 33 (29) The electronic mail address of a student who attends a state institution of higher education
- 34 listed in ORS 352.002, **the University of Oregon** or Oregon Health and Science University.
- 35 (30) If requested by a public safety officer, as defined in ORS 181.610:
- 36 (a) The home address and home telephone number of the public safety officer contained in the
- 37 voter registration records for the public safety officer.
- 38 (b) The home address and home telephone number of the public safety officer contained in re-
- 39 cords of the Department of Public Safety Standards and Training.
- 40 (c) The name of the public safety officer contained in county real property assessment or taxa-
- 41 tion records. This exemption:
- 42 (A) Applies only to the name of the public safety officer and any other owner of the property
- 43 in connection with a specific property identified by the officer in a request for exemption from dis-
- 44 closure;
- 45 (B) Applies only to records that may be made immediately available to the public upon request

1 in person, by telephone or using the Internet;

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

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

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

7 (31) Unless the public records request is made by a financial institution, as defined in ORS
8 706.008, consumer finance company licensed under ORS chapter 725, mortgage banker or mortgage
9 broker licensed under ORS 86A.095 to 86A.198, 86A.990 and 86A.992 and ORS chapter 59, or title
10 company for business purposes, records described in paragraph (a) of this subsection, if the ex-
11 emption from disclosure of the records is sought by an individual described in paragraph (b) of this
12 subsection using the procedure described in paragraph (c) of this subsection:

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

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

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

19 (b) The individual claiming the exemption from disclosure must be a district attorney, a deputy
20 district attorney, the Attorney General or an assistant attorney general, the United States Attorney
21 for the District of Oregon or an assistant United States attorney for the District of Oregon, a city
22 attorney who engages in the prosecution of criminal matters or a deputy city attorney who engages
23 in the prosecution of criminal matters.

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

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

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

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

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

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

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

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

1 in ORS 181.662 or 181.878.

2 (35) A medical examiner’s report, autopsy report or laboratory test report ordered by a medical
3 examiner under ORS 146.117.

4 **SECTION 82.** 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 public university**, any political subdivision of the state or any
 11 instrumentality thereof, or an agency created by one or more such governmental organizations to
 12 provide governmental services. For purposes of this chapter, such agency created by one or more
 13 governmental organizations is a governmental instrumentality and a legal entity with power to enter
 14 into contracts, hold property and 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, **the University of Oregon** or the Oregon Health and Science University when such services
 6 are in excess of full-time employment subject to this chapter. A person employed under a contract
 7 for less than 12 months is subject to this subparagraph only for the months to which the contract
 8 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 83.** ORS 238.200 is amended to read:

17 238.200. (1)(a) An active member of the Public Employees Retirement System shall contribute to
 18 the Public Employees Retirement Fund and there shall be withheld from salary of the member six
 19 percent of that salary as an employee contribution.

20 (b) Notwithstanding paragraph (a) of this subsection, an employee who is an active member of
 21 the system on August 21, 1981, shall contribute to the fund and there shall be withheld from salary
 22 of the member, as long as the employee continues to be an active member of the system, four percent
 23 of that salary if the salary for a month is less than \$500, or five percent of that salary if the salary
 24 for a month is \$500 or more and less than \$1,000. Notwithstanding subsection (2) of this section, for
 25 the purpose of computing the percentage of salary to be withheld under this paragraph from a
 26 member who is an employee of a school district, **the University of Oregon** or [of] the State Board
 27 of Higher Education whose salary is based on an annual agreement, the agreed annual salary of the
 28 member shall be divided into 12 equal installments, and each installment shall be considered as
 29 earned and paid in separate, consecutive months, commencing with the first month that payment is
 30 actually made under the terms of the salary agreement.

31 (2) The contributions of each member as provided in subsection (1) of this section shall be de-
 32 ducted by the employer from each payroll and transmitted by the employer to the Public Employees
 33 Retirement Board, which shall cause them to be credited to the member account of the member.
 34 Salary shall be considered earned in the month in which it is paid. The date inscribed on the pay-
 35 check or warrant shall be considered as the pay date, regardless of when the salary is actually de-
 36 livered to the member.

37 (3) An active member who is concurrently employed by more than one participating public em-
 38 ployer, and who is a member of or entitled to membership in the system, shall make contributions
 39 to the fund on the basis of salary paid by each employer.

40 (4) Notwithstanding subsections (1) to (3) of this section, a member of the system, or a partic-
 41 ipating employer acting on behalf of the member pursuant to ORS 238.205, is not permitted or re-
 42 quired to make employee contributions to the fund for service performed on or after January 1, 2004.
 43 This subsection does not affect any contribution for the purpose of unit purchases under ORS
 44 238.440 or amounts paid for acquisition of creditable service under ORS 238.105 to 238.175.

45 **SECTION 84.** ORS 238.300 is amended to read:

1 238.300. Upon retiring from service at normal retirement age or thereafter, a member of the
 2 system shall receive a service retirement allowance which shall consist of the following annuity and
 3 pensions:

4 (1) A refund annuity which shall be the actuarial equivalent of accumulated contributions, if
 5 any, by the member and interest thereon credited at the time of retirement, which annuity shall
 6 provide an allowance payable during the life of the member and at death a lump sum equal in
 7 amount to the difference between accumulated contributions at the time of retirement and the sum
 8 of the annuity payments actually made to the member during life shall be paid to such person, if any,
 9 as the member nominates by written designation duly acknowledged and filed with the board or shall
 10 otherwise be paid according to the provisions of this chapter for disposal of an amount credited to
 11 the member account of a member at the time of death in the event the member designates no ben-
 12 eficiary to receive the amount or no such beneficiary is able to receive the amount. If death of the
 13 member occurs before the first payment is due, the member account of the member shall be treated
 14 as though death had occurred before retirement.

15 (2)(a) A life pension (nonrefund) for current service provided by the contributions of employers,
 16 which pension, subject to paragraph (b) of this subsection, shall be an amount which, when added
 17 to the sum of the annuity, if any, under subsection (1) of this section and the annuity, if any, pro-
 18 vided on the same basis and payable from the Variable Annuity Account, both annuities considered
 19 on a refund basis, results in a total of:

20 (A) For service as a police officer or firefighter, two percent of final average salary multiplied
 21 by the number of years of membership in the system as a police officer or firefighter before the ef-
 22 fective date of retirement.

23 (B) For service as other than a police officer or firefighter, including service as a member of the
 24 Legislative Assembly, 1.67 percent of final average salary multiplied by the number of years of
 25 membership in the system as other than a police officer or firefighter before the effective date of
 26 retirement.

27 (b) A pension under this subsection shall be at least:

28 (A) For a member who first establishes membership in the system before July 1, 2003, the
 29 actuarial equivalent of the annuity provided by the accumulated contributions of the member. A
 30 person establishes membership in the system before July 1, 2003, for the purposes of this subpara-
 31 graph if:

32 (i) The person is a member of the system, or a judge member of the system, on the day imme-
 33 diately before July 1, 2003; or

34 (ii) The person performed any period of service for a participating public employer before July
 35 1, 2003, that is credited to the six-month period of employment required of an employee under ORS
 36 238.015 before an employee may become a member of the system.

37 (B) For a member who made contributions before August 21, 1981, the equivalent of a pension
 38 computed pursuant to this subsection as it existed immediately before that date.

39 (c) As used in this subsection, "number of years of membership" means the number of full years
 40 of creditable service plus any remaining fraction of a year of creditable service. Except as other-
 41 wise provided in this paragraph, in determining a remaining fraction a full month shall be consid-
 42 ered as one-twelfth of a year and a major fraction of a month shall be considered as a full month.
 43 Membership of a school district employee, an employee of the State Board of Higher Education **or**
 44 **an employee of the University of Oregon** engaged in teaching or other school activity at an in-
 45 stitution of higher education, or an employee of the Department of Human Services, the Oregon

1 Youth Authority, the Department of Corrections or the State Board of Education engaged in
 2 teaching or other school activity at an institution supervised by the authority, board or department,
 3 for all portions of a school year in a calendar year in which the district school, institution of higher
 4 education or school activity at an institution so supervised in which the member is employed is
 5 normally in session shall be considered as a full one-half year of membership. The number of years
 6 of membership of a member who received a refund of contributions as provided in ORS 237.976 (2)
 7 is limited to the number of years after the day before the date on which the refund was received.
 8 The number of years of membership of a member who is separated, for any reason other than death
 9 or disability, from all service entitling the member to membership in the system, who withdraws the
 10 amount credited to the member account of the member in the fund during absence from such service
 11 and who thereafter reenters the service of an employer participating in the system but does not
 12 repay the amount so withdrawn as provided in this chapter, is limited to the number of years after
 13 the day before the date of so reentering.

14 (3) An additional life pension (nonrefund) for prior service credit, including military service,
 15 credited to the member at the time of first becoming a member of the system, as elsewhere provided
 16 in this chapter, which pension shall be provided by the contributions of the employer.

17 **SECTION 85.** ORS 238.350 is amended to read:

18 238.350. (1)(a) Upon the request by a public employer that its employees be compensated for
 19 accumulated unused sick leave with pay in the form of increased retirement benefits upon service
 20 or disability retirement, the board shall establish a procedure for adding to the gross amount of
 21 salary used in determining final average salary the monetary value of one-half of the accumulated
 22 unused sick leave with pay of each retiring employee of the requesting public employer and shall
 23 establish benefits of the retiring employee on the basis of a final average salary reflecting that ad-
 24 dition.

25 (b) For employees of a common school district, a union high school district, an education service
 26 district or a community college, or employees of the State Board of Higher Education **or the Uni-**
 27 **versity of Oregon** engaged in teaching or other school activity at an institution of higher educa-
 28 tion, or employees of the school operated under ORS 346.010 engaged in teaching or other school
 29 activity, who are employed under contract for a period of less than 12 consecutive months and who
 30 are entitled to sick leave with pay of less than 96 hours for a year, each hour of accumulated unused
 31 sick leave with pay shall be valued on the basis of the actual number of contract hours of employ-
 32 ment during the last year of contributing membership of an employee before retiring and the salary
 33 of the employee during the same period. This paragraph does not apply to any employee who is
 34 employed under contract for 12 consecutive months in any of the three or less years used in deter-
 35 mining the final average salary of the employee.

36 (c) For the purpose of this subsection, accumulated unused sick leave with pay includes unused
 37 sick leave with pay accumulated by an active member of the system while in the service of any
 38 public employer participating in the system that has the request described in paragraph (a) of this
 39 subsection in effect at the time of the member's separation from the service of the employer, whether
 40 that employer is or is not the employer of the member at the time of the member's retirement.

41 (d) The board shall establish rules requiring all public employers participating in the system to
 42 transmit to the board reports of unused sick leave with pay accumulated by their employees who
 43 are members of the system and to provide timely notification to each of those employees of unused
 44 sick leave with pay accumulated by the employee and reported to the board.

45 (2) Accumulated unused sick leave with pay may be considered for the purpose of subsection (1)

1 of this section only in accordance with the following requirements:

2 (a) Sick leave not credited at the rate actually provided by the public employer may not be
 3 considered. The amount of sick leave exceeding an amount credited at the lowest rate in effect for
 4 any employee of the public employer who is normally entitled to sick leave, and in any event ex-
 5 ceeding an amount credited at a rate of eight hours for each full month worked, may not be con-
 6 sidered.

7 (b) Sick leave credited for periods when an employee was absent from employment on sabbatical
 8 leave, educational leave or any leave without pay may not be considered.

9 (c) Any period during which an employee was absent from employment for illness or injury that
 10 was charged against sick leave not qualified for consideration shall be deducted from sick leave
 11 qualified for consideration.

12 (d) Sick leave for any period for which the public employer provides no sick leave with pay for
 13 its employees may not be considered.

14 (e) Sick leave accumulated on and after July 1, 1973, may be considered only to the extent it is
 15 supported by records of accumulation and use pursuant to a plan adopted formally by the public
 16 employer.

17 (f) Accumulated unused sick leave for periods before July 1, 1973, may be considered as follows:

18 (A) If any department, bureau or other organizational unit of a public employer maintained
 19 formal records of accumulation and use even though the public employer did not require that those
 20 records be maintained, the accumulated unused sick leave shall be considered according to those
 21 records.

22 (B) Where the public employer provided sick leave before July 1, 1973, but formal records of
 23 accumulation and use were not required or if required, are unavailable or incomplete, or the sick
 24 leave was subject to administrative limitations on total accumulation or transfer between public
 25 employers, accumulated unused sick leave for periods before July 1, 1973, may be considered as
 26 equal to 2.675 hours for each full month worked or an amount per month equal to the average
 27 monthly accumulation by an employee during the period beginning July 1, 1973, and ending at the
 28 time of retirement, whichever amount is greater, but reduced by the amount of any accumulated
 29 unused sick leave credited to the employee on July 1, 1973.

30 (g) The written certification of a member or former member of the Legislative Assembly shall
 31 constitute a formal record of accumulation and use in determining the amount of accumulated un-
 32 used sick leave of an employee of the Legislative Assembly, either of its houses or any of its com-
 33 mittees or officers for periods of employment before July 1, 1981. Sick leave accumulated on and
 34 after July 1, 1981, by employees of the Legislative Assembly, either of its houses or any of its com-
 35 mittees or officers may be considered only to the extent it is supported by records of accumulation
 36 and use maintained by the Legislative Administration Committee, or any statutory, standing, special
 37 or interim committee of the Legislative Assembly or either house thereof, or any constitutional or
 38 statutory office of the Legislative Assembly or either house thereof, pursuant to a plan adopted
 39 formally by the committee or officer.

40 (3)(a) As used in this subsection, "legislative employee" means any person employed by the
 41 Legislative Assembly, either of its houses or any of its committees or officers, but does not include
 42 a regular employee of a statutory committee or statutory office of the Legislative Assembly de-
 43 scribed in ORS 173.005 (1).

44 (b) Upon the request of a retiring legislative employee who is a member of the system, and the
 45 request of the public employer of the legislative employee, that the legislative employee be com-

1 pensated for accumulated unused vacation with pay for periods of legislative employment in the form
 2 of increased retirement benefits upon service or disability retirement, the board shall add to the
 3 gross amount of salary used in determining final average salary of the legislative employee the
 4 monetary value of one-half of the accumulated unused vacation with pay of the legislative employee
 5 and shall establish the benefits of the legislative employee on the basis of a final average salary
 6 reflecting that addition.

7 (c) Accumulated unused vacation with pay may be considered for the purposes of paragraph (b)
 8 of this subsection only in accordance with the following requirements:

9 (A) Vacation not credited at the rate actually provided by the public employer may not be
 10 considered.

11 (B) Amounts of vacation exceeding amounts creditable to employees in the classified service of
 12 the state service pursuant to ORS 240.515 (1), and rules adopted pursuant thereto, in effect on June
 13 30, 1981, shall not be considered.

14 (C) Vacation accumulated before, on and after July 1, 1981, may be considered only to the extent
 15 it is supported by records of accumulation and use pursuant to a plan adopted formally by the public
 16 employer. However, the written certification of a member or former member of the Legislative As-
 17 sembly shall constitute a formal record of accumulation and use in determining the amount of ac-
 18 cumulated unused vacation of a legislative employee for periods of legislative employment before
 19 July 1, 1981.

20 (4) Employers with plans providing payments on account of sickness in lieu of sick leave with
 21 pay may request the board to consider the monetary value of accumulated unused payments on ac-
 22 count of sickness as if such payments were an equivalent amount of accumulated unused sick leave
 23 with pay under the same terms and conditions specified in subsections (1) and (2) of this section.

24 **SECTION 86.** ORS 238A.005, as amended by section 9, chapter 1, Oregon Laws 2010, and section
 25 1, chapter 82, Oregon Laws 2010, is amended to read:

26 238A.005. For the purposes of this chapter:

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

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

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

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

35 (a) Persons engaged as independent contractors;

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

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

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

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

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

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

45 (h) Employees of the Oregon University System **or the University of Oregon** who are actively

1 participating in an optional retirement plan offered under ORS 243.800;

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

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

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

8 (L) Judges.

9 (5) "Firefighter" means:

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

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

14 (c) 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 (6) "Fund" means the Public Employees Retirement Fund.

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

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

21 (B) An hour of vacation, holiday, illness, incapacity, jury duty, military duty or authorized leave
22 during which an employee does not perform duties but for which the employee is directly or indi-
23 rectly paid or entitled to payment by a participating public employer for services in a qualifying
24 position, as long as the hour is within the number of hours regularly scheduled for the performance
25 of duties during the period of vacation, holiday, illness, incapacity, jury duty, military duty or au-
26 thorized leave.

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

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

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

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

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

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

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

43 (14) "Qualifying position" means one or more jobs with one or more participating public em-
44 ployers in which an eligible employee performs 600 or more hours of service in a calendar year,
45 excluding any service in a job for which benefits are not provided under the Oregon Public Service

1 Retirement Plan pursuant to ORS 238A.070 (2).

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

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

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

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

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

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

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

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

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

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

27 (H) Wages of a deceased member paid to a surviving spouse or dependent children under ORS
 28 652.190.

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

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

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

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

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

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

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

40 (G) Payments for instructional services rendered to institutions of the Oregon University
 41 System, **the University of Oregon** or the Oregon Health and Science University when those ser-
 42 vices are in excess of full-time employment subject to this chapter. A person employed under a
 43 contract for less than 12 months is subject to this subparagraph only for the months covered by the
 44 contract.

45 (H) The amount of an employee contribution to the individual account program that is paid by

1 the employer and is not deducted from the compensation of the employee, as provided under ORS
 2 238A.335 (1) and (2)(b).

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

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

9 **SECTION 87.** ORS 238A.140 is amended to read:

10 238A.140. (1) An active member of the pension program accrues one year of retirement credit
 11 for each complete year of service and one-twelfth of a year of retirement credit for each full month
 12 and each major fraction of a month of service.

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

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

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

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

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

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

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

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

32 **SECTION 88.** ORS 243.107 is amended to read:

33 243.107. A person employed by a state institution of higher education, **the University of**
 34 **Oregon** or the Oregon Health and Science University may be considered an eligible employee for
 35 participation in one of the group benefit plans described in ORS 243.135 if the State Board of Higher
 36 Education, **the University of Oregon Board of Directors for employees of the University of**
 37 **Oregon** or the Oregon Health and Science University Board of Directors for **employees of the**
 38 Oregon Health and Science University [*employees*], determines that funds are available therefor and
 39 if:

40 (1) Notwithstanding ORS 243.105 (4)(b)(F), the person is a student enrolled in an institution of
 41 higher education and is employed as a graduate teaching assistant, graduate research assistant or
 42 a fellow at the institution and elects to participate; or

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

45 **SECTION 89.** ORS 243.778 is amended to read:

1 243.778. (1) When an appropriate bargaining unit includes members of the faculty of an institu-
 2 tion of higher education, the duly organized and recognized entity of student government at that
 3 institution may designate three representatives to meet and confer with the public employer of those
 4 members of the faculty and the exclusive representative of that appropriate bargaining unit prior
 5 to collective bargaining.

6 (2) During the course of collective bargaining between the public employer and the exclusive
 7 representative described in subsection (1) of this section, the representatives of student government
 8 designated under subsection (1) of this section shall:

9 (a) Be allowed to attend and observe all meetings between the public employer and the exclusive
 10 representative at which collective bargaining occurs;

11 (b) Have access to all written documents pertaining to the collective bargaining negotiations
 12 exchanged by the public employer and the exclusive representative, including copies of any prepared
 13 written transcripts of the bargaining session;

14 (c) Be allowed to comment in good faith during the bargaining sessions upon matters under
 15 consideration; and

16 (d) Be allowed to meet and confer with the exclusive representative and the public employer
 17 regarding the terms of an agreement between them prior to the execution of a written contract in-
 18 corporating that agreement.

19 (3) Rules regarding confidentiality and release of information shall apply to student represen-
 20 tatives in the same manner as employer and employee bargaining unit representatives.

21 (4) As used in this section:

22 (a) "Institution of higher education" means **the University of Oregon** or an institution under
 23 the control of the State Board of Higher Education.

24 (b) "Meet and confer" means the performance of the mutual obligation of the representatives
 25 of student government designated under subsection (1) of this section, the exclusive representative
 26 and the public employer, or any two of them, to meet at the request of one of them at reasonable
 27 times at a place convenient to all to conduct in good faith an interchange of views concerning the
 28 duties of each under this section, employment relations of the faculty, the negotiation of an agree-
 29 ment and the execution of a written agreement.

30 **SECTION 90.** ORS 243.820 is amended to read:

31 243.820. (1) In order to obtain the advantages of 26 U.S.C. 403(b), or any equivalent provision
 32 of federal law, an employer may agree with an employee who performs services for an educational
 33 institution that:

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

36 (b) On behalf of the employee, the employer shall contribute monthly an amount equal to the
 37 stated amount determined under paragraph (a) of this subsection as premiums for an annuity con-
 38 tract or to a custodial account for investment in the stock of regulated investment companies as
 39 defined in 26 U.S.C. 403(b)(7)(C). The amount contributed by the employer under this subsection
 40 may not exceed the stated amount.

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

45 (3) An employer may make nonelective employer contributions on behalf of an employee who

1 performs services for an educational institution as premiums for an annuity contract, or to a cus-
 2 todial account for investment in the stock of regulated investment companies as defined in 26 U.S.C.
 3 403(b)(7)(C), for the purpose of obtaining the advantages of 26 U.S.C. 403(b) or any equivalent pro-
 4 vision of federal law. Employer contributions under this subsection are in addition to any employee
 5 contributions under subsection (1) of this section.

6 (4) As used in this section:

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

10 (b) "Employer" means the State Board of Higher Education, any other state agency, a commu-
 11 nity college district, a school district, the Oregon Health and Science University, **the University**
 12 **of Oregon** or an education service district employing an individual who performs services for an
 13 educational institution.

14 **SECTION 91.** ORS 243.850 is amended to read:

15 243.850. (1) An eligible football coach and the State Board of Higher Education **or the Uni-**
 16 **versity of Oregon Board of Directors** may enter into an agreement to provide that:

17 (a) The coach's salary will be reduced monthly by a stated amount that is not less than \$25 a
 18 month, or the coach will forgo monthly a salary increase of a stated amount that is not less than
 19 \$25 a month; and

20 (b) The State Board of Higher Education **or the University of Oregon Board of Directors**
 21 will contribute monthly an amount equal to the stated amount determined under paragraph (a) of
 22 this subsection for the month to a designated qualified football coaches plan. The amount contrib-
 23 uted by the employer shall not exceed the stated amount.

24 (2) The amount by which an eligible football coach's salary or wages is reduced by reason of the
 25 salary reduction or forgoing of a salary increase authorized by subsection (1) of this section shall
 26 continue to be included as regular compensation for the purpose of computing the retirement, pen-
 27 sion and Social Security benefits earned by the coach, but that amount shall not be considered
 28 current taxable income for the purpose of computing federal and state income taxes withheld on
 29 behalf of that coach.

30 (3) For the purposes of this section:

31 (a) "Eligible football coach" means a staff member of the Oregon University System **or the**
 32 **University of Oregon** who primarily coaches football as a full-time employee of a four-year uni-
 33 versity described in 26 U.S.C. 170(b)(1)(A)(ii).

34 (b) "Qualified football coaches plan" has the meaning given that term in 29 U.S.C. 1002(37).

35 **SECTION 92.** ORS 243.910 is amended to read:

36 243.910. As used in ORS 243.910 to 243.945:

37 (1) "Board" means the State Board of Higher Education for all institutions under the jurisdiction
 38 of that board as set forth in ORS 352.002, **the University of Oregon Board of Directors for the**
 39 **University of Oregon** and [*for the Oregon Health and Science University means*] the Oregon Health
 40 and Science University Board of Directors **for the Oregon Health and Science University**.

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

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

44 **SECTION 93.** ORS 243.945 is amended to read:

45 243.945. Notwithstanding ORS 243.910 to 243.945, any person who is hired on or after September

1 9, 1995, is not eligible to be assisted by the Oregon University System **or the University of Oregon**
 2 under the provisions of ORS 243.910 to 243.945.

3 **SECTION 94.** ORS 244.050 is amended to read:

4 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon
 5 Government Ethics Commission a verified statement of economic interest as required under this
 6 chapter:

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

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

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

13 (d) The Deputy Attorney General.

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

16 (f) The Chancellor and Vice Chancellors of the Oregon University System and the president and
 17 vice presidents, or their administrative equivalents, in each institution under the jurisdiction of the
 18 State Board of Higher Education.

19 (g) The following state officers:

20 (A) Adjutant General.

21 (B) Director of Agriculture.

22 (C) Manager of State Accident Insurance Fund Corporation.

23 (D) Water Resources Director.

24 (E) Director of Department of Environmental Quality.

25 (F) Director of Oregon Department of Administrative Services.

26 (G) State Fish and Wildlife Director.

27 (H) State Forester.

28 (I) State Geologist.

29 (J) Director of Human Services.

30 (K) Director of the Department of Consumer and Business Services.

31 (L) Director of the Department of State Lands.

32 (M) State Librarian.

33 (N) Administrator of Oregon Liquor Control Commission.

34 (O) Superintendent of State Police.

35 (P) Director of the Public Employees Retirement System.

36 (Q) Director of Department of Revenue.

37 (R) Director of Transportation.

38 (S) Public Utility Commissioner.

39 (T) Director of Veterans' Affairs.

40 (U) Executive director of Oregon Government Ethics Commission.

41 (V) Director of the State Department of Energy.

42 (W) Director and each assistant director of the Oregon State Lottery.

43 (X) Director of the Department of Corrections.

44 (Y) Director of the Oregon Department of Aviation.

45 (Z) Executive director of the Oregon Criminal Justice Commission.

- 1 (AA) Director of the Oregon Business Development Department.
- 2 (BB) Director of the Office of Emergency Management.
- 3 (CC) Director of the Employment Department.
- 4 (DD) Chief of staff for the Governor.
- 5 (EE) Administrator of the Office for Oregon Health Policy and Research.
- 6 (FF) Director of the Housing and Community Services Department.
- 7 (GG) State Court Administrator.
- 8 (HH) Director of the Department of Land Conservation and Development.
- 9 (II) Board chairperson of the Land Use Board of Appeals.
- 10 (JJ) State Marine Director.
- 11 (KK) Executive director of the Oregon Racing Commission.
- 12 (LL) State Parks and Recreation Director.
- 13 (MM) Public defense services executive director.
- 14 (NN) Chairperson of the Public Employees' Benefit Board.
- 15 (OO) Director of the Department of Public Safety Standards and Training.
- 16 (PP) Chairperson of the Oregon Student Assistance Commission.
- 17 (QQ) Executive director of the Oregon Watershed Enhancement Board.
- 18 (RR) Director of the Oregon Youth Authority.
- 19 (SS) Director of the Oregon Health Authority.
- 20 (h) Any assistant in the Governor's office other than personal secretaries and clerical personnel.
- 21 (i) Every elected city or county official.
- 22 (j) Every member of a city or county planning, zoning or development commission.
- 23 (k) The chief executive officer of a city or county who performs the duties of manager or prin-
- 24 cipal administrator of the city or county.
- 25 (L) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
- 26 (m) Every member of a governing body of a metropolitan service district and the executive of-
- 27 ficer thereof.
- 28 (n) Each member of the board of directors of the State Accident Insurance Fund Corporation.
- 29 (o) The chief administrative officer and the financial officer of each common and union high
- 30 school district, education service district and community college district.
- 31 (p) Every member of the following state boards and commissions:
- 32 (A) Board of Geologic and Mineral Industries.
- 33 (B) Oregon Business Development Commission.
- 34 (C) State Board of Education.
- 35 (D) Environmental Quality Commission.
- 36 (E) Fish and Wildlife Commission of the State of Oregon.
- 37 (F) State Board of Forestry.
- 38 (G) Oregon Government Ethics Commission.
- 39 (H) Oregon Health Policy Board.
- 40 (I) State Board of Higher Education.
- 41 (J) Oregon Investment Council.
- 42 (K) Land Conservation and Development Commission.
- 43 (L) Oregon Liquor Control Commission.
- 44 (M) Oregon Short Term Fund Board.
- 45 (N) State Marine Board.

- 1 (O) Mass transit district boards.
- 2 (P) Energy Facility Siting Council.
- 3 (Q) Board of Commissioners of the Port of Portland.
- 4 (R) Employment Relations Board.
- 5 (S) Public Employees Retirement Board.
- 6 (T) Oregon Racing Commission.
- 7 (U) Oregon Transportation Commission.
- 8 (V) Wage and Hour Commission.
- 9 (W) Water Resources Commission.
- 10 (X) Workers' Compensation Board.
- 11 (Y) Oregon Facilities Authority.
- 12 (Z) Oregon State Lottery Commission.
- 13 (AA) Pacific Northwest Electric Power and Conservation Planning Council.
- 14 (BB) Columbia River Gorge Commission.
- 15 (CC) Oregon Health and Science University Board of Directors.
- 16 (DD) Capitol Planning Commission.
- 17 **(EE) University of Oregon Board of Directors.**
- 18 (q) The following officers of the State Treasurer:
- 19 (A) Chief Deputy State Treasurer.
- 20 (B) Chief of staff for the office of the State Treasurer.
- 21 (C) Director of the Investment Division.
- 22 (r) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725
- 23 or 777.915 to 777.953.
- 24 (s) Every member of the board of directors of an authority created under ORS 441.525 to 441.595.
- 25 (2) By April 15 next after the date an appointment takes effect, every appointed public official
- 26 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-
- 27 ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070
- 28 and 244.090.
- 29 (3) By April 15 next after the filing deadline for the primary election, each candidate described
- 30 in subsection (1) of this section shall file with the commission a statement of economic interest as
- 31 required under ORS 244.060, 244.070 and 244.090.
- 32 (4) Within 30 days after the filing deadline for the general election, each candidate described in
- 33 subsection (1) of this section who was not a candidate in the preceding primary election, or who
- 34 was nominated for public office described in subsection (1) of this section at the preceding primary
- 35 election by write-in votes, shall file with the commission a statement of economic interest as re-
- 36 quired under ORS 244.060, 244.070 and 244.090.
- 37 (5) Subsections (1) to (4) of this section apply only to persons who are incumbent, elected or
- 38 appointed public officials as of April 15 and to persons who are candidates on April 15. Subsections
- 39 (1) to (4) of this section also apply to persons who do not become candidates until 30 days after the
- 40 filing deadline for the statewide general election.
- 41 (6) If a statement required to be filed under this section has not been received by the commis-
- 42 sion within five days after the date the statement is due, the commission shall notify the public of-
- 43 ficial or candidate and give the public official or candidate not less than 15 days to comply with the
- 44 requirements of this section. If the public official or candidate fails to comply by the date set by the
- 45 commission, the commission may impose a civil penalty as provided in ORS 244.350.

SECTION 95. ORS 270.100 is amended to read:

270.100. (1)(a) Before offering for sale any real property or equitable interest therein owned by the state, the state agency acting for the state in such transaction shall report its intent of sale or transfer to the Oregon Department of Administrative Services. The department, or the agency specifically designated by the department, shall notify other state agencies authorized to own real property of the intended sale or transfer to determine whether acquisition of the real property or interest therein would be advantageous to another state agency.

(b) The department shall give political subdivisions, as defined in ORS 271.005, the first opportunity after other state agencies to acquire, purchase, exchange or lease real property to be sold or disposed of by the State of Oregon. The state agency responsible for selling or transferring the property may require at the time of the sale or transfer that any state real property sold or transferred to a political subdivision, as defined in ORS 271.005, shall be for use for a public purpose or benefit, and not be for resale to a private purchaser.

(c) If property is not disposed of under paragraph (a) or (b) of this subsection, in accordance with rules adopted by the department, the state agency desiring to sell or transfer the property shall cause it to be appraised by one or more competent and experienced appraisers. Except as provided in ORS 273.825, if such property has an appraised value exceeding \$5,000 it shall not be sold to any private person except after notice calling for such proposals as set forth in ORS 270.130.

(d) The department shall adopt rules to carry out the provisions of this section.

(2) Before acquisition of any real property or interest therein by any state agency, except for highway right of way acquired by the Department of Transportation and park properties acquired by the State Parks and Recreation Department and property within the approved projected campus boundaries for institutions of the Oregon University System **or the University of Oregon**, the state agency shall report its intent of acquisition to the Oregon Department of Administrative Services. The department shall notify other state agencies owning land of the intended acquisition to determine whether another state agency desires to sell or transfer property which would meet the needs of the purchasing agency. In accordance with rules adopted by the Oregon Department of Administrative Services, if no other state agency desires to sell or transfer property which would meet the needs of the agency, the agency may acquire the real property or interest therein, consistent with applicable provisions of law.

(3) Before any terminal disposition of real property or an interest in real property, the state agency acting for the state in the transaction must secure approval of the transaction from the Oregon Department of Administrative Services.

(4) Subsection (3) of this section does not apply to terminal disposition of the following real property:

- (a) Property controlled by the State Department of Fish and Wildlife;
- (b) State forestlands controlled by the State Forestry Department;
- (c) Property controlled by the Department of Transportation;
- (d) Property controlled by the Department of State Lands;
- (e) Property controlled by the Oregon University System;
- (f) Property controlled by the legislative or judicial branches of state government; and
- (g) Property controlled by the State Parks and Recreation Department.

(5) Notwithstanding the provisions of subsection (4) of this section, prior approval by the Oregon Department of Administrative Services is required for the terminal disposition of public land for less than the fair market value of that land.

1 (6) The provisions of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190, 273.416, 273.426 to
 2 273.436, 273.551 and 308A.709 (1) to (4) do not apply to a home or farm acquired, sold, or both, by
 3 the Department of Veterans' Affairs under ORS 88.720, 273.388, 406.050, 407.135, 407.145, 407.375 and
 4 407.377.

5 **SECTION 96.** ORS 273.785 is amended to read:

6 273.785. ORS 273.551 and 273.775 to 273.790 do not apply to:

7 (1) Soil, clay, stone, sand and gravel acquired or used by state agencies for the purpose of con-
 8 structing or repairing roads or other state facilities, or the proceeds from those materials.

9 (2) Mineral or geothermal resource rights or proceeds from those rights acquired by the State
 10 Fish and Wildlife Commission pursuant to an agreement with the federal government under 16 U.S.C.
 11 669 to 669i (P.L. 75-415).

12 (3) Mineral or geothermal resource rights or proceeds from those rights if other disposition is
 13 required by federal rules or regulations or any agreement entered into at the time of acquisition of
 14 the mineral or geothermal resource rights by the state.

15 (4) Proceeds of mineral and geothermal resource rights acquired by the state pursuant to ORS
 16 530.010 and 530.030, other than those distributed under ORS 530.110 (1)(c).

17 (5) Mineral or geothermal resource rights or proceeds from those rights acquired after January
 18 1, 1974, for the state by the Department of Veterans' Affairs pursuant to ORS 88.720, 406.050 (2),
 19 407.135 or 407.145. After consultation, the Department of State Lands and the Department of
 20 Veterans' Affairs shall enter into an interagency agreement governing consultation between them
 21 concerning mineral and geothermal resource values on properties acquired for the state by the De-
 22 partment of Veterans' Affairs. The Department of Veterans' Affairs shall adopt rules relating to the
 23 release of mineral and geothermal rights on such properties.

24 (6) Mineral or geothermal resource rights or proceeds from those rights given by a donor to any
 25 institution, department or activity under the control of the State Board of Higher Education **or the**
 26 **University of Oregon** that are acquired or held for the state by the State Board of Higher Educa-
 27 tion pursuant to ORS chapters 351 and 567 **or the University of Oregon Board of Directors**
 28 **pursuant to sections 1 to 52 of this 2011 Act and ORS chapter 567.** In managing mineral or
 29 geothermal resource leases, the State Board of Higher Education **or the University of Oregon**
 30 **Board of Directors** shall consult with the Department of State Lands in accordance with an
 31 interagency agreement established by the department and the State Board of Higher Education **or**
 32 **the University of Oregon Board of Directors** governing consultation between the department and
 33 the State Board of Higher Education **or the University of Oregon Board of Directors** and gov-
 34 erning management of the mineral or geothermal resources.

35 (7) Mineral or geothermal resource rights or proceeds from those rights acquired and held by
 36 the Department of Transportation. In managing mineral or geothermal resource leases, the Depart-
 37 ment of Transportation shall enter into an intergovernmental agreement with the Department of
 38 State Lands governing consultation between the departments and governing management of the
 39 mineral or geothermal resources.

40 **SECTION 97.** ORS 276.227 is amended to read:

41 276.227. (1) The State of Oregon recognizes that providing and operating state government fa-
 42 cilities is a significant capital investment in public infrastructure. Accordingly, it is the policy of the
 43 State of Oregon to plan, finance, acquire, construct, manage and maintain state government facilities
 44 in a manner that maximizes and protects this investment.

45 (2) The Oregon Department of Administrative Services shall establish a statewide planning

1 process that evaluates the needs of the state's facilities, provides comparative information on the
2 condition of the state's facilities, establishes guidelines and standards for acquiring, managing and
3 maintaining state facilities and provides financing and budgeting strategies to allocate resources to
4 facilities' needs.

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

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

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

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

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

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

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

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

26 (E) Appropriate technology;

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

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

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

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

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

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

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

45 (7) The provisions of this section shall not apply to institutions of higher education as described

1 in ORS 352.002, **the University of Oregon**, the Oregon Health and Science University or a com-
 2 munity college as defined in ORS 341.005.

3 **SECTION 98.** ORS 276.229 is amended to read:

4 276.229. (1) State agencies shall develop four-year major construction budgets. Projects included
 5 in these budgets may be accelerated or deferred upon approval of the Emergency Board.

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

10 (3) The provisions of this section shall not apply to an institution of higher education as de-
 11 scribed in ORS 352.002, **the University of Oregon**, the Oregon Health and Science University[,] or
 12 a community college as defined in ORS 341.005.

13 **SECTION 99.** ORS 276.610 is amended to read:

14 276.610. There is established a fund in the State Treasury to be known as the State Building
 15 Fund which shall be used for the construction, alteration and repair of buildings required for use
 16 of institutions and activities under the jurisdiction of the Department of Corrections, the Depart-
 17 ment of Human Services, the Oregon Health Authority or the State Board of Education, **the Uni-**
 18 **versity of Oregon** and the State Board of Higher Education and for the furnishing and equipping
 19 of buildings so constructed, altered or repaired.

20 **SECTION 100.** ORS 276.612 is amended to read:

21 276.612. The Department of Corrections, the Department of Human Services, the Oregon Health
 22 Authority, **the University of Oregon** and the State Board of Education each shall determine the
 23 buildings to be constructed, altered, repaired, furnished and equipped for the use of institutions and
 24 activities under their respective jurisdictions. The State Board of Higher Education shall determine
 25 the buildings to be constructed, altered, repaired, furnished and equipped for the use of institutions
 26 or activities under its jurisdiction.

27 **SECTION 101.** ORS 279A.025 is amended to read:

28 279A.025. (1) Except as provided in subsections (2) to (4) of this section, the Public Contracting
 29 Code applies to all public contracting.

30 (2) The Public Contracting Code does not apply to:

31 (a) Contracts between a contracting agency and:

32 (A) Another contracting agency;

33 (B) The Oregon Health and Science University;

34 (C) **The University of Oregon;**

35 [(C)] (D) The Oregon State Bar;

36 [(D)] (E) A governmental body of another state;

37 [(E)] (F) The federal government;

38 [(F)] (G) An American Indian tribe or an agency of an American Indian tribe;

39 [(G)] (H) A nation, or a governmental body in a nation, other than the United States; or

40 [(H)] (I) An intergovernmental entity formed between or among:

41 (i) Governmental bodies of this or another state;

42 (ii) The federal government;

43 (iii) An American Indian tribe or an agency of an American Indian tribe;

44 (iv) A nation other than the United States; or

45 (v) A governmental body in a nation other than the United States;

1 (b) Agreements authorized by ORS chapter 190 or by a statute, charter provision, ordinance or
2 other authority for establishing agreements between or among governmental bodies or agencies or
3 tribal governing bodies or agencies;

4 (c) Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and
5 414.145 for purposes of source selection;

6 (d) Grants;

7 (e) Contracts for professional or expert witnesses or consultants to provide services or testimony
8 relating to existing or potential litigation or legal matters in which a public body is or may become
9 interested;

10 (f) Acquisitions or disposals of real property or interest in real property;

11 (g) Sole-source expenditures when rates are set by law or ordinance for purposes of source se-
12 lection;

13 (h) Contracts for the procurement or distribution of textbooks;

14 (i) Procurements by a contracting agency from an Oregon Corrections Enterprises program;

15 (j) The procurement, transportation or distribution of distilled liquor, as defined in ORS 471.001,
16 or the appointment of agents under ORS 471.750 by the Oregon Liquor Control Commission;

17 (k) Contracts entered into under ORS chapter 180 between the Attorney General and private
18 counsel or special legal assistants;

19 (L) Contracts for the sale of timber from lands owned or managed by the State Board of Forestry
20 and the State Forestry Department;

21 (m) Contracts for forest protection or forest related activities, as described in ORS 477.406, by
22 the State Forester or the State Board of Forestry;

23 (n) Sponsorship agreements entered into by the State Parks and Recreation Director in accord-
24 ance with ORS 565.080 (4);

25 (o) Contracts entered into by the Housing and Community Services Department in exercising the
26 department's duties prescribed in ORS chapters 456 and 458, except that the department's public
27 contracting for goods and services is subject to ORS chapter 279B;

28 (p) Contracts entered into by the State Treasurer in exercising the powers of that office pre-
29 scribed in ORS chapters 178, 286A, 287A, 289, 293, 294 and 295, including but not limited to invest-
30 ment contracts and agreements, banking services, clearing house services and collateralization
31 agreements, bond documents, certificates of participation and other debt repayment agreements, and
32 any associated contracts, agreements and documents, regardless of whether the obligations that the
33 contracts, agreements or documents establish are general, special or limited, except that the State
34 Treasurer's public contracting for goods and services is subject to ORS chapter 279B;

35 (q) Contracts, agreements or other documents entered into, issued or established in connection
36 with:

37 (A) The issuance of obligations, as defined in ORS 286A.100 and 287A.310, of a public body;

38 (B) The making of program loans and similar extensions or advances of funds, aid or assistance
39 by a public body to a public or private body for the purpose of carrying out, promoting or sustaining
40 activities or programs authorized by law; or

41 (C) The investment of funds by a public body as authorized by law, and other financial trans-
42 actions of a public body that by their character cannot practically be established under the com-
43 petitive contractor selection procedures of ORS 279B.050 to 279B.085;

44 (r) Contracts for employee benefit plans as provided in ORS 243.105 (1), 243.125 (4), 243.221,
45 243.275, 243.291, 243.303 and 243.565;

- 1 (s) Contracts for employee benefit plans as provided in ORS 243.860 to 243.886; or
- 2 (t) Any other public contracting of a public body specifically exempted from the code by another
- 3 provision of law.
- 4 (3) The Public Contracting Code does not apply to the contracting activities of:
- 5 (a) The Oregon State Lottery Commission;
- 6 (b) The Oregon University System and member institutions, except as provided in ORS 351.086;
- 7 **(c) The University of Oregon, except as provided in section 9 of this 2011 Act.**
- 8 [(c)] (d) The legislative department;
- 9 [(d)] (e) The judicial department;
- 10 [(e)] (f) Semi-independent state agencies listed in ORS 182.454, except as provided in ORS 279.835
- 11 to 279.855 and 279A.250 to 279A.290;
- 12 [(f)] (g) Oregon Corrections Enterprises;
- 13 [(g)] (h) The Oregon Film and Video Office, except as provided in ORS 279A.100 and 279A.250
- 14 to 279A.290;
- 15 [(h)] (i) The Travel Information Council, except as provided in ORS 279A.250 to 279A.290;
- 16 [(i)] (j) The Oregon 529 College Savings Network and the Oregon 529 College Savings Board;
- 17 [(j)] (k) The Oregon Innovation Council;
- 18 [(k)] (L) The Oregon Utility Notification Center; or
- 19 [(L)] (m) Any other public body specifically exempted from the code by another provision of law.
- 20 (4) ORS 279A.200 to 279A.225 and 279B.050 to 279B.085 do not apply to contracts made with
- 21 qualified nonprofit agencies providing employment opportunities for individuals with disabilities un-
- 22 der ORS 279.835 to 279.855.

23 **SECTION 102.** ORS 282.076 is amended to read:

24 282.076. (1) An athletic department of **the University of Oregon** or any university under the

25 jurisdiction of the State Board of Higher Education shall not be required to use state printing ser-

26 vices controlled by the Director of the Oregon Department of Administrative Services or the

27 designee of the director as required by ORS 282.020 (1).

28 (2) A state agency that gives to the director prior written notice of its intent to use other

29 printing services shall not be required to use state printing services controlled by the director or

30 the director's designee as required by ORS 282.020 (1), if the agency can demonstrate that these

31 other printing services provide better value in the form of lower prices or better responsiveness

32 than those services already provided by the Oregon Department of Administrative Services.

33 **SECTION 103.** ORS 283.143 is amended to read:

34 283.143. (1) To encourage utilization of statewide integrated videoconferencing and statewide

35 online access services, the Oregon Department of Administrative Services shall, in addition to any

36 other charge or assessment for providing telecommunications services to state agencies, impose

37 upon each agency and public corporation a surcharge, in an amount established by the department.

38 All surcharge moneys collected shall be deposited in the Oregon Department of Administrative

39 Services Operating Fund, and may be expended only for state agency and public corporation tele-

40 communication and videoconferencing activities, under such terms and conditions as the department

41 may prescribe.

42 (2) Notwithstanding subsection (1) of this section, the Oregon Department of Administrative

43 Services shall not impose the surcharge established by this section on the Oregon University

44 System, **the University of Oregon** or the Oregon Health and Science University. The Oregon De-

45 partment of Administrative Services shall enter into an agreement with the Oregon University Sys-

1 tem, **the University of Oregon** and the Oregon Health and Science University on the amounts to
 2 be paid by the Oregon University System, **the University of Oregon** and the Oregon Health and
 3 Science University to the Oregon Department of Administrative Services in lieu of the surcharge
 4 provided for in this section.

5 **SECTION 104.** ORS 284.633 is amended to read:

6 284.633. (1) The Oregon Progress Board may enter into an agreement with:

7 (a) Any state agency for the provision of clerical, technical and management personnel to the
 8 board to serve as the board's staff and for the provision of other administrative, operational or
 9 overhead expenses necessary to accomplish the public purposes of the board.

10 (b) A nongovernmental entity for the provision of administrative, operational or overhead ex-
 11 penses necessary to accomplish the public purposes of the board.

12 (2) As used in this section:

13 (a) "Public institution of higher education" means a community college, **the University of**
 14 **Oregon** or a state institution of higher education listed in ORS 352.002.

15 (b) "State agency" means any officer, board, commission, department, division or institution in
 16 the executive or administrative branch of state government or a public institution of higher educa-
 17 tion.

18 **SECTION 105.** ORS 284.701 is amended to read:

19 284.701. As used in ORS 284.701 to 284.740:

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

22 (a) Fewer than 100 employees; and

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

24 (2) "Research institution" means:

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

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

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

28 **(d) The University of Oregon established under section 2 of this 2011 Act;**

29 [(d)] **(e)** An Oregon-based, generally accredited, not-for-profit private institution of higher edu-
 30 cation;

31 [(e)] **(f)** A federal research laboratory conducting research in Oregon; or

32 [(f)] **(g)** A private not-for-profit research institution located in Oregon.

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

34 **SECTION 106.** ORS 284.735 is amended to read:

35 284.735. (1) The Oregon Innovation Council may make grants and loans from the Oregon
 36 Commercialized Research Fund to Oregon emerging businesses.

37 (2) To qualify for a grant or loan under this section, an Oregon emerging business must enter
 38 into an agreement with one or more research institutions to carry out proof of concept activities
 39 to:

40 (a) Establish the commercial potential of research; and

41 (b) Develop a business concept that can attract early stage private investment, including angel
 42 capital and venture capital.

43 (3) Proof of concept activities for which an Oregon emerging business may receive a grant or
 44 loan under this section include:

45 (a) The development of intellectual property;

- 1 (b) The payment of salaries and related expenses for commercialized research;
- 2 (c) The acquisition of equipment and supplies required for the proof of concept activities; and
- 3 (d) Other activities as defined by rule of the council.

4 (4) To receive a grant or loan, the Oregon emerging business or a research institution that has
 5 entered into an agreement with the business must agree to provide a cash match equivalent to:

- 6 (a) 30 percent of the amount of the grant or loan for businesses with fewer than 20 employees.
- 7 (b) 50 percent of the amount of the grant or loan for businesses with 20 or more but fewer than
 8 50 employees.
- 9 (c) 75 percent of the amount of the grant or loan for businesses with 50 or more but fewer than
 10 100 employees.

11 (5)(a) The council shall award grant or loan moneys to an Oregon emerging business in a two-
 12 phase contract. Each phase of the contract shall have clearly defined performance measures in-
 13 cluded in the contract between the business and the council.

14 (b) Under phase I of the contract, a business may be granted or loaned an initial investment not
 15 to exceed \$75,000. Phase I shall also include an agreement that upon successful completion of the
 16 performance measures for phase I, the business shall be eligible for funding under phase II. The
 17 amount of grant or loan moneys available to a business under both phases may not exceed \$200,000.

18 (6) The council shall require any Oregon emerging business that receives a grant or loan under
 19 this section and that moves more than 50 percent of the employees of the business out of the state
 20 within two years after receiving grant or loan moneys to repay the total amount of the grant or loan
 21 moneys.

22 (7) The council shall require an Oregon emerging business that receives a loan under this sec-
 23 tion to repay the loan within five years after receiving the loan. The council shall deposit any loan
 24 moneys received under this subsection in the Oregon Commercialized Research Fund.

25 (8) The council may award up to 15 percent of the amount of moneys available in the fund for
 26 grants or loans:

27 (a) To the Oregon University System **and the University of Oregon** for education of faculty
 28 on issues related to developing effective technology transfer and commercialized research processes;
 29 and

30 (b) For other activities as defined by rule of the council.

31 (9) The council may adopt rules to administer this section. The council shall follow the advice
 32 of the Oregon Commercialized Research Fund Advisory Council when adopting rules to administer
 33 this section.

34 **SECTION 107.** ORS 285B.168 is amended to read:

35 285B.168. (1) The Oregon Business Development Department may make grants available to a
 36 community college district, a community college service district, **with the concurrence of the**
 37 **Commissioner for Community College Services, the University of Oregon** or, with the concur-
 38 rence of the commissioner [*for Community College Services*] and the Chancellor of the Oregon Uni-
 39 versity System, a state university to assist in the formation, improvement and operation of small
 40 business development centers. If a community college district, a community college service district,
 41 **the University of Oregon** or a state university is unable to adequately provide services in a spe-
 42 cific geographic area, the department may make grants available to other service providers as de-
 43 termined by the department. The grant application shall include:

44 (a) Plans for providing small business owners and managers individual counseling, to the great-
 45 est extent practicable, in subject areas critical to small business success;

1 (b) A budget for the year for which a grant is requested, including cost apportionment among
 2 the department, small business clients, the community college, **University of Oregon** or state uni-
 3 versity or other service providers and other sources;

4 (c) A plan for evaluating the effect of the program on small business clients served; and

5 (d) A plan for providing collaboration with other state agencies, state-supported organizations
 6 and private sector entities that provide services to small businesses.

7 (2) The grants made under subsection (1) of this section are to be used by the grant recipient
 8 to provide:

9 (a) Small business development center staff and support staff;

10 (b) Expert resource persons from the business community;

11 (c) Other training and business resources as approved by the department in skill areas for
 12 which, or areas of the state where, the grant recipient can demonstrate it does not otherwise have
 13 the capacity or expertise to provide the resources; and

14 (d) Other costs related to providing training, counseling and business resources to small busi-
 15 ness clients.

16 (3) To be eligible for a grant under subsection (1) of this section, the recipient shall be required
 17 to provide funds, in-kind contributions or some combination of funds and contributions, in accord-
 18 ance with rules adopted by the department.

19 (4) Subject to the approval of the department, a grant recipient may subcontract funds received
 20 under this section to any other entity that is eligible to receive funding under this section.

21 (5) The grant recipient shall submit a final report to the department after the distribution of
 22 grant funds and the delivery of services to the proposed business clients. The report shall state
 23 whether the plan and related budget have met the applicable criteria as described in the recipient's
 24 application for the grant period.

25 (6) As used in this section, "state university" means a state institution of higher education listed
 26 in ORS 352.002.

27 **SECTION 108.** ORS 285B.174 is amended to read:

28 285B.174. In cooperation with other state agencies and private organizations, state universities
 29 as defined in ORS 285B.168, **the University of Oregon** and community colleges may develop pro-
 30 grams to assist Oregon businesses with the procurement of government contracts and grants. Small
 31 business development centers established under ORS 285B.165 to 285B.171 may assist with these
 32 programs.

33 **SECTION 109.** ORS 286A.001 is amended to read:

34 286A.001. As used in this chapter:

35 (1) "Agreement for exchange of interest rates" means a contract, or an option or forward com-
 36 mitment to enter into a contract, for the exchange of interest rates that provides for:

37 (a) Payments based on levels of or changes in interest rates; or

38 (b) Provisions to hedge payment, rate, spread or similar exposure including, but not limited to,
 39 an interest rate floor or cap or an option, put or call.

40 (2) "Bond":

41 (a) Means a contractual undertaking or instrument of the State of Oregon to repay borrowed
 42 moneys.

43 (b) Does not mean a financing agreement, as defined in ORS 283.085, if the principal amount of
 44 the agreement is \$100,000 or less, or a credit enhancement device.

45 (3) "Counterparty" means an entity with whom the State of Oregon enters into an agreement for

1 exchange of interest rates.

2 (4) "Credit enhancement device":

3 (a) Means a letter of credit, line of credit, standby bond purchase agreement, bond insurance
4 policy, reserve surety bond or other device or facility used to enhance the creditworthiness, liquidity
5 or marketability of bonds or agreements for the exchange of interest rates; and

6 (b) Does not mean a bond.

7 (5) "Credit enhancement device fee" means a payment required to be made to the provider of a
8 credit enhancement device securing a bond or securing an agreement for the exchange of interest
9 rates.

10 (6) "General obligation bond" means a bond that constitutes indebtedness of the state under
11 section 7, Article XI of the Oregon Constitution, and that is exempt from the \$50,000 limitation on
12 indebtedness set forth in that section.

13 (7) "Operative document" means a bond declaration, trust agreement, indenture, security
14 agreement or other document in which the State of Oregon pledges property as security for an ob-
15 ligation, as defined in ORS 286A.100.

16 (8) "Refunding bond" means a bond of the State of Oregon that is issued to refund another bond,
17 regardless of whether the refunding is on a current, advance, forward delivery, synthetic or other
18 basis.

19 (9) "Related agency" means the state agency that requests the State Treasurer to issue bonds
20 pursuant to ORS 286A.025 or for which the State Treasurer has issued bonds.

21 (10) "Related bond" means a bond for which the State of Oregon enters into an agreement for
22 exchange of interest rates.

23 (11) "Revenue" means all fees, tolls, excise taxes, assessments, property taxes and other taxes,
24 rates, charges, rentals and other income or receipts derived by a state agency or to which a state
25 agency is entitled.

26 (12) "Revenue bond" means a bond of the State of Oregon that is not a general obligation bond.

27 (13) "State agency":

28 (a) Includes a statewide elected officer, board, commission, department, division, authority or
29 other entity, without regard to the designation given to the entity, that is within state government,
30 as defined in ORS 174.111; and

31 (b) Does not include:

32 (A) A statewide elected judge;

33 (B) The State Treasurer;

34 (C) A local government, as defined in ORS 174.116;

35 (D) The Oregon Health and Science University;

36 **(E) The University of Oregon;**

37 ~~[(E)]~~ (F) A special government body, as defined in ORS 174.117, except to the extent a special
38 government body must be considered a state agency in order to achieve the purposes of Article XI-K
39 of the Oregon Constitution; or

40 ~~[(F)]~~ (G) A semi-independent state agency listed in ORS 182.454, 377.835 or 674.305, or any other
41 state agency denominated by statute as a semi-independent state agency.

42 (14) "Termination payment" means the amount payable under an agreement for exchange of in-
43 terest rates by one party to another party as a result of the termination, in whole or part, of the
44 agreement prior to the expiration of the stated term.

45 **SECTION 110.** ORS 286A.700 is amended to read:

1 286A.700. (1) As used in this section:

2 (a) "Oregon Baccalaureate Bonds" means bonds of the State of Oregon issued by the State
3 Treasurer at the request of the Oregon University System **or the University of Oregon** that are
4 designated as baccalaureate bonds.

5 (b) "Post-secondary education" means training and instruction provided by fully accredited
6 public or private institutions of higher learning, community colleges and post-high-school career
7 schools.

8 (2) The Legislative Assembly encourages citizens of the State of Oregon to avail themselves of
9 post-secondary education opportunities.

10 (3) The Legislative Assembly finds:

11 (a) For the benefit of its citizens, the state supports a system of common schools, institutions
12 of higher education and community colleges.

13 (b) A post-secondary education advances a citizen's ability to pursue life, liberty and happiness
14 through a wide range of employment opportunities.

15 (c) A well-educated citizenry contributes to the economic well-being of the state and nation.

16 (d) A well-trained and skilled citizenry enhances economic development of the state.

17 (e) While students have just begun their education upon completion of a formal education, a
18 lifetime pursuit of learning contributes to a well-informed citizenry and to Oregon's cherished qual-
19 ity of life.

20 (f) Citizens educated in Oregon are more likely to pursue careers in Oregon.

21 (g) It is in the interest of this state to encourage its citizens to plan and save for a post-
22 secondary education.

23 (h) An Oregon Baccalaureate Bond program that provides citizens an opportunity to save for a
24 post-secondary education for their children, themselves or any citizen is in the social and economic
25 interest of the State of Oregon.

26 (i) A systematic way to save for post-secondary education can assist all of Oregon's higher ed-
27 ucation, community college and career schools to better project enrollments, thereby permitting the
28 prudent allocation of scarce resources.

29 (4) At the request of the Oregon University System **or the University of Oregon**, the State
30 Treasurer may:

31 (a) Issue bonds as Oregon Baccalaureate Bonds, to encourage investors to save for post-
32 secondary education opportunities.

33 (b) Investigate and implement the means and procedures to facilitate the participation by the
34 broadest practical range of investors in the Oregon Baccalaureate Bond program. The means and
35 procedures may include, but are not limited to, adjustments in the denominations in which the bonds
36 are issued and the frequency with which the bonds are issued.

37 (5) The purchase of an Oregon Baccalaureate Bond does not guarantee the purchaser, owner
38 or beneficiary of the bond admittance to a public or private post-secondary institution.

39 **SECTION 111.** ORS 287A.001 is amended to read:

40 287A.001. As used in this chapter:

41 (1) "Advance refunding bond" means a bond all or part of the proceeds of which are to be used
42 to pay an outstanding bond one year or more after the advance refunding bond is issued.

43 (2) "Agreement for exchange of interest rates" means a contract, or an option or forward com-
44 mitment to enter into a contract, for an exchange of interest rates for related bonds that provides
45 for:

- 1 (a) Payments based on levels or changes in interest rates; or
2 (b) Provisions to hedge payment, rate, spread or similar exposure including, but not limited to,
3 an interest rate floor or cap or an option, put or call.
- 4 (3) "Bond":
5 (a) Means a contractual undertaking or instrument of a public body to repay borrowed moneys.
6 (b) Does not mean a credit enhancement device.
- 7 (4) "Capital construction" has the meaning given that term in ORS 310.140.
8 (5) "Capital improvements" has the meaning given that term in ORS 310.140.
9 (6) "Credit enhancement device":
10 (a) Means a letter of credit, line of credit, standby bond purchase agreement, bond insurance
11 policy, reserve surety bond or other device or facility used to enhance the creditworthiness, liquidity
12 or marketability of bonds or agreements for exchange of interest rates.
13 (b) Does not mean a bond.
- 14 (7) "Current refunding bond" means a bond the proceeds of which are to be used to pay or
15 purchase an outstanding bond less than one year after the current refunding bond is issued.
- 16 (8) "Forward current refunding" means execution and delivery of a purchase agreement or sim-
17 ilar instrument under which a public body contracts to sell current refunding bonds for delivery at
18 a future date that is one year or more after execution of the purchase agreement or similar instru-
19 ment.
- 20 (9) "General obligation bond" means exempt bonded indebtedness, as defined in ORS 310.140,
21 that is secured by a commitment to levy ad valorem taxes outside the limits of sections 11 and 11b,
22 Article XI of the Oregon Constitution.
- 23 (10) "Lawfully available funds" means revenues or other moneys of a public body including, but
24 not limited to, moneys credited to the general fund of the public body, revenues from an ad valorem
25 tax and revenues derived from other taxes levied by the public body that are not dedicated, re-
26 stricted or obligated by law or contract to an inconsistent expenditure or use.
- 27 (11) "Operative document" means a bond declaration, trust agreement, indenture, security
28 agreement or other document in which a public body pledges revenue or property as security for a
29 bond.
- 30 (12) "Pledge" means:
31 (a) To create a lien on property pursuant to ORS 287A.310.
32 (b) A lien created on property pursuant to ORS 287A.310.
- 33 (13) "Public body" means:
34 (a) A county of this state;
35 (b) A city of this state;
36 (c) A local service district as defined in ORS 174.116 (2);
37 (d) A special government body as defined in ORS 174.117;
38 **(e) The University of Oregon;**
39 [(e)] **(f)** Oregon Health and Science University; or
40 [(f)] **(g)** Any other political subdivision of this state that is authorized by the Legislative As-
41 sembly to issue bonds.
- 42 (14) "Refunding bond" means an advance refunding bond, a current refunding bond or a forward
43 current refunding bond.
- 44 (15) "Related bond" means a bond for which the public body enters into an agreement for ex-
45 change of interest rates or obtains a credit enhancement device.

1 (16) "Revenue" means all fees, tolls, excise taxes, assessments, property taxes and other taxes,
2 rates, charges, rentals and other income or receipts derived by a public body or to which a public
3 body is entitled.

4 (17) "Revenue bond" means a bond that is not a general obligation bond.

5 (18) "Termination payment" means the amount payable under an agreement for exchange of in-
6 terest rates by one party to another party as a result of the termination, in whole or part, of the
7 agreement prior to the expiration of the stated term.

8 **SECTION 112.** ORS 291.038 is amended to read:

9 291.038. (1) The planning, acquisition, installation and use of all information and telecommuni-
10 cations technology by state government and agencies of state government shall be coordinated so
11 that statewide plans and activities, as well as those of individual agencies, are addressed in the most
12 integrated, economic and efficient manner. To provide policy direction for and coordination of in-
13 formation technology for state government, the Director of the Oregon Department of Administra-
14 tive Services shall chair and appoint not fewer than five agency executives to an Information
15 Resources Management Council. The council membership shall include at least two members who
16 represent the private sector and political subdivisions of the state.

17 (2) To facilitate accomplishment of the purpose set forth in subsection (1) of this section, the
18 Oregon Department of Administrative Services shall adopt rules, policies and standards to plan for,
19 acquire, implement and manage the state's information resources. In developing rules, policies and
20 standards, the department shall consult with state agencies that have needs that information re-
21 sources may satisfy. State agencies shall cooperate with the department in preparing and complying
22 with rules, policies and standards. The rules, policies and standards must be formulated to promote
23 electronic communication and information sharing among state agencies and programs, between
24 state and local governments and with the public where appropriate.

25 (3) Rules, policies, plans, standards and specifications must be formulated to ensure that infor-
26 mation resources fit together in a statewide system capable of providing ready access to information,
27 computing or telecommunication resources. Plans and specifications the department adopts must be
28 based on industry standards for open systems to the greatest extent possible. Before adopting rules
29 described in subsection (2) of this section, the department shall present the proposed rules to the
30 appropriate legislative committee. The department has the responsibility to review, oversee and en-
31 sure that state agencies' planning, acquisition and implementation activities align with and support
32 the statewide information resources management plan. The department is responsible for procuring
33 information technology fairly, competitively and in a manner that is consistent with the
34 department's rules.

35 (4)(a) The policy of the State of Oregon is that state government telecommunications networks
36 should be designed to provide state-of-the-art services where economically and technically feasible,
37 using shared, rather than dedicated, lines and facilities.

38 (b) The department shall, when procuring telecommunications network services, consider
39 achieving the economic development and quality of life outcomes set forth in the Oregon
40 benchmarks.

41 (5)(a) The department, upon request, may furnish and deliver statewide integrated
42 videoconferencing and statewide online access service to a public or private entity that primarily
43 conducts activities for the direct good or benefit of the public or community at large in providing
44 educational, economic development, health care, human services, public safety, library or other
45 public services. The department shall adopt rules with respect to furnishing the service.

1 (b) The department shall establish the statewide integrated videoconferencing and statewide
2 online access user fees, services, delivery, rates and long range plans in consultation with the
3 Stakeholders Advisory Committee created pursuant to this section. The rates shall reflect the
4 department's cost in providing the service.

5 (c) The department by rule shall restrict the department's furnishing or delivery of Internet ac-
6 cess service to private entities when the service would directly compete with two or more local
7 established providers of Internet access services within the local exchange telecommunications ser-
8 vice area.

9 (d) The rates and services established and provided under this section are not subject to the
10 Public Utility Commission's regulation or authority.

11 (6)(a) There is created the Stakeholders Advisory Committee, consisting of a minimum of nine
12 members appointed by the Director of the Oregon Department of Administrative Services. In making
13 appointments, the director shall give consideration to geographic balance and adequate represen-
14 tation of the department's users and providers and the general public.

15 (b) The committee must consist of members who represent elementary or secondary education,
16 higher education, community colleges, economic development, health care, human services and pub-
17 lic safety. At least four members must reside in areas east of the Cascade Mountains.

18 (c) The term of office of each member is three years, but a member serves at the sole discretion
19 of the director. The director shall appoint a successor to a member before the member's term ex-
20 pires. A member is eligible for reappointment. If a position on the committee is vacant for any cause,
21 the director shall make an appointment to the position that is immediately effective for the unex-
22 pired term.

23 (d) A member of the committee is entitled to travel expenses pursuant to ORS 292.495. Members
24 of the committee are not entitled to compensation.

25 (e) The director may establish additional advisory and technical committees as the director
26 considers necessary to aid and advise the Stakeholders Advisory Committee in the performance of
27 the committee's functions.

28 (f) The director may delegate to the State Chief Information Officer a duty, function or power
29 that this subsection imposes upon the director.

30 (7) An organization or organizations recognized as tax exempt under section 501(c)(3) of the
31 Internal Revenue Code that primarily conduct activities for the direct good or benefit of the public
32 or community at large in providing educational, economic development, health care, human services,
33 public safety, library or other public services and have formed an affiliation with one or more fed-
34 eral, state or local governmental units within this state may apply to the department for designation
35 as a community of interest. The application must be in the form prescribed by the department and
36 contain information regarding the governmental affiliation relationship, the tax exempt status of
37 each organization and the public benefit services to be provided. The department shall establish an
38 application review and appeal process to ensure that designating the organizations as a community
39 of interest for the purposes of including the organization in telecommunications contracts under
40 ORS 283.520 will result in providing educational, medical, library or other services for public benefit.

41 (8) This section does not apply to the State Board of Higher Education, **the University of**
42 **Oregon** or any state institution of higher education within the Oregon University System.

43 (9) As used in this section:

44 (a) "Information resources" means media, instruments and methods for planning, collecting,
45 processing, transmitting and storing data and information, including telecommunications.

1 (b) "Information technology" includes, but is not limited to, present and future forms of hard-
 2 ware, software and services for data processing, office automation and telecommunications.

3 (c) "Internet access service" means electronic connectivity to the Internet and the services of
 4 the Internet.

5 (d) "Open systems" means systems that allow state agencies freedom of choice by providing a
 6 vendor-neutral operating environment where different computers, applications, system software and
 7 networks operate together easily and reliably.

8 (e) "State-of-the-art services" includes equipment, facilities and the capability to distribute dig-
 9 ital communication signals that transmit voice, data, video and images over a distance.

10 (f) "Telecommunications" means hardware, software and services for transmitting voice, data,
 11 video and images over a distance.

12 (g) "Statewide integrated videoconferencing" means a statewide electronic system capable of
 13 transmitting video, voice and data communications.

14 (h) "Statewide online access" means electronic connectivity to information resources such as
 15 computer conferencing, electronic mail, databases and Internet access.

16 **SECTION 113.** ORS 291.055 is amended to read:

17 291.055. (1) Notwithstanding any other law that grants to a state agency the authority to es-
 18 tablish fees, all new state agency fees or fee increases adopted after July 1 of any odd-numbered
 19 year:

20 (a) Are not effective for agencies in the executive department of government unless approved
 21 in writing by the Director of the Oregon Department of Administrative Services;

22 (b) Are not effective for agencies in the judicial department of government unless approved in
 23 writing by the Chief Justice of the Supreme Court;

24 (c) Are not effective for agencies in the legislative department of government unless approved
 25 in writing by the President of the Senate and the Speaker of the House of Representatives;

26 (d) Shall be reported by the state agency to the Oregon Department of Administrative Services
 27 within 10 days of their adoption; and

28 (e) Are rescinded on July 1 of the next following odd-numbered year, or on adjournment sine
 29 die of the regular session of the Legislative Assembly meeting in that year, whichever is later, un-
 30 less otherwise authorized by enabling legislation setting forth the approved fees.

31 (2) This section does not apply to:

32 (a) Any tuition or fees charged by the State Board of Higher Education, **the University of**
 33 **Oregon** and state institutions of higher education.

34 (b) Taxes or other payments made or collected from employers for unemployment insurance re-
 35 quired by ORS chapter 657 or premium assessments required by ORS 656.612 and 656.614 or contri-
 36 butions and assessments calculated by cents per hour for workers' compensation coverage required
 37 by ORS 656.506.

38 (c) Fees or payments required for:

39 (A) Health care services provided by the Oregon Health and Science University, by the Oregon
 40 Veterans' Homes and by other state agencies and institutions pursuant to ORS 179.610 to 179.770.

41 (B) Assessments and premiums paid to the Oregon Medical Insurance Pool established by ORS
 42 735.614 and 735.625.

43 (C) Copayments and premiums paid to the Oregon medical assistance program.

44 (D) Assessments paid to the Department of Consumer and Business Services under ORS 743.951
 45 and 743.961.

1 (d) Fees created or authorized by statute that have no established rate or amount but are cal-
 2 culated for each separate instance for each fee payer and are based on actual cost of services pro-
 3 vided.

4 (e) State agency charges on employees for benefits and services.

5 (f) Any intergovernmental charges.

6 (g) Forest protection district assessment rates established by ORS 477.210 to 477.265 and the
 7 Oregon Forest Land Protection Fund fees established by ORS 477.760.

8 (h) State Department of Energy assessments required by ORS 469.421 (8) and 469.681.

9 (i) Any charges established by the State Parks and Recreation Director in accordance with ORS
 10 565.080 (3).

11 (j) Assessments on premiums charged by the Insurance Division of the Department of Consumer
 12 and Business Services pursuant to ORS 731.804 or fees charged by the Division of Finance and
 13 Corporate Securities of the Department of Consumer and Business Services to banks, trusts and
 14 credit unions pursuant to ORS 706.530 and 723.114.

15 (k) Public Utility Commission operating assessments required by ORS 756.310 or charges paid
 16 to the Residential Service Protection Fund required by chapter 290, Oregon Laws 1987.

17 (L) Fees charged by the Housing and Community Services Department for intellectual property
 18 pursuant to ORS 456.562.

19 (m) New or increased fees that are anticipated in the legislative budgeting process for an
 20 agency, revenues from which are included, explicitly or implicitly, in the legislatively adopted
 21 budget for the agency.

22 (n) Tolls approved by the Oregon Transportation Commission pursuant to ORS 383.004.

23 (o) Convenience fees as defined in ORS 182.126 and established by the Oregon Department of
 24 Administrative Services under ORS 182.132 (3) and recommended by the Electronic Government
 25 Portal Advisory Board.

26 (3)(a) Fees temporarily decreased for competitive or promotional reasons or because of unex-
 27 pected and temporary revenue surpluses may be increased to not more than their prior level without
 28 compliance with subsection (1) of this section if, at the time the fee is decreased, the state agency
 29 specifies the following:

30 (A) The reason for the fee decrease; and

31 (B) The conditions under which the fee will be increased to not more than its prior level.

32 (b) Fees that are decreased for reasons other than those described in paragraph (a) of this sub-
 33 section may not be subsequently increased except as allowed by ORS 291.050 to 291.060 and 294.160.

34 **SECTION 114.** ORS 307.095 is amended to read:

35 307.095. (1) Any portion of state property that is used during the tax year for parking on a
 36 rental or fee basis to private individuals is subject to ad valorem taxation.

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

43 (3) This section and ORS 276.592 do not apply to state property that is used by the Oregon
 44 University System, **the University of Oregon** or the Oregon Health and Science University solely
 45 to provide parking for employees, students or visitors.

SECTION 115. ORS 307.110 is amended to read:

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

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

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

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

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

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

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

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

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

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

(h) Property of a health district if:

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

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

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

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

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

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

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

14 **SECTION 116.** ORS 326.543 is amended to read:

15 326.543. (1) As used in this section:

16 (a) "Education service district" has the meaning given that term in ORS 334.003.

17 (b) "Facility" means the school operated under ORS 346.010.

18 (c) "Post-secondary institution" means:

19 (A) A community college as defined in ORS 341.005;

20 (B) A state institution of higher education listed in ORS 352.002; [*and*]

21 **(C) The University of Oregon; and**

22 [*C*] **(D) The Oregon Health and Science University.**

23 (d) "School district" has the meaning given that term in ORS 330.005.

24 (2) The interest or estate of an education service district, a facility, a post-secondary institution
25 or a school district in any real property may not be extinguished or diminished by adverse pos-
26 session.

27 **SECTION 117.** ORS 337.500 is amended to read:

28 337.500. As used in ORS 337.500 to 337.506:

29 (1) "Adopter" means any faculty member or academic department or other adopting entity at a
30 higher education institution responsible for considering and choosing course materials to be utilized
31 in connection with accredited courses taught at the institution.

32 (2) "Higher education institution" means:

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

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

35 (c) The Oregon Health and Science University;

36 **(d) The University of Oregon;**

37 [*d*] **(e) A private institution of higher education located in Oregon; and**

38 [*e*] **(f) A bookstore that serves as the primary bookstore for an entity listed in paragraphs (a)**
39 **to [*d*] (e) of this subsection.**

40 (3) "Special edition" means a bound book that does not constitute a traditional textbook and
41 that may or may not be used for instructional purposes.

42 (4)(a) "Textbook bundle" means a textbook packaged together with other supplemental course
43 materials, including but not limited to workbooks, study guides, online technologies, online course
44 resources, CD-ROMs or other books, to be sold as course material for one price.

45 (b) "Textbook bundle" does not include a textbook that is unusable without the supplemental

1 course materials, materials that cannot be sold separately due to third-party contractual agreements,
2 custom editions or special editions.

3 **SECTION 118.** ORS 337.511 is amended to read:

4 337.511. As used in ORS 337.511 to 337.524:

5 (1) "Alternative format" means any medium or format for the presentation of instructional ma-
6 terials other than standard print that is needed by a post-secondary student with a print disability
7 for a reading accommodation, including but not limited to Braille, large print texts, audio re-
8 cordings, digital texts and digital talking books.

9 (2) "Electronic format" means a medium or format containing digital text.

10 (3) "Instructional material" means a textbook or other material if:

11 (a) The textbook or other material, including additional prints or new editions of previously
12 published instructional material, is published on or after January 1, 2004, and is published primarily
13 for use by students in a course of study in which a post-secondary student with a print disability is
14 enrolled;

15 (b) The textbook or other material is required for a student's success in the course, as deter-
16 mined by the course instructor in consultation with the representative making the request for an
17 electronic format under ORS 337.517 (2);

18 (c) The textbook or other material is required for the course as stated in the course syllabus
19 or other curriculum documents, or the use of the materials by the student is necessary for the
20 completion of course assignments that are used to evaluate the student, such as to determine the
21 student's proficiency level or assign a grade; and

22 (d) Software is commercially available to permit the conversion of an electronic file of the
23 textbook or other material into a format that is compatible with assistive technologies such as
24 speech synthesis software or Braille translation software.

25 (4) "Post-secondary education institution" means:

26 (a) A state institution of higher education listed in ORS 352.002;

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

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

29 **(d) The University of Oregon; or**

30 [*d*] **(e) An Oregon-based, generally accredited institution of higher education.**

31 (5) "Print disability" means a disability that prevents a student from effectively utilizing print
32 material and may include blindness, other serious visual impairments, specific learning disabilities
33 or the inability to hold a book.

34 (6) "Printed instructional material" means instructional material in book or other printed form.

35 (7) "Publisher" means any person that publishes or manufactures instructional material used by
36 students attending a post-secondary education institution.

37 (8) "Structural integrity" means the inclusion of all of the information provided in printed in-
38 structional material, including but not limited to the text of the material sidebars, the tables of
39 contents, the chapter headings and subheadings, the footnotes, the page numbers, the indexes and
40 the glossaries.

41 (9) "Working day" means a day that is not a Saturday, Sunday or legal holiday.

42 **SECTION 119.** ORS 339.885 is amended to read:

43 339.885. (1) No secret society of any kind, including a fraternity or sorority, shall be permitted
44 in any public school.

45 (2) The district school board may order the suspension or expulsion of any pupil who belongs

1 to a secret society.

2 (3) This section does not apply to **the University of Oregon or** any institution of higher edu-
 3 cation under the jurisdiction of the State Board of Higher Education.

4 **SECTION 120.** ORS 340.005 is amended to read:

5 340.005. For purposes of this chapter:

6 (1) “Accelerated college credit program” has the meaning given that term by rules adopted by
 7 the State Board of Education.

8 (2) “At-risk student” means:

9 (a) A student who qualifies for a free or reduced lunch program; or

10 (b) An at-risk student as defined by rules adopted by the board if the board has adopted rules
 11 to define an at-risk student.

12 (3) “Duplicate course” means a course with a scope that is identical to the scope of another
 13 course.

14 (4)(a) “Eligible post-secondary course” means any nonsectarian course or program offered
 15 through an eligible post-secondary institution if the course or program may lead to high school
 16 completion, a certificate, professional certification, associate degree or baccalaureate degree.

17 (b) “Eligible post-secondary course” does not include a duplicate course offered at the student’s
 18 resident school.

19 (c) “Eligible post-secondary course” includes:

20 (A) Academic courses;

21 (B) Career and technical education courses; and

22 (C) Distance education courses.

23 (5) “Eligible post-secondary institution” means:

24 (a) A community college;

25 (b) A state institution of higher education listed in ORS 352.002; *[and]*

26 (c) The Oregon Health and Science University; **and**

27 **(d) The University of Oregon.**

28 (6)(a) “Eligible student” means a student who is enrolled in an Oregon public school and who:

29 (A) Is 16 years of age or older at the time of enrollment in a course under the Expanded Options
 30 Program;

31 (B)(i) Is in grade 11 or 12 at the time of enrollment in a course under the Expanded Options
 32 Program; or

33 (ii) Is not in grade 11 or 12, because the student has not completed the required number of
 34 credits, but who has been allowed by the school district to participate in the program;

35 (C) Has developed an educational learning plan as described in ORS 340.025; and

36 (D) Has not successfully completed the requirements for a high school diploma as established
 37 by ORS 329.451, the State Board of Education and the school district board.

38 (b) “Eligible student” does not include a foreign exchange student enrolled in a school under a
 39 cultural exchange program.

40 (7) “Expanded Options Program” means the program created under this chapter.

41 (8) “Scope” means depth and breadth of course content as evidenced through a planned course
 42 statement including content outline, applicable state content standards where appropriate, course
 43 goals and student outcomes.

44 **SECTION 121.** ORS 341.440 is amended to read:

45 341.440. (1) A community college district may contract with another community college district,

1 a common or union high school district, **an** education service district, the Oregon University System,
 2 **the University of Oregon**, the Oregon Health and Science University, [*with*] a private educational
 3 institution accredited by the Northwest Association of Schools and Colleges or its successor or a
 4 career school as defined in ORS 345.010 to obtain educational services for students enrolled in the
 5 community college of the district. However, the educational services so obtained must meet the
 6 standards for educational services provided by the college and the contract price to the college for
 7 such services must not exceed the costs which would otherwise be incurred by the college to provide
 8 its students the same or similar services.

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

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

15 **SECTION 122.** ORS 342.147 is amended to read:

16 342.147. (1) After considering recommendations of the State Board of Education, the Teacher
 17 Standards and Practices Commission shall establish by rule standards for approval of teacher edu-
 18 cation institutions and teacher education programs. Public teacher education institutions shall be
 19 approved for programs of more than four years' duration only if teacher education programs which
 20 are reasonably attainable in a four-year period are also available in the system of higher education
 21 and are designed to culminate in a baccalaureate degree that qualifies its graduates for entry-level
 22 teaching licenses.

23 (2) The commission shall establish rules that allow teacher education programs leading to
 24 graduate degrees to commence prior to the student's completion of baccalaureate degree require-
 25 ments and that allow the combined use of undergraduate and graduate level course work in
 26 achieving program completion.

27 (3) Whenever any teacher education institution or program is denied approved status or has
 28 such status withdrawn such denial or withdrawal must be treated as a contested case within the
 29 meaning of ORS chapter 183.

30 (4) Nothing in this section is intended to grant any authority to the commission relating to
 31 granting of degrees or establishing degree requirements that are within the authority of the State
 32 Board of Higher Education or any institutions under its jurisdiction, **the University of Oregon**
 33 **Board of Directors** or [*that are within the authority of*] the governing board of any private institu-
 34 tion of higher education.

35 **SECTION 123.** ORS 342.443 is amended to read:

36 342.443. (1) The Education and Workforce Policy Advisor shall report biennially to the Legisla-
 37 tive Assembly longitudinal data on the number and percentage of:

- 38 (a) Minority students enrolled in community colleges;
- 39 (b) Minority students applying for admission to public four-year institutions of higher education;
- 40 (c) Minority students accepted in public four-year institutions of higher education;
- 41 (d) Minority students graduated from public four-year institutions of higher education;
- 42 (e) Minority candidates seeking to enter public teacher education programs in this state;
- 43 (f) Minority candidates admitted to public teacher education programs;
- 44 (g) Minority candidates who have completed approved public teacher education programs;
- 45 (h) Minority candidates receiving Oregon teaching licenses based on preparation in this state

1 and preparation in other states;

2 (i) Minority teachers who are newly employed in the public schools in this state; and

3 (j) Minority teachers already employed in the public schools.

4 (2) The advisor also shall report comparisons of minorities' and nonminorities' scores on basic
5 skills, pedagogy and subject matter tests.

6 (3) The Oregon University System, **the University of Oregon**, the Department of Education, the
7 Teacher Standards and Practices Commission, community colleges and school districts shall coop-
8 erate with the advisor in collecting data and preparing the report.

9 **SECTION 124.** ORS 344.259 is amended to read:

10 344.259. (1) The State Board of Education shall coordinate continuing education in lower divi-
11 sion, developmental, adult self-improvement, professional and technical education for agencies under
12 its regulatory authority. The State Board of Higher Education shall coordinate continuing education
13 in upper division and graduate education for institutions under its jurisdiction **and the University**
14 **of Oregon.**

15 (2) When significantly adverse impact is alleged by one or more of the agencies listed in this
16 subsection, the affected parties jointly shall provide for written agreements. These agreements shall
17 allocate responsibility for planning and providing continuing education or off-campus instruction in
18 specific areas or by specific types. The agencies are:

19 (a) The State Board of Education.

20 (b) The State Board of Higher Education.

21 (c) Community college districts.

22 (d) Independent colleges.

23 (e) Proprietary schools.

24 (3) In the event the affected parties fail to reach a written agreement within 120 days following
25 receipt of written notice of the allegation, either party may request the Education and Workforce
26 Policy Advisor to review and to recommend resolution.

27 (4) Nothing in this section prohibits the offering of upper division or graduate programs within
28 30 miles of the campus of **the University of Oregon** or the Oregon University System institution
29 offering the program, or the offering of lower division programs within 30 miles of the campus of-
30 fering the program in areas outside a community college district. Such programs are entitled to the
31 same college credit and financial support as programs offered on the campus of the institution.

32 **SECTION 125.** ORS 344.557 is amended to read:

33 344.557. (1) The Department of Human Services may refer a person for vocational training only
34 to the following schools or programs:

35 (a) A school that has accreditation recognized by the United States Department of Education.

36 (b) A school that has been approved by the Oregon Student Assistance Commission through the
37 Office of Degree Authorization to offer and confer degrees in Oregon.

38 (c) A community college.

39 (d) A state institution of higher education within the Oregon University System.

40 (e) **The University of Oregon.**

41 [(e)] (f) The Oregon Health and Science University.

42 [(f)] (g) A career school licensed under ORS 345.010 to 345.450.

43 (g) An apprenticeship program that is registered with the State Apprenticeship and Training
44 Council.

45 (2) This section does not apply to vocational rehabilitation training.

SECTION 126. ORS 344.753 is amended to read:

344.753. (1) Employers who enter into written agreements with educational institutions and who are providing training to participants in youth apprenticeship and training or work based learning programs are eligible for reimbursement of expenses incurred in the training process. These expenses may include wages paid to the student, training costs for mentors and supervisors, equipment costs to set up youth training capacity, curriculum development costs, costs of establishing interfirm training centers or other costs necessitated by the training agreement.

(2) The amount of reimbursement shall be 50 percent of the actual cost of the investment, such reimbursement not to exceed \$2,500 per student who completes the agreed upon course of study. In the event that a student drops out of the program through no fault of the employer, the Department of Education may reimburse the employer for costs incurred to that point.

(3) Eligible employers may elect to receive education service credits in lieu of the reimbursement provided in this section. The amount of the education service credit shall equal the value of the potential reimbursement on a dollar-for-dollar basis. Education service credits may be used to purchase educational services provided to the employer by school districts, education service districts, community colleges, **the University of Oregon**, the Oregon University System or private providers approved by the Department of Education.

(4) Employers who terminate students without the concurrence of the school forfeit all claim to reimbursements or education service credits earned under this section.

(5) The total amount of employer reimbursement allowable under this section to all employers shall not exceed the amount allocated therefor biennially from the Administrative Services Economic Development Fund.

(6) Reimbursements allowed under this section must first be certified with regard to eligibility and availability of funds pursuant to a method established by the Department of Education in consultation with the Bureau of Labor and Industries.

SECTION 127. ORS 348.180 is amended to read:

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

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

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

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

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

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

(d) The University of Oregon; or

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

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

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

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

(c) Is making satisfactory academic progress as defined by rule of the commission.

SECTION 128. ORS 348.205 is amended to read:

348.205. (1) The Oregon Opportunity Grant program is established within the Oregon Student Assistance Commission.

(2) Under the program, the cost of education of a qualified student shall be shared by the student, the family of the student, the federal government and the state.

1 (3) The commission shall determine the cost of education of a qualified student based on the type
2 of eligible post-secondary institution the student is attending. The cost of education equals:

3 (a) For a student attending a community college, the average cost of education of attending a
4 community college in this state;

5 (b) For a student attending an institution under the direction of the State Board of Higher Ed-
6 ucation, the average cost of education of attending an institution under the direction of the board;

7 **(c) For a student attending the University of Oregon, the average cost of education of**
8 **attending the university;**

9 [(c)] (d) For a student attending a two-year Oregon-based, generally accredited, not-for-profit
10 institution of higher education, the average cost of education of attending a community college in
11 this state; and

12 [(d)] (e) For a student attending the Oregon Health and Science University or a four-year
13 Oregon-based, generally accredited, not-for-profit institution of higher education, the average cost
14 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 129.** ORS 348.270 is amended to read:

3 348.270. (1) In addition to any other scholarships provided by law, the Oregon Student Assist-
 4 ance Commission shall award scholarships in any state institution under the State Board of Higher
 5 Education, **in the University of Oregon**, in the Oregon Health and Science University, in any
 6 community college operated under ORS chapter 341, or in any Oregon-based regionally accredited
 7 independent institution, to any student applying for enrollment or who is enrolled therein, who is:

8 (a) The natural child, adopted child or stepchild of any public safety officer who, in the line of
 9 duty, was killed or so disabled, as determined by the Oregon Student Assistance Commission, that
 10 the income of the public safety officer is less than that earned by public safety officers performing
 11 duties comparable to those performed at the highest rank or grade attained by the public safety of-
 12 ficer; or

13 (b) A former foster child who enrolls in an institution of higher education as an undergraduate
 14 student not later than three years from the date the student was removed from the care of the De-
 15 partment of Human Services, the date the student graduated from high school or the date the stu-
 16 dent received the equivalent of a high school diploma, whichever date is earliest.

17 (2) Scholarships awarded under this section to students who are dependents of public safety of-
 18 ficers or who are former foster children shall equal the amount of tuition and all fees levied by the
 19 institution against the recipient of the scholarship. However, scholarships awarded to students who
 20 attend independent institutions shall not exceed the amount of tuition and all fees levied by the
 21 University of Oregon.

22 (3) If the student who is the dependent of a deceased public safety officer continues to remain
 23 enrolled in a state institution of higher education or a community college or an independent insti-
 24 tution within the State of Oregon, the student shall be entitled to renewal of the scholarship until
 25 the student has received the equivalent of four years of undergraduate education and four years of
 26 post-graduate education.

27 (4) If the student who is a former foster child or who is the dependent of a public safety officer
 28 with a disability continues to remain enrolled in a state institution of higher education or a com-
 29 munity college or an independent institution within the State of Oregon, the student shall be entitled
 30 to renewal of the scholarship until the student has received the equivalent of four years of under-
 31 graduate education.

32 (5) The Oregon Student Assistance Commission may require proof of the student's relationship
 33 to a public safety officer described in subsection (1) of this section or proof that the student is a
 34 former foster child.

35 (6) As used in this section:

36 (a) "Former foster child" means an individual who, for a total of 12 or more months while be-
 37 tween the ages of 16 and 21, was a ward of the court pursuant to ORS 419B.100 (1)(b) to (e) and in
 38 the legal custody of the Department of Human Services for out-of-home placement.

39 (b) "Public safety officer" means:

40 (A) A firefighter or police officer as those terms are defined in ORS 237.610.

41 (B) A member of the Oregon State Police.

42 **SECTION 130.** ORS 348.282 is amended to read:

43 348.282. As used in this section and ORS 348.283:

44 (1) "Armed Forces of the United States" means:

45 (a) The Army, Navy, Air Force, Marine Corps and Coast Guard of the United States;

1 (b) The reserves of the Army, Navy, Air Force, Marine Corps and Coast Guard of the United
 2 States; and

3 (c) The Oregon National Guard and a National Guard of any other state or territory.

4 (2) "Public post-secondary institution" means:

5 (a) A state institution under the direction of the State Board of Higher Education; *[and]*

6 (b) A community college operated under ORS chapter 341; **and**

7 **(c) The University of Oregon.**

8 (3) "Veteran" has the meaning given that term in ORS 408.225.

9 **SECTION 131.** ORS 348.394 is amended to read:

10 348.394. As used in ORS 348.394 to 348.406:

11 (1) "Eligible post-secondary institution" means:

12 (a) A state institution under the direction of the State Board of Higher Education listed in ORS
 13 352.002;

14 **(b) The University of Oregon;**

15 *[(b)] (c)* A community college as defined in ORS 341.005; or

16 *[(c)] (d)* A generally accredited, not-for-profit institution of higher education.

17 (2) "Participant" means a student who receives a grant under ORS 348.401.

18 **SECTION 132.** ORS 348.470 is amended to read:

19 348.470. The Legislative Assembly finds and declares that:

20 (1) It is the policy of this state to encourage cooperation between the Oregon University
 21 System, **the University of Oregon** and community colleges on issues affecting students who trans-
 22 fer *[between the two]* **among the three** segments; and

23 (2) All unnecessary obstacles that restrict student transfer opportunities *[between the two]*
 24 **among the three** segments shall be eliminated.

25 **SECTION 133.** ORS 348.597 is amended to read:

26 348.597. (1) Except as provided in subsection (2) of this section, ORS 348.594 to 348.615 apply to
 27 all schools that operate in this state.

28 (2) ORS 348.594 to 348.615 do not apply to:

29 (a) An Oregon community college;

30 (b) A state institution of higher education within the Oregon University System;

31 (c) The Oregon Health and Science University;

32 **(d) The University of Oregon;**

33 *[(d)] (e)* A school, or a separately accredited campus of a school, if the school:

34 (A) Is a nonprofit school that is exempt from federal income tax under section 501(c)(3) of the
 35 Internal Revenue Code;

36 (B) Conferred degrees in this state under the same control for at least five consecutive years;
 37 and

38 (C) Is accredited by a regional accrediting association or its national successor;

39 *[(e)] (f)* A school that, on the date preceding July 15, 2005, was a school described in ORS
 40 348.594 (2)(d); or

41 *[(f)] (g)* A school that is exempt from ORS 348.594 to 348.615 under ORS 348.604.

42 **SECTION 134.** ORS 348.900 is amended to read:

43 348.900. (1) The Employment Department, in consultation with health care industry employers,
 44 shall perform a statewide and regional needs assessment for health care occupations to identify
 45 emerging occupations and occupations for which there is high demand or a shortage of workers. The

1 assessment shall be performed as necessary on a periodic basis, as determined by the department,
2 in consultation with industry employers. To perform the needs assessment, the department may
3 consider any reliable data sources available to the department.

4 (2) Based on the needs assessment, the Joint Boards of Education shall inform community col-
5 leges, state institutions of higher education within the Oregon University System, **the University**
6 **of Oregon**, Oregon Health and Science University and health care industry employers of the iden-
7 tified statewide needs and invite the development of health care education programs that are re-
8 sponsive to those needs.

9 (3) When approving health care education programs, the State Board of Education, the State
10 Board of Higher Education, **the University of Oregon Board of Directors** and the Oregon Health
11 and Science University Board of Directors shall use the statewide needs assessment to evaluate
12 whether a program fulfills statewide needs. If a board determines there is a statewide need, the
13 board shall facilitate the:

14 (a) Coordination of new health care education programs and existing health care education
15 programs that are similar to the new health care education programs to address the statewide need;
16 and

17 (b) Alignment of health care education programs relating to statewide access, student
18 transferability between programs, course articulation and common student learning outcomes for
19 health care education programs.

20 (4) In the development and approval of health care education programs, community colleges,
21 state institutions of higher education, **the University of Oregon**, Oregon Health and Science Uni-
22 versity, the State Board of Education, the State Board of Higher Education, **the University of**
23 **Oregon Board of Directors** and the Oregon Health and Science University Board of Directors shall
24 consider issues related to statewide access, student transferability between programs, course artic-
25 ulation and common student learning outcomes for health care education programs. The colleges,
26 institutions, [*university*] **universities** and boards shall continue to provide and improve upon an ef-
27 fective articulation and transfer framework for students in Oregon's post-secondary sectors.

28 **SECTION 135.** ORS 348.910 is amended to read:

29 348.910. (1) As used in this section, "applied baccalaureate degree" means a bachelor's degree
30 designed to incorporate applied associate courses and degrees with additional coursework empha-
31 sizing higher-order thinking skills and advanced technical knowledge and skills.

32 (2) The Joint Boards of Education shall develop a plan for offering applied baccalaureate degree
33 programs at community colleges, **the University of Oregon** and state institutions of higher educa-
34 tion. The boards shall consider the following types of programs for the purpose of offering some of
35 these types and the possibility of combinations of these types:

36 (a) A career ladder program that requires a substantial number of upper level courses in the
37 same technical area of study as the student's applied associate degree;

38 (b) An inverse program that reverses the traditional curriculum sequence by adding general
39 education courses in the student's third and fourth years to the associate degree courses taken in
40 the student's first and second years;

41 (c) A management ladder program that combines associate degree requirements with applied
42 management skills coursework; and

43 (d) A work experience program that combines general education and technical coursework with
44 direct, supervised work experience in a relevant field.

45 (3) The Joint Boards of Education plan must include the following elements:

1 (a) The method by which the applied baccalaureate degree programs will be created, including
 2 any necessary accreditation by the relevant accrediting agency;

3 (b) The criteria for approving the degree and course options offered by state institutions of
 4 higher education and community colleges;

5 (c) The articulation agreements between community colleges and state institutions of higher
 6 education necessary to ensure that the applied baccalaureate degree programs are as widely avail-
 7 able as possible;

8 (d) The resources required to implement the applied baccalaureate degree program;

9 (e) The timeline necessary to implement the applied baccalaureate degree program; and

10 (f) A recommendation as to whether community colleges should be allowed to offer applied
 11 baccalaureate degrees.

12 (4) The Joint Boards of Education shall submit a report, along with proposed legislation, to the
 13 interim committee of the Legislative Assembly related to higher education prior to November 1,
 14 2010. The boards shall provide progress reports on the plan to the interim committee.

15 (5) The Oregon University System, the Department of Education and the Department of Com-
 16 munity Colleges and Workforce Development shall provide staff support to the Joint Boards of Ed-
 17 ucation in the preparation of the reports required by this section.

18 **SECTION 136.** ORS 351.517 is amended to read:

19 351.517. (1) There is established in the General Fund an account to be known as the University
 20 of Oregon Education Building and Complex Account. Funds in the account shall be used for the
 21 construction, remodeling, expansion and renovation of facilities for an education building and com-
 22 plex at the University of Oregon.

23 (2) The account shall consist of federal and local government funds made available to and funds
 24 donated to the [*Oregon University System*] **University of Oregon** for the purpose of the education
 25 building and complex project described in subsection (1) of this section. Interest earned on moneys
 26 in the account shall be credited to the account. The account may not be credited with more than
 27 \$19,400,000 in interest, donations and federal and local government funds for purposes of this sub-
 28 section.

29 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-
 30 tion 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the [*Oregon*
 31 *University System*] **University of Oregon** and may be transferred to the account designated by ORS
 32 351.626 for the education building and complex project described in subsection (1) of this section.

33 **SECTION 137.** ORS 351.518 is amended to read:

34 351.518. (1) There is established in the General Fund an account to be known as the University
 35 of Oregon Gilbert Hall Account. Funds in the account shall be used for the construction, remodeling,
 36 expansion and renovation of facilities for Gilbert Hall at the University of Oregon.

37 (2) The account shall consist of federal and local government funds made available to and funds
 38 donated to the [*Oregon University System*] **University of Oregon** for the purpose of the Gilbert Hall
 39 project described in subsection (1) of this section. Interest earned on moneys in the account shall
 40 be credited to the account. The account may not be credited with more than \$3,300,000 in interest,
 41 donations and federal and local government funds for purposes of this subsection.

42 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-
 43 tion 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the [*Oregon*
 44 *University System*] **University of Oregon** and may be transferred to the account designated by ORS
 45 351.626 for the Gilbert Hall project described in subsection (1) of this section.

1 **SECTION 138.** ORS 351.519 is amended to read:

2 351.519. (1) There is established in the General Fund an account to be known as the University
 3 of Oregon Integrative Science Complex Account. Funds in the account shall be used for the con-
 4 struction, remodeling, expansion and renovation of facilities for an integrative science complex at
 5 the University of Oregon that includes a multiscale materials and devices laboratory and other fa-
 6 cilities related to a signature research center.

7 (2) The account shall consist of proceeds from lottery bonds made available to the [*Oregon*
 8 *University System*] **University of Oregon** for the purpose of the [*University of Oregon*] integrative
 9 science complex project described in subsection (1) of this section. Interest earned on moneys in the
 10 account shall be credited to the account.

11 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-
 12 tion 1 (3), Article XI-G of the Oregon Constitution, and are continuously appropriated to the [*Oregon*
 13 *University System*] **University of Oregon** for the integrative science complex project described in
 14 subsection (1) of this section. The account may not be credited with more than \$4,750,000 in interest
 15 and proceeds from lottery bonds.

16 **SECTION 139.** ORS 351.521 is amended to read:

17 351.521. (1) There is established in the General Fund an account to be known as the University
 18 of Oregon School of Music Account. Funds in the account shall be used for additions and alterations
 19 to the School of Music at the University of Oregon.

20 (2) The account shall consist of federal and local government funds made available to and funds
 21 donated to the [*Oregon University System*] **University of Oregon** for the purpose of the University
 22 of Oregon School of Music project described in subsection (1) of this section. Interest earned on
 23 moneys in the account shall be credited to the account.

24 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-
 25 tion 1 (3), Article XI-G of the Oregon Constitution, and are continuously appropriated to the [*Oregon*
 26 *University System*] **University of Oregon** for that purpose. The account may not be credited with
 27 more than \$7,600,000 in interest, donations and federal and local government funds for purposes of
 28 this subsection.

29 **SECTION 140.** ORS 351.538 is amended to read:

30 351.538. (1) There is established in the General Fund an account to be known as the Museum
 31 of Art Project Account. Funds in the account shall be used for additions to and alterations of the
 32 Museum of Art at the University of Oregon.

33 (2) The account shall consist of federal and local government funds made available to and funds
 34 donated to the [*Oregon University System*] **University of Oregon** for the purposes of the Museum
 35 of Art project described in subsection (1) of this section. Interest earned on moneys in the account
 36 shall be credited to the account.

37 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-
 38 tion 1 (3), Article XI-G of the Oregon Constitution, and are continuously appropriated to the [*Oregon*
 39 *University System*] **University of Oregon** for that purpose. The account may not be credited with
 40 more than \$6,360,000 in interest, donations and federal and local government funds for purposes of
 41 this subsection.

42 **SECTION 141.** ORS 351.539 is amended to read:

43 351.539. (1) There is established in the General Fund an account to be known as the Straub Hall
 44 Project Account. Funds in the account shall be used for the additions to and alterations of Straub
 45 Hall at the University of Oregon.

1 (2) The account shall consist of federal and local government funds made available to and funds
 2 donated to the [*Oregon University System*] **University of Oregon** for the purposes of the Straub Hall
 3 project described in subsection (1) of this section. Interest earned on moneys in the account shall
 4 be credited to the account.

5 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-
 6 tion 1 (3), Article XI-G of the Oregon Constitution, and are continuously appropriated to the [*Oregon*
 7 *University System*] **University of Oregon** for that purpose. The account may not be credited with
 8 more than \$1,166,000 in interest, donations and federal and local government funds for purposes of
 9 this subsection.

10 **SECTION 142.** ORS 351.649 is amended to read:

11 351.649. (1) For the purposes of this section:

12 (a) “Public institution of higher education” means:

13 (A) A community college;

14 (B) A state institution of higher education listed in ORS 352.002; [*and*]

15 **(C) The University of Oregon; and**

16 [*(C)*] **(D) The Oregon Health and Science University.**

17 (b) “School-sponsored media” means materials that are prepared, substantially written, published
 18 or broadcast by student journalists, that are distributed or generally made available, either free of
 19 charge or for a fee, to members of the student body and that are prepared under the direction of a
 20 student media adviser. “School-sponsored media” does not include media intended for distribution
 21 or transmission solely in the classrooms in which they are produced.

22 (c) “Student journalist” means a student who gathers, compiles, writes, edits, photographs, re-
 23 cords or prepares information for dissemination in school-sponsored media.

24 (d) “Student media adviser” means a person who is employed, appointed or designated by a
 25 public institution of higher education to supervise, or provide instruction relating to, school-
 26 sponsored media.

27 (2) Student journalists are responsible for determining the news, opinion, feature and advertising
 28 content of school-sponsored media. This subsection does not prevent a student media adviser from
 29 teaching professional standards of English and journalism to the student journalists.

30 (3) Nothing in this section may be interpreted to authorize expression by students that:

31 (a) Is libelous or slanderous;

32 (b) Constitutes an unwarranted invasion of privacy;

33 (c) Violates federal or state statutes, rules or regulations or state common law; or

34 (d) So incites students as to create a clear and present danger of:

35 (A) The commission of unlawful acts on or off school premises;

36 (B) The violation of school policies; or

37 (C) The material and substantial disruption of the orderly operation of the school. A school of-
 38 ficial must base a forecast of material and substantial disruption on specific facts, including past
 39 experience in the school and current events influencing student behavior, and not on undifferen-
 40 tiated fear or apprehension.

41 (4) Any student enrolled in a public institution of higher education may commence a civil action
 42 to obtain damages under this subsection and appropriate injunctive or declaratory relief as deter-
 43 mined by a court for a violation of subsection (2) of this section, the First Amendment to the United
 44 States Constitution or section 8, Article I of the Oregon Constitution. Upon a motion, a court may
 45 award \$100 in damages and injunctive and declaratory relief to a prevailing plaintiff in a civil action

1 brought under this subsection.

2 **SECTION 143.** ORS 351.656 is amended to read:

3 351.656. (1) As used in this section:

4 (a) "Child" means a child, adopted child or stepchild of a service member.

5 (b) "Eligible post-secondary institution" means:

6 (A) A state institution of higher education listed in ORS 352.002; *[and]*

7 (B) The Oregon Health and Science University; **and**

8 **(C) The University of Oregon.**

9 (c) "Qualified student" means a child, a spouse or an unremarried surviving spouse of a service
10 member.

11 (d) "Service member" means a person who:

12 (A) As a member of the Armed Forces of the United States, died on active duty;

13 (B) As a member of the Armed Forces of the United States, died as a result of a military service
14 connected disability; or

15 (C) Is 100 percent disabled as the result of a military service connected disability, as certified
16 by the United States Department of Veterans Affairs or any branch of the Armed Forces of the
17 United States.

18 (2) Subject to subsections (3) to (6) of this section, an eligible post-secondary institution shall
19 waive tuition for a qualified student for courses that may lead to a baccalaureate degree or a
20 master's degree. A qualified student who received a tuition waiver for a baccalaureate degree may
21 also qualify for a tuition waiver for a master's degree.

22 (3)(a) The maximum waiver granted under this section shall be as follows:

23 (A) For a baccalaureate degree, the total number of credit hours that equals four years of full-
24 time attendance at an eligible post-secondary institution.

25 (B) For a master's degree, the total number of credit hours that equals two years of full-time
26 attendance at an eligible post-secondary institution.

27 (b) Notwithstanding paragraph (a) of this subsection, a waiver may not exceed the total number
28 of credit hours the qualified student needs to graduate with a baccalaureate degree or a master's
29 degree.

30 (4) A waiver may be granted under this section only for credit hours for courses that are offered
31 by an eligible post-secondary institution and are available for enrollment regardless of whether the
32 qualified student attends the course and pays tuition.

33 (5) A qualified student may receive a waiver under this section if the student:

34 (a) At the time of application for a waiver, is considered a resident of this state for the purpose
35 of determining tuition to be paid at an eligible post-secondary institution; and

36 (b) Has been admitted to an eligible post-secondary institution for a baccalaureate degree pro-
37 gram or has been admitted to a master's degree program at an eligible post-secondary institution.

38 (6)(a) A child who applies for a waiver under this section must be 23 years of age or younger
39 at the time the child applies for a waiver.

40 (b) Notwithstanding paragraph (a) of this subsection, a child who is older than 23 years of age
41 is eligible for a waiver for a master's degree if the child:

42 (A) Applied for and received a waiver for a baccalaureate degree when the child was 23 years
43 of age or younger; and

44 (B) Applied for a waiver for a master's degree within 12 months of receiving a baccalaureate
45 degree.

1 **SECTION 144.** ORS 351.695 is amended to read:

2 351.695. (1) A university within the Oregon University System may deposit moneys received for
3 its university venture development fund in the Higher Education Donation Fund established under
4 ORS 351.130.

5 (2) Notwithstanding ORS 351.697 (5), the State Treasurer, as payment for expenses, may deduct
6 a fee pursuant to ORS 293.718 from a university venture development fund administered by a uni-
7 versity within the Oregon University System, **the University of Oregon** or the Oregon Health and
8 Science University.

9 (3) A university within the Oregon University System, **the University of Oregon** or the Oregon
10 Health and Science University may direct that moneys credited to its university venture develop-
11 ment fund be held and invested by the university's affiliated foundation. Any moneys held by an af-
12 filiated foundation under this section or ORS 351.697 are not subject to the provisions of ORS
13 chapter 293 or 295 and may not be considered public or state funds for any purpose. Moneys trans-
14 ferred to an affiliated foundation under this section or ORS 351.697 may be used only as provided
15 under **this section and** ORS 351.692, [351.695,] 351.697 and 353.445.

16 (4) At the request of a university within the Oregon University System, moneys in the Higher
17 Education Donation Fund that were deposited by the university under this section may be trans-
18 ferred to the university's affiliated foundation.

19 (5) A university within the Oregon University System, **the University of Oregon** or the Oregon
20 Health and Science University may retain or may elect to have its affiliated foundation retain some
21 or all of the principal contributed to a university venture development fund for investment to per-
22 petuate and increase the moneys available for expenditure. The balance of the fund and the earnings
23 on that balance may be used as provided under **this section and** ORS 351.692, [351.695,] 351.697 and
24 353.445.

25 **SECTION 145.** ORS 351.697 is amended to read:

26 351.697. (1) Each university in the Oregon University System, **the University of Oregon** and
27 Oregon Health and Science University may elect to establish a university venture development fund
28 as provided in this section for the purpose of facilitating the commercialization of university re-
29 search and development. A university shall direct that the university venture development fund be
30 administered, in whole or in part, by the university or by the university's affiliated foundation.

31 (2) The purposes of a university venture development fund are to provide:

32 (a) Capital for university entrepreneurial programs;

33 (b) Opportunities for students to gain experience in applying research to commercial activities;

34 (c) Proof-of-concept funding for transforming research and development concepts into commer-
35 cially viable products and services;

36 (d) Entrepreneurial opportunities for persons interested in transforming research into viable
37 commercial ventures that create jobs in this state; and

38 (e) Tax credits for contributors to university research commercialization activities.

39 (3) Each university that elects to establish a university venture development fund shall:

40 (a) Notify the Department of Revenue of the establishment of the fund;

41 (b) Either directly or through its affiliated foundation, solicit contributions to the fund and re-
42 ceive, manage and disburse moneys contributed to the fund;

43 (c) Subject to ORS 315.521 (1), 351.692 (3) and 353.445 (3) **and section 52 of this 2011 Act**, issue
44 tax credit certificates to contributors to the fund in the amount of the contributions;

45 (d) Establish a grant program that meets the requirements for a venture grant program under

1 policies adopted by the State Board of Higher Education under ORS 351.692, **by the University of**
 2 **Oregon Board of Directors under section 52 of this 2011 Act** or [*under policies adopted*] by the
 3 Oregon Health and Science University Board of Directors under ORS 353.445; and

4 (e) Subject to available moneys from the fund, provide qualified grant applicants with moneys
 5 for the purpose of facilitating the commercialization of university research and development.

6 (4) Except as provided in subsection (5) of this section, moneys in a university venture devel-
 7 opment fund shall be disbursed only as directed by a university.

8 (5) A university or its affiliated foundation may charge its customary administrative assessment
 9 to manage its university venture development fund in an amount not to exceed three percent of the
 10 fund's average balance during the fiscal year of the university or its affiliated foundation. The ad-
 11 ministrative assessment may be paid from the assets in the fund. Except as authorized by law, no
 12 other fees or indirect costs shall be charged against the university venture development fund or any
 13 associated grants or other disbursements from the fund.

14 (6) A university that has established a university venture development fund shall monitor the
 15 use of grants made from the fund and identify the income realized by the university as the result
 16 of the use of the grants. Income consists of cash realized from royalties, milestone and license fee
 17 payments and cash from the sale of equity. The university shall cause the transfer of 20 percent of
 18 the income realized from the grants to the General Fund, but not to exceed the amount of the tax
 19 credits issued by the university as a result of contributions to its university venture development
 20 fund. Immediately upon deposit of the transferred amount into the General Fund, the university may
 21 issue new tax credits to equal the transferred amount.

22 (7) A university that has established a university venture development fund shall report annually
 23 to the Legislative Assembly or, if the Legislative Assembly is not in session, to the interim legisla-
 24 tive committees on revenue. The report shall be at the end of the fiscal year of the university or
 25 of its affiliated foundation and provide information for that fiscal year. The university shall include
 26 in the report the following information pertaining to its university venture development fund:

- 27 (a) The amount of donations received for the fund;
- 28 (b) The amount of income received from the fund;
- 29 (c) The amount of disbursements and grants paid from the fund;
- 30 (d) The amount of income and royalties received from disbursements from the fund; and
- 31 (e) The amount of moneys transferred from the fund to the General Fund.

32 **SECTION 146.** ORS 351.810 is amended to read:

33 351.810. The State Board of Higher Education, the Oregon Health and Science University, **the**
 34 **University of Oregon** and the Oregon members of the Western Interstate Commission for Higher
 35 Education are authorized to take any action necessary to achieving the ends of the Western Re-
 36 gional Higher Education Compact.

37 **SECTION 147.** ORS 351.820 is amended to read:

38 351.820. (1) Prior to June 1 of each even-numbered year the Oregon members of the Western
 39 Interstate Commission for Higher Education shall determine the quotas of Oregon students for whom
 40 various kinds of educational service should be purchased in out-of-state institutions during the next
 41 biennium and shall recommend to the State Board of Higher Education, **the University of Oregon**
 42 **Board of Directors** and the Oregon Health and Science University Board of Directors the amount
 43 to be included in its biennial budget to cover the cost of such educational service for students en-
 44 rolled in their respective institutions.

45 (2) The State Board of Higher Education, **the University of Oregon Board of Directors** and

1 the Oregon Health and Science University Board of Directors shall negotiate contracts with the
 2 Western Interstate Commission for Higher Education for educational service of the kind and amount
 3 indicated by the quotas determined under subsection (1) of this section. The board shall make pay-
 4 ments required by such contracts out of the money appropriated to it for that purpose.

5 (3) The State Board of Higher Education **and the University of Oregon Board of Directors**
 6 may also contract with higher education institutions, or others, which are not members of the
 7 Western Interstate Commission for Higher Education, to furnish educational services to students
 8 who are residents of the State of Oregon in those areas of higher education where the educational
 9 institutions of the State of Oregon are unable to provide the desired professional educational op-
 10 portunities.

11 **SECTION 148.** ORS 351.840 is amended to read:

12 351.840. (1) The State Board of Higher Education, **the University of Oregon Board of Direc-**
 13 **tors** and the Oregon Health and Science University Board of Directors may contract with the
 14 Western Interstate Commission for Higher Education to furnish educational service in their respec-
 15 tive Oregon institutions to out-of-state students.

16 (2) The State Board of Higher Education, **the University of Oregon Board of Directors** and
 17 the Oregon Health and Science University Board of Directors shall determine the number of out-
 18 of-state students that should be accepted into their respective institutions, and shall make final de-
 19 cisions on admission of individual applicants.

20 (3) Payments made by the commission under such contracts shall be deposited in and credited
 21 to a designated account in the Oregon University System Fund established by ORS 351.506 for stu-
 22 dents enrolled in institutions under the jurisdiction of the State Board of Higher Education in the
 23 same manner that fees and tuition payments for resident students are deposited and credited. The
 24 estimated amount of the payments must be considered by the board in making its biennial budgetary
 25 requests. Payments made by the commission under such contracts must be deposited with the
 26 Oregon Health and Science University for students who enroll in that university under the terms
 27 of such contracts. **Payments made by the commission under such contracts for students who**
 28 **enroll in the University of Oregon shall be deposited with the university under the terms of**
 29 **such contracts.**

30 **SECTION 149.** ORS 352.002 is amended to read:

31 352.002. The Oregon University System consists of the programs, activities and institutions of
 32 higher education under the jurisdiction of the State Board of Higher Education including the fol-
 33 lowing:

34 *[(1) University of Oregon.]*

35 *[(2)] (1) Oregon State University.*

36 *[(3)] (2) Portland State University.*

37 *[(4)] (3) Oregon Institute of Technology.*

38 *[(5)] (4) Western Oregon University.*

39 *[(6)] (5) Southern Oregon University.*

40 *[(7)] (6) Eastern Oregon University.*

41 **SECTION 150.** ORS 352.021 is amended to read:

42 352.021. (1) As used in this section, "internment camp" means a relocation center to which
 43 persons were ordered evacuated by Presidential Executive Order 9066, signed on February 19, 1942.

44 (2) A person who meets the requirements of subsection (4) of this section may request **the**
 45 **University of Oregon or** a state institution of higher education listed in ORS 352.002 to award the

1 person an honorary post-secondary degree.

2 (3) A representative of a deceased person who meets the requirements of subsection (4) of this
3 section may request **the University of Oregon** or a state institution of higher education listed in
4 ORS 352.002 to award an honorary post-secondary degree on behalf of the deceased person.

5 (4) Notwithstanding the requirements for a post-secondary degree established by a state insti-
6 tution of higher education or by the State Board of Higher Education, a state institution of higher
7 education that receives a request under subsection (2) or (3) of this section may award an honorary
8 post-secondary degree to a person, or on behalf of a deceased person, who:

9 (a) Was a student at the state institution of higher education in 1942; and

10 (b) Did not graduate from the institution because the person was ordered to an internment camp.

11 **SECTION 151.** ORS 352.046 is amended to read:

12 352.046. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] **at**
13 **the University of Oregon** the Center for Brain, Biology and Machine. The center shall be admin-
14 istered by the university [*of Oregon*].

15 (2) The purpose of the center is to promote interdisciplinary teaching and research in scientific
16 areas, including but not limited to brain structure, development and functions, genetics and
17 genomics, cognitive neuroscience, molecular biology, computational science, computing, magnetic
18 resonance imaging and optics.

19 (3) The [*Oregon University System*] **University of Oregon** may receive moneys from any public
20 or private source to support the Center for Brain, Biology and Machine created under subsections
21 (1) and (2) of this section. Gifts or grants received to support the center shall be deposited in an
22 appropriate fund at the university [*of Oregon by the Oregon University System*].

23 **SECTION 152.** ORS 352.048 is amended to read:

24 352.048. (1) There is created [*within the Oregon University System*] **at the University of Oregon**
25 the Industrialized Housing Development Program. The program shall be administered in conjunction
26 with the Center for Housing Innovation at the university [*of Oregon*].

27 (2) The purpose of the program is to provide assistance to industrialized housing manufacturers
28 to help them achieve demonstrated best practice by researching, evaluating and disseminating in-
29 formation on opportunities to improve design technology, including but not limited to:

30 (a) Methods to improve the affordability of housing;

31 (b) Better utilization of new products in industrialized housing;

32 (c) Improving the energy efficiency of industrialized housing; and

33 (d) Specialized training for workers and management.

34 **SECTION 153.** ORS 352.049 is amended to read:

35 352.049. (1) In fulfilling the purpose described in ORS 352.048, the Industrialized Housing De-
36 velopment Program shall:

37 (a) Emphasize client-directed problem solving with the planning and design of appropriate design
38 technologies;

39 (b) Provide or arrange for the provision of management assistance, specialized training for
40 workers and other consulting services;

41 (c) Supplement the design skills and expertise of program staff by developing relations with ex-
42 perts who may work in a consulting role;

43 (d) Research new and developing design technology in the United States and overseas with the
44 purpose of adapting proven technologies and management practices to Oregon conditions; and

45 (e) Disseminate research findings to all interested firms throughout the industrialized housing

1 industry.

2 (2) The Industrialized Housing Development Program shall establish a schedule of fees for the
3 services it provides. The program may establish a minimum level of service for which it does not
4 charge fees.

5 (3) The Industrialized Housing Development Program may hire individuals on a contract basis,
6 to provide either full-time or part-time staffing. However, employees of the program shall not be
7 considered tenured employees of the [*Oregon University System*] **University of Oregon**.

8 **SECTION 154.** ORS 352.051 is amended to read:

9 352.051. The [*State Board of Higher Education*] **University of Oregon Board of Directors** shall
10 adopt rules necessary to carry out the provisions of ORS 352.048 to 352.053.

11 **SECTION 155.** ORS 353.600 is amended to read:

12 353.600. As used in ORS 353.600 to 353.612:

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

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

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

17 **(b) The University of Oregon;**

18 [(b)] (c) A community college operated under ORS chapter 341;

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

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

22 **SECTION 156.** ORS 357.004 is amended to read:

23 357.004. As used in ORS 357.001 to 357.200, unless the context requires otherwise:

24 (1) "Depository library" means a library that is designated as such under ORS 357.095.

25 (2)(a) "Issuing agency" means state government, as that term is defined in ORS 174.111.

26 (b) "Issuing agency" does not include:

27 **(A)** The State Board of Higher Education or any institution, division or department under the
28 control of the board[.]; **or**

29 **(B) The University of Oregon Board of Directors or the University of Oregon.**

30 (3)(a) "Public document" means informational matter produced for public distribution or access
31 regardless of format, medium, source or copyright, originating in or produced with the imprint of,
32 by the authority of or at the total or partial expense of any state agency. "Public document" in-
33 cludes informational matter produced on computer diskettes, CD-ROMs, computer tapes, the Internet
34 or in other electronic formats.

35 (b) "Public document" does not include:

36 (A) Correspondence, forms, interoffice or intraoffice memoranda;

37 (B) Legislative bills;

38 (C) Oregon Revised Statutes or any edition thereof; or

39 (D) Reports and publications of the Oregon Supreme Court, the Oregon Court of Appeals and
40 the Oregon Tax Court.

41 **SECTION 157.** ORS 408.095 is amended to read:

42 408.095. (1) As used in this section, "community college" has the meaning given that term in
43 ORS 341.005.

44 (2) There is created in the Department of Veterans' Affairs the Campus Veterans' Service Offi-
45 cers Program.

1 (3) The purpose of the program is to provide educational outreach to veterans to help ensure
2 that they obtain maximum state and federal benefits.

3 (4) The department shall appoint a sufficient number of campus veterans' service officers to en-
4 sure that each Oregon community college and each institution in the Oregon University System, as
5 described in ORS 352.002, is provided veterans' services.

6 (5) Each community college, **the University of Oregon** and **each** institution in the Oregon
7 University System shall provide office space that may be used for the provision of veterans' services.

8 (6) The department may adopt rules to implement the Campus Veterans' Service Officers Pro-
9 gram.

10 **SECTION 158.** ORS 431.690, as amended by section 1, chapter 27, Oregon Laws 2010, and sec-
11 tion 6, chapter 62, Oregon Laws 2010, is amended to read:

12 431.690. (1) As used in this section, "place of public assembly" means a single building that has
13 50,000 square feet or more of indoor floor space and where:

14 (a)(A) The public congregates for purposes such as deliberation, shopping, entertainment,
15 amusement or awaiting transportation; or

16 (B) Business activities are conducted; and

17 (b) At least 50 individuals congregate on a normal business day.

18 (2) Notwithstanding ORS 431.680 (3), the owner of a place of public assembly shall have on the
19 premises at least one automated external defibrillator.

20 (3) Notwithstanding subsection (2) of this section:

21 (a) A community college, **the University of Oregon** or a state institution of higher education
22 listed in ORS 352.002 shall have at least one automated external defibrillator on the campus of the
23 community college, **university** or institution; and

24 (b) If the campus of the community college, **university** or institution of higher education con-
25 tains more than one place of public assembly, the community college, **university** or institution shall
26 ensure that at least one automated external defibrillator is readily available to each place of public
27 assembly.

28 (4) Subsection (2) of this section does not apply to a building primarily used for worship or ed-
29 ucation associated with worship.

30 **SECTION 159.** ORS 433.090 is amended to read:

31 433.090. As used in ORS 433.090 to 433.102:

32 (1) "Authorized user" means a person or entity authorized to provide information to or to re-
33 ceive information from an immunization registry or immunization tracking and recall system under
34 ORS 433.090 to 433.102. "Authorized user" includes, but is not limited to, licensed health care pro-
35 viders, health care institutions, insurance carriers, the Oregon medical assistance program, parents
36 or guardians of children under 18 years of age, clients 18 years of age or older, post-secondary ed-
37 ucation institutions, schools, children's facilities, local health departments, the Oregon Health Au-
38 thority and agents of the authority.

39 (2) "Children's facility" has the meaning given that term in ORS 433.235.

40 (3) "Client" means any person registered with any Oregon immunization tracking and recall
41 system.

42 (4) "Immunization record" includes but is not limited to the following:

43 (a) Any immunization received;

44 (b) Date immunization was received;

45 (c) Complication or side effect associated with immunization;

- 1 (d) Date and place of birth of a client;
- 2 (e) Hospital where a client was born;
- 3 (f) Client's name; and
- 4 (g) Mother's name.

5 (5) "Immunization registry" means any listing of clients and information relating to their im-
 6 munization status, without regard to whether the registry is maintained in this state or elsewhere.

7 (6) "Immunization tracking and recall record" includes but is not limited to the client's name,
 8 address of the parent or guardian of the client, telephone number, insurance carrier, health care
 9 provider and other information needed to send reminder cards to, place telephone calls to or per-
 10 sonally contact the client or the parent or the guardian of a client for the purposes of informing the
 11 client, parent or guardian that the client is late in receiving the recommended immunizations.

12 (7) "Local health department" has the meaning given that term in ORS 433.235.

13 (8) "Parent or guardian" has the meaning given the term "parent" in ORS 433.235.

14 (9) "Post-secondary education institution" means:

- 15 (a) A state institution of higher education under the jurisdiction of the State Board of Higher
 16 Education;
- 17 (b) A community college operated under ORS chapter 341;
- 18 (c) A school or division of Oregon Health and Science University; [*or*]

19 **(d) The University of Oregon; or**

20 [*d*] **(e)** An Oregon-based, generally accredited, private institution of higher education.

21 (10) "Provider" means a physician or a health care professional who is acting within the scope
 22 of his or her licensure and responsible for providing immunization services or for coordinating im-
 23 munization services within a clinic, public health site, school or other immunization site.

24 (11) "School" has the meaning given that term in ORS 433.235.

25 (12) "Tracking and recall system" means a system attached to an immunization registry designed
 26 to contact clients listed in the immunization registry for the purposes of assisting in the completion
 27 of the immunization series in a timely manner.

28 **SECTION 160.** ORS 461.543 is amended to read:

29 461.543. (1) Except as otherwise specified in subsection (5) of this section, the Sports Lottery
 30 Account is continuously appropriated to and shall be used by the State Board of Higher Education
 31 to fund sports programs at state institutions of higher education **and the University of Oregon.**
 32 Seventy percent of the revenues in the fund shall be used to fund nonrevenue producing sports and
 33 30 percent shall be used for revenue producing sports. Of the total amount available in the fund,
 34 at least 50 percent shall be made available for women's athletics.

35 (2) The State Board of Higher Education shall allocate moneys in the Sports Lottery Account
 36 among the institutions of higher education under its jurisdiction **and to the University of Oregon**
 37 giving due consideration to:

38 (a) The athletic conference to which the institution belongs and the relative costs of competing
 39 in that conference.

40 (b) The level of effort being made by the institution to generate funds and support from private
 41 sources.

42 (3) As used in subsections (1) to (3) of this section, "revenue producing sport" is a sport that
 43 produces net revenue over expenditures during a calendar year or if its season extends into two
 44 calendar years, produces net revenue over expenditures during the season.

45 (4) An amount equal to one percent of the moneys transferred to the Administrative Services

1 Economic Development Fund from the State Lottery Fund shall be allocated from the Administrative
2 Services Economic Development Fund to the Sports Lottery Account.

3 (5) The amounts received by the Sports Lottery Account shall be allocated as follows:

4 (a) Eighty-eight percent for the purposes specified in subsections (1) to (3) of this section, but
5 not to exceed \$8 million annually, adjusted annually pursuant to the Consumer Price Index, as de-
6 fined in ORS 327.006.

7 (b) Twelve percent for the purpose of scholarships, to be distributed equally between scholar-
8 ships based on academic merit and scholarships based on need, as determined by rule of the State
9 Board of Higher Education, but not to exceed \$1,090,909 annually.

10 (c) All additional money to the Oregon Student Assistance Commission for the Oregon Oppor-
11 tunity Grant program under ORS 348.260.

12 **SECTION 161.** ORS 657.732 is amended to read:

13 657.732. (1) As used in this section, "participating state agency or organization" means:

14 (a) The Employment Department;

15 (b) Divisions and offices within the Department of Human Services that have been approved by
16 the Director of the Employment Department, in consultation with the Education and Workforce
17 Policy Advisor, to participate in the Interagency Shared Information System;

18 (c) The Department of Education;

19 (d) The Oregon University System;

20 **(e) The University of Oregon;**

21 [(e)] **(f)** The Department of Community Colleges and Workforce Development; and

22 [(f)] **(g)** Other state agencies, other governmental entities or private organizations that have
23 applied to be participating state agencies or organizations and have been approved by the Director
24 of the Employment Department, in consultation with the Education and Workforce Policy Advisor,
25 to participate in the Interagency Shared Information System.

26 (2) There is established the Interagency Shared Information System. The purpose of the system
27 is to collect, analyze and share information for the development of statistical and demographic data
28 to facilitate the creation of strategies for the purpose of improving the education, training and em-
29 ployment programs related to enhancing Oregon's workforce system. The system shall share aggre-
30 gate information with a participating state agency or organization to allow the agency or
31 organization to develop policy, evaluate policy and plan and measure performance for the purpose
32 of improving the education, training and employment programs related to enhancing Oregon's
33 workforce system.

34 (3) The Director of the Employment Department shall administer and, in consultation with the
35 Education and Workforce Policy Advisor, shall oversee the development of the Interagency Shared
36 Information System. Participating state agencies or organizations shall enter into an interagency or
37 other applicable agreement with the Director of the Employment Department, as administrator of
38 the system, that:

39 (a) Establishes protocols for the collection and sharing of data in the system;

40 (b) Establishes safeguards for protecting the confidentiality of data in the system;

41 (c) Includes provisions regarding informed consent for sharing information obtained from indi-
42 viduals; and

43 (d) Provides for the sharing of costs for designing and maintaining the system.

44 (4) Every participating state agency or organization shall provide information to the Interagency
45 Shared Information System. Information shall be provided in a format that encodes identifying data,

1 including the client's Social Security number, using a formula unique to the participating state
2 agency or organization that shall not be disclosed to the system.

3 (5) In disclosing Social Security numbers to the Interagency Shared Information System under
4 subsection (4) of this section, every participating state agency or organization shall comply with any
5 state and federal laws that govern the collection and use of Social Security numbers by a partic-
6 ipating state agency or organization and any additional requirements specified by the director, in
7 consultation with the Education and Workforce Policy Advisor, that are included in the agreement
8 entered into under subsection (3) of this section.

9 (6) The information in the Interagency Shared Information System is not a public record for
10 purposes of ORS 192.410 to 192.505. For purposes of ORS 192.410 to 192.505, the information sub-
11 mitted to the system and the information received from the system is a public record, and the
12 custodian of such information is the participating state agency or organization that submits or re-
13 ceives the information. If the participating state agency or organization receiving the information
14 is not a public body, as defined in ORS 192.410, the Employment Department shall keep a copy of
15 the system information sent to that entity and shall be the custodian of that copy for purposes of
16 ORS 192.410 to 192.505. As custodian, the Employment Department shall limit the disclosure of, or
17 refuse to disclose, aggregate or summary level information when a small number of aggregated re-
18 cords or some other factor creates a reasonable risk that the identity of individuals may be discov-
19 ered or disclosed. The department shall refer all other requests for disclosure of system information
20 to the public body that is the custodian of the information.

21 (7) The Employment Department may charge a reasonable fee pursuant to ORS 192.440 for the
22 disclosure of reports to individuals or state agencies, governmental entities or private organizations
23 that submit data to the system and are not participating state agencies or organizations.

24 (8) If a participating state agency or organization prepares or acquires a record that is confi-
25 dential under federal or state law, including ORS 192.502 (2), the participating state agency or or-
26 ganization does not violate state confidentiality laws by providing the information described in this
27 section to the Interagency Shared Information System. Notwithstanding the provisions of ORS
28 279C.815 (4), 279C.850 (3), 657.665 and 660.339, the Bureau of Labor and Industries, the Department
29 of Community Colleges and Workforce Development and the Employment Department are authorized
30 to provide information to the Interagency Shared Information System.

31 (9) Notwithstanding the provisions of ORS 192.410 to 192.505, a participating state agency or
32 organization shall not allow public access to information received from the Interagency Shared In-
33 formation System that identifies a particular individual unless required by law. Any participating
34 state agency or organization shall limit the disclosure of, or refuse to disclose, aggregate or sum-
35 mary level information when a small number of aggregated records or some other factor creates a
36 reasonable risk that the identity of individuals may be discovered or disclosed.

37 (10) Any individual who, without proper authority, discloses confidential information under this
38 section may be disqualified from holding any appointment or employment with the State of Oregon.
39 The Employment Department shall adopt by rule procedures to prevent disclosure of confidential
40 information submitted to the Interagency Shared Information System.

41 (11) Notwithstanding subsection (4) of this section, participating state agencies or organizations
42 may not provide new information to the Interagency Shared Information System after December 31,
43 2003. Information in the system on and after January 1, 2004, may be accessed by participating state
44 agencies or organizations in accordance with this section, applicable rules adopted by the Director
45 of the Employment Department and any agreements entered into under subsection (3) of this section.

1 **SECTION 162.** ORS 659.850 is amended to read:

2 659.850. (1) As used in this section, “discrimination” means any act that unreasonably differen-
 3 tiates treatment, intended or unintended, or any act that is fair in form but discriminatory in oper-
 4 ation, either of which is based on race, color, religion, sex, sexual orientation, national origin,
 5 marital status, age or disability. “Discrimination” does not include enforcement of an otherwise
 6 valid dress code or policy, as long as the code or policy provides, on a case-by-case basis, for rea-
 7 sonable accommodation of an individual based on the health and safety needs of the individual.

8 (2) A person may not be subjected to discrimination in any public elementary, secondary or
 9 community college education program or service, school or interschool activity or in any higher
 10 education program or service, school or interschool activity where the program, service, school or
 11 activity is financed in whole or in part by moneys appropriated by the Legislative Assembly.

12 (3) The State Board of Education, **the University of Oregon Board of Directors** and the State
 13 Board of Higher Education shall establish rules necessary to ensure compliance with subsection (2)
 14 of this section in the manner required by ORS chapter 183.

15 **SECTION 163.** ORS 659.860 is amended to read:

16 659.860. (1) Any person claiming to be aggrieved by unlawful discrimination as prohibited by
 17 ORS 659.850 may file a civil action in circuit court for equitable relief or, subject to the terms and
 18 conditions of ORS 30.265 to 30.300, damages, or both. The court may order such other relief as may
 19 be appropriate. Damages shall be \$200 or actual damages, whichever is greater.

20 (2) The action authorized by this section shall be filed within one year of the filing of a griev-
 21 ance.

22 (3) No action shall be filed unless, within 180 days of the alleged discrimination, a grievance has
 23 been filed with the school district board, public charter school governing body, community college
 24 board of education, **University of Oregon Board of Directors** or State Board of Higher Education.

25 (4) No action may be filed until 90 days after filing a grievance unless only injunctive relief is
 26 sought pursuant to ORCP 79. The right to temporary or preliminary injunctive relief shall be inde-
 27 pendent of the right to pursue any administrative remedy available to complainants pursuant to ORS
 28 659.850.

29 (5) No action may be filed if the school district board, public charter school governing body,
 30 community college board of education, **University of Oregon Board of Directors** or State Board
 31 of Higher Education has obtained a conciliation agreement with the person filing the grievance or
 32 if a final determination of a grievance has been made except as provided in ORS 183.480.

33 (6) Notwithstanding the filing of a grievance, pursuant to subsection (3) of this section, any
 34 person seeking to maintain an action under this section shall also file a notice of claim within 180
 35 days of the alleged discrimination as required by ORS 30.275.

36 (7) The court shall award reasonable attorney fees to a prevailing plaintiff in any action under
 37 this section. The court may award reasonable attorney fees and expert witness fees incurred by a
 38 defendant who prevails in the action if the court determines that the plaintiff had no objectively
 39 reasonable basis for asserting a claim or no objectively reasonable basis for appealing an adverse
 40 decision of a trial court.

41 (8) Nothing in this section is intended to reduce the obligations of the education agencies under
 42 this section and ORS 659.850 and 659.855.

43 **SECTION 164.** ORS 660.315 is amended to read:

44 660.315. (1) The Governor shall designate regional workforce committees to advise the Governor,
 45 local workforce investment boards that represent federally recognized workforce areas containing

1 multiple regions, and county elected officials on regional and local needs for workforce development.
2 The committees shall also prepare plans for achieving regional goals and coordinate the provision
3 of services within regions. The committees shall have private and public sector members. However,
4 a majority of the members of each committee shall represent the private sector and include business
5 and labor representatives. The chairperson of each committee shall be a private sector member and
6 be elected by the committee.

7 (2) The private sector committee members shall play a critical role in workforce development,
8 including but not limited to:

9 (a) Identifying current and future workforce needs;

10 (b) Providing feedback on public sector programs;

11 (c) Assisting public agencies in changing programs to be more effective in meeting private sector
12 needs; and

13 (d) Being a partner in addressing workforce needs.

14 (3) Private sector members of a committee created under this section shall be appointed by
15 county commissioners and, in the region that includes the City of Portland, the Mayor of Portland.
16 The members of the committee shall reflect the broadest feasible representation from the groups
17 described in ORS 660.312 (4)(a) to (h).

18 (4) The public sector representatives on the committee are representatives who receive re-
19 sources and deliver education and workforce programs within the labor market area. Public sector
20 members shall include the broadest feasible representation from, but not be limited to, the following:

21 (a) The Department of Human Services;

22 (b) School districts, education service districts, community colleges, state institutions of higher
23 education, **the University of Oregon** and Oregon Health and Science University;

24 (c) The Oregon Business Development Department and local economic development entities;

25 (d) The Employment Department;

26 (e) The federal Act programs; and

27 (f) Other public sector partners.

28 (5) A region may recommend to the Governor an alternate structure for its regional committee,
29 based on regional determination and mutually agreed to by the current public and private sector
30 members of the regional workforce committee and the chief elected officials. The alternate structure
31 must retain a private sector chairperson, appointments of the private sector members as provided
32 in subsection (3) of this section, and substantive public and private sector and other stakeholder
33 participation through formalized methods, such as standing committees.

34 (6) A regional workforce committee shall develop and implement a strategic regional workforce
35 plan that responds to the current and future workforce needs of the regional labor market.

36 (7) The strategic regional workforce plan shall:

37 (a) Consider the supply and demand outlook for the region;

38 (b) Identify and prioritize initiatives and resources, both public and private, to meet the regional
39 workforce needs;

40 (c) Articulate and include the coordination of both public and private resources in addressing
41 the workforce needs and goals; and

42 (d) Ensure the most appropriate use of resource investments.

43 (8) The regional workforce committee shall create or enhance the workforce program delivery
44 system to meet the strategic priorities of the region and any strategic priorities of a federally re-
45 cognized workforce area that includes that region.

1 (9) Within each region, or within overlapping regions, regional workforce committees, local
2 workforce investment boards and regional investment boards shall coordinate their planning efforts
3 to ensure that the strategic efforts and resource allocation of economic and workforce development
4 of an area are consistent. Regional workforce committees and regional investment boards will ex-
5 tend opportunities to other entities engaged in economic and workforce development programs and
6 services to participate in their joint or integrated strategic planning.

7 (10)(a) A local workforce investment board that represents a multiregional workforce area shall
8 hold regional workforce committees in the area accountable for any policy and operational respon-
9 sibilities under 2832(d) of the federal Act that is delegated to the committees in accordance with
10 state policy and local workforce investment board policy.

11 (b) A regional workforce committee within a multiregional workforce area is accountable to the
12 local workforce investment board for any policy and operational responsibilities carried out under
13 the federal Act on behalf of the board.

14 (c) As it relates to regional responsibilities under this section, a regional workforce committee
15 may, through a vote of the committee, determine the methodology for delegating the responsibilities
16 of the regional workforce committee to a local workforce investment board representing the multi-
17 regional workforce area.

18 **SECTION 165.** ORS 660.358 is amended to read:

19 660.358. (1) The State Workforce Investment Board, in consultation with the Governor, the Ed-
20 ucation and Workforce Policy Advisor and other parties deemed appropriate by the board and after
21 consideration of the clean energy and energy efficiency policies of this state, shall develop a plan
22 for a green jobs growth initiative to promote the development of emerging technologies and inno-
23 vations that lead to, create or sustain family wage green jobs.

24 (2) The plan for the initiative developed by the board shall:

25 (a) Identify industries that are high demand green industries based on current and projected
26 creation of family wage green jobs and the potential for career pathways created for such jobs.

27 (b) Use the needs of identified high demand green industries as the basis for the planning of
28 workforce development activities that promote the development of emerging green technologies and
29 innovations. These activities include, but are not limited to, such efforts undertaken by community
30 colleges, the institutions of the Oregon University System, **the University of Oregon**, designated
31 signature research centers, registered apprenticeship programs and other private sector training
32 programs.

33 (c) Leverage and align existing public workforce development programs and other public and
34 private resources to the goal of recruiting, supporting, educating and training of targeted popu-
35 lations of workers.

36 (d) Require the board to work collaboratively with stakeholders from business, labor and low
37 income advocacy groups in the regional economy to develop and implement the initiative.

38 (e) Link adult basic and remedial education programs with job training for skills necessary for
39 green jobs.

40 (f) Require the board to collaborate with employers and labor organizations to identify skills and
41 competencies necessary for green job career pathways.

42 (g) Ensure that support services are integrated with education and training for green jobs and
43 that such services are provided by organizations with direct access to and experience with targeted
44 populations.

45 **SECTION 166.** ORS 679.020 is amended to read:

- 1 679.020. (1) A person may not practice dentistry without a license.
- 2 (2) Only a person licensed as a dentist by the Oregon Board of Dentistry may own, operate,
3 conduct or maintain a dental practice, office or clinic in this state.
- 4 (3) The restrictions of subsection (2) of this section, as they relate to owning and operating a
5 dental office or clinic, do not apply to a dental office or clinic owned or operated by any of the
6 following:
- 7 (a) A labor organization as defined in ORS 243.650 and 663.005 (6), or to any nonprofit organ-
8 ization formed by or on behalf of such labor organization for the purpose of providing dental ser-
9 vices. Such labor organization must have had an active existence for at least three years, have a
10 constitution and bylaws, and be maintained in good faith for purposes other than providing dental
11 services.
- 12 (b) The School of Dentistry of the Oregon Health and Science University.
- 13 (c) Institutions of higher education listed in ORS 352.002 **and the University of Oregon.**
- 14 (d) Local governments.
- 15 (e) Institutions or programs accredited by the Commission on Dental Accreditation of the
16 American Dental Association to provide education and training.
- 17 (f) Nonprofit corporations organized under Oregon law to provide dental services to rural areas
18 and medically underserved populations of migrant, rural community or homeless individuals under
19 42 U.S.C. 254b or 254c or health centers qualified under 42 U.S.C. 1396d(1)(2)(B) operating in com-
20 pliance with other applicable state and federal law.
- 21 (g) Nonprofit charitable corporations as described in section 501(c)(3) of the Internal Revenue
22 Code and determined by the Oregon Board of Dentistry as providing dental services by volunteer
23 licensed dentists to populations with limited access to dental care at no charge or a substantially
24 reduced charge.
- 25 (4) For the purpose of owning or operating a dental office or clinic, an entity described in sub-
26 section (3) of this section must:
- 27 (a) Name an actively licensed dentist as its dental director, who shall be subject to the pro-
28 visions of ORS 679.140 in the capacity as dental director. The dental director, or an actively licensed
29 dentist designated by the director, shall have responsibility for the clinical practice of dentistry,
30 which includes, but is not limited to:
- 31 (A) Diagnosis of conditions within the human oral cavity and its adjacent tissues and structures.
- 32 (B) Prescribing drugs that are administered to patients in the practice of dentistry.
- 33 (C) The treatment plan of any dental patient.
- 34 (D) Overall quality of patient care that is rendered or performed in the practice of dentistry.
- 35 (E) Supervision of dental hygienists, dental assistants or other personnel involved in direct pa-
36 tient care and the authorization for procedures performed by them in accordance with the standards
37 of supervision established by statute or by the rules of the board.
- 38 (F) Other specific services within the scope of clinical dental practice.
- 39 (G) Retention of patient dental records as required by statute or by rule of the board.
- 40 (H) Ensuring that each patient receiving services from the dental office or clinic has a dentist
41 of record.
- 42 (b) Maintain current records of the names of licensed dentists who supervise the clinical activ-
43 ities of dental hygienists, dental assistants or other personnel involved in direct patient care utilized
44 by the entity. The records must be available to the board upon written request.
- 45 (5) Subsections (1) and (2) of this section do not apply to a limited access permit dental hygienist

1 who renders services authorized by a limited access permit issued by the board pursuant to ORS
2 680.200.

3 (6) Nothing in this chapter precludes a person or entity not licensed by the board from:

4 (a) Ownership or leasehold of any tangible or intangible assets used in a dental office or clinic.
5 These assets include real property, furnishings, equipment and inventory but do not include dental
6 records of patients related to clinical care.

7 (b) Employing or contracting for the services of personnel other than licensed dentists.

8 (c) Management of the business aspects of a dental office or clinic that do not include the clin-
9 ical practice of dentistry.

10 (7) If all of the ownership interests of a dentist or dentists in a dental office or clinic are held
11 by an administrator, executor, personal representative, guardian, conservator or receiver of the es-
12 tate of a former shareholder, member or partner, the administrator, executor, personal represen-
13 tative, guardian, conservator or receiver may retain the ownership interest for a period of 12 months
14 following the creation of the ownership interest. The board shall extend the ownership period for
15 an additional 12 months upon 30 days' notice and may grant additional extensions upon reasonable
16 request.

17 **SECTION 167.** ORS 743.550 is amended to read:

18 743.550. (1) Student health insurance is subject to ORS 743.537, 743.540, 743.543, 743.546 and
19 743.549, except as provided in this section.

20 (2) Coverage under a student health insurance policy may be mandatory for all students at the
21 institution, voluntary for all students at the institution, or mandatory for defined classes of students
22 and voluntary for other classes of students. As used in this subsection, "classes" refers to under-
23 graduates, graduate students, domestic students, international students or other like classifications.
24 Any differences based on a student's nationality may be established only for the purpose of com-
25 plying with federal law in effect when the policy is issued.

26 (3) When coverage under a student health insurance policy is mandatory, the policyholder may
27 allow any student subject to the policy to decline coverage if the student provides evidence ac-
28 ceptable to the policyholder that the student has similar health coverage.

29 (4) A student health insurance policy may provide for any student to purchase optional supple-
30 mental coverage.

31 (5) Student health insurance coverage for athletic injuries may:

32 (a) Exclude coverage for injuries of students who have not obtained medical release for a similar
33 injury; and

34 (b) Be provided in excess of or in addition to any other coverage under any other health insur-
35 ance policy, including a student health insurance policy.

36 (6) A student health insurance policy may provide that coverage under the policy is secondary
37 to any other health insurance for purposes of guidelines established under ORS 743.552.

38 (7) A student health insurance policy may provide, on request by the policyholder, that all or
39 any portion of any indemnities provided by such policy on account of hospital, nursing, medical or
40 surgical services may, at the insurer's option, be paid directly to the hospital or person rendering
41 such services. However, the amount of any such payment shall not exceed the amount of benefit
42 provided by the policy with respect to the service or billing of the provider of aid. The amount of
43 such payments pursuant to one or more assignments shall not exceed the amount of expenses in-
44 curred on account of such hospitalization or medical or surgical aid.

45 (8) An insurer providing student health insurance as primary coverage may negotiate and enter

1 into contracts for alternative rates of payment with providers and offer the benefit of such alterna-
2 tive rates to insureds who select such providers. An insurer may utilize such contracts by offering
3 a choice of plans at the time an insured enrolls, one of which provides benefits only for services by
4 members of a particular provider organization with whom the insurer has an agreement. If an in-
5 sured chooses such a plan, benefits are payable only for services rendered by a member of that
6 provider organization, unless such services were requested by a member of such organization or are
7 rendered as the result of an emergency.

8 (9) Payments made under subsection (8) of this section shall discharge the insurer's obligation
9 with respect to the amount of insurance paid.

10 (10) An insurer shall provide each student health insurance policyholder with a current roster
11 of institutional and professional providers under contract to provide services at alternative rates
12 under the group policy and shall also make such lists available for public inspection during regular
13 business hours at the insurer's principal office within this state.

14 (11) As used in this section, "student health insurance" means that form of health insurance
15 under a policy issued to a college, school or other institution of learning, a school district or dis-
16 tricts, or school jurisdictional unit, or recognized student government at an institution of higher
17 education within the Oregon University System **or the University of Oregon**, or to the head,
18 principal or governing board of any such educational unit, who or which shall be deemed the
19 policyholder, that is available exclusively to students at the college, school or other institution.

20 **SECTION 168.** ORS 759.445 is amended to read:

21 759.445. (1) There is established in the State Treasury, separate and distinct from the General
22 Fund, the Connecting Oregon Communities Fund. Moneys in the fund shall consist of amounts de-
23 posited in the fund under ORS 759.405 and any other moneys deposited by a telecommunications
24 carrier that elects to be subject to ORS 759.405 and 759.410, including amounts deposited pursuant
25 to a performance assurance plan implemented by a telecommunications carrier in connection with
26 an application under 47 U.S.C. 271, as in effect on January 1, 2002. Interest earned on moneys in the
27 fund shall accrue to the fund. Moneys in the fund may be invested as provided in ORS 293.701 to
28 293.820. Moneys in the fund shall be used to provide access to advanced telecommunications tech-
29 nology in elementary schools and high schools, colleges and universities, community colleges, public
30 television corporations, rural health care providers, public libraries and other eligible persons.

31 (2) Two dedicated accounts shall be established within the Connecting Oregon Communities
32 Fund for purposes of supporting education and public access to advanced telecommunications ser-
33 vices. The first \$25 million of the moneys deposited in the Connecting Oregon Communities Fund in
34 both 2000 and 2001 shall be appropriated to the School Technology Account established under sub-
35 section (3) of this section. Except as provided in subsection (8) of this section, any additional moneys
36 available in the fund shall be appropriated to the Public Access Account established under sub-
37 section (4) of this section.

38 (3) There is established the School Technology Account within the Connecting Oregon Commu-
39 nities Fund. The purpose of the School Technology Account is to improve access to advanced tele-
40 communications services for students attending public school in kindergarten through grade 12.
41 Moneys in the account shall be expended as provided in section 34, chapter 1093, Oregon Laws 1999.

42 (4)(a) There is established the Public Access Account within the Connecting Oregon Communi-
43 ties Fund. The purpose of the Public Access Account is to improve access to advanced telecommu-
44 nications services for community colleges, universities, public libraries and rural health care
45 providers.

1 (b) If funding has not been provided from other sources, the first \$3 million available in the
2 Public Access Account shall be transferred to the Oregon University System for the purpose of
3 funding the Oregon Wide Area Network project to provide and expand Internet access for the
4 Oregon University System **and the University of Oregon**. The Oregon University System shall
5 complete an audit of bandwidth utilization and report to the Joint Legislative Committee on Infor-
6 mation Management and Technology during the Seventy-first Legislative Assembly in the manner
7 provided in ORS 192.245.

8 (c) Following the transfer of funds described in paragraph (b) of this subsection, the next \$1
9 million available in the Public Access Account shall be transferred to the Oregon University System
10 for Oregon State University for the purpose of providing virtual access to persons with disabilities.

11 (d) Following the transfer of funds as described in paragraphs (b) and (c) of this subsection, the
12 next \$2 million available in the Public Access Account shall be transferred to the Department of
13 Community Colleges and Workforce Development for distribution to community colleges for the
14 purpose of developing connectivity and distance education programs.

15 (e) Following the transfer of funds described in paragraphs (b) to (d) of this subsection, the next
16 \$4 million available in the Public Access Account shall be transferred to the Oregon University
17 System for video transport and network management services for the Oregon University System **and**
18 **the University of Oregon**.

19 (f) Following the transfer of funds described in paragraphs (b) to (e) of this subsection, the next
20 \$5.5 million available in the Public Access Account shall be transferred to the Oregon Public
21 Broadcasting Corporation for the purpose of digitizing the state television network, using the
22 Oregon Enterprise Network when possible.

23 (g) Following the transfer of funds described in paragraphs (b) to (f) of this subsection, the next
24 \$500,000 available in the Public Access Account shall be transferred to the Southern Oregon Public
25 Television Corporation for the purpose of digitizing the state television network, using the Oregon
26 Enterprise Network when possible.

27 (h) Following the transfer of funds described in paragraphs (b) to (g) of this subsection, a state
28 institution of higher education, including the Oregon Health and Science University **and the Uni-**
29 **versity of Oregon**, may apply for one-time matching funds up to \$1 million from the Public Access
30 Account to endow a telecommunications chair for the purpose of increasing research and develop-
31 ment of advanced telecommunications services applications. Only one chair may be endowed under
32 this paragraph.

33 (5)(a) The Oregon Business Development Commission shall approve expenditure of any remaining
34 moneys in the Public Access Account consistent with this section and ORS 759.430.

35 (b) Community colleges, state institutions of higher education, **including the University of**
36 **Oregon**, public libraries, public television corporations and rural health care providers may apply
37 to the Oregon Business Development Commission for funding from the Public Access Account under
38 this subsection.

39 (c) Funds received from the account shall be used for the purchase of advanced telecommuni-
40 cations services, equipment or recurring costs of telecommunications connectivity. Priority shall be
41 given to collaborative projects that improve access to advanced telecommunications services.

42 (d) Funds available in the Public Access Account under this subsection are continuously ap-
43 propriated to the Oregon Business Development Department for the purposes described in this sub-
44 section.

45 (6) Public libraries and rural health care providers must apply for federal universal service

1 support in order to be eligible for a grant from the Public Access Account.

2 (7) The video transport and network management services purchased with funds made available
3 under this section shall be purchased through the Oregon Department of Administrative Services.

4 (8) Any moneys deposited in the Connecting Oregon Communities Fund under subsection (1) of
5 this section pursuant to a performance assurance plan implemented by a telecommunications carrier
6 in connection with an application under 47 U.S.C. 271, as in effect on January 1, 2002, shall be
7 placed in the School Technology Account to be expended as provided in section 34, chapter 1093,
8 Oregon Laws 1999.

9 **SECTION 169.** ORS 815.080 is amended to read:

10 815.080. (1) A person commits the offense of providing a safety belt, harness equipment or a child
11 safety system that does not comply with standards if the person does any of the following:

12 (a) Sells or offers for sale a new motor vehicle that is not equipped with safety belts, safety
13 harnesses or child safety systems that comply with and are installed in compliance with the rules
14 adopted by the Department of Transportation under ORS 815.055. This paragraph applies only to
15 motor vehicles that are primarily designed for transportation of individuals and that have seating
16 for one or more passengers side-by-side with the operator. This paragraph requires only that the
17 vehicle be equipped with one seat belt or harness for the operator and one for at least one of the
18 passengers seated beside the operator.

19 (b) Sells or offers for sale any safety belt, safety harness, child safety system, anchor or other
20 device for attaching or securing safety belts, safety harnesses or child safety system if the belt,
21 harness, child safety system, anchor or device does not comply with the rules adopted by the de-
22 partment under ORS 815.055. This paragraph applies only to belts, harnesses, child safety systems,
23 anchors or devices for use or installation on a vehicle that is primarily designed for transportation
24 of individuals.

25 (c) Sells or offers for sale any safety belt, safety harness, child safety system, anchor or other
26 device for attaching or securing safety belts, safety harnesses or child safety systems if the belt,
27 harness, child safety system, anchor or device is not marked as required under federal safety stan-
28 dards and if the mark is not legible when the belt, harness, child safety system, anchor or other
29 device is used or installed on a vehicle. This paragraph applies only to belts, harnesses, child safety
30 systems, anchors or devices for use or installation on a vehicle that is primarily designed for
31 transportation of individuals.

32 (d) Installs any safety belt, safety harness, child safety system, anchor or other device for at-
33 taching or securing safety belts, safety harnesses or child safety systems on a vehicle that is pri-
34 marily designed for the transportation of individuals except in compliance with rules adopted by the
35 department under ORS 815.055.

36 (2) This section does not apply to school buses or school activity vehicles that are subject to
37 equipment standards adopted by the State Board of Education, **the University of Oregon Board**
38 **of Directors** or the State Board of Higher Education under ORS 820.100.

39 (3) The offense described in this section, providing a safety belt, harness equipment or a child
40 safety system that does not comply with standards, is a Class C traffic violation.

41 **SECTION 170.** ORS 820.100 is amended to read:

42 820.100. (1) The State Board of Education shall adopt and enforce such reasonable standards
43 relating to school bus and school activity vehicle construction and school bus and school activity
44 vehicle equipment as the board deems necessary for safe and economical operation, except that the
45 board may not authorize the use of school buses manufactured before April 1, 1977.

1 (2) The State Board of Higher Education may adopt and enforce separate rules of the type de-
 2 scribed under this section for school buses and school activity vehicles that are under the board's
 3 jurisdiction, except that the board may not authorize the use of school buses manufactured before
 4 April 1, 1977.

5 **(3) The University of Oregon Board of Directors may adopt and enforce separate rules**
 6 **of the type described under this section for school buses and school activity vehicles that are**
 7 **under the board's jurisdiction, except that the board may not authorize the use of school**
 8 **buses manufactured before April 1, 1977.**

9 [(3)] (4) The State Board of Education shall adopt and enforce standards for school bus stop
 10 arms authorized by ORS 820.105.

11 [(4)] (5) Rules adopted under this section:

12 (a) Must be consistent with requirements established by statute or by rule adopted under stat-
 13 utory authority that relate to the same subject.

14 (b) Shall be consistent with minimum uniform national standards, if such standards exist.

15 (c) May include different requirements for different classes or types of school buses or school
 16 activity vehicles.

17 (d) May include any exemptions determined appropriate under ORS 820.150.

18 **SECTION 171.** ORS 820.110 is amended to read:

19 820.110. (1) The State Board of Education shall adopt and enforce rules to establish requirements
 20 of operation, qualifications or special training of drivers and special accident reports for school
 21 buses and school activity vehicles.

22 (2) The State Board of Higher Education may adopt and enforce separate rules of the type de-
 23 scribed under this section for school buses and school activity vehicles that are under its jurisdic-
 24 tion.

25 **(3) The University of Oregon Board of Directors may adopt and enforce separate rules**
 26 **of the type described under this section for school buses and school activity vehicles that are**
 27 **under its jurisdiction.**

28 [(3)] (4) The rules adopted under this section:

29 (a) Are subject to ORS 820.190 and 820.200 and to any other statute or regulation relating to
 30 the operation of vehicles, qualifications of drivers and accident reports.

31 (b) Must be consistent with requirements established by statute or by rule adopted under stat-
 32 utory authority that relate to the same subject.

33 (c) May include different requirements for different classes or types of school buses or school
 34 activity vehicles.

35 (d) May include any exemptions determined appropriate under ORS 820.150.

36 [(4)] (5) If the Department of Transportation suspends, cancels or revokes any driving privileges
 37 of a person who holds a school bus endorsement under ORS 807.035 (5), the Department of Trans-
 38 portation shall notify the Department of Education of the suspension, cancellation or revocation.

39 **SECTION 172.** ORS 820.120 is amended to read:

40 820.120. (1) The State Board of Education shall adopt and enforce rules to provide for the in-
 41 spection of school buses and school activity vehicles to assure that the vehicles are in compliance
 42 with requirements under rules established under ORS 820.100 and 820.110, as applicable, and that
 43 the vehicles are safe for operation. The rules may include intervals of inspections.

44 (2) The State Board of Higher Education may adopt and enforce separate rules of the type de-
 45 scribed under this section for school buses and school activity vehicles that are under its jurisdic-

1 tion.

2 **(3) The University of Oregon Board of Directors may adopt and enforce separate rules**
 3 **of the type described under this section for school buses and school activity vehicles that are**
 4 **under its jurisdiction.**

5 [(3)] (4) The rules adopted under this section:

6 (a) Are subject to any other statute or regulation relating to the safety of vehicles for operation
 7 and the inspection of vehicles.

8 (b) May include different requirements for different classes or types of school buses or school
 9 activity vehicles.

10 (c) May include any exemptions determined appropriate under ORS 820.150.

11 **SECTION 173.** ORS 820.130 is amended to read:

12 820.130. The Department of Transportation shall issue registration for a school bus when noti-
 13 fied that the vehicle conforms to applicable rules under ORS 820.100 to 820.120 and that the vehicle
 14 is safe for operation on the highways. Notification required by this section shall be from:

15 (1) The State Board of Education or its authorized representative regarding vehicles under its
 16 regulatory authority.

17 (2) The State Board of Higher Education or its authorized representative regarding vehicles
 18 under its jurisdiction.

19 **(3) The University of Oregon Board of Directors or its authorized representative regard-**
 20 **ing vehicles under its jurisdiction.**

21 **SECTION 174.** ORS 820.150 is amended to read:

22 820.150. (1) The State Board of Education, by rule, may establish classes or types of vehicles
 23 that are not considered school buses or school activity vehicles for purposes of the Oregon Vehicle
 24 Code or classes of school buses or school activity vehicles that are not subject to regulation under
 25 the Oregon Vehicle Code either partially or completely.

26 (2) The State Board of Higher Education may adopt separate rules of the type described under
 27 this section for vehicles that are under its jurisdiction.

28 **(3) The University of Oregon Board of Directors may adopt separate rules of the type**
 29 **described under this section for vehicles that are under its jurisdiction.**

30 [(3)] (4) Rules adopted under this section are subject to the following:

31 (a) Any exemption, either partial or total, established under this section may be based upon
 32 passenger capacity, on limited use or on any other basis the State Board of Education, [or] the State
 33 Board of Higher Education **or the University of Oregon Board of Directors** considers appropri-
 34 ate.

35 (b) No exemption, either partial or total, shall be established under this section for any vehicle
 36 that is marked with or displays the words "school bus."

37 (c) Any vehicle determined not to be a school bus under this section is not a school bus within
 38 the definition established under ORS 801.460. Partial exemptions established for vehicles under this
 39 section may include removal of the vehicle from any provisions relating to school buses under the
 40 vehicle code.

41 (d) Any vehicle determined not to be a school activity vehicle under this section is not a school
 42 activity vehicle within the definition established under ORS 801.455. Partial exemptions established
 43 for vehicles under this section may include removal of the vehicle from any provisions relating to
 44 school activity vehicles under the vehicle code.

45 (e) In considering any rules under this section, the boards shall consider the need to assure

1 student safety.

2 **SECTION 175.** ORS 825.017 is amended to read:

3 825.017. Except as provided in ORS 825.026 and 825.030, this chapter does not apply to the per-
4 sons or vehicles described in this section. The exemption under this section applies to the following
5 persons and vehicles:

6 (1) Vehicles being used by, or under contract with, any school board, district or person respon-
7 sible for the administration of elementary or secondary school activities, and engaged exclusively
8 in transporting students or combinations of students and other persons to or from school, to or from
9 authorized school activities or other activities sponsored by the State Board of Higher Education
10 **or the University of Oregon Board of Directors**, or for purposes provided under ORS 332.427.
11 This exemption shall not be affected by the charging of a fee to cover the costs of the transporta-
12 tion.

13 (2) Vehicles being used in a taxicab operation if the vehicle:

14 (a) Is a passenger vehicle with a passenger seating capacity that does not exceed five;

15 (b) Carries passengers for hire where the destination and route traveled may be controlled by
16 a passenger and the fare is calculated on the basis of any combination of an initial fee, distance
17 traveled or waiting time; and

18 (c) Is transporting persons or property, or both, between points in Oregon.

19 (3) Vehicles being used for the transportation of property by private carrier by means of a single
20 vehicle or combination of vehicles with a combined weight that does not exceed 8,000 pounds.

21 (4) Vehicles being used in operating implements of husbandry.

22 (5) Vehicles being used as a hearse or ambulance.

23 (6) Vehicles being used over any private road or thoroughfare.

24 (7) Vehicles being used on any road, thoroughfare or property, other than a state highway,
25 county road or city street, for the removal of forest products as defined in ORS 321.005, or the
26 product of forest products converted to a form other than logs at or near the harvesting site, or
27 when used for the construction or maintenance of the road, thoroughfare or property, pursuant to
28 a written agreement or permit authorizing the use, construction or maintenance of the road,
29 thoroughfare or property, with:

30 (a) An agency of the United States;

31 (b) The State Board of Forestry;

32 (c) The State Forester; or

33 (d) A licensee of an agency named in this subsection.

34 (8) Vehicles being used on any county road for the removal of forest products as defined in ORS
35 321.005, or the products of forest products converted to a form other than logs at or near the har-
36 vesting site, if:

37 (a) The use is pursuant to a written agreement entered into with the State Board of Forestry,
38 the State Forester or an agency of the United States, authorizing the owner of the motor vehicle
39 to use the road and requiring the owner to pay for or to perform the construction or maintenance
40 of the county road, including any operator of a motor vehicle retained to transport logs, poles and
41 piling for the owners who are exempt under this section;

42 (b) The board, officer or agency that entered into the agreement or granted the permit, by con-
43 tract with the county court or board of county commissioners, has assumed the responsibility for the
44 construction or maintenance of the county road; and

45 (c) Copies of the agreements or permits required by this subsection are filed with the Director

1 of Transportation.

2 (9) Vehicles being used in the transportation of persons for hire if the operation:

3 (a) Is performed by a nonprofit entity;

4 (b) Is not in competition with a regular route full-service scheduled carrier of persons that is
5 subject to the provisions of this chapter or a service provided by a mass transit district formed un-
6 der ORS chapter 267;

7 (c) Is performed by use of vehicles operating in compliance with ORS 820.020 to 820.070; and

8 (d) Is approved by the Department of Transportation as complying with paragraphs (a) to (c) of
9 this subsection.

10 (10) Vehicles being used in transporting persons with disabilities, with or without their super-
11 visors or assistants, to or from rehabilitation facilities or child care services if the motor vehicle is
12 a passenger motor vehicle with a seating capacity of not more than 12 passengers. The exemption
13 provided by this subsection applies only when the motor vehicle is operated by or under contract
14 with any person responsible for the administration of rehabilitation facilities as defined in ORS
15 344.710 to 344.730 or child care services provided by a facility licensed under ORS 657A.030 and
16 657A.250 to 657A.450.

17 (11) Vehicles owned or operated by the United States or by any governmental jurisdiction within
18 the United States except when owned or operated as a carrier of property for hire.

19 (12) Vehicles owned or operated by a mass transit district created under ORS chapter 267.

20 (13) Vehicles owned or operated by, or under contract with, a person responsible for the con-
21 struction or reconstruction of a highway under contract with the Department of Transportation or
22 with an agency of the United States when operated within the immediate construction project as
23 described in the governmental agency contract during the construction period.

24 (14) Vehicles owned or operated by, or under contract with, a charitable organization when ex-
25 clusively engaged in performing transportation, either one way or round trip, necessary to the op-
26 eration of the charitable organization. As used in this subsection, "charitable organization" means
27 an organization that has no capital stock and no provision for making dividends or profits, but de-
28 rives its funds principally from public and private charity and holds them in trust for the promotion
29 of the welfare of others and not for profit. Any organization claiming an exemption under this sub-
30 section shall file an affidavit with the department stating that it is organized and operated in ac-
31 cordance with the requirements of this subsection.

32 (15) Vehicles with a maximum speed that does not exceed 35 miles per hour that are designed
33 for off-road use and that are operated on the public highways in any one calendar year a number
34 of miles that does not exceed 15 percent of the total number of miles the vehicle is operated for that
35 calendar year.

36 (16) Passenger vehicles with a passenger seating capacity that does not exceed five when used
37 in the transportation of new telephone books.

38 (17) A vehicle that is used in a limousine service operation in which the destination and route
39 traveled may be controlled by the passenger and the fare is calculated on the basis of any combi-
40 nation of initial fee, distance traveled and waiting time if the vehicle:

41 (a) Is a passenger vehicle with a passenger seating capacity that does not exceed eight;

42 (b) Carries passengers for hire between points in Oregon; and

43 (c) Operates on an irregular route basis.

44 (18) Fire trucks and rescue vehicles that are designated as emergency vehicles by the Depart-
45 ment of Transportation under ORS 801.260, while involved in emergency and related operations.

1 (19) A person who provides services related to the packing or loading of household goods if the
2 person does not:

3 (a) Provide or operate a motor vehicle for the movement of the household goods; and

4 (b) Act as an agent for any person who does provide or operate a motor vehicle for the move-
5 ment of the household goods.

6 **SECTION 176.** Section 14, chapter 761, Oregon Laws 2007, as amended by section 94, chapter
7 762, Oregon Laws 2009, is amended to read:

8 **Sec. 14.** (1) There is established in the General Fund an account to be known as the University
9 of Oregon Integrative Science Complex, Phase 2 Account. Funds in the account shall be used for the
10 construction, remodeling, expansion and renovation of facilities for an Interactive Science Complex,
11 Phase 2 at the University of Oregon.

12 (2) The account shall consist of grant funds, gift funds, federal and local government funds made
13 available to and funds donated to the [*Oregon University System*] **University of Oregon** for the
14 purpose of the Interactive Science Complex, Phase 2 project described in subsection (1) of this sec-
15 tion. Interest earned on moneys in the account shall be credited to the account. The account may
16 not be credited with more than \$30,000,000 for purposes of this subsection.

17 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-
18 tion 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the [*Oregon*
19 *University System*] **University of Oregon** and may be transferred to the account designated by [*ORS*
20 *351.626*] **the university** for the Interactive Science Complex, Phase 2 project described in subsection
21 (1) of this section.

22 **SECTION 177.** Section 15, chapter 761, Oregon Laws 2007, as amended by section 95, chapter
23 762, Oregon Laws 2009, is amended to read:

24 **Sec. 15.** (1) There is established in the General Fund an account to be known as the University
25 of Oregon Hayward Field Account. Funds in the account shall be used for the construction, remodel-
26 ing, expansion and renovation of Hayward Field at the University of Oregon.

27 (2) The account shall consist of funds received from not-for-profit organizations, grant funds, gift
28 funds, federal and local government funds made available to and funds donated to the [*Oregon Uni-*
29 *versity System*] **University of Oregon** for the purpose of the Hayward Field project described in
30 subsection (1) of this section. Interest earned on moneys in the account shall be credited to the ac-
31 count. The account may not be credited with more than \$2,500,000 for purposes of this subsection.

32 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-
33 tion 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the [*Oregon*
34 *University System*] **University of Oregon** and may be transferred to the account designated by [*ORS*
35 *351.626*] **the university** for the Hayward Field project described in subsection (1) of this section.

36 **SECTION 178.** Section 24, chapter 904, Oregon Laws 2009, is amended to read:

37 **Sec. 24.** (1) There is established in the General Fund an account to be known as the University
38 of Oregon Allen Hall Expansion and Remodel Project Account. Funds in the account shall be used
39 for the construction, remodeling, expansion and renovation of facilities for a facility project at the
40 University of Oregon.

41 (2) The account shall consist of proceeds from grant funds and gift funds made available to and
42 funds donated to the [*Oregon University System*] **University of Oregon** for the purpose of the fa-
43 cility project described in subsection (1) of this section. Interest earned on moneys in the account
44 shall be credited to the account. The account may not be credited with more than \$7,500,000 for
45 purposes of this subsection.

1 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-
 2 tion 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the [*Oregon*
 3 *University System*] **University of Oregon** and may be transferred to the [*Department of Higher Ed-*
 4 *ucation Capital Construction Fund*] **university** for the facility project described in subsection (1) of
 5 this section.

6 **SECTION 179. ORS 352.035 is repealed.**

7 **SECTION 180. Sections 1 to 4 and 7 to 64 of this 2011 Act, the amendments to statutes**
 8 **by sections 65 to 178 of this 2011 Act and the repeal of ORS 352.035 by section 179 of this 2011**
 9 **Act become operative on January 1, 2012.**

10 **SECTION 181. ORS 351.517, 351.518, 351.519, 351.521, 351.538, 351.539, 352.043, 352.045,**
 11 **352.046, 352.048, 352.049, 352.051, 352.052 and 352.053 are added to and made a part of sections**
 12 **1 to 52 of this 2011 Act.**

13 **SECTION 182. This 2011 Act being necessary for the immediate preservation of the public**
 14 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**
 15 **July 1, 2011.**