## HOUSE AMENDMENTS TO A-ENGROSSED HOUSE BILL 3120

By JOINT COMMITTEE ON WAYS AND MEANS

July 1

On page 1 of the printed A-engrossed bill, line 2, after "ORS" delete the rest of the line and 1  $\mathbf{2}$ delete lines 3 through 20 and insert "244.050, 284.540, 284.706, 285B.168, 326.011, 326.051, 326.310, 3 326.370, 326.375, 326.550, 327.495, 336.585, 336.590, 339.030, 341.005, 341.009, 341.015, 341.019, 341.021,  $341.024,\ 341.025,\ 341.039,\ 341.045,\ 341.055,\ 341.065,\ 341.076,\ 341.085,\ 341.095,\ 341.105,\ 341.115,\ 341.125,\ 341.$ 4 341.290, 341.315, 341.317, 341.405, 341.420, 341.465, 341.527, 341.531, 341.547, 341.565, 341.569, 341.573,  $\mathbf{5}$ 6 341.577, 341.579, 341.626, 341.721, 341.933, 341.937, 344.070, 344.080, 344.090, 348.040, 348.050, 348.070, 348.095, 348.180, 348.186, 348.205, 348.210, 348.230, 348.250, 348.260, 348.265, 348.270, 348.280, 348.282, 7 348.283, 348.285, 348.290, 348.310, 348.320, 348.330, 348.340, 348.350, 348.360, 348.370, 348.390, 348.427, 8 9 348.429, 348.436, 348.444, 348.448, 348.500, 348.505, 348.520, 348.530, 348.560, 348.563, 348.570, 348.580, 348.590, 348.592, 348.604, 348.608, 348.611, 348.616, 348.618, 348.621, 348.625, 348.630, 348.635, 348.640, 10 348.655, 348.660, 348.665, 348.670, 348.675, 348.685, 348.690, 348.696, 348.900, 351.052, 351.070, 351.077, 11 351.203, 351.293, 351.643, 351.715, 351.718, 351.735, 352.730, 352.740, 352.750, 353.200, 399.255, 399.265, 12 13 399.275, 411.894, 418.657, 418.658, 433.283, 442.540, 442.545, 471.580, 656.046, 657.665, 659.850, 659.855, 660.157, 660.312, 660.318, 660.340, 660.343, 680.515, 684.040, 685.060 and 687.011 and sections 5, 25 and 14 1526, chapter 904, Oregon Laws 2009, sections 2 and 10, chapter 519, Oregon Laws 2011, section 2, 16 chapter 637, Oregon Laws 2011, section 14, chapter 36, Oregon Laws 2012, section 3, chapter 94, 17 Oregon Laws 2012, and section 1, chapter 96, Oregon Laws 2012; repealing ORS 326.075, 329.757, 18 329.765, 329.775, 329.780, 341.425, 348.510, 348.540, 348.550,".

19 On page 4, delete lines 24 through 27 and insert:

20 "(d) Adopt rules governing the distribution of appropriations from the Legislative Assembly to

community colleges, public universities listed in ORS 352.002 and student access programs. These rules must be based on allocation formulas developed in consultation with the state's community colleges and public universities, as appropriate.".

24 Delete lines 44 and 45.

25 On page 5, delete line 1 and insert:

26 "(A) Approve the mission statement adopted by a governing board of a public university or by 27 the State Board of Higher Education.".

28 On page 8, delete lines 17 through 20 and insert:

"(d) Adopt rules governing the distribution of appropriations from the Legislative Assembly to community colleges, public universities listed in ORS 352.002 and student access programs. These rules must be based on allocation formulas developed in consultation with the state's community colleges and public universities, as appropriate.".

33 Delete lines 37 through 39 and insert:

34 "(A) Approve the mission statement adopted by a governing board of a public university or by 35 the State Board of Higher Education.".

1 On page 12, delete lines 4 through 7 and insert: 2 "(f) Adopt rules governing the distribution of appropriations from the Legislative Assembly to community colleges, public universities listed in ORS 352.002 and student access programs. These 3 4 rules must be based on allocation formulas developed in consultation with the state's community colleges and public universities, as appropriate.". 5 6 Delete lines 24 through 26 and insert: 7 "(A) Approve the mission statement adopted by a governing board of a public university or by 8 the State Board of Higher Education.". 9 On page 13, delete lines 23 through 45. On page 14, delete lines 1 through 19 and insert: 10 "SECTION 4. ORS 351.715 is amended to read: 11 "351.715. (1) There is established a Higher Education Coordinating Commission, consisting of 1213 [15] **nine voting** members appointed by the Governor. "(2) The Governor shall appoint: 14 "(a) One member from each of the five congressional districts in this state; and 1516 "(b) Four members of the general public. "(3) The Governor shall also appoint five nonvoting members to the commission. The 1718 Governor shall elicit recommendations for appointments made under this subsection from 19 official student, faculty and nonfaculty staff organizations at community colleges and public universities listed in ORS 352.002. The five nonvoting members of the commission shall con-2021sist of: 22"(a) One student at a public university listed in ORS 352.002; 23(b) One faculty member at a public university listed in ORS 352.002; "[(b)] (c) One student at a community college in this state; 24 25"(d) One faculty member at a community college in this state; and "(e) One nonfaculty member of the staff from either a public university listed in ORS 2627 352.002 or a community college. "[(c) At least one member from each congressional district in this state;] 2829 "(d) At least four members who represent employers in Oregon, at least two of whom represent 30 small employers and at least two of whom represent large employers; and] "[(e) At least one member who serves on a district school board as defined in ORS 332.002.] 31"[(3) The Governor shall solicit recommendations from the Speaker of the House of Representatives 3233 for at least three members and from the President of the Senate for at least three members.] "[(4) The Governor may appoint members who satisfy more than one of the qualifications for 3435 membership listed in subsection (2) of this section.] 36 "[(5)] (4) The term of office of each voting member is four years[,] and the term of office for 37 each nonvoting member is two years. [except that the term of office for the two student members 38 is two years.] A member serves at the pleasure of the Governor. Before the expiration of the term 39 of a member, the Governor shall appoint a successor whose term begins on July 1 next following. 40 A member is eligible for reappointment. If there is a vacancy for any cause, the Governor shall make 41 an appointment to become immediately effective for the unexpired term. 42(5) The Governor may at any time, for cause, remove any member of the board that the Governor has appointed, after notice and public hearing, but not more than three members 43 44 shall be removed within a period of four years, unless it is for corrupt conduct in office.

1 Senate in the manner prescribed in ORS 171.562 and 171.565.

 $\mathbf{2}$ "(7) A member of the commission is entitled to compensation and expenses as provided in ORS 292.495. 3 4 "SECTION 5. Section 2, chapter 637, Oregon Laws 2011, is amended to read: "Sec. 2. Notwithstanding the term of office specified by [section 1 of this 2011 Act] ORS 5 351.715, of the members first appointed to the Higher Education Coordinating Commission: 6 7 "(1) Five, including the two student members, [shall serve] appointed for a term originally 8 ending June 30, 2014, shall serve for a term ending on the date on which succeeding members are appointed pursuant to section 6 (1) of this 2013 Act. 9 10 "(2) Five [shall serve] appointed for a term originally ending June 30, 2015, shall serve for a 11 term ending on the date on which succeeding members are appointed pursuant to section 6 12(2) of this 2013 Act. 13"(3) Five [shall serve] appointed for a term originally ending June 30, 2016, shall serve for a term ending on the date on which succeeding members are appointed pursuant to section 6 14 15(3) of this 2013 Act. 16 "SECTION 6. Notwithstanding the term of office specified by ORS 351.715, of the voting members first appointed by the Governor after the effective date of this 2013 Act to the 17 18 **Higher Education Coordinating Commission:** 19 "(1) Three shall serve for a term ending June 30, 2015. "(2) Three shall serve for a term ending June 30, 2016. 20 21"(3) Three shall serve for a term ending June 30, 2017.". 22In line 21, delete "201" and insert "204". In line 25, delete "201" and insert "204". 23In line 27, delete "201" and insert "204". 24 25In line 30, delete "201" and insert "204". 26On page 15, line 23, delete "201" and insert "204". 27 In line 26, delete "201" and insert "204". In line 28, delete "201" and insert "204". 28 29 On page 17, line 4, delete "201" and insert "204". In line 5, delete "201" and insert "204". 30 On page 18, line 22, delete "201" and insert "204". 31In line 24, delete "201" and insert "204". 32

33 On page 19, delete lines 5 through 45 and delete page 20.

On page 21, delete lines 1 through 28 and insert: 34

35 "SECTION 27. Any amounts deposited with the State Treasurer, the Controller of the Oregon University System, the Oregon Department of Administrative Services or their des-36 37 ignated agents in any debt service in reserve accounts for the debt service associated with 38 any bonds, certificates of participation, financing agreements or other agreements for the 39 borrowing of money issued prior to the operative date specified in section 204 of this 2013 40 Act by the State of Oregon on behalf of the State Board of Higher Education shall remain 41 with the State Treasurer, the Controller of the Oregon University System, the Oregon Department of Administrative Services or their designated agents until the time that the bonds, 42certificates of participation, financing agreements or other agreements for the borrowing of 43 44 money for which the reserve accounts have been established have been retired or defeased. 45 The public university associated with the debt service in a reserve account shall be credited

1	with the investment earnings on the reserve account.
<b>2</b>	"SECTION 28. Nothing in sections 19 to 21 of this 2013 Act shall be construed in any way
3	to impair the obligations or agreements of the State of Oregon or the State Board of Edu-
4	cation with respect to bonds, certificates of participation, financing agreements or other
5	agreements for the borrowing of money issued prior to the operative date specified in section
6	204 of this 2013 Act by the State of Oregon on behalf of community colleges.
7	
8	<b>"AUTHORITY OF OREGON EDUCATION INVESTMENT</b>
9	BOARD; INCIDENTAL FEES; ACHIEVEMENT COMPACTS;
10	CONFORMING AMENDMENTS".
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12	On page 22, delete lines 13 through 45 and delete page 23.
13	On page 24, delete lines 1 and 2 and insert:
14	" <b>NOTE:</b> Section 30 was deleted by amendment. Subsequent sections were not renumbered.".
15	On <u>page 26</u> , delete line 21.
16	On <u>page 29</u> , delete line 22.
17	On <u>page 32</u> , delete lines 29 through 45.
18	On page 33, delete lines 1 through 4 and insert:
19	" <b>NOTE:</b> Section 36 was deleted by amendment. Subsequent sections were not renumbered.".
20	On page 46, delete lines 29 through 44 and insert:
21	" <b>NOTE:</b> Section 62 was deleted by amendment. Subsequent sections were not renumbered.".
22	On <u>page 54</u> , delete lines 42 through 45.
23	On page 55, delete lines 1 through 16 and insert:
24	"MOTE: Section 80 was deleted by amendment. Subsequent sections were not renumbered.".
25	On page 81, delete lines 13 through 37 and insert:
26	" <b>NOTE:</b> Section 139 was deleted by amendment. Subsequent sections were not renumbered.".
27	On page 82, delete lines 23 through 45 and insert:
28	"MOTE: Sections 141 to 143 were deleted by amendment. Subsequent sections were not re-
29	numbered.".
30	On page 83, delete lines 10 through 25 and insert:
31	"SECTION 145. ORS 351.203 is amended to read:
32	"351.203. (1) The State Board of Higher Education shall cooperate with the [Education and
33	Workforce Policy Advisor] Chief Education Officer of the Oregon Education Investment Board
34	in the development of a state comprehensive education plan including post-secondary education and
35	in review of the board's programs and budget. The board shall submit in timely fashion to the [ad-
36	visor such] Chief Education Officer the data as is appropriate in a form prescribed by the
37	[advisor] officer.
38	"(2) The board shall cooperate with the mediation process administered by the Higher Education
39	Coordinating Commission pursuant to ORS 348.603 and, if a negotiated resolution cannot be reached
40	by mediation, comply with the decisions of the commission regarding proposed new post-secondary
41	programs and proposed new post-secondary locations, including those proposed by Oregon Health
42	and Science University in cooperation with the State Board of Higher Education under ORS
43	353.440.".
44	On page 84, delete lines 24 through 40 and insert:

45 "<u>NOTE:</u> Section 147 was deleted by amendment. Subsequent sections were not renumbered.".

- 1 On page 86, delete lines 30 through 45.
- 2 On page 87, delete lines 1 through 5 and insert:

3 "<u>NOTE:</u> Sections 153 and 154 were deleted by amendment. Subsequent sections were not re4 numbered.".

5 On page 91, delete lines 36 through 45.

6 On page 92, delete lines 1 through 25 and insert:

"MOTE: Sections 164 and 165 were deleted by amendment. Subsequent sections were not renumbered.".

- 9 On page 101, line 10, delete "Higher Education Coordinating".
- 10 In line 34, delete the boldfaced material.

11 On page 105, lines 5 and 6, restore the bracketed material and delete the boldfaced material.

12 On page 116, delete lines 17 through 24 and insert:

13 "<u>NOTE:</u> Section 193 was deleted by amendment. Subsequent sections were not renumbered.".

14 On page 119, after line 22, insert:

15 "**SECTION 200.** ORS 351.070 is amended to read:

"351.070. (1) The State Board of Higher Education shall, by rule, implement a personnel system for the Oregon University System and may engage in collective bargaining with the employees. All collective bargaining with any certified or recognized exclusive employee representative shall be under the direction and supervision of the Chancellor of the Oregon University System. The board and the Oregon University System shall have payroll authority.

"(2)(a) The board shall establish competitive procedures for the purchasing, procurement and contracting of goods, services and information technology, for the benefit of the Oregon University System and all the public universities and offices, departments and activities under the control of the board. The board may also establish exemptions from the competitive procedures when appropriate.

"(b) The board shall ensure that the hourly rate of wage paid by any contractor upon all public improvements contracts undertaken for the board shall not be less than the same rate of wage as determined by the Bureau of Labor and Industries for an hour's work in the same trade or occupation in the locality where such labor is performed. Claims or disputes arising under this subsection shall be decided by the Commissioner of the Bureau of Labor and Industries.

31 "(c) The board shall adopt policies and procedures that achieve results equal to or better than 32 the standards existing on July 17, 1995, regarding affirmative action, pay equity for comparable 33 work, recycling, the provision of workers' compensation insurance to workers on contract and the 34 participation of emerging small businesses and businesses owned by minorities and women.

"(3) The board may, for each public university listed in ORS 352.002:

36 "(a) Appoint and employ a president and the requisite number of employees and prescribe their 37 compensation and tenure of office or employment.

38 "(b) Demand and receive the interest mentioned in ORS 352.510 and all sums due and accruing 39 for admission and tuition, and apply the same, or so much thereof as is necessary, to the payment 40 of the compensation referred to in paragraph (a) of this subsection and the other current expenses.

41 "[(c) Prescribe incidental fees for programs under the supervision or control of the board found 42 by the board, upon its own motion or upon recommendation of the recognized student government, to 43 be advantageous to the cultural or physical development of students. Fees realized in excess of amounts 44 allocated and exceeding required reserves shall be considered surplus incidental fees and shall be al-

45 located for programs under the control of the board and found to be advantageous to the cultural or

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1 physical development of students by the president upon the recommendation of the recognized student 2 government.]

3 "[(d) Upon recommendation of the recognized student government, collect optional fees for student 4 activities not included in paragraph (c) of this subsection or ORS 351.063 as authorized by the presi-5 dent. The payment of such optional fees is at the option and selection of the student and is not a pre-6 requisite of enrollment.]

"[(e)] (c) Confer, consistent with the mission and programs of each public university and on the
recommendation of the faculty of the public university, such degrees as usually are conferred by
public universities, or as the faculty deems appropriate.

10 "[(f)] (d) Prescribe the qualifications for admission.

"(4) Subject to such delegation as the board may decide to make to the public universities and offices, departments and activities under its control, the board, for each public university, office, department or activity under its control:

"(a) Shall supervise the general course of instruction therein, and the research, extension, educational and other activities thereof.

"(b) Shall adopt rules and bylaws for the government thereof, including the faculty, teachers,students and employees therein.

18 "(c) Shall maintain cultural and physical development services and facilities therefor and, in 19 connection therewith, may cooperate and enter into agreements with any person or governmental 20 agency.

21 "(d) May contract to provide health services at student health centers.

22 "(e) Shall provide health services at student health centers to students.

23 "(f) May provide health services at student health centers to any of the following:

24 "(A) Dependents of students.

25 "(B) Staff.

26 "(C) Faculty.

27 "(g) Shall prescribe and collect charges.

"(h) Shall adopt rules relating to the creation, use, custody and disclosure, including access, of student education records that are consistent with the requirements of applicable state and federal law. Whenever a student has attained 18 years of age or is attending a public university listed in ORS 352.002, the permission or consent required of and the rights accorded to a parent of the student regarding education records shall thereafter be required of and accorded to only the student.

"(5) For each public university listed in ORS 352.002, the board shall provide opportunities for part-time students to obtain complete undergraduate degrees at unconventional times, which include but are not limited to early morning and noon hours, evenings and weekends. In administering these degree programs, the public university may use any educational facility available for the use of the public university.

38 "(6) For all public universities listed in ORS 352.002, the board shall, to the extent feasible and 39 cost beneficial, develop and implement a common admissions process that permits applicants to be 40 considered for admission to more than one public university.

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"SECTION 201. ORS 351.293 is amended to read:

42 "351.293. (1) Notwithstanding ORS 341.290[, 351.070 (3)] or 353.050 or section 202 of this 2013
43 Act, a current foster child or former foster child under 25 years of age who enrolls in an institution
44 of higher education as an undergraduate student not later than three years after the date the stu45 dent was removed from the care of the Department of Human Services, the date the student gradu-

1 ated from high school or the date the student received the equivalent of a high school diploma, 2 whichever date is earliest, shall have the amount of tuition and all fees levied against the student 3 waived if attending an institution of higher education listed in ORS 352.002, a community college 4 operated under ORS chapter 341 or Oregon Health and Science University for purposes of pursuing 5 an initial undergraduate degree.

6 "(2) A student who is a current foster child or former foster child is entitled to waiver of tuition 7 and all fees under subsection (1) of this section until the student has received the equivalent of four 8 years of undergraduate education.

9 "(3) As a condition of receiving a tuition waiver for an academic year, a current foster child 10 or former foster child must:

"(a) Complete and submit the Free Application for Federal Student Aid for that academic year; and

"(b) For years after the first academic year at an institution of higher education, have completed a minimum of 30 volunteer service hours in the previous academic year performing community service activities such as mentoring foster youth or assisting in the provision of peer support service activities, according to policies developed by the institution of higher education at which the current foster child or former foster child is enrolled.

"(4) A waiver of tuition and all fees under subsection (1) of this section may be reduced by the amount of any federal aid scholarships or grants, an award from the Oregon Opportunity Grant program established under ORS 348.205 and any other aid received from the institution of higher education. For the purposes of this subsection, 'federal aid scholarships or grants' does not include Chafee Education and Training Grant vouchers (P.L. 107-133).

23 "(5) As used in this section, 'former foster child' means an individual who, for a total of 12 or 24 more months while between 16 and 21 years of age, was a ward of the court pursuant to ORS 25 419B.100 (1)(b) to (e) and in the legal custody of the Department of Human Services for out-of-home 26 placement.

27 "<u>SECTION 202.</u> (1) The board for each public university listed in ORS 352.002 shall collect 28 mandatory incidental fees upon the request of the recognized student government under a 29 process established by the recognized student government of a university in consultation 30 with the board. The process may include a student body referendum conducted under pro-31 cedures established by the recognized student government. Mandatory incidental fees col-32 lected under this section shall be allocated by the recognized student government.

"(2)(a) The mandatory incidental fee, use of the fee or decision to modify an existing fee
 may be refused by the board or the president of a university under the board's control if the
 board or president determines that:

"(A) The recognized student government assessed or allocated the mandatory incidental
 fees in violation of applicable local, state or federal law;

"(B) The allocation conflicts with a preexisting contractual financial commitment;

"(C) The total mandatory incidental fees budget is an increase of more than five percent
 over the level of the previous year; or

41 "(D) The fee request is not advantageous to the cultural or physical development of stu42 dents.

43 "(b) The mandatory incidental fee, use of the fee or decision to modify an existing fee
44 may not be refused by the board or the president of a university based on considerations
45 about the point of view that the funding seeks to advance.

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1 "(3) The recognized student government and the board shall seek to reach agreement on 2 any dispute involving mandatory incidental fees, if necessary with the aid of mediation, prior 3 to a decision by the board.

4 "(4) If an agreement is not reached, the decision of the board may be appealed to the 5 Higher Education Coordinating Commission by the recognized student government within 6 seven days of the board's decision. The board shall submit its response within seven days of 7 the appeal. The commission shall render its decision within seven days of its receipt of the 8 board's response.

9 "SECTION 202a. If Senate Bill 270 becomes law, section 202 of this 2013 Act is amended to
 10 read:

"Sec. 202. (1) The board for each public university listed in ORS 352.002 shall collect mandatory incidental fees upon the request of the recognized student government under a process established by the recognized student government of a university in consultation with the board. The process may include a student body referendum conducted under procedures established by the recognized student government. Mandatory incidental fees collected under this section shall be allocated by the recognized student government.

"(2)(a) The mandatory incidental fee, use of the fee or decision to modify an existing fee may be refused by the board or the president of a university under the board's control if the board or president determines that:

20 "(A) The recognized student government assessed or allocated the mandatory incidental fees in 21 violation of applicable local, state or federal law;

22 "(B) The allocation conflicts with a preexisting contractual financial commitment;

"(C) The total mandatory incidental fees budget is an increase of more than five percent overthe level of the previous year; or

25

"(D) The fee request is not advantageous to the cultural or physical development of students.

26 "(b) The mandatory incidental fee, use of the fee or decision to modify an existing fee may not 27 be refused by the board or the president of a university based on considerations about the point of 28 view that the funding seeks to advance.

29 "(3) The recognized student government and the board shall seek to reach agreement on any 30 dispute involving mandatory incidental fees, if necessary with the aid of mediation, prior to a deci-31 sion by the board.

32 "(4) If an agreement is not reached, the decision of the board may be appealed to the Higher 33 Education Coordinating Commission by the recognized student government within seven days of the 34 board's decision. The board shall submit its response within seven days of the appeal. The commis-35 sion shall render its decision within seven days of its receipt of the board's response.

"(5) Mandatory incidental fees are not subject to section 10, chapter \_\_\_\_\_, Oregon
 Laws 2013 (Enrolled Senate Bill 270).

38 "<u>SECTION 202b.</u> (1) The board of education of each community college district and the
 39 president of each public university listed in ORS 352.002 shall form an achievement compact
 40 advisory committee.

41 "(2) Each achievement compact advisory committee shall be responsible for developing
42 an achievement compact.

43 "(3)(a) The board of education of a community college district or the president of a public
 44 university shall appoint the members of an achievement compact advisory committee. The
 45 members shall include administrators, faculty, education personnel and students of the

1 community college or public university.

"(b) For the purpose of selecting members of the achievement compact advisory committee, the president of the community college or the president of the public university shall: "(A) Collaborate with any applicable employee associations of the community college or public university to recommend persons who are full-time faculty and persons who are part-time faculty; and

"(B) Collaborate with the student body government of the community college or public
university to recommend persons who are students of the community college or public university.

"(4) Notwithstanding subsection (3) of this section, if a community college or a public university has a standing committee that includes representatives identified in subsection (3) of this section, the board of education of the community college district or the president of the public university may designate the standing committee as the achievement compact advisory committee.

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**"(5)** An achievement compact advisory committee shall:

"(a) Develop plans for achieving the outcomes, measures of progress, goals and targets
 expressed in an achievement compact, including methods of assessing and reporting progress
 toward the achievement of goals and targets; and

"(b) Recommend outcomes, measures of progress, goals and targets to be contained in
 the achievement compact for the next fiscal year.

"(6)(a) Each achievement compact advisory committee shall present the recommen dations of the committee in a report to:

"(A) The board of education of the community college district no later than February 1
 of each year; or

"(B) The president of the public university no later than a date identified by the president
to comply with the timeline for submission of the achievement compact specified by the
Oregon Education Investment Board.

"(b) An achievement compact advisory committee's report and recommendations shall
be considered by the board of education of the community college district or the president
of the public university when entering into an achievement compact for the next fiscal year.
"(c) The board of education of the community college district or the president of the
public university shall file the achievement compact advisory committee's report with each
achievement compact that the board or president adopts and forwards to the Oregon Education Investment Board.

35 "SECTION 202c. The requirements of section 202b of this 2013 Act first apply to
 36 achievement compacts entered into for fiscal years beginning with the 2013-2014 fiscal year.
 37 "SECTION 202d. Section 14, chapter 36, Oregon Laws 2012, is amended to read:

38 "Sec. 14. (1) For the purposes of this section:

"(a) 'Achievement compact' means an agreement entered into between the Oregon Education
 Investment Board and the governing body of an education entity as described in this section.

41 "(b) 'Education entity' means:

42 "(A) A school district, as defined in ORS 332.002;

43 "(B) An education service district operated under ORS chapter 334;

44 "(C) A community college district or community college service district operated under ORS 45 chapter 341;

"(D) The Oregon University System established by ORS 351.011; 1 2 "(E) A public university of the Oregon University System, as listed in ORS 352.002; and 3 "(F) The health professions and graduate science programs of the Oregon Health and Science 4 University operated under ORS chapter 353. "(c) 'Governing body of an education entity' means: 5 6 "(A) For a school district, the school district board. 7 "(B) For an education service district, the board of directors of the education service district. "(C) For a community college district or a community college service district, the board of ed-8 ucation of the community college district. 9 "(D) For the Oregon University System, the State Board of Higher Education. 10 11 "(E) For a public university of the Oregon University System, the president of the university. "(F) For the Oregon Health and Science University, the Oregon Health and Science University 12Board of Directors. 13"(2)(a) Prior to the beginning of each fiscal year, the governing body of each education entity 14 must enter into an achievement compact with the Oregon Education Investment Board for the fiscal 15 16 year. 17"(b) Governing bodies of education entities identified in subsection (1)(b)(A) to (C) of this section 18 shall enter into achievement compacts as part of the budgeting process under ORS 294.305 to 294.565 19 and shall submit achievement compacts to the board prior to July 1 of each year. 20 "(c) The board shall specify a process for adoption and a timeline for submission of achievement 21compacts for education entities identified in subsection (1)(b)(D) to (F) of this section. 22"(d) The board shall provide to each school district a number quantifying the district's estimated 23level of funding for the next fiscal year compared to the determination of funding needed to ensure 24 that the state's system of kindergarten through grade 12 public education meets the quality goals 25specified under ORS 327.506. 26 "(3)(a) The board shall establish the terms for achievement compacts. 27"(b) The terms of an achievement compact may include: "(A) A description of goals for outcomes that are consistent with the educational goals identified 28 29 in ORS 329.015, the findings described in ORS 351.003 and the mission of education provided in ORS 351.009. 30 "(B) A description of the outcomes and measures of progress that will allow each education 3132entity to quantify: 33 "(i) Completion rates for: "(I) Critical stages of learning and programs of study; 3435 "(II) The attainment of diplomas, certificates and degrees; and "(III) Achieving the high school and post-secondary education goals established in ORS 351.009 36 37 and a projection of the progress needed to achieve those goals by 2025; 38 "(ii) Validations of the quality of knowledge and skills acquired by students of the education 39 entity; and 40 "(iii) The relevance of the knowledge and skills acquired by the students of the education entity 41 and the means by which those skills and knowledge will contribute to the workforce, the economy 42and society as described in state policy. 43 "(C) Other information suggested by the governing body of an education entity and approved 44 by the board. "(c) Notwithstanding the terms described in paragraph (b) of this subsection, for an achievement 45

1 compact entered into by an education entity identified in subsection (1)(b)(F) of this section, the 2 terms of the achievement compact shall be limited to the enrollment of, and attainment of degrees 3 by, Oregon residents in programs for which the state provides funding.

4 "(4)(a) The governing body of each education entity shall identify a target number and percent-5 age of students for achievement of the outcomes, measures of progress and goals specified in the 6 achievement compact for the fiscal year.

6 "(b) The governing body of each education entity shall provide a target number and percentage 6 of students for the aggregate of all disadvantaged subgroups, as defined by federal law or specified 7 by rules adopted by the board. The target number and percentage of students must reflect the edu-7 cation entity's goals of improving education outcomes for disadvantaged student groups and closing 8 any student achievement gaps between disadvantaged student groups and other student groups.

12"(5) As part of the process of entering into an achievement compact, the governing body of an 13education entity shall ensure that open communications are provided to parents, students, teachers or faculty, employees, exclusive bargaining representatives and community representatives [for the 14 15purposes of explaining and discussing], as appropriate for the type of education entity repres-16 ented by the governing body of the education entity. The purposes of the open communi-17cations are to explain and discuss the outcomes, measures of progress, goals and targets specified 18 in the achievement compact for the fiscal year. The open communications must be provided during 19 each education entity's public budget process.

20 "(6) The board shall specify the format of the achievement compacts and provide model 21 achievement compacts to the governing body of each education entity.

"(7) The board may adopt a timeline and method for governing bodies of education entities to provide the board with a report at the end of a fiscal year that describes the achievements made by the education entities during the fiscal year. The report:

25 "(a) Must include disaggregated data for each disadvantaged student group specified by the 26 board; and

"(b) May state achievements in numbers and percentages and in relation to the outcomes, measures of progress, goals and targets specified in the achievement compact for the fiscal year.".

29 In line 26, delete "200" and insert "203".

30 In line 31, delete "201" and insert "204" and delete "and 19 to 23" and insert ", 19 to 23 and 31 202".

32 In line 32, delete "199" and insert "201".

33 In line 33, delete "200" and insert "203".

34 In line 37, delete "202" and insert "205".

35 In line 43, delete "203" and insert "206".

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