

**PROPOSED AMENDMENTS TO RESOLVE CONFLICTS TO
B-ENGROSSED SENATE BILL 270**

1 On page 76 of the printed B-engrossed bill, delete lines 22 through 45.

2 Delete page 77.

3 On page 78, delete lines 1 through 39 and insert:

4 **“SECTION 114.** ORS 243.800, as amended by section 1, chapter 174,
5 Oregon Laws 2013 (Enrolled Senate Bill 269), is amended to read:

6 “243.800. (1) Notwithstanding any provision of ORS chapter 238 or 238A
7 or ORS 243.910 to 243.945, the State Board of Higher Education **and the**
8 **governing board of a public university with a governing board listed**
9 **in section 3 of this 2013 Act** shall establish and administer an Optional
10 Retirement Plan for administrative and academic employees of the Oregon
11 University System **or public university**. The Optional Retirement Plan must
12 be a qualified plan under the Internal Revenue Code, capable of accepting
13 funds transferred under subsection (7) of this section without the transfer
14 being treated as a taxable event under the Internal Revenue Code, and will-
15 ing to accept those funds. Retirement and death benefits shall be provided
16 under the plan by the purchase of annuity contracts, fixed or variable or a
17 combination thereof, or by contracts for investments in mutual funds.

18 “(2) An administrative or academic employee [*of the Oregon University*
19 *System*] may elect to participate in the Optional Retirement Plan upon com-
20 pletion of:

21 “(a) Six hundred hours of employment, or the equivalent as determined
22 by the State Board of Higher Education **or the governing board**; and

1 “(b) Six months of employment that is not interrupted by more than 30
2 consecutive working days.

3 “(3) An administrative or academic employee may make an irrevocable
4 election to participate in the Optional Retirement Plan within six months
5 after being employed. An election under this subsection is effective on the
6 first day of the month following the completion of the requirements of sub-
7 section (2) of this section.

8 “(4) An administrative or academic employee who does not elect to par-
9 ticipate in the Optional Retirement Plan:

10 “(a) Remains or becomes a member of the Public Employees Retirement
11 System in accordance with ORS chapters 238 and 238A; or

12 “(b) Continues to be assisted by the State Board of Higher Education **or**
13 **governing board** under ORS 243.920 if the employee is being so assisted.

14 “(5) Except as provided in subsection (6) of this section, employees who
15 elect to participate in the Optional Retirement Plan are ineligible for active
16 membership in the Public Employees Retirement System or for any assistance
17 by the State Board of Higher Education **or governing board** under ORS
18 243.920 as long as those employees are employed in the Oregon University
19 System **or public university** and the plan is in effect.

20 “(6)(a) An administrative or academic employee who elects to participate
21 in the Optional Retirement Plan, who has creditable service under ORS
22 chapter 238 as defined by ORS 238.005 and who is not vested shall be con-
23 sidered by the Public Employees Retirement Board to be a terminated mem-
24 ber under the provisions of ORS 238.095 as of the effective date of the
25 election, and the amount credited to the member account of the member shall
26 be transferred directly to the Optional Retirement Plan by the Public Em-
27 ployees Retirement Board in the manner provided by subsection (7) of this
28 section.

29 “(b) An administrative or academic employee who elects to participate in
30 the Optional Retirement Plan, who has creditable service under ORS chapter

1 238 as defined by ORS 238.005 and who is vested shall be considered to be
2 an inactive member by the Public Employees Retirement Board and shall
3 retain all the rights, privileges and options under ORS chapter 238 unless the
4 employee makes a written request to the Public Employees Retirement Board
5 for a transfer of the amounts credited to the member account of the member
6 to the Optional Retirement Plan. A request for a transfer must be made at
7 the time the member elects to participate in the Optional Retirement Plan.
8 Upon receiving the request, the Public Employees Retirement Board shall
9 transfer all amounts credited to the member account of the member directly
10 to the Optional Retirement Plan, and shall terminate all rights, privileges
11 and options of the employee under ORS chapter 238.

12 “(c) An administrative or academic employee who elects to participate in
13 the Optional Retirement Plan, and who is not a vested member of the pension
14 program of the Oregon Public Service Retirement Plan as described in ORS
15 238A.115 on the date that the election becomes effective, shall be considered
16 to be a terminated member of the pension program by the Public Employees
17 Retirement Board as of the effective date of the election.

18 “(d) An administrative or academic employee who elects to participate in
19 the Optional Retirement Plan, and who is a vested member of the pension
20 program of the Oregon Public Service Retirement Plan as described in ORS
21 238A.115 on the date that the election becomes effective, shall be considered
22 an inactive member of the pension program by the Public Employees Re-
23 tirement Board as of the effective date of the election. An employee who is
24 subject to the provisions of this paragraph retains all the rights, privileges
25 and options of an inactive member of the pension program. If the actuarial
26 equivalent of the employee’s benefit under the pension program at the time
27 that the election becomes effective is \$5,000 or less, the employee may make
28 a written request to the Public Employees Retirement Board for a transfer
29 of the employee’s interest under the pension program to the Optional Re-
30 tirement Plan. The request must be made at the time the member elects to

1 participate in the Optional Retirement Plan. Upon receiving the request, the
2 Public Employees Retirement Board shall transfer the amount determined to
3 be the actuarial equivalent of the employee's benefit under the pension pro-
4 gram directly to the Optional Retirement Plan, and shall terminate the
5 membership of the employee in the pension program.

6 “(e) An administrative or academic employee who elects to participate in
7 the Optional Retirement Plan, and who is a vested member of the individual
8 account program of the Oregon Public Service Retirement Plan as described
9 in ORS 238A.320 on the date that the election becomes effective, shall be
10 considered an inactive member of the individual account program by the
11 Public Employees Retirement Board as of the effective date of the election.
12 An employee who is subject to the provisions of this paragraph retains all
13 the rights, privileges and options of an inactive member of the individual
14 account program. An administrative or academic employee who elects to
15 participate in the Optional Retirement Plan, and who is a member of the
16 individual account program of the Oregon Public Service Retirement Plan,
17 may make a written request to the Public Employees Retirement Board that
18 all amounts in the member's employee account, rollover account and em-
19 ployer account, to the extent the member is vested in those accounts under
20 ORS 238A.320, be transferred to the Optional Retirement Plan. The request
21 must be made at the time the member elects to participate in the Optional
22 Retirement Plan. Upon receiving the request, the Public Employees Retire-
23 ment Board shall transfer the amounts directly to the Optional Retirement
24 Plan, and shall terminate the membership of the employee in the individual
25 account program upon making the transfer.

26 “(f) Notwithstanding paragraphs (b), (d) and (e) of this subsection, the
27 Public Employees Retirement Board may not treat any employee as an inac-
28 tive member under the provisions of this subsection for the purpose of re-
29 ceiving any benefit under ORS chapter 238 or 238A that requires that the
30 employee be separated from all service with participating public employers

1 and with employers who are treated as part of a participating public
2 employer's controlled group under the federal laws and rules governing the
3 status of the system and the Public Employees Retirement Fund as a quali-
4 fied governmental retirement plan and trust.

5 “(7) Any amounts transferred from the Public Employees Retirement Fund
6 under subsection (6) of this section shall be transferred directly to the Op-
7 tional Retirement Plan by the Public Employees Retirement Board and may
8 not be made available to the employee.

9 “(8) An employee participating in the Optional Retirement Plan who was
10 hired before July 1, 2014, shall contribute monthly an amount equal to the
11 percentage of the employee's salary that the employee would otherwise have
12 contributed as an employee contribution to the Public Employees Retirement
13 System if the employee had not elected to participate in the Optional Re-
14 tirement Plan.

15 “(9) For an employee participating in the Optional Retirement Plan who
16 was hired before July 1, 2014, the State Board of Higher Education **or gov-**
17 **erning board** shall contribute monthly to the Optional Retirement Plan the
18 percentage of salary of the employee equal to the percentage of salary that
19 would otherwise have been contributed as an employer contribution on be-
20 half of the employee to the Public Employees Retirement System, before any
21 offset under ORS 238.229 (2), if the employee had not elected to participate
22 in the Optional Retirement Plan.

23 “(10) For an employee participating in the Optional Retirement Plan who
24 was hired on or after July 1, 2014, the State Board of Higher Education shall
25 contribute monthly to the Optional Retirement Plan:

26 “(a) Eight percent of the employee's salary; and

27 “(b) A percentage of the employee's salary equal to the percentage of
28 salary contributed by the employee to the Oregon University System Tax-
29 Deferred Investment 403(b) Plan under ORS 243.820, up to four percent of the
30 employee's salary in each pay period.

1 “(11) Both employee and employer contributions to an Optional Retirement
2 Plan shall be remitted directly to the companies that have issued annuity
3 contracts to the participating employees or directly to the mutual
4 funds.

5 “(12) Benefits under the Optional Retirement Plan are payable to employees
6 who elect to participate in the plan and their beneficiaries by the
7 selected annuity provider or mutual fund in accordance with the terms of the
8 annuity contracts or the terms of the contract with the mutual fund. Employees
9 electing to participate in the Optional Retirement Plan agree that
10 benefits payable under the plan are not obligations of the State of Oregon
11 or of the Public Employees Retirement System.”.

12 On page 103, line 32, delete “(1)”.

13 Delete lines 39 through 44.

14 On page 130, line 3, delete “and 40 to 162” and insert “, 40 to 162 and 176
15 to 178”.

16 After line 14, insert:

17

18 **“CONFLICT AMENDMENTS**

19

20 **“SECTION 173. If Senate Bill 225 becomes law, section 101 of this
21 2013 Act (amending ORS 30.264) is repealed.**

22 **“SECTION 174. If House Bill 3079 becomes law, section 34 of this
23 2013 Act (amending ORS 348.603) is repealed.**

24 **“SECTION 175. If House Bill 3120 becomes law, sections 82, 83 and
25 84 of this 2013 Act (all amending ORS 351.735) are repealed.**

26 **“SECTION 176. If Senate Bill 267 becomes law, section 123b of this
27 2013 Act (amending ORS 284.540) is repealed and ORS 284.540, as
28 amended by section 3, chapter 230, Oregon Laws 2013 (Enrolled Senate
29 Bill 267), is amended to read:**

30 “284.540. (1) There is established the Governor’s Council on Oregon’s

1 Economy.

2 “(2) The members of the council are:

3 “(a) The presiding officer of the Oregon Business Development Commis-
4 sion;

5 “(b) The chairperson of the Oregon Transportation Commission;

6 “(c) The chairperson of the State Board of Agriculture;

7 “(d) The chairperson of the [*State Board of Higher Education*] **Higher**
8 **Education Coordinating Commission**; and

9 “(e) Other persons designated by the Governor.

10 “(3) The council shall meet quarterly to:

11 “(a) Discuss and coordinate the activities of each entity described in
12 subsection (2) of this section that relate to economic development and im-
13 proving the economy in Oregon; and

14 “(b) Discuss and recommend to the Legislative Assembly methods for
15 creating certainty for the development process.

16 **“SECTION 177. If Senate Bill 267 becomes law, section 123c of this**
17 **2013 Act (amending ORS 284.706) is repealed and ORS 284.706, as**
18 **amended by sections 21 and 31, chapter 90, Oregon Laws 2012, and**
19 **sections 4 and 5, chapter 230, Oregon Laws 2013 (Enrolled Senate Bill**
20 **267), is amended to read:**

21 “284.706. (1) There is created the Oregon Innovation Council consisting
22 of the following voting members:

23 “(a) The Governor or the Governor’s designated representative, who shall
24 be chairperson of the council.

25 “(b) Five members appointed by the Governor who are engaged in the
26 operations of Oregon traded sector industries or Oregon growth businesses.

27 “(c) One member appointed by the Governor who is a representative of
28 an Oregon-based, generally accredited, not-for-profit private institution of
29 higher education.

30 “(d) A member of the Oregon Growth Account Board, appointed by the

1 board, who has experience in the field of venture capital.

2 “(e) A member of the Engineering and Technology Industry Council, ap-
3 pointed by the Engineering and Technology Industry Council.

4 “(f) The Director of the Oregon Business Development Department.

5 “(g) The [*Chancellor of the Oregon University System*] **executive director**
6 **of the Higher Education Coordinating Commission.**

7 “[*h*] *The Commissioner for Community College Services.*]

8 “[*i*] **(h)** The State Treasurer.

9 “(2)(a) The Speaker of the House of Representatives shall appoint two
10 members to the council who are members of the House of Representatives.

11 “(b) The President of the Senate shall appoint two members to the council
12 who are members of the Senate.

13 “(c) Members of the Legislative Assembly appointed to the council are
14 nonvoting members and may act in an advisory capacity only.

15 “(3) The following persons, or their representatives, shall serve as ex
16 officio, nonvoting members of the council:

17 “(a) The presiding officer of the Oregon Business Development Commis-
18 sion.

19 “(b) The chairperson of the [*State Board of Higher Education*] **Higher**
20 **Education Coordinating Commission.**

21 “(c) The chairperson of the State Board of Education.

22 “(d) An executive officer of an association representing Oregon-based,
23 generally accredited, not-for-profit private institutions of higher education,
24 appointed by the Governor.

25 “(4) The term of office of each appointed voting member of the council is
26 three years, but an appointed member serves at the pleasure of the appoint-
27 ing authority. Before the expiration of the term of an appointed voting
28 member, the appointing authority shall appoint a successor whose term be-
29 gins on July 1 next following. An appointed member is eligible for reap-
30 pointment. If there is a vacancy for any cause, the appointing authority shall

1 make an appointment to become immediately effective for the remainder of
2 the unexpired term.

3 “(5) A majority of the voting members of the council constitutes a quorum
4 for the transaction of business.

5 “(6) Official action by the council requires the approval of a majority of
6 the voting members of the council.

7 “(7) The council shall meet at least twice per fiscal year at a place, day
8 and time determined by the chairperson. The council may also meet at other
9 times and places specified by a call of the chairperson or by written request
10 of a majority of the voting members of the council.

11 “(8) The council may adopt rules necessary for the operation of the
12 council.

13 “(9) The council may establish committees and delegate to the committees
14 duties as the council considers desirable.

15 “(10) The Oregon Business Development Department shall provide staff
16 support to the council.

17 “(11) Members of the council who are members of the Legislative Assem-
18 bly are entitled to compensation and expense reimbursement as provided in
19 ORS 171.072.

20 “(12) Members of the council who are not members of the Legislative
21 Assembly are entitled to compensation and expenses incurred by them in the
22 performance of their official duties in the manner and amounts provided for
23 in ORS 292.495. Claims for compensation and expenses of members of the
24 council who are public officers shall be paid out of funds appropriated to the
25 public agency that employs the member. Claims for compensation and ex-
26 penses of members of the council who are not public officers shall be paid
27 out of funds appropriated to the Oregon Business Development Department
28 for that purpose.

29 “(13) All agencies of state government, as defined in ORS 174.111, are di-
30 rected to assist the council in the performance of its duties and, to the extent

1 permitted by laws relating to confidentiality, to furnish such information and
2 advice as the members of the council consider necessary to perform their
3 duties.

4 **“SECTION 178. If House Bill 2148 becomes law, section 135 of this**
5 **2013 Act (amending ORS 341.440) is repealed and ORS 341.440, as**
6 **amended by section 36, chapter 1, Oregon Laws 2013 (Enrolled House**
7 **Bill 2148), is amended to read:**

8 “341.440. (1) A community college district may contract with another
9 community college district, a common or union high school district, an edu-
10 cation service district, [*the Oregon University System*] **a public university**
11 **listed in ORS 352.002**, the Oregon Health and Science University, a private
12 educational institution accredited by the Northwest Commission on Colleges
13 and Universities or its successor or a career school as defined in ORS 345.010
14 to obtain educational services for students enrolled in the community college
15 of the district. However, the educational services so obtained must meet the
16 standards for educational services provided by the college and the contract
17 price to the college for such services must not exceed the costs that would
18 otherwise be incurred by the college to provide its students the same or
19 similar services.

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

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

27 **“SECTION 179. If House Bill 3120 becomes law, section 16 of this 2013**
28 **Act is amended to read:**

29 **“Sec. 16. (1) The following entities are not subject to any provision of law**
30 **enacted after January 1, 2013, that is unique to governmental entities unless**

1 the following entities are expressly named:

2 “(a) A university with a governing board; and

3 “(b) Any not-for-profit organization or other entity if the equity of the
4 entity is owned or controlled exclusively by a university with a governing
5 board and if the organization or entity is created by the university to ad-
6 vance any of the university’s statutory missions.

7 “(2) Notwithstanding subsection (1) of this section, the provisions of ORS
8 30.260 to 30.460, 33.710, 33.720, 200.005 to 200.025, 200.045 to 200.090, 236.605
9 to 236.640, 276.080, 279.835, 279.840, 279.850 and 297.040 and ORS chapters 35,
10 190, 192 and 244 apply to a university with a governing board under the same
11 terms as they apply to public bodies other than the state.

12 “(3) Except as otherwise provided by law, the provisions of ORS 35.550 to
13 35.575, 180.060, 180.210 to 180.235, 184.305 to 184.345, 190.480, 190.490, 200.035,
14 243.696, 357.805 to 357.895 and 656.017 (2) and ORS chapters 182, 183, 240, 270,
15 273, 276, 278, 279A, 279B, 279C, 282, 283, 291, 292, 293, 294, 295 and 297 do not
16 apply to a university with a governing board.

17 “(4) Notwithstanding subsections (1) and (3) of this section, ORS 240.167,
18 279C.600 to 279C.625, 279C.800, 279C.810, 279C.825, 279C.830, 279C.835,
19 279C.840, 279C.845, 279C.850, 279C.855, 279C.860, 279C.865, 279C.870 and
20 292.043 apply to a university with a governing board under the same terms
21 as they apply to public bodies other than the state.

22 “(5) Notwithstanding subsection (2) of this section, ORS 190.430 and
23 192.105 do not apply to a university with a governing board or any organ-
24 ization or other entity described in subsection (1) of this section.

25 “(6) Except as set forth in subsection (3) of this section, ORS 243.650 to
26 243.782 apply to a university with a governing board under the same terms
27 as they apply to the state.

28 “(7) ORS 351.065, 351.067, 351.642, 351.643, 351.644, 351.646, 351.656, 351.658,
29 352.012 and 352.375 apply to a university with a governing board, except that
30 the board or university shall exercise the responsibilities and authorities of

1 the State Board of Higher Education, **the Higher Education Coordinating**
2 **Commission** or the Oregon University System.

3 “(8) A university with a governing board and its agents and employees
4 remain subject to all statutes and administrative rules of this state that
5 create rights, benefits or protections in favor of military veterans, service
6 members and families of service members to the same extent as an agency
7 of this state would be subject to such statutes and administrative rules.

8 “(9) ORS 351.692, 351.695 and 351.697 apply to a governing board, except
9 that the board has the responsibilities and authorities with respect to the
10 university it governs that the State Board of Higher Education and the
11 Oregon University System have with respect to the public universities iden-
12 tified in ORS 351.011. A university with a governing board may not issue a
13 tax credit certificate under ORS 351.692, 351.695 and 351.697 that will cause
14 the public universities listed in ORS 352.002 to owe the General Fund more
15 than \$6 million at any one time under ORS 351.692, 351.695 and 351.697.

16 “(10) If state bonds are issued for the benefit of a university with a gov-
17 erning board, the university shall have the powers and duties of a related
18 agency as defined in ORS 286A.001 to the extent necessary for the issuance
19 of such state bonds and the administration of the proceeds of the state bonds.

20 “(11) Nothing in this section may be construed so that statutory pro-
21 visions that are not set forth in this section apply to a university with a
22 governing board.”.

23 In line 18, delete “173” and insert “180”.

24 In line 24, delete “174” and insert “181”.

25
