

House Bill 3305

Sponsored by Representative BARNHART

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 and Portland State University as independent public universities, governed by university boards of directors.

Empowers Oregon Education Investment Board to adopt performance benchmarks to be achieved by University of Oregon and Portland State University.

Requires Oregon Education Investment Board to approve tuition and fee increases greater than five percent annually.

Requires universities to get approval from Higher Education Coordinating Commission for new degree programs and policies for transfer of credits.

Allows universities to obtain insurance. Requires universities to adhere to existing collective bargaining agreements, unless modifications are collectively bargained, and to collectively bargain employee benefit plans. Allows universities to issue revenue bonds, subject to review by State Treasurer, and enter into credit enhancement agreements and financing agreements. Allows universities 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.

Directs Oregon Education Investment Board to report to Legislative Assembly before December 1, 2017, on impact of higher education governance changes and recommend further changes if necessary.

Removes sunset for Oregon Education Investment Board.

Becomes operative on January 1, 2014. Directs university presidents to assume jurisdiction of universities on July 1, 2015.

Declares emergency, effective on passage.

A BILL FOR AN ACT

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Relating to higher education; creating new provisions; amending ORS 21.007, 30.264, 30.864, 36.145, 36.150, 36.155, 131.594, 181.871, 182.122, 182.415, 183.635, 184.475, 184.477, 184.631, 190.410, 192.501, 205.450, 205.455, 238.005, 238.200, 238.215, 238A.005, 240.185, 243.105, 243.107, 243.778, 243.800, 243.820, 243.850, 243.910, 243.945, 244.050, 270.100, 270.110, 273.785, 276.227, 276.229, 276.610, 276.612, 279A.025, 282.076, 283.143, 284.633, 284.701, 284.735, 285B.168, 285B.174, 286A.001, 286A.700, 287A.001, 291.038, 291.055, 291.229, 292.043, 307.095, 307.110, 310.155, 326.300, 326.375, 326.543, 326.587, 332.114, 332.155, 337.500, 337.511, 338.005, 338.115, 339.331, 339.336, 339.885, 340.005, 340.310, 341.430, 341.440, 342.144, 342.147, 342.443, 344.259, 344.557, 344.753, 348.005, 348.010, 348.180, 348.205, 348.270, 348.282, 348.394, 348.470, 348.597, 348.890, 348.900, 348.910, 351.015, 351.075, 351.296, 351.509, 351.511, 351.517, 351.518, 351.519, 351.521, 351.538, 351.539, 351.642, 351.649, 351.656, 351.658, 351.695, 351.697, 351.700, 351.704, 351.708, 351.718, 351.725, 351.735, 351.810, 351.820, 351.840, 352.002, 352.021, 352.043, 352.046, 352.048, 352.049, 352.051, 352.063, 352.066, 352.068, 352.071, 352.074, 353.440, 353.600, 353.603, 357.004, 357.203, 408.095, 419B.005, 431.690, 433.090, 461.543, 541.932, 634.660, 659.850, 659.860, 660.315, 660.358, 679.020, 696.182, 743.550, 759.445, 815.080, 820.100, 820.110, 820.120, 820.130 and 820.150 and section 3, chapter 797, Oregon Laws 2001, sections 13, 14, 15 and 17, chapter 761, Oregon Laws 2007, sections 22 and 24, chapter 904, Oregon Laws 2009, section 4, chapter 519, Oregon Laws 2011, section 14, chapter 36, Oregon Laws 2012, and sections 7 and 21, chapter 37, Oregon Laws 2012; repealing ORS 352.035 and sections 10 and 11, chapter 519, Oregon Laws 2011, sections

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 13 and 22c, chapter 36, Oregon Laws 2012, sections 9 and 24, chapter 37, Oregon Laws 2012, and
2 sections 4 and 6, chapter 104, Oregon Laws 2012; and declaring an emergency.

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

4
5 **UNIVERSITY OF OREGON**
6

7 **SECTION 1. As used in sections 1 to 52 of this 2013 Act:**

8 (1) "Board" means the University of Oregon Board of Directors established under section
9 4 of this 2013 Act.

10 (2) "University" means the University of Oregon public university established under sec-
11 tion 2 of this 2013 Act.

12 **SECTION 2. (1) The University of Oregon is established as a public university and shall**
13 **be governed by the University of Oregon Board of Directors. The board may exercise au-**
14 **thority over matters of university concern to the fullest extent allowed by Constitutions and**
15 **laws of the United States and this state, as fully as if each particular power comprised in**
16 **that general authority were specifically listed in sections 1 to 52 of this 2013 Act. The board**
17 **may delegate and provide for the further delegation of any of its powers and authorities.**

18 (2) The powers granted by this section are in addition to any other power granted to the
19 University of Oregon in sections 1 to 52 of this 2013 Act and may not be construed to limit
20 or qualify any such power. The powers granted by this section shall be liberally construed
21 to the end that the board shall have all powers over matters of university concern that is
22 possible for it to have under the Constitutions and laws of the United States and this state.

23 (3) The university is an instrumentality of state government, performing governmental
24 functions and exercising governmental powers. The university is independent, has statewide
25 purposes and is without territorial boundaries. The university is a state institution of higher
26 education, but is not an agency, department or division of the state, a unit of local or mu-
27 nicipal government or part of the executive branch, except as set forth in sections 1 to 52
28 of this 2013 Act.

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

33 (b) The university is not authorized to act in the name of the State of Oregon and at-
34 torneys representing the university do not represent the state.

35 (5) Nothing in sections 1 to 52 of this 2013 Act may be construed as a waiver by the
36 university of any form of defense or immunity, whether it be sovereign immunity, govern-
37 mental immunity, immunity based upon the Eleventh Amendment to the Constitution of the
38 United States or immunity from any claim or from the jurisdiction of any court.

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

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

42 (b) To provide:

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

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

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

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

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

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

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

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

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

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

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

22 (a) Twelve members appointed by the Governor and confirmed by the Senate in the
23 manner prescribed in ORS 171.562 and 171.565. These members shall include one student
24 enrolled at the University of Oregon, one regular employee, as defined in ORS 240.015, of the
25 university and one faculty member of the university. When appointing the faculty member,
26 the Governor shall consider recommendations from the university faculty. When appointing
27 the student member, the Governor shall consider recommendations from a general student
28 association recognized by the University of Oregon.

29 (b) One member who is a nonstudent member of the Oregon Education Investment
30 Board, appointed by the Oregon Education Investment Board.

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

34 (d) The president of the university, who shall be a nonvoting member.

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

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

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

42 (c) If there is a vacancy for any cause, the appointing authority shall make an appoint-
43 ment to become effective for the remainder of the unexpired term.

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

1 board.

2 (5) Except as provided in subsection (2)(a) of this section, a voting member may not be
 3 an employee of the university, the Oregon University System or the State of Oregon.

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

9 (7) The board shall meet at least once every three months on the university campus.
 10 Board members may participate in the meeting electronically as provided in ORS 192.610 to
 11 192.690. The board shall meet at such other times and places specified by the chairperson or
 12 by a majority of the members of the board.

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

15 **SECTION 5.** Notwithstanding the terms of office specified in section 4 of this 2013 Act,
 16 of the members first appointed to the University of Oregon Board of Directors, other than
 17 the president of the University of Oregon:

18 (1) Seven members appointed by the Governor, including the student member, shall serve
 19 for terms ending June 30, 2016; and

20 (2) The following shall serve for terms ending June 30, 2018:

21 (a) Five members appointed by the Governor, including the faculty member and the reg-
 22 ular employee, as defined in ORS 240.015, of the university;

23 (b) The member appointed by the Oregon Education Investment Board; and

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

26 **SECTION 6.** The Governor and the Oregon Education Investment Board shall appoint
 27 members to the University of Oregon Board of Directors pursuant to section 4 (2)(a) and (b)
 28 of this 2013 Act no later than January 15, 2014. These board members shall appoint the board
 29 member described in section 4 (2)(c) of this 2013 Act no later than 60 days after confirmation
 30 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) Except as provided in ORS 243.105 to 243.585, acquire any and all insurance, operate
21 a self-insurance program or otherwise arrange for the equivalent of insurance coverage of
22 any nature or type.

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

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

26 (o) Authorize, establish, eliminate, manage, operate, reorganize, reduce or expand any
27 program, school, institute, college or unit of operation, except that any new degree or pro-
28 gram or any policy regarding transferability of credits to and from a public university listed
29 in ORS 352.002, Portland State University, a community college in this state or Oregon
30 Health and Science University must be authorized or approved by the Higher Education Co-
31 ordinating Commission.

32 (p) Authorize, establish, eliminate, charge, collect, manage, use in any manner and ex-
33 pend all revenue derived from tuition, fees and any other charges and fines. The board shall
34 request the joint recommendation of the recognized student government and the president
35 of the university, who shall obtain the recommendation of the recognized student govern-
36 ment, prior to authorizing, establishing or eliminating incidental fees for programs under the
37 supervision or control of the board and found by the board to be advantageous to the cultural
38 or physical development of students. Any increase in tuition or any student fees above five
39 percent on an annual basis must be approved by the Oregon Education Investment Board.

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

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

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

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

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

5 (2) The absence of express authority may not be construed to deny that authority to the
6 university or to limit or qualify any such power. Powers of the board shall be liberally con-
7 strued to effect the purposes of the university.

8 **SECTION 8.** The University of Oregon Board of Directors shall appoint a president of the
9 University of Oregon. The president of the university is the president of the faculty and is
10 the chief executive officer of the university. The president of the university has authority
11 to direct the affairs and operation of the university, subject to the policies and direction of
12 the board.

13 **SECTION 9.** Except as otherwise provided by law, the provisions of ORS 35.550 to 35.575,
14 180.060, 180.210 to 180.235, 184.305 to 184.345, 190.430, 190.480, 190.490, 192.105, 200.035, 243.696,
15 279.835 to 279.855, 357.805 to 357.895 and 656.017 (2) and ORS chapters 182, 183, 240, 270, 273,
16 276, 278, 279A, 279B, 279C, 282, 283, 291, 292, 293, 294 and 297 do not apply to the University
17 of Oregon or any not-for-profit organization or other entity if the equity of the entity is
18 owned exclusively by the university and if the organization or entity is created by the uni-
19 versity to advance any of the university's statutory missions.

20 **SECTION 10.** Notwithstanding section 9 of this 2013 Act, collective bargaining agreements
21 negotiated by this state pursuant to ORS 240.321 after the effective date of this 2013 Act that
22 are applicable to employees of the Oregon University System apply to the University of
23 Oregon if the new collective bargaining agreement is a successor to a collective bargaining
24 agreement negotiated by this state and applicable to the same class of employees of the
25 university prior to the effective date of this 2013 Act. Such successor agreements shall con-
26 tinue to apply to the university until the board and the applicable collective bargaining or-
27 ganization agree to bargain a separate collective bargaining agreement between the
28 university and the collective bargaining organization.

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

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

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

35 (c) "Qualified nonprofit agency for individuals with disabilities" means a nonprofit activ-
36 ity center or rehabilitation facility:

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

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

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

45 (2) The University of Oregon Board of Directors shall further the policy of this state to

1 encourage and assist individuals with disabilities to achieve maximum personal independence
 2 through useful and productive gainful employment by ensuring an expanded and constant
 3 market for sheltered workshop and activity center products and services, thereby enhancing
 4 the dignity and capacity of individuals with disabilities for self-support and minimizing their
 5 dependence on welfare and need for costly institutionalization.

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

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

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

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

14 (d) Utilize prices and specifications, in its discretion, established by the Oregon Depart-
 15 ment of Administrative Services.

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

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

26 (6) It is the intent of the Legislative Assembly that there be close cooperation between
 27 the board, the university and qualified nonprofit agencies for individuals with disabilities.
 28 The university, on behalf of the board, is authorized to enter into such contractual ar-
 29 rangements, cooperative working relationships or other arrangements as may be necessary
 30 for effective coordination and efficient realization of the objective of this section.

31 **SECTION 12.** The University of Oregon Board of Directors shall file with the Oregon
 32 Education Investment Board, the Higher Education Coordinating Commission, the Legisla-
 33 tive Assembly and the Governor, not later than April 15 of each year, a report of the activ-
 34 ities and operations of the University of Oregon for the preceding year.

35 **SECTION 13.** (1) The University of Oregon Board of Directors may lease, purchase or
 36 otherwise acquire such real property as in its sole discretion is necessary or convenient to
 37 carry out any power granted to the University of Oregon. The board may enter into con-
 38 tracts of purchase or agreements that the board deems necessary to carry out this author-
 39 ization. The board may mortgage or pledge any property purchased, or its contracts to
 40 purchase, together with the income from such property, to secure the payment of the pur-
 41 chase price

42 (2) Legal title to all real property acquired by the University of Oregon after the effective
 43 date of this 2013 Act shall be taken and held in the name of the university. Legal title to all
 44 real property of this state held or managed for the use and benefit of the university as of
 45 the effective date of this 2013 Act shall continue to be vested in this state.

1 (3) The board may lease, sell, convey and control the use of, in whole or in part, all
 2 property of this state held or managed for the use and benefit of the university as of the
 3 effective date of this 2013 Act or that is acquired by the university after the effective date
 4 of this 2013 Act. Authorized conveyances of all real property acquired by or vested in this
 5 state for the use or benefit of the university or acquired by or vested in the university, other
 6 than the state lands classified as university lands under ORS 273.251, shall be executed by
 7 the chairperson and secretary of the board.

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

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

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

18 SECTION 16. The University of Oregon shall adopt a comprehensive alcohol and drug
 19 abuse policy and implementation plan.

20 SECTION 17. (1) The University of Oregon shall develop contract policies that support
 21 openness, impartiality and competition in the awarding of contracts in accordance with ORS
 22 279A.015.

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

29 (3) The University of Oregon Board of Directors shall have the authority to enact poli-
 30 cies, appropriate for the use of the university, governing public contracting and may devise
 31 and publish forms for use in carrying out the policies.

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

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

39 (2) The University of Oregon Board of Directors is not required to seek expenditure
 40 limitation approval from the Legislative Assembly to spend other available moneys, including
 41 without limitation tuition and other fees or revenues collected pursuant to the board's au-
 42 thority under section 7 of this 2013 Act.

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

45 SECTION 19. (1) The University of Oregon may conduct independent audits if such audits

1 are considered advisable by the university. The audits are subject to the exclusive discretion
2 and control of the university and are subject to disclosure pursuant to ORS 192.410 to 192.505.

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

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

7 **SECTION 21.** (1) The University of Oregon Board of Directors may enact such regulations
8 as the board deems convenient or necessary to provide for the policing, control and regu-
9 lation of traffic and parking of vehicles on University of Oregon property. The regulations
10 may provide for the registration of vehicles, the designation of parking areas and the as-
11 sessment and collection of reasonable fees and charges for parking. The board may require
12 that before a quarterly or yearly parking privilege for any vehicle is granted to any full-time
13 or part-time student to use board property, the student must show that the vehicle is oper-
14 ated by a student holding a valid driver license, that the vehicle is currently registered and
15 that the student driving the vehicle is insured under a motor vehicle liability insurance policy
16 that meets the requirements described in ORS 806.080 or that the student or owner of the
17 vehicle has provided the Department of Transportation with other satisfactory proof of
18 compliance with the financial responsibility requirements of this state.

19 (2) The regulations enacted pursuant to subsection (1) of this section shall be enforced
20 administratively under procedures adopted by the board. Administrative and disciplinary
21 sanctions may be imposed upon students, faculty and staff for violation of the regulations,
22 including, but not limited to, a reasonable monetary penalty that may be deducted from
23 student deposits and faculty or staff salaries or other funds in the possession of the univer-
24 sity. The board shall provide opportunity for hearing for the determination of controversies
25 in connection with imposition of fines or penalties. Persons other than students, faculty or
26 staff may voluntarily submit to the hearing procedures prescribed by the board, and shall
27 be bound by the results of the hearing. The powers granted to the board by this section are
28 supplemental to the existing powers of the board with respect to the governance of activities
29 of students, faculty and staff and the control and management of property under the board's
30 jurisdiction.

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

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

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

42 (6) In proceedings brought to enforce regulations enacted pursuant to subsection (1) of
43 this section, it shall be sufficient to charge the defendant by an unsworn written notice as
44 provided by law. Proceedings to enforce regulations enacted pursuant to subsection (1) of
45 this section may be brought in the name of the board in a circuit court, a justice court or

1 a municipal court for offenses committed within the territorial jurisdiction of such court.
 2 Such courts shall have concurrent jurisdiction over offenses committed within their respec-
 3 tive jurisdictions. All fines, penalties and court costs recovered shall be paid to the clerk of
 4 the court involved and shall be disposed of as provided by law.

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

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

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

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

13 (2) For the purposes of this section, “critical or security-sensitive position” means a po-
 14 sition in which the person:

15 (a) Has direct access to persons under 18 years of age, or has direct access to student
 16 residence facilities because the person’s work duties require the person to be present in the
 17 residence facility;

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

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

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

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

28 (f) Has financial, financial aid, payroll or purchasing responsibilities as one of the
 29 person’s primary responsibilities; or

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

33 **SECTION 23.** The University of Oregon Board of Directors may open, establish, lay out
 34 and dedicate to the public use any streets through lands owned by or used for the University
 35 of Oregon. When such streets are opened, established and laid out, they are declared to be
 36 dedicated to the public use. The university shall be the road authority pursuant to ORS
 37 810.010 (4) for all roads through lands owned by or used for the university.

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

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

1 on a particular day.

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

7 **SECTION 26.** (1) A student enrolled at the University of Oregon who is a member of the
 8 military, a member of the commissioned corps of the National Oceanic and Atmospheric
 9 Administration or a member of the Public Health Service of the United States Department
 10 of Health and Human Services detailed by proper authority for duty with the Army or Navy
 11 of the United States and who is ordered to federal or state active duty for more than 30
 12 consecutive days has the following rights:

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

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

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

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

20 (b) The right to a credit described in section 27 of this 2013 Act for all amounts paid for
 21 room, board, tuition and fees;

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

25 (d) The right to continuation of scholarships and grants awarded to the student that were
 26 funded by the university or the Oregon Student Access Commission before the student was
 27 ordered to active duty.

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

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

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

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

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

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

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

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

45 (4) The University of Oregon Board of Directors shall adopt rules for the administration

1 of this section.

2 (5) As used in this section, “member of the military” means a person who is a member
3 of:

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

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

7 **SECTION 27.** (1)(a) The amount of the credit specified in section 26 (1)(b) of this 2013 Act
8 shall be based on:

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

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

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

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

17 (A) As a credit toward tuition and fees or room and board if the student reenrolls at the
18 university under section 26 (1)(c) of this 2013 Act; or

19 (B) As a monetary payment.

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

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

26 (4) A personal representative of a student who elected to claim the credit by the method
27 described in subsection (1)(c)(A) of this section may claim a monetary payment upon pre-
28 senting evidence to the university that the student died while serving on active duty.

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

32 **SECTION 28.** The University of Oregon shall give credit for education and training ob-
33 tained by a person while serving in the Armed Forces of the United States, as defined in ORS
34 351.642. The education and training for which credit may be given must meet the standards
35 adopted by the University of Oregon Board of Directors.

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

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

45 (3) A person who served in the Armed Forces of the United States and who receives

1 federal tuition benefits in excess of the tuition and fees the person is charged under sub-
 2 section (1) of this section at the university shall pay tuition and fees equal to the federal
 3 tuition benefits received.

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

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

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

- 12 (a) One or more students with disabilities or, if there are no students with disabilities
 13 willing to participate, a person with a disability who uses the university's facilities;
- 14 (b) One or more members of the faculty or staff who have disabilities;
- 15 (c) The coordinator of services for students with disabilities for the university;
- 16 (d) One or more administrators of the university; and
- 17 (e) One or more members of the physical plant staff of the university.

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

23 (3) In preparing funding requests for each biennium pursuant to section 18 of this 2013
 24 Act, the university shall include amounts for capital improvement that will be applied to the
 25 substantial reduction and eventual elimination of barriers to access by persons with disabili-
 26 ties as identified by the physical access committee.

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

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

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

38 (3) A rule or order adopted pursuant to this section may not deny to a faculty member
 39 full access to the member's personnel file or records kept by the university, except as pro-
 40 vided in subsections (7) and (8) of this section.

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

43 (5) Any evaluation received by telephone shall be documented in each of the faculty
 44 member's files by means of a written summary of the conversation with the names of the
 45 conversants identified.

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

4 (7) Letters and other information for a faculty member of the university submitted in
5 confidence to the State Board of Higher Education or its institutions, schools or departments
6 prior to July 1, 1975, shall be maintained in the files designated by subsection (4) of this
7 section. However, if a faculty member requests access to those files, the anonymity of the
8 contributor of letters and other information obtained prior to July 1, 1975, shall be protected.
9 The full text shall be made available, except that portions of the text that would serve to
10 identify the contributor shall be excised by a faculty committee. Only the names of the
11 contributors and the excised portions of the documents may be kept in a file other than the
12 files designated by subsection (4) of this section.

13 (8) Confidential letters and other information submitted to or solicited by the university
14 after January 1, 2014, and prior to the employment of a prospective faculty member are ex-
15 empt from the provisions of this section. However, if the member is employed by the uni-
16 versity, the confidential preemployment materials shall be placed in the files designated by
17 subsection (4) of this section. If a faculty member requests access to the member's files, the
18 anonymity of the contributor of confidential preemployment letters and other preemploy-
19 ment information shall be protected. The full text shall be made available, except that
20 portions of the text that would serve to identify the contributor shall be excised and retained
21 in a file other than the files designated by subsection (4) of this section.

22 (9) Classroom survey evaluations by students of a faculty member's classroom or labo-
23 ratory performance shall be anonymous. The record of tabulated reports shall be placed in
24 at least one of the files designated by subsection (4) of this section. All survey instruments
25 used to obtain evaluation data shall be returned to the faculty member.

26 (10) The university, when evaluating its employed faculty members, may not solicit or
27 accept letters, documents or other materials, given orally or in written form, from individ-
28 uals or groups who wish their identity kept anonymous or the information the individuals
29 or groups provide kept confidential.

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

33 (12) Any category of personnel records specifically designated as confidential pursuant
34 to valid policies or orders pursuant to this section is not a public record for the purposes
35 of ORS 192.420.

36 (13) As used in this section, "personnel records" means records containing information
37 kept by the university concerning a faculty member and furnished by the faculty member
38 or by others about the faculty member at the request of the faculty member or the univer-
39 sity, including but not limited to information concerning discipline, membership activity,
40 employment performance or other personal records of individual persons.

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

44 (a) Consulting;

45 (b) Appearances and speeches;

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

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

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

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

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

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

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

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

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

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

35 **SECTION 36.** (1) Nothing in sections 1 to 52 of this 2013 Act may be construed to impair
 36 the obligations or agreements of the State of Oregon or the State Board of Higher Education
 37 with respect to bonds, certificates of participation, financing agreements or other agree-
 38 ments for the borrowing of money issued prior to the effective date of this 2013 Act by the
 39 State of Oregon on behalf of the State Board of Higher Education for equipment or projects
 40 for the benefit of the University of Oregon. The university and the Oregon University Sys-
 41 tem shall take all actions necessary to ensure full compliance with all indentures, resol-
 42 utions, declarations, agreements and other documents issued with respect to the bonds,
 43 certificates of participation, financing agreements or other agreements for the borrowing of
 44 money issued prior to the effective date of this 2013 Act by the State of Oregon on behalf
 45 of the State Board of Higher Education for the benefit of the university.

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

3 **(a) The responsibility of the university for the payment to the State Board of Higher**
 4 **Education of moneys sufficient to pay when due all principal, interest and any other charges**
 5 **on bonds, certificates of participation, financing agreements or other agreements for the**
 6 **borrowing of money issued prior to the effective date of this 2013 Act by the State of Oregon**
 7 **on behalf of the State Board of Higher Education for the benefit of the university; and**

8 **(b) A requirement that the university periodically provide cash flow projections and other**
 9 **information as the State Treasurer requests to determine the sufficiency of the university's**
 10 **revenues to satisfy the requirements of bonds, certificates of participation, financing agree-**
 11 **ments or other agreements for the borrowing of money issued prior to and on or after the**
 12 **effective date of this 2013 Act by the State of Oregon for the benefit of the university, credit**
 13 **enhancement devices or agreements for exchange of interest rates entered into in connection**
 14 **with those borrowings and any loans to the university funded by state general obligation**
 15 **bonds issued prior to the effective date of this 2013 Act.**

16 **(3)(a) Holders of obligations issued on or after the effective date of this 2013 Act by the**
 17 **university may be paid after the university reserves sufficient funds each biennium to satisfy**
 18 **any payment or reserve requirements relating to bonds, certificates of participation, financ-**
 19 **ing agreements or other agreements for the borrowing of moneys issued by the State of**
 20 **Oregon for the benefit of the university, credit enhancement devices or agreements for ex-**
 21 **change of interest rates entered into in connection with those borrowings and loans to the**
 22 **university funded by state general obligation bonds.**

23 **(b) The university may pledge all or a portion of its remaining rents, revenues, receipts,**
 24 **appropriations or other income to secure revenue bonds issued under section 37 of this 2013**
 25 **Act, credit enhancement devices or agreements for exchange of interest rates related to**
 26 **such revenue bonds, or other obligations issued by the university, but only to the extent**
 27 **that:**

28 **(A) Such holders have no rights, liens or other interests with respect to such rents, re-**
 29 **venues, receipts, appropriations or other income of the university that are on parity with**
 30 **or are senior or superior to the rights granted to the State of Oregon and the holders of**
 31 **bonds, certificates of participation, financing agreements or other agreements for the bor-**
 32 **rowing of moneys issued by the State Treasurer for the benefit of the university, credit en-**
 33 **hancement devices or agreements for exchange of interest rates entered into in connection**
 34 **with those borrowings and loans to the university funded by state general obligation bonds**
 35 **issued prior to the effective date of this 2013 Act; and**

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

40 **(4)(a) The principal, interest and any premium on any bonds, certificates of participation,**
 41 **financing agreements or other agreements for the borrowing of moneys issued prior to or**
 42 **on or after the effective date of this 2013 Act by the State of Oregon for the benefit of the**
 43 **university, and any credit enhancement devices or agreements for exchange of interest rates**
 44 **entered into in connection with those borrowings, shall be paid from the sources specified in**
 45 **the laws and documents authorizing the bond, certificate of participation, financing agree-**

1 ment or other agreement for the borrowing of moneys, credit enhancement device or
 2 agreement for exchange of interest rates. The university must pay any other expenses and
 3 liabilities, including but not limited to closing costs, legal expenses, costs of settling claims,
 4 judgments, federal arbitrage rebates and penalties and expenses arising from an inquiry,
 5 audit or other action by a federal or state regulatory body, except to the extent that the li-
 6 ability or expense results from the negligence or willful misconduct of a state agency.

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

13 (5) Any amounts deposited with the State Treasurer, the Controller of the Oregon Uni-
 14 versity System, or the Oregon Department of Administrative Services or its designated
 15 agents, in any debt service in reserve accounts for the debt service associated with any
 16 bonds, certificates of participation, financing agreements or other agreements for the bor-
 17 rowing of moneys issued prior to the effective date of this 2013 Act by the State of Oregon
 18 on behalf of the State Board of Higher Education for the benefit of the university shall re-
 19 main with the State Treasurer, the Controller of the Oregon University System, or the
 20 Oregon Department of Administrative Services or its designated agents, until such time as
 21 the bonds, certificates of participation, financing agreements or other agreements for the
 22 borrowing of moneys, for which such debt service in reserve accounts has been established,
 23 have been retired or defeased.

24 **SECTION 37.** (1) Except as otherwise provided by this section, the University of Oregon
 25 Board of Directors may issue and sell revenue bonds in accordance with ORS chapter 287A.

26 (2) ORS 287A.150 (2) to (6) do not apply to revenue bonds issued by the board. A revenue
 27 bond issued or sold pursuant to this section is not a general obligation of the university nor
 28 a charge upon any revenues or property of the university not specifically pledged. An obli-
 29 gation described in this section is not an indebtedness of the State of Oregon.

30 (3) Before issuing a revenue bond, the board shall submit the proposed bond issuance to
 31 the State Treasurer for review. Except as provided by law, revenue bonds issued pursuant
 32 to this section may not have a debt-to-revenue ratio that exceeds seven percent.

33 (4) Refunding bonds of the same character and tenor as those replaced by them may be
 34 issued by the board pursuant to ORS 287A.360 to 287A.380.

35 **SECTION 38.** Revenue bonds issued by the University of Oregon Board of Directors under
 36 section 37 of this 2013 Act shall be considered bonds of a political subdivision of the State
 37 of Oregon for the purposes of all laws of this state.

38 **SECTION 39.** Refunding bonds and advance refunding bonds of the same character and
 39 tenor as those replaced by them may be issued by the University of Oregon pursuant to ORS
 40 287A.360 to 287A.380.

41 **SECTION 40.** In addition to, and not in limitation of, the means of satisfying state gen-
 42 eral obligation bond obligations under ORS 291.445, the University of Oregon, promptly upon
 43 the discovery of any shortfall in moneys available to the university for the payment when
 44 due of amounts under any bonds, certificates of participation, financing agreements or other
 45 agreements for the borrowing of moneys issued prior to the effective date of this 2013 Act

1 by the State of Oregon on behalf of the State Board of Higher Education for equipment or
2 projects for the benefit of the university, shall notify in writing the Legislative Assembly,
3 or if the Legislative Assembly is not in session, the Emergency Board, of the existence and
4 amount of the shortfall. The Legislative Assembly or the Emergency Board, as the case may
5 be, may allocate funds to satisfy the payment of any such amount. By enacting this section,
6 the Legislative Assembly acknowledges its current intention to allocate, from funds other
7 than those appropriated or otherwise made available to the Oregon University System or to
8 the Oregon Department of Administrative Services for direct allocation to the university,
9 funds to pay such amount. However, except as may be required by the Oregon Constitution
10 or ORS 291.445, neither the Legislative Assembly nor the Emergency Board shall have any
11 legal obligation to allocate funds under this section.

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

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

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

22 **SECTION 44.** If the University of Oregon Board of Directors requests the State Treas-
23 urer to issue bonds pursuant to sections 41 to 43 of this 2013 Act, the board shall be a related
24 agency under ORS 286A.001 to 286A.195 for issuance or administration of the bonds.

25 **SECTION 45.** As used in sections 45 to 49 of this 2013 Act:

26 (1) "Credit enhancement agreement" means any agreement or contractual relationship
27 between the University of Oregon and any bank, trust company, insurance company, surety
28 bonding company, pension fund or other financial institution providing additional credit on
29 or security for a financing agreement or certificates of participation authorized by sections
30 45 to 49 of this 2013 Act.

31 (2) "Financing agreement" means a lease-purchase agreement, an installment sale
32 agreement, a loan agreement, a note agreement, short-term promissory notes, commercial
33 papers, lines of credit or similar obligations or any other agreement to finance real or per-
34 sonal property that is or will be owned and operated by the university, or to refinance pre-
35 viously executed financing agreements.

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

37 (4) "Property rights" means, with respect to personal property, the rights of a secured
38 party under ORS chapter 79, and, with respect to real property, the rights of a trustee or
39 lender under a lease authorized by section 48 (1)(d) of this 2013 Act.

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

42 **SECTION 46.** (1) Subject to the limitations of section 37 of this 2013 Act, the University
43 of Oregon may enter into financing agreements in accordance with sections 45 to 49 of this
44 2013 Act, upon such terms as the university finds to be advantageous. Amounts payable by
45 the university under a financing agreement shall be limited to funds available for such pur-

1 poses under section 37 of this 2013 Act and specifically pledged, budgeted for or otherwise
 2 made available by the university. If there are insufficient funds available to pay amounts due
 3 under a financing agreement, the lender may exercise any property rights that the university
 4 has granted to it in the financing agreement against the property that was purchased with
 5 the proceeds of the financing agreement, and may apply the amounts so received toward
 6 payments scheduled to be made by the university under the financing agreement.

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

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

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

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

30 (b) Enter into credit enhancement agreements for financing agreements or certificates
 31 of participation, provided that such credit enhancement agreements shall be payable solely
 32 from funds specifically pledged, budgeted for or otherwise made available by the university
 33 and amounts received from the exercise of property rights granted under such financing
 34 agreements.

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

38 (d) Grant leases of real property with a trustee or lender. Such leases may be for a term
 39 that ends on the date on which all amounts due under a financing agreement have been paid
 40 or provision for payment has been made, or for a term of up to 20 years after the last
 41 scheduled payment under a financing agreement, whichever is later. Such leases may grant
 42 the trustee or lender the right to evict the university and exclude it from possession of the
 43 real property for the term of the lease if the university fails to pay when due the amounts
 44 scheduled to be paid under a financing agreement, or otherwise defaults under a financing
 45 agreement. Upon default, the trustee or lender may sublease the land to third parties and

1 apply any rentals toward payments scheduled to be made under a financing agreement.

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

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

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

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

15 SECTION 49. A lease or financing agreement under sections 45 to 49 of this 2013 Act does
 16 not cause property to be subject to property taxation and is disregarded in determining
 17 whether property is exempt from taxation under ORS chapter 307.

18 SECTION 50. The University of Oregon Board of Directors may, in its discretion, accept
 19 financial assistance and grants, either in the form of money or labor, from the United States
 20 or any of its agencies, subject to the terms and conditions thereof, regardless of any laws
 21 of this state in conflict with the regulations of the federal government with respect thereto,
 22 and may also accept from others any donation or grant of land or gift of money or other
 23 valuable gift or thing, for any of the purposes contemplated by Article XI-F(1) and Article
 24 XI-G of the Oregon Constitution and sections 38 to 49 of this 2013 Act. Unless enjoined by
 25 the terms or conditions of any such gift or grant, the board may convert the same, or any
 26 of them, into money, through sale or disposal thereof.

27 SECTION 51. (1) The Oregon Education Investment Board, in coordination with the Uni-
 28 versity of Oregon, shall adopt performance benchmarks for the university. The benchmarks
 29 must reflect the educational outcomes that the Oregon Education Investment Board expects
 30 from the university. The Oregon Education Investment Board may not prescribe how the
 31 benchmarks are to be achieved. The president of the university and the University of Oregon
 32 Board of Directors have exclusive jurisdiction and control over the means and methods of
 33 achieving the performance benchmarks.

34 (2) The Oregon Education Investment Board annually shall assess the university's com-
 35 pliance with the benchmarks described in subsection (1) of this section and shall issue an
 36 annual report as to the university's achievements. The investment board may recommend
 37 to the Legislative Assembly incentives to encourage compliance with the benchmarks or
 38 penalties for failure to comply with one or more benchmarks.

39 (3) The university and the Oregon University System shall coordinate academic programs
 40 so that the programs are integrated and complementary. To accomplish this purpose, uni-
 41 versity officers shall maintain a role in the appropriate committees of the State Board of
 42 Higher Education and the Oregon University System.

43 (4) The Higher Education Coordinating Commission shall have final authority over cre-
 44 ation of new degree programs at the University of Oregon.

45 SECTION 52. The University of Oregon Board of Directors shall adopt a policy that pre-

1 scribes the requirements for a venture grant program and the requirements that a grant
 2 applicant must meet in order to receive grant moneys from the university venture develop-
 3 ment fund administered by the University of Oregon, including requirements:

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

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

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

12 **SECTION 53.** As used in sections 53 to 64 of this 2013 Act:

13 (1) "Former university" means the University of Oregon in its former status as a uni-
 14 versity within the Oregon University System under ORS 352.002, as set forth in the 2011
 15 Edition of the Oregon Revised Statutes.

16 (2) "University" means the University of Oregon public university established under sec-
 17 tion 2 of this 2013 Act.

18 (3) "University board" means the University of Oregon Board of Directors established
 19 under section 4 of this 2013 Act.

20 **SECTION 54.** (1) Pursuant to the provisions of ORS 236.605 to 236.640, and except as
 21 otherwise expressly provided in sections 1 to 52 of this 2013 Act, all persons employed by the
 22 University of Oregon on the effective date of this 2013 Act shall continue their employment
 23 with the university and shall retain any seniority, contractual rights or tenure granted prior
 24 to the effective date of this 2013 Act.

25 (2) Nothing in sections 1 to 52 of this 2013 Act shall affect the representation rights of
 26 collective bargaining organizations that represent university employees. Nothing in sections
 27 1 to 52 of this 2013 Act shall affect any term or condition of any collective bargaining
 28 agreement in effect on the effective date of this 2013 Act.

29 **SECTION 55.** All of the duties, functions and powers of the former university are trans-
 30 ferred to the university as if the university were a continuation of the former university and
 31 not a new authority.

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

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

37 (3) Title to real property acquired prior to the effective date of this 2013 Act utilized by
 38 the former university or held or managed by the State of Oregon for the benefit of the for-
 39 mer university shall be continuously held in the name of the State of Oregon, except that
 40 the university has the exclusive care, custody and control of such real property and facilities.

41 (4) The University of Oregon Board of Directors may sell, convey or lease such property,
 42 or any interest therein, as the university board deems in the best interest of the university
 43 as provided in section 13 of this 2013 Act.

44 **SECTION 57.** All unexpended moneys, including but not limited to General Fund appro-
 45 priations, gifts, bequests, other funds, assessments, liability and worker's compensation re-

1 serves and premiums that are appropriated to, held, managed or invested by or on behalf of
2 or otherwise available to the former university or its president, for the purposes of any of
3 its duties, functions or powers transferred by sections 1 to 52 of this 2013 Act to the uni-
4 versity, are appropriated and transferred to the university.

5 **SECTION 58.** (1) Any proceeding, action, prosecution or other business or matter
6 undertaken or commenced before the effective date of this 2013 Act by the former university,
7 with respect to the duties, functions or powers transferred to the university by sections 1
8 to 52 of this 2013 Act and still pending on the effective date of this 2013 Act may be conducted
9 and completed by the university in the same manner, under the same terms and conditions
10 and with the same effect as though undertaken, conducted or completed by the former uni-
11 versity before the transfer.

12 (2) The transfer of duties, functions and powers to the University of Oregon Board of
13 Directors under sections 1 to 52 of this 2013 Act does not affect any action, suit, proceeding
14 or prosecution involving or with respect to such duties, functions and powers begun before
15 and pending at the time of the transfer, except that the university board shall be substituted
16 for the State Board of Higher Education in any such action, suit, proceeding or prosecution.

17 (3) Any proceeding, action, prosecution or other business or matter undertaken or com-
18 menced before the effective date of this 2013 Act by a state officer or agency, with respect
19 to the duties, functions or powers transferred to the university and still pending on the ef-
20 fective date of this 2013 Act, may be conducted and completed by the university in the same
21 manner, under the same terms and conditions and with the same effect as though under-
22 taken, conducted or completed by the former university before the transfer.

23 **SECTION 59.** Nothing in sections 1 to 52 of this 2013 Act relieves any person of any ob-
24 ligation with respect to a tax, fee, fine or other charge, interest, penalty, forfeiture or other
25 liability, duty or obligation.

26 **SECTION 60.** The university is considered to be a continuation of the former university
27 with respect to its duties, functions and powers, and not a new authority for the purpose of
28 succession to all rights and obligations of the former university as constituted at the time
29 of such assignment or transfer, except as otherwise provided in sections 1 to 52 of this 2013
30 Act, with the same force and effect as if such duties, functions and powers had not been
31 assigned or transferred.

32 **SECTION 61.** (1) Whenever, in any law or resolution of the Legislative Assembly or in
33 any rule, document, record or proceeding authorized thereby, reference is made to the for-
34 mer university, or an employee of the former university, whose duties, functions or powers
35 are assigned or transferred by sections 1 to 52 of this 2013 Act, except as otherwise provided
36 by sections 1 to 52 of this 2013 Act, such reference is considered to describe the university
37 or employee of the university that, by sections 1 to 52 of this 2013 Act, is charged with car-
38 rying out such duties, functions and powers.

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

42 (3) Notwithstanding the transfer of duties, functions and powers by sections 1 to 52 of
43 this 2013 Act, the lawfully adopted rules of the State Board of Higher Education pertaining
44 to the former university in effect on the effective date of this 2013 Act continue in effect
45 until lawfully superseded or repealed by the University of Oregon Board of Directors. Refer-

ences in rules of the State Board of Higher Education to the state board or an officer or employee of the state board are considered to be references to the University of Oregon Board of Directors.

SECTION 62. A transfer of duties, functions, powers, rights, records, property, employees or moneys by sections 1 to 52 of this 2013 Act becomes operative on January 1, 2014. The university shall exercise and perform such duties, functions, powers and rights, and shall take charge of such records, property, employees and moneys.

SECTION 63. The rights and obligations of the State Board of Higher Education legally incurred under contracts, leases and business transactions executed, entered into or begun before the effective date of this 2013 Act pertaining to the former university are transferred to the University of Oregon Board of Directors. For the purpose of succession to these rights and obligations, the university board is considered to be a continuation of the State Board of Higher Education and not a new authority, and the university board must exercise such rights and fulfill such obligations as if they had not been transferred.

SECTION 64. For the purpose of administering and enforcing the duties, functions and powers transferred by sections 1 to 52 of this 2013 Act and for the payment of the expenses lawfully incurred by the State Board of Higher Education with respect to the administration and enforcement of such duties, functions and powers pertaining to the former university, the University of Oregon Board of Directors may expend the moneys that are authorized to be expended by the State Board of Higher Education for administering and enforcing the duties, functions and powers transferred by sections 1 to 52 of this 2013 Act and that are unexpended on the effective date of this 2013 Act. Subject to section 36 of this 2013 Act, the university board shall assume and pay all outstanding obligations lawfully incurred by the State Board of Higher Education pertaining to the former university before the effective date of this 2013 Act that are properly charged against amounts authorized by this section to be expended by the university board.

PORTLAND STATE UNIVERSITY

SECTION 65. As used in sections 65 to 114 of this 2013 Act:

(1) "Board" means the Portland State University Board of Directors established under section 68 of this 2013 Act.

(2) "University" means Portland State University established under section 66 of this 2013 Act.

SECTION 66. (1) Portland State University is established as a public university and shall be governed by the Portland State University 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 65 to 114 of this 2013 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 power granted to Portland State University in sections 65 to 114 of this 2013 Act and may not be construed to limit or qualify any such power. 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

1 that is possible for it to have under the Constitutions and laws of the United States and this
 2 state.

3 (3) The university is an instrumentality of state government, performing governmental
 4 functions and exercising governmental powers. The university is independent, has statewide
 5 purposes and is without territorial boundaries. The university is a state institution of higher
 6 education, but is not an agency, department or division of the state, a unit of local or mu-
 7 nicipal government or part of the executive branch, except as set forth in sections 65 to 114
 8 of this 2013 Act.

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

13 (b) The university is not authorized to act in the name of the State of Oregon and at-
 14 torneys representing the university do not represent the state.

15 (5) Nothing in sections 65 to 114 of this 2013 Act may be construed as a waiver by the
 16 university of any form of defense or immunity, whether it be sovereign immunity, govern-
 17 mental immunity, immunity based upon the Eleventh Amendment to the Constitution of the
 18 United States or immunity from any claim or from the jurisdiction of any court.

19 **SECTION 67.** (1) It shall be the policy of Portland State University as a public university:

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

22 (b) To provide:

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

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

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

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

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

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

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

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

41 (2) The university shall carry out the policies of this section in the manner that, in the
 42 determination of the Portland State University Board of Directors, best promotes the welfare
 43 of the people of this state.

44 **SECTION 68.** (1) There is established a Portland State University Board of Directors,
 45 consisting of 15 members.

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

2 **(a) Thirteen members appointed by the Governor and confirmed by the Senate in the**
3 **manner prescribed in ORS 171.562 and 171.565. These members shall include one student**
4 **enrolled at Portland State University, one regular employee, as defined in ORS 240.015 of the**
5 **university and one faculty member of the university. When appointing the faculty member,**
6 **the Governor shall consider recommendations from the university faculty. When appointing**
7 **the student member, the Governor shall consider recommendations from a general student**
8 **association recognized by Portland State University.**

9 **(b) One member who is a nonstudent member of the Oregon Education Investment**
10 **Board, appointed by the Oregon Education Investment Board.**

11 **(c) The president of the university, who shall be a nonvoting member.**

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

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

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

19 **(c) If there is a vacancy for any cause, the appointing authority shall make an appoint-**
20 **ment to become effective for the remainder of the unexpired term.**

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

24 **(5) Except as provided in subsection (2)(a) of this section, a voting member may not be**
25 **an employee of the university, the Oregon University System or the State of Oregon.**

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

31 **(7) The board shall meet at least once every three months on the university campus.**
32 **Board members may participate in the meeting electronically as provided in ORS 192.610 to**
33 **192.690. The board shall meet at such other times and places specified by the chairperson or**
34 **by a majority of the members of the board.**

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

37 **SECTION 69. Notwithstanding the terms of office specified in section 68 of this 2013 Act,**
38 **of the members first appointed to the Portland State University Board of Directors, other**
39 **than the president of Portland State University:**

40 **(1) Seven members appointed by the Governor, including the student member, shall serve**
41 **for terms ending June 30, 2016; and**

42 **(2) The following shall serve for terms ending June 30, 2018:**

43 **(a) Six members appointed by the Governor, including the faculty member and the regu-**
44 **lar employee, as defined in ORS 240.015, of the university; and**

45 **(b) The member appointed by the Oregon Education Investment Board.**

1 **SECTION 70.** The Governor and the Oregon Education Investment Board shall appoint
 2 members to the Portland State University Board of Directors pursuant to section 68 (2)(a)
 3 and (b) of this 2013 Act no later than January 15, 2014.

4 **SECTION 71.** (1) The Portland State University Board of Directors may, within or outside
 5 the state, do all things necessary or convenient involving matters of concern to Portland
 6 State University, including without limitation the following:

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

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

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

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

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

17 (f) Acquire, purchase, purchase on a contractual basis, borrow, receive, own, hold, con-
 18 trol, convey, sell, manage, operate, lease, lease-purchase, license, lend, invest in, issue, im-
 19 prove, develop, use, expend and dispose of personal property, including intellectual property,
 20 of any nature, tangible or intangible.

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

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

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

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

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

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

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

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

43 (o) Authorize, establish, eliminate, manage, operate, reorganize, reduce or expand any
 44 program, school, institute, college or unit of operation, except that any new degree or pro-
 45 gram and any policy regarding transferability of credits to and from a public university listed

1 in ORS 352.002, the University of Oregon, a community college in this state or Oregon Health
2 and Science University must be authorized by the Higher Education Coordinating Commis-
3 sion.

4 (p) Authorize, establish, eliminate, charge, collect, manage, use in any manner and ex-
5 pend all revenue derived from tuition, fees and any other charges and fines. The board shall
6 request the joint recommendation of the recognized student government and the president
7 of the university, who shall obtain the recommendation of the recognized student govern-
8 ment, prior to authorizing, establishing or eliminating incidental fees for programs under the
9 supervision or control of the board and found by the board to be advantageous to the cultural
10 or physical development of students. Any increase in tuition or any student fees above five
11 percent on an annual basis must be approved by the Oregon Education Investment Board.

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

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

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

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

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

22 (2) The absence of express authority may not be construed to deny that authority to the
23 university or to limit or qualify any such power. Powers of the board shall be liberally con-
24 strued to effect the purposes of the university.

25 **SECTION 72.** The Portland State University Board of Directors shall appoint a president
26 of Portland State University. The president of the university is the president of the faculty
27 and is the chief executive officer of the university. The president of the university has au-
28 thority to direct the affairs and operation of the university, subject to the policies and di-
29 rection of the board.

30 **SECTION 73.** Except as otherwise provided by law, the provisions of ORS 35.550 to 35.575,
31 180.060, 180.210 to 180.235, 184.305 to 184.345, 190.430, 190.480, 190.490, 192.105, 200.035, 243.696,
32 279.835 to 279.855, 357.805 to 357.895 and 656.017 (2) and ORS chapters 182, 183, 240, 270, 273,
33 276, 278, 279A, 279B, 279C, 282, 283, 291, 292, 293, 294 and 297 do not apply to Portland State
34 University or any not-for-profit organization or other entity if the equity of the entity is
35 owned exclusively by the university and if the organization or entity is created by the uni-
36 versity to advance any of the university's statutory missions.

37 **SECTION 74.** Notwithstanding section 73 of this 2013 Act, collective bargaining agree-
38 ments negotiated by this state pursuant to ORS 240.321 after the effective date of this 2013
39 Act that are applicable to employees of the Oregon University System apply to Portland
40 State University if the new collective bargaining agreement is a successor to a collective
41 bargaining agreement negotiated by this state and applicable to the same class of employees
42 of the university prior to the effective date of this 2013 Act. Such successor agreements shall
43 continue to apply to the university until the board and the applicable collective bargaining
44 organization agree to bargain a separate collective bargaining agreement between the uni-
45 versity and the collective bargaining organization.

SECTION 75. (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 Portland State University 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 Portland State University 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 76.** The Portland State University Board of Directors shall file with the Oregon
4 Education Investment Board, the Higher Education Coordinating Commission, the Legisla-
5 tive Assembly and the Governor, not later than April 15 of each year, a report of the activ-
6 ities and operations of Portland State University for the preceding year.

7 **SECTION 77.** (1) The Portland State University Board of Directors may lease, purchase
8 or otherwise acquire such real property as in its sole discretion is necessary or convenient
9 to carry out any power granted to Portland State University. The board may enter into
10 contracts of purchase or agreements that the board deems necessary to carry out this au-
11 thorization. The board may mortgage or pledge any property purchased, or its contracts to
12 purchase, together with the income from such property, to secure the payment of the pur-
13 chase price.

14 (2) Legal title to all real property acquired by Portland State University after the effec-
15 tive date of this 2013 Act shall be taken and held in the name of the university. Legal title
16 to all real property of this state held or managed for the use and benefit of the university
17 as of the effective date of this 2013 Act shall continue to be vested in this state.

18 (3) The board may lease, sell, convey and control the use of, in whole or in part, all
19 property of this state held or managed for the use and benefit of the university as of the
20 effective date of this 2013 Act or that is acquired by the university after the effective date
21 of this 2013 Act. Authorized conveyances of all real property acquired by or vested in this
22 state for the use or benefit of the university or acquired by or vested in the university, other
23 than the state lands classified as university lands under ORS 273.251, shall be executed by
24 the chairperson and secretary of the board.

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

28 **SECTION 78.** Portland State University may acquire, by condemnation or otherwise,
29 private property that is necessary or convenient in carrying out any power granted to the
30 university.

31 **SECTION 79.** Portland State University shall adopt a comprehensive alcohol and drug
32 abuse policy and implementation plan.

33 **SECTION 80.** (1) Portland State University shall develop contract policies that support
34 openness, impartiality and competition in the awarding of contracts in accordance with ORS
35 279A.015.

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

42 (3) The Portland State University Board of Directors shall have the authority to enact
43 policies, appropriate for the use of the university, governing public contracting and may de-
44 vise and publish forms for use in carrying out the policies.

45 **SECTION 81.** (1)(a) On or before September 1 of each even-numbered year Portland State

1 University shall submit to the Oregon Department of Administrative Services a funding re-
2 quest for the following biennium.

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

7 (2) The Portland State University Board of Directors is not required to seek expenditure
8 limitation approval from the Legislative Assembly to spend other available moneys, including
9 without limitation tuition and other fees or revenues collected pursuant to the board's au-
10 thority under section 71 of this 2013 Act.

11 (3) The Portland State University Board of Directors shall adopt a budget on a regular
12 schedule determined by the board.

13 **SECTION 82.** (1) Portland State University may conduct independent audits if such audits
14 are considered advisable by the university. The audits are subject to the exclusive discretion
15 and control of the university and are subject to disclosure pursuant to ORS 192.410 to 192.505.

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

18 **SECTION 83.** Portland State University may commission special campus security officers
19 with authority and immunities set forth in ORS 352.385.

20 **SECTION 84.** (1) The Portland State University Board of Directors may enact such reg-
21 ulations as the board deems convenient or necessary to provide for the policing, control and
22 regulation of traffic and parking of vehicles on Portland State University property. The reg-
23 ulations may provide for the registration of vehicles, the designation of parking areas and
24 the assessment and collection of reasonable fees and charges for parking. The board may
25 require that before a quarterly or yearly parking privilege for any vehicle is granted to any
26 full-time or part-time student to use board property, the student must show that the vehicle
27 is operated by a student holding a valid driver license, that the vehicle is currently registered
28 and that the student driving the vehicle is insured under a motor vehicle liability insurance
29 policy that meets the requirements described in ORS 806.080 or that the student or owner
30 of the vehicle has provided the Department of Transportation with other satisfactory proof
31 of compliance with the financial responsibility requirements of this state.

32 (2) The regulations enacted pursuant to subsection (1) of this section shall be enforced
33 administratively under procedures adopted by the board. Administrative and disciplinary
34 sanctions may be imposed upon students, faculty and staff for violation of the regulations,
35 including, but not limited to, a reasonable monetary penalty that may be deducted from
36 student deposits and faculty or staff salaries or other funds in the possession of the univer-
37 sity. The board shall provide opportunity for hearing for the determination of controversies
38 in connection with imposition of fines or penalties. Persons other than students, faculty or
39 staff may voluntarily submit to the hearing procedures prescribed by the board, and shall
40 be bound by the results of the hearing. The powers granted to the board by this section are
41 supplemental to the existing powers of the board with respect to the governance of activities
42 of students, faculty and staff and the control and management of property under the board's
43 jurisdiction.

44 (3) The regulations enacted pursuant to subsection (1) of this section may also be en-
45 forced by the impoundment of vehicles, and a reasonable fee may be enacted for the cost of

1 impoundment and storage, if any, prior to the release of the vehicles to their owners.

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

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

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

18 **SECTION 85.** (1) For the purpose of requesting a state or nationwide criminal records
 19 check under ORS 181.534, Portland State University may require the fingerprints of a person
 20 who:

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

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

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

26 (2) For the purposes of this section, “critical or security-sensitive position” means a po-
 27 sition in which the person:

28 (a) Has direct access to persons under 18 years of age, or has direct access to student
 29 residence facilities because the person’s work duties require the person to be present in the
 30 residence facility;

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

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

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

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

41 (f) Has financial, financial aid, payroll or purchasing responsibilities as one of the
 42 person’s primary responsibilities; or

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

1 **SECTION 86.** Portland State University may adopt policies relating to the creation, use,
 2 custody and disclosure of, including access to, student education records of the university
 3 that are consistent with the requirements of applicable state and federal law. Whenever a
 4 student has attained 18 years of age or is attending the university, the permission or consent
 5 required of and the rights accorded to a parent of the student regarding education records
 6 is thereafter only required of and accorded to the student.

7 **SECTION 87.** (1) Portland State University may not refuse admission or expel a student
 8 for the sole reason that, because of religious beliefs, the student is unable to attend classes
 9 on a particular day.

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

15 **SECTION 88.** (1) A student enrolled at Portland State University who is a member of the
 16 military, a member of the commissioned corps of the National Oceanic and Atmospheric
 17 Administration or a member of the Public Health Service of the United States Department
 18 of Health and Human Services detailed by proper authority for duty with the Army or Navy
 19 of the United States and who is ordered to federal or state active duty for more than 30
 20 consecutive days has the following rights:

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

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

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

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

28 (b) The right to a credit described in section 89 of this 2013 Act for all amounts paid for
 29 room, board, tuition and fees;

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

33 (d) The right to continuation of scholarships and grants awarded to the student that were
 34 funded by the university or the Oregon Student Access Commission before the student was
 35 ordered to active duty.

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

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

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

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

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

45 (a) Course sessions the student misses due to active duty shall be counted as excused

1 absences and may not adversely impact the student's grade for the course or rank in the
2 student's class.

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

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

8 (4) The Portland State University Board of Directors shall adopt rules for the adminis-
9 tration of this section.

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

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

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

15 **SECTION 89.** (1)(a) The amount of the credit specified in section 88 (1)(b) of this 2013 Act
16 shall be based on:

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

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

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

23 (c) At the time a student withdraws from a course at Portland State University or from
24 the university, the student must elect to claim the credit:

25 (A) As a credit toward tuition and fees or room and board if the student reenrolls at the
26 university under section 88 (1)(c) of this 2013 Act; or

27 (B) As a monetary payment.

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

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

34 (4) A personal representative of a student who elected to claim the credit by the method
35 described in subsection (1)(c)(A) of this section may claim a monetary payment upon pre-
36 senting evidence to the university that the student died while serving on active duty.

37 (5) The Portland State University Board of Directors shall adopt rules for the adminis-
38 tration of this section, including rules that determine the amount of credit and the method
39 by which the credit is prorated.

40 **SECTION 90.** Portland State University shall give credit for education and training ob-
41 tained by a person while serving in the Armed Forces of the United States, as defined in ORS
42 351.642. The education and training for which credit may be given must meet the standards
43 adopted by the Portland State University Board of Directors.

44 **SECTION 91.** (1) Portland State University shall charge an enrolled student who is not
45 a resident of this state and who is attending classes as an undergraduate tuition and fees

1 no greater than the resident rate plus 50 percent of the difference between the resident rate
2 and the nonresident rate if the student served in the Armed Forces of the United States and
3 was relieved or discharged from that service under honorable conditions.

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

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

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

14 (5) If a nonresident student otherwise eligible for tuition benefits under this section is
15 receiving federal vocational rehabilitation education benefits, that student shall pay full
16 nonresident tuition and fees charged by Portland State University.

17 **SECTION 92.** (1) Portland State University shall convene a physical access committee to
18 identify barriers to access by persons with disabilities at the university. The committee shall
19 include, but not be limited to:

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

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

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

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

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

26 (2) The physical access committee shall present its findings and recommendations to the
27 Portland State University Board of Directors, listing access needs and priorities for meeting
28 those needs. These findings and recommendations shall identify the barriers to access that
29 prevent persons with disabilities from meaningfully utilizing campus facilities related to in-
30 struction, academic support, assembly and residence life.

31 (3) In preparing funding requests for each biennium pursuant to section 81 of this 2013
32 Act, the university shall include amounts for capital improvement that will be applied to the
33 substantial reduction and eventual elimination of barriers to access by persons with disabili-
34 ties as identified by the physical access committee.

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

38 **SECTION 93.** (1) The Portland State University Board of Directors may adopt policies
39 governing access to Portland State University personnel records that are less than 25 years
40 old.

41 (2) Policies adopted under subsection (1) of this section shall require that personnel re-
42 cords be subjected to restrictions on access unless the president of the university finds that
43 the public interest in maintaining individual rights to privacy in an adequate educational
44 environment would not suffer by disclosure of such records. Access to such records may be
45 limited to designated classes of information or persons, or to stated times and conditions,

1 or to both, but cannot be limited for records more than 25 years old.

2 (3) A rule or order adopted pursuant to this section may not deny to a faculty member
3 full access to the member's personnel file or records kept by the university, except as pro-
4 vided in subsections (7) and (8) of this section.

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

7 (5) Any evaluation received by telephone shall be documented in each of the faculty
8 member's files by means of a written summary of the conversation with the names of the
9 conversants identified.

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

13 (7) Letters and other information for a faculty member of the university submitted in
14 confidence to the State Board of Higher Education or its institutions, schools or departments
15 prior to July 1, 1975, shall be maintained in the files designated by subsection (4) of this
16 section. However, if a faculty member requests access to those files, the anonymity of the
17 contributor of letters and other information obtained prior to July 1, 1975, shall be protected.
18 The full text shall be made available, except that portions of the text that would serve to
19 identify the contributor shall be excised by a faculty committee. Only the names of the
20 contributors and the excised portions of the documents may be kept in a file other than the
21 files designated by subsection (4) of this section.

22 (8) Confidential letters and other information submitted to or solicited by the university
23 after January 1, 2014, and prior to the employment of a prospective faculty member are ex-
24 empt from the provisions of this section. However, if the member is employed by the uni-
25 versity, the confidential preemployment materials shall be placed in the files designated by
26 subsection (4) of this section. If a faculty member requests access to the member's files, the
27 anonymity of the contributor of confidential preemployment letters and other preemploy-
28 ment information shall be protected. The full text shall be made available, except that
29 portions of the text that would serve to identify the contributor shall be excised and retained
30 in a file other than the files designated by subsection (4) of this section.

31 (9) Classroom survey evaluations by students of a faculty member's classroom or labo-
32 ratory performance shall be anonymous. The record of tabulated reports shall be placed in
33 at least one of the files designated by subsection (4) of this section. All survey instruments
34 used to obtain evaluation data shall be returned to the faculty member.

35 (10) The university, when evaluating its employed faculty members, may not solicit or
36 accept letters, documents or other materials, given orally or in written form, from individ-
37 uals or groups who wish their identity kept anonymous or the information the individuals
38 or groups provide kept confidential.

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

42 (12) Any category of personnel records specifically designated as confidential pursuant
43 to valid policies or orders pursuant to this section is not a public record for the purposes
44 of ORS 192.420.

45 (13) As used in this section, "personnel records" means records containing information

1 kept by the university concerning a faculty member and furnished by the faculty member
 2 or by others about the faculty member at the request of the faculty member or the univer-
 3 sity, including but not limited to information concerning discipline, membership activity,
 4 employment performance or other personal records of individual persons.

5 **SECTION 94.** (1) The Portland State University Board of Directors may authorize receipt
 6 of compensation by any officer or employee from private or public resources, including, but
 7 not limited to, income from:

8 (a) Consulting;

9 (b) Appearances and speeches;

10 (c) Intellectual property conceived, reduced to practice or originated and therefore owned
 11 within Portland State University;

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

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

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

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

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

32 **SECTION 95.** The president and professors constitute the faculty of Portland State Uni-
 33 versity and have the immediate government and discipline of it and the students therein. The
 34 faculty may, subject to the supervision of the Portland State University Board of Directors,
 35 prescribe the course of study to be pursued at the university and the textbooks to be used.

36 **SECTION 96.** Portland State University shall consider and maintain affirmative action
 37 plans and goals when reductions in faculty and staff are required as a result of:

38 (1) Reductions in revenue that necessitate discontinuance of the university's educational
 39 program at its anticipated level;

40 (2) Elimination of classes due to decreased student enrollment; or

41 (3) Reduction in courses due to administrative decisions.

42 **SECTION 97.** A political or sectarian test may never be allowed or applied in the ap-
 43 pointment of faculty and other employees of Portland State University.

44 **SECTION 98.** (1) Nothing in sections 65 to 114 of this 2013 Act may be construed to impair
 45 the obligations or agreements of the State of Oregon or the State Board of Higher Education

1 with respect to bonds, certificates of participation, financing agreements or other agree-
2 ments for the borrowing of money issued prior to the effective date of this 2013 Act by the
3 State of Oregon on behalf of the State Board of Higher Education for equipment or projects
4 for the benefit of Portland State University. The university and the Oregon University Sys-
5 tem shall take all actions necessary to ensure full compliance with all indentures, resol-
6 utions, declarations, agreements and other documents issued with respect to the bonds,
7 certificates of participation, financing agreements or other agreements for the borrowing of
8 money issued prior to the effective date of this 2013 Act by the State of Oregon on behalf
9 of the State Board of Higher Education for the benefit of the university.

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

12 (a) The responsibility of the university for the payment to the State Board of Higher
13 Education of moneys sufficient to pay when due all principal, interest and any other charges
14 on bonds, certificates of participation, financing agreements or other agreements for the
15 borrowing of money issued prior to the effective date of this 2013 Act by the State of Oregon
16 on behalf of the State Board of Higher Education for the benefit of the university; and

17 (b) A requirement that the university periodically provide cash flow projections and other
18 information as the State Treasurer requests to determine the sufficiency of the university's
19 revenues to satisfy the requirements of bonds, certificates of participation, financing agree-
20 ments or other agreements for the borrowing of money issued prior to and on or after the
21 effective date of this 2013 Act by the State of Oregon for the benefit of the university, credit
22 enhancement devices or agreements for exchange of interest rates entered into in connection
23 with those borrowings and any loans to the university funded by state general obligation
24 bonds issued prior to the effective date of this 2013 Act.

25 (3)(a) Holders of obligations issued on or after the effective date of this 2013 Act by the
26 university may be paid after the university reserves sufficient funds each biennium to satisfy
27 any payment or reserve requirements relating to bonds, certificates of participation, financ-
28 ing agreements or other agreements for the borrowing of moneys issued by the State of
29 Oregon for the benefit of the university, credit enhancement devices or agreements for ex-
30 change of interest rates entered into in connection with those borrowings and loans to the
31 university funded by state general obligation bonds.

32 (b) The university may pledge all or a portion of its remaining rents, revenues, receipts,
33 appropriations or other income to secure revenue bonds issued under section 99 of this 2013
34 Act, credit enhancement devices or agreements for exchange of interest rates related to
35 such revenue bonds, or other obligations issued by the university, but only to the extent
36 that:

37 (A) Such holders have no rights, liens or other interests with respect to such rents, re-
38 venues, receipts, appropriations or other income of the university that are on parity with
39 or are senior or superior to the rights granted to the State of Oregon and the holders of
40 bonds, certificates of participation, financing agreements or other agreements for the bor-
41 rowing of moneys issued by the State Treasurer for the benefit of the university, credit en-
42 hancement devices or agreements for exchange of interest rates entered into in connection
43 with those borrowings and loans to the university funded by state general obligation bonds
44 issued prior to the effective date of this 2013 Act; and

45 (B) The State Board of Higher Education, the Oregon Department of Administrative

1 Services or the State of Oregon is granted a lien or other security interest in the rents, re-
2 venues, receipts, appropriations or other income of the university that is superior to any lien
3 or other security interest granted to the holders of obligations issued by the university.

4 (4)(a) The principal, interest and any premium on any bonds, certificates of participation,
5 financing agreements or other agreements for the borrowing of moneys issued prior to or
6 on or after the effective date of this 2013 Act by the State of Oregon for the benefit of the
7 university, and any credit enhancement devices or agreements for exchange of interest rates
8 entered into in connection with those borrowings, shall be paid from the sources specified in
9 the laws and documents authorizing the bond, certificate of participation, financing agree-
10 ment or other agreement for the borrowing of moneys, credit enhancement device or
11 agreement for exchange of interest rates. The university must pay any other expenses and
12 liabilities, including but not limited to closing costs, legal expenses, costs of settling claims,
13 judgments, federal arbitrage rebates and penalties and expenses arising from an inquiry,
14 audit or other action by a federal or state regulatory body, except to the extent that the li-
15 ability or expense results from the negligence or willful misconduct of a state agency.

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

22 (5) Any amounts deposited with the State Treasurer, the Controller of the Oregon Uni-
23 versity System, or the Oregon Department of Administrative Services or its designated
24 agents, in any debt service in reserve accounts for the debt service associated with any
25 bonds, certificates of participation, financing agreements or other agreements for the bor-
26 rowing of moneys issued prior to the effective date of this 2013 Act by the State of Oregon
27 on behalf of the State Board of Higher Education for the benefit of the university shall re-
28 main with the State Treasurer, the Controller of the Oregon University System, or the
29 Oregon Department of Administrative Services or its designated agents, until such time as
30 the bonds, certificates of participation, financing agreements or other agreements for the
31 borrowing of moneys, for which such debt service in reserve accounts has been established,
32 have been retired or defeased.

33 **SECTION 99.** (1) Except as otherwise provided by this section, the Portland State Uni-
34 versity Board of Directors may issue and sell revenue bonds in accordance with ORS chapter
35 287A.

36 (2) ORS 287A.150 (2) to (6) do not apply to revenue bonds issued by the board. A revenue
37 bond issued or sold pursuant to this section is not a general obligation of the university nor
38 a charge upon any revenues or property of the university not specifically pledged. An obli-
39 gation described in this section is not an indebtedness of the State of Oregon.

40 (3) Before issuing a revenue bond, the board shall submit the proposed bond issuance to
41 the State Treasurer for review. Except as provided by law, revenue bonds issued pursuant
42 to this section may not have a debt-to-revenue ratio that exceeds seven percent.

43 (4) Refunding bonds of the same character and tenor as those replaced by them may be
44 issued by the board pursuant to ORS 287A.360 to 287A.380.

45 **SECTION 100.** Revenue bonds issued by the Portland State University Board of Directors

1 under section 99 of this 2013 Act shall be considered bonds of a political subdivision of the
2 State of Oregon for the purposes of all laws of this state.

3 **SECTION 101.** Refunding bonds and advance refunding bonds of the same character and
4 tenor as those replaced by them may be issued by Portland State University pursuant to ORS
5 287A.360 to 287A.380.

6 **SECTION 102.** In addition to, and not in limitation of, the means of satisfying state gen-
7 eral obligation bond obligations under ORS 291.445, Portland State University, promptly upon
8 the discovery of any shortfall in moneys available to the university for the payment when
9 due of amounts under any bonds, certificates of participation, financing agreements or other
10 agreements for the borrowing of moneys issued prior to the effective date of this 2013 Act
11 by the State of Oregon on behalf of the State Board of Higher Education for equipment or
12 projects for the benefit of the university, shall notify in writing the Legislative Assembly,
13 or if the Legislative Assembly is not in session, the Emergency Board, of the existence and
14 amount of the shortfall. The Legislative Assembly or the Emergency Board, as the case may
15 be, may allocate funds to satisfy the payment of any such amount. By enacting this section,
16 the Legislative Assembly acknowledges its current intention to allocate, from funds other
17 than those appropriated or otherwise made available to the Oregon University System or to
18 the Oregon Department of Administrative Services for direct allocation to the university,
19 funds to pay such amount. However, except as may be required by the Oregon Constitution
20 or ORS 291.445, neither the Legislative Assembly nor the Emergency Board shall have any
21 legal obligation to allocate funds under this section.

22 **SECTION 103.** In order to provide funds for the purposes specified in Article XI-G of the
23 Oregon Constitution, the Portland State University Board of Directors may request the State
24 Treasurer to issue bonds in accordance with the provisions of ORS chapter 286A.

25 **SECTION 104.** In order to provide funds for the purposes specified in Article XI-F(1) of
26 the Oregon Constitution, the Portland State University Board of Directors may request the
27 State Treasurer to issue bonds in accordance with the provisions of ORS chapter 286A.

28 **SECTION 105.** If the electors of this state authorize the issuance of bonds for the benefit
29 of Portland State University individually or in its capacity as a public university, the
30 Portland State University Board of Directors may request the State Treasurer to issue bonds
31 for such purposes in accordance with the provisions of ORS chapter 286A.

32 **SECTION 106.** If the Portland State University Board of Directors requests the State
33 Treasurer to issue bonds pursuant to sections 103 to 105 of this 2013 Act, the board shall be
34 a related agency under ORS 286A.001 to 286A.195 for issuance or administration of the bonds.

35 **SECTION 107.** As used in sections 107 to 111 of this 2013 Act:

36 (1) "Credit enhancement agreement" means any agreement or contractual relationship
37 between Portland State University and any bank, trust company, insurance company, surety
38 bonding company, pension fund or other financial institution providing additional credit on
39 or security for a financing agreement or certificates of participation authorized by sections
40 107 to 111 of this 2013 Act.

41 (2) "Financing agreement" means a lease-purchase agreement, an installment sale
42 agreement, a loan agreement, a note agreement, short-term promissory notes, commercial
43 papers, lines of credit or similar obligations or any other agreement to finance real or per-
44 sonal property that is or will be owned and operated by the university, or to refinance pre-
45 viously executed financing agreements.

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

2 (4) “Property rights” means, with respect to personal property, the rights of a secured
3 party under ORS chapter 79, and, with respect to real property, the rights of a trustee or
4 lender under a lease authorized by section 110 (1)(d) of this 2013 Act.

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

7 **SECTION 108.** (1) Subject to the limitations of section 99 of this 2013 Act, Portland State
8 University may enter into financing agreements in accordance with sections 107 to 111 of this
9 2013 Act, upon such terms as the university finds to be advantageous. Amounts payable by
10 the university under a financing agreement shall be limited to funds available for such pur-
11 poses under section 99 of this 2013 Act and specifically pledged, budgeted for or otherwise
12 made available by the university. If there are insufficient funds available to pay amounts due
13 under a financing agreement, the lender may exercise any property rights that the university
14 has granted to it in the financing agreement against the property that was purchased with
15 the proceeds of the financing agreement, and may apply the amounts so received toward
16 payments scheduled to be made by the university under the financing agreement.

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

23 **SECTION 109.** The Portland State University Board of Directors may delegate to any
24 board member, the president of Portland State University, or the president’s designee, the
25 authority to determine maturity dates, principal amounts, redemption provisions, interest
26 rates or methods for determining variable or adjustable interest rates, denominations and
27 other terms and conditions of such obligations that are not appropriately determined at the
28 time of enactment or adoption of the authorizing resolution. The board may also delegate
29 entering into financing agreements or any other instruments authorized by law. This deleg-
30 ated authority shall be exercised subject to applicable requirements of law and such limita-
31 tions and criteria as may be set forth in the authorizing resolution.

32 **SECTION 110.** (1) Portland State University may:

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

40 (b) Enter into credit enhancement agreements for financing agreements or certificates
41 of participation, provided that such credit enhancement agreements shall be payable solely
42 from funds specifically pledged, budgeted for or otherwise made available by the university
43 and amounts received from the exercise of property rights granted under such financing
44 agreements.

45 (c) Use financing agreements to finance the costs of acquiring or refinancing real or

1 personal property, plus the costs of reserves, credit enhancements and costs associated with
 2 obtaining the financing.

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

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

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

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

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

25 SECTION 111. A lease or financing agreement under sections 107 to 111 of this 2013 Act
 26 does not cause property to be subject to property taxation and is disregarded in determining
 27 whether property is exempt from taxation under ORS chapter 307.

28 SECTION 112. The Portland State University Board of Directors may, in its discretion,
 29 accept financial assistance and grants, either in the form of money or labor, from the United
 30 States or any of its agencies, subject to the terms and conditions thereof, regardless of any
 31 laws of this state in conflict with the regulations of the federal government with respect
 32 thereto, and may also accept from others any donation or grant of land or gift of money or
 33 other valuable gift or thing, for any of the purposes contemplated by Article XI-F(1) and
 34 Article XI-G of the Oregon Constitution and sections 100 to 111 of this 2013 Act. Unless en-
 35 joined by the terms or conditions of any such gift or grant, the board may convert the same,
 36 or any of them, into money, through sale or disposal thereof.

37 SECTION 113. (1) The Oregon Education Investment Board, in coordination with Portland
 38 State University, shall adopt performance benchmarks for the university. The benchmarks
 39 must reflect the educational outcomes that the Oregon Education Investment Board expects
 40 from the university. The Oregon Education Investment Board may not prescribe how the
 41 benchmarks are to be achieved. The president of the university and the Portland State Uni-
 42 versity Board of Directors have exclusive jurisdiction and control over the means and
 43 methods of achieving the performance benchmarks.

44 (2) The Oregon Education Investment Board annually shall assess the university's com-
 45 pliance with the benchmarks described in subsection (1) of this section and shall issue an

1 annual report as to the university's achievements. The investment board may recommend
 2 to the Legislative Assembly incentives to encourage compliance with the benchmarks or
 3 penalties for failure to comply with one or more benchmarks.

4 (3) The university and the Oregon University System shall coordinate academic programs
 5 so that the programs are integrated and complementary. To accomplish this purpose, uni-
 6 versity officers shall maintain a role in the appropriate committees of the State Board of
 7 Higher Education and the Oregon University System.

8 (4) The Oregon Education Investment Board shall have final authority over creation of
 9 new degree programs at Portland State University.

10 **SECTION 114.** The Portland State University Board of Directors shall adopt a policy that
 11 prescribes the requirements for a venture grant program and the requirements that a grant
 12 applicant must meet in order to receive grant moneys from the university venture develop-
 13 ment fund administered by Portland State University, including requirements:

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

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

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

22 **SECTION 115.** As used in sections 115 to 126 of this 2013 Act:

23 (1) "Former university" means Portland State University in its former status as a uni-
 24 versity within the Oregon University System under ORS 352.002, as set forth in the 2011
 25 Edition of the Oregon Revised Statutes.

26 (2) "University" means Portland State University as established under section 66 of this
 27 2013 Act.

28 (3) "University board" means the Portland State University Board of Directors estab-
 29 lished under section 68 of this 2013 Act.

30 **SECTION 116.** (1) Pursuant to the provisions of ORS 236.605 to 236.640, and except as
 31 otherwise expressly provided in sections 65 to 114 of this 2013 Act, all persons employed by
 32 Portland State University on the effective date of this 2013 Act shall continue their employ-
 33 ment with the university and shall retain any seniority, contractual rights or tenure granted
 34 prior to the effective date of this 2013 Act.

35 (2) Nothing in sections 65 to 114 of this 2013 Act shall affect the representation rights
 36 of collective bargaining organizations that represent university employees. Nothing in
 37 sections 65 to 114 of this 2013 Act shall affect any term or condition of any collective bar-
 38 gaining agreement in effect on the effective date of this 2013 Act.

39 **SECTION 117.** All of the duties, functions and powers of the former university are
 40 transferred to the university as if the university were a continuation of the former univer-
 41 sity and not a new authority.

42 **SECTION 118.** (1) All records and property of the former university shall be considered
 43 the records and property of the university.

44 (2) There are transferred to the Portland State University Board of Directors title to and
 45 possession of all the supplies, materials, equipment, records, books, papers and facilities of

1 the State Board of Higher Education pertaining to the former university.

2 (3) Title to real property acquired prior to the effective date of this 2013 Act utilized by
3 the former university or held or managed by the State of Oregon for the benefit of the for-
4 mer university shall be continuously held in the name of the State of Oregon, except that
5 the university has the exclusive care, custody and control of such real property and facilities.

6 (4) The Portland State University Board of Directors may sell, convey or lease such
7 property, or any interest therein, as the university board deems in the best interest of the
8 university as provided in section 77 of this 2013 Act.

9 **SECTION 119.** All unexpended moneys, including but not limited to General Fund appro-
10 priations, gifts, bequests, other funds, assessments, liability and worker's compensation re-
11 serves and premiums that are appropriated to, held, managed or invested by or on behalf of
12 or otherwise available to the former university or its president, for the purposes of any of
13 its duties, functions or powers transferred by sections 65 to 114 of this 2013 Act to the uni-
14 versity, are appropriated and transferred to the university.

15 **SECTION 120.** (1) Any proceeding, action, prosecution or other business or matter
16 undertaken or commenced before the effective date of this 2013 Act by the former university,
17 with respect to the duties, functions or powers transferred to the university by sections 65
18 to 114 of this 2013 Act and still pending on the effective date of this 2013 Act may be con-
19 ducted and completed by the university in the same manner, under the same terms and
20 conditions and with the same effect as though undertaken, conducted or completed by the
21 former university before the transfer.

22 (2) The transfer of duties, functions and powers to the Portland State University Board
23 of Directors under sections 65 to 114 of this 2013 Act does not affect any action, suit, pro-
24 ceeding or prosecution involving or with respect to such duties, functions and powers begun
25 before and pending at the time of the transfer, except that the university board shall be
26 substituted for the State Board of Higher Education in any such action, suit, proceeding or
27 prosecution.

28 (3) Any proceeding, action, prosecution or other business or matter undertaken or com-
29 menced before the effective date of this 2013 Act by a state officer or agency, with respect
30 to the duties, functions or powers transferred to the university and still pending on the ef-
31 fective date of this 2013 Act, may be conducted and completed by the university in the same
32 manner, under the same terms and conditions and with the same effect as though under-
33 taken, conducted or completed by the former university before the transfer.

34 **SECTION 121.** Nothing in sections 65 to 114 of this 2013 Act relieves any person of any
35 obligation with respect to a tax, fee, fine or other charge, interest, penalty, forfeiture or
36 other liability, duty or obligation.

37 **SECTION 122.** The university is considered to be a continuation of the former university
38 with respect to its duties, functions and powers, and not a new authority for the purpose of
39 succession to all rights and obligations of the former university as constituted at the time
40 of such assignment or transfer, except as otherwise provided in sections 65 to 114 of this 2013
41 Act, with the same force and effect as if such duties, functions and powers had not been
42 assigned or transferred.

43 **SECTION 123.** (1) Whenever, in any law or resolution of the Legislative Assembly or in
44 any rule, document, record or proceeding authorized thereby, reference is made to the for-
45 mer university, or an employee of the former university, whose duties, functions or powers

1 are assigned or transferred by sections 65 to 114 of this 2013 Act, except as otherwise pro-
 2 vided by sections 65 to 114 of this 2013 Act, such reference is considered to describe the
 3 university or employee of the university that, by sections 65 to 114 of this 2013 Act, is
 4 charged with carrying out such duties, functions and powers.

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

8 (3) Notwithstanding the transfer of duties, functions and powers by sections 65 to 114 of
 9 this 2013 Act, the lawfully adopted rules of the State Board of Higher Education pertaining
 10 to the former university in effect on the effective date of this 2013 Act continue in effect
 11 until lawfully superseded or repealed by the Portland State University Board of Directors.
 12 References in rules of the State Board of Higher Education to the state board or an officer
 13 or employee of the state board are considered to be references to the Portland State Uni-
 14 versity Board of Directors.

15 **SECTION 124.** A transfer of duties, functions, powers, rights, records, property, employ-
 16 ees or moneys by sections 65 to 114 of this 2013 Act becomes operative on January 1, 2014.
 17 The university shall exercise and perform such duties, functions, powers and rights, and
 18 shall take charge of such records, property, employees and moneys.

19 **SECTION 125.** The rights and obligations of the State Board of Higher Education legally
 20 incurred under contracts, leases and business transactions executed, entered into or begun
 21 before the effective date of this 2013 Act pertaining to the former university are transferred
 22 to the Portland State University Board of Directors. For the purpose of succession to these
 23 rights and obligations, the university board is considered to be a continuation of the State
 24 Board of Higher Education and not a new authority, and the university board must exercise
 25 such rights and fulfill such obligations as if they had not been transferred.

26 **SECTION 126.** For the purpose of administering and enforcing the duties, functions and
 27 powers transferred by sections 65 to 114 of this 2013 Act and for the payment of the expenses
 28 lawfully incurred by the State Board of Higher Education with respect to the administration
 29 and enforcement of such duties, functions and powers pertaining to the former university,
 30 the Portland State University Board of Directors may expend the moneys that are authorized
 31 to be expended by the State Board of Higher Education for administering and enforcing the
 32 duties, functions and powers transferred by sections 65 to 114 of this 2013 Act and that are
 33 unexpended on the effective date of this 2013 Act. Subject to section 98 of this 2013 Act, the
 34 university board shall assume and pay all outstanding obligations lawfully incurred by the
 35 State Board of Higher Education pertaining to the former university before the effective date
 36 of this 2013 Act that are properly charged against amounts authorized by this section to be
 37 expended by the university board.

38
 39 **REPORT TO LEGISLATIVE ASSEMBLY IN 2017**
 40

41 **SECTION 127.** Prior to December 1, 2017, the Oregon Education Investment Board shall
 42 submit a report to the Legislative Assembly in the manner prescribed by ORS 192.245. The
 43 report shall review the impact of the changes resulting from the separation of the University
 44 of Oregon and Portland State University from the Oregon University System upon higher
 45 education in this state. The report shall also make recommendations regarding any addi-

1 **tional changes necessary to the governing structures of public higher education in this state,**
 2 **including both establishment of additional independent public universities or return of all**
 3 **public universities to a single governing structure.**

4
 5 **MISCELLANEOUS PROVISIONS**
 6

7 **SECTION 128.** Section 14, chapter 36, Oregon Laws 2012, is amended to read:

8 **Sec. 14.** (1) For the purposes of this section:

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

11 (b) “Education entity” means:

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

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

14 (C) A community college district or community college service district operated under ORS
 15 chapter 341;

16 (D) The Oregon University System established by ORS 351.011;

17 (E) A public university of the Oregon University System, as listed in ORS 352.002; [*and*]

18 (F) The health professions and graduate science programs of the Oregon Health and Science
 19 University operated under ORS chapter 353[.];

20 **(G) Portland State University; and**

21 **(H) The University of Oregon.**

22 (c) “Governing body of an education entity” means:

23 (A) For a school district, the school district board.

24 (B) For an education service district, the board of directors of the education service district.

25 (C) For a community college district or a community college service district, the board of edu-
 26 cation of the community college district.

27 (D) For the Oregon University System, the State Board of Higher Education.

28 (E) For a public university of the Oregon University System, the president of the university.

29 (F) For the Oregon Health and Science University, the Oregon Health and Science University
 30 Board of Directors.

31 **(G) For Portland State University, the Portland State University Board of Directors.**

32 **(H) For the University of Oregon, the University of Oregon Board of Directors.**

33 (2)(a) Prior to the beginning of each fiscal year, the governing body of each education entity
 34 must enter into an achievement compact with the Oregon Education Investment Board for the fiscal
 35 year.

36 (b) Governing bodies of education entities identified in subsection (1)(b)(A) to (C) of this section
 37 shall enter into achievement compacts as part of the budgeting process under ORS 294.305 to 294.565
 38 and shall submit achievement compacts to the board prior to July 1 of each year.

39 (c) The board shall specify a process for adoption and a timeline for submission of achievement
 40 compacts for education entities identified in subsection (1)(b)(D) to [*F*] **(H)** of this section.

41 (d) The board shall provide to each school district a number quantifying the district’s estimated
 42 level of funding for the next fiscal year compared to the determination of funding needed to ensure
 43 that the state’s system of kindergarten through grade 12 public education meets the quality goals
 44 specified under ORS 327.506.

45 (3)(a) The board shall establish the terms for achievement compacts.

1 (b) The terms of an achievement compact may include:

2 (A) A description of goals for outcomes that are consistent with the educational goals identified
 3 in ORS 329.015, the findings described in ORS 351.003 and the mission of education provided in ORS
 4 351.009.

5 (B) A description of the outcomes and measures of progress that will allow each education entity
 6 to quantify:

7 (i) Completion rates for:

8 (I) Critical stages of learning and programs of study;

9 (II) The attainment of diplomas, certificates and degrees; and

10 (III) Achieving the high school and post-secondary education goals established in ORS 351.009
 11 and a projection of the progress needed to achieve those goals by 2025;

12 (ii) Validations of the quality of knowledge and skills acquired by students of the education en-
 13 tity; and

14 (iii) The relevance of the knowledge and skills acquired by the students of the education entity
 15 and the means by which those skills and knowledge will contribute to the workforce, the economy
 16 and society as described in state policy.

17 (C) Other information suggested by the governing body of an education entity and approved by
 18 the board.

19 (c) Notwithstanding the terms described in paragraph (b) of this subsection, for an achievement
 20 compact entered into by an education entity identified in subsection (1)(b)(F) of this section, the
 21 terms of the achievement compact shall be limited to the enrollment of, and attainment of degrees
 22 by, Oregon residents in programs for which the state provides funding.

23 (4)(a) The governing body of each education entity shall identify a target number and percentage
 24 of students for achievement of the outcomes, measures of progress and goals specified in the
 25 achievement compact for the fiscal year.

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

31 (5) As part of the process of entering into an achievement compact, the governing body of an
 32 education entity shall ensure that open communications are provided to parents, students, teachers
 33 or faculty, employees, exclusive bargaining representatives and community representatives for the
 34 purposes of explaining and discussing the outcomes, measures of progress, goals and targets speci-
 35 fied in the achievement compact for the fiscal year. The open communications must be provided
 36 during each education entity's public budget process.

37 (6) The board shall specify the format of the achievement compacts and provide model achieve-
 38 ment compacts to the governing body of each education entity.

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

42 (a) Must include disaggregated data for each disadvantaged student group specified by the
 43 board; and

44 (b) May state achievements in numbers and percentages and in relation to the outcomes, meas-
 45 ures of progress, goals and targets specified in the achievement compact for the fiscal year.

1 **SECTION 129.** ORS 21.007, as amended by section 8, chapter 48, Oregon Laws 2012, is amended
2 to read:

3 21.007. It is the intent of the Legislative Assembly that funding be provided to the following
4 entities by appropriations each biennium to fund programs, services and activities that were funded
5 through court fees before the 2011-2013 biennium:

6 (1) To the counties of this state for the purposes of funding mediation services, conciliation
7 services and other services in domestic relations cases.

8 (2) To the counties of this state for the purposes of funding the operation of law libraries or of
9 providing law library services.

10 (3) To the [*Oregon University System*] **Portland State University and the University of**
11 **Oregon** to fund the programs and expenses of the Mark O. Hatfield School of Government and the
12 University of Oregon School of Law under ORS 36.100 to 36.238 and 183.502.

13 (4) To the Housing and Community Services Department for the purpose of funding programs
14 that defray the cost of rent for dwelling units for very low income households.

15 (5) To the Oregon University System to fund clinical legal education programs at accredited
16 institutions of higher education that provide civil legal services to victims of domestic violence,
17 stalking or sexual assault.

18 (6) To the State Department of Agriculture for the purpose of funding mediation programs es-
19 tablished by the department, other than individual farm credit mediations.

20 (7) To the Judicial Department for the purposes of funding the appellate settlement program
21 established under ORS 2.560.

22 (8) To the Department of Human Services for the funding of the Office of Children's Advocate.

23 **SECTION 130.** ORS 30.264 is amended to read:

24 30.264. (1)(a) The State Board of Higher Education may authorize public universities listed in
25 ORS 352.002 to provide liability insurance coverage for students involved in off-campus experiential
26 activities, including, but not limited to, student teaching, internships, clinical experiences, capstone
27 projects and related activities.

28 [(2)] (b) If commercial liability insurance coverage is not available to the public universities,
29 students participating in the activities [*described in subsection (1) of this section*] **paragraph (a) of**
30 **this subsection** shall be considered to be acting within the course and scope of state employment
31 duties for purposes of ORS 30.260 to 30.300.

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

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

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

44 (b) **If commercial liability insurance is not available to the university, students partic-**
45 **ipating in the activities described in paragraph (a) of this subsection shall be considered to**

1 **be acting within the course and scope of university employment duties for the purposes of**
 2 **ORS 30.260 to 30.300.**

3 **SECTION 131.** ORS 30.864 is amended to read:

4 30.864. (1) Any person claiming to be aggrieved by the reckless disclosure of personally iden-
 5 tifiable information from a student’s education records as prohibited by rules of the State Board of
 6 Education, **the Portland State University Board of Directors, the University of Oregon Board**
 7 **of Directors** or the State Board of Higher Education may file a civil action in circuit court for
 8 equitable relief or, subject to the terms and conditions of ORS 30.265 to 30.300, for damages, or both.
 9 The court may order such other relief as may be appropriate.

10 (2) The action authorized by this section shall be filed within two years of the alleged unlawful
 11 disclosure.

12 (3) In an action brought under this section, the court may allow the prevailing party costs, dis-
 13 bursements and reasonable attorney fees.

14 **SECTION 132.** ORS 36.145 is amended to read:

15 36.145. The Dispute Resolution Account is established in the State Treasury, separate and dis-
 16 tinct from the General Fund. All moneys received under ORS 36.150 shall be deposited to the credit
 17 of the account. Notwithstanding the provisions of ORS 291.238, all moneys in the account are con-
 18 tinuously appropriated to the [*Oregon University System*] **University of Oregon or Portland State**
 19 **University** for the purposes for which the moneys were made available and shall be expended in
 20 accordance with the terms and conditions upon which the moneys were made available.

21 **SECTION 133.** ORS 36.150 is amended to read:

22 36.150. [*The Oregon University System*] **Portland State University**, on behalf of the Mark O.
 23 Hatfield School of Government, and **the University of Oregon, on behalf of** the University of
 24 Oregon School of Law, may accept and expend moneys from any public or private source, including
 25 the federal government, made available for the purpose of encouraging, promoting or establishing
 26 dispute resolution programs in Oregon or to facilitate and assist the schools in carrying out the
 27 responsibilities of the schools under ORS 36.100 to 36.238 and 183.502. All moneys received by [*the*
 28 *Oregon University System*] **Portland State University and the University of Oregon** under this
 29 section shall be deposited in the Dispute Resolution Account.

30 **SECTION 134.** ORS 36.155 is amended to read:

31 36.155. The Dean of the University of Oregon School of Law shall award grants for the purpose
 32 of providing dispute resolution services in counties. Grants under this section shall be made from
 33 funds [*appropriated*] **allocated** to the [*Oregon University System*] **University of Oregon** on behalf
 34 of the University of Oregon School of Law for distribution under this section. The [*State Board of*
 35 *Higher Education*] **University of Oregon Board of Directors** may adopt rules for the operation of
 36 the grant program.

37 **SECTION 135.** ORS 131.594 is amended to read:

38 131.594. (1) After the seizing agency distributes property under ORS 131.588, and when the
 39 seizing agency is not the state, the seizing agency shall dispose of and distribute property as follows:

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

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

45 (c) After costs have been paid and distributions under paragraph (b) of this subsection have been

1 made, the seizing agency shall distribute the rest of the property to the general fund of the political
 2 subdivision that operates the seizing agency.

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

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

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

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

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

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

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

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

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

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

20 (c) Retain the property.

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

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

29 (6) A seizing agency may donate growing equipment and laboratory equipment that was used,
 30 or intended for use, in manufacturing of controlled substances to a public school, a community col-
 31 lege, [or] a public university listed in ORS 352.002, **Portland State University or the University**
 32 **of Oregon**.

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

34 **SECTION 136.** ORS 181.871, as amended by section 2, chapter 28, Oregon Laws 2012, is
 35 amended to read:

36 181.871. (1) ORS 181.870 to 181.887 do not apply to:

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

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

40 (c) An officer or employee of this state, **the University of Oregon established by section 2**
 41 **of this 2013 Act, Portland State University established by section 66 of this 2013 Act**, Oregon
 42 Health and Science University established by ORS 353.020 or the United States while performing
 43 duties of the office or employment.

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

- 1 (e) An attorney admitted to practice law in this state while engaged in the practice of law.
- 2 (f) An insurance adjuster licensed in this state while performing duties authorized by the license.
- 3 (g) A person who monitors alarm systems that are not designed to detect threats to public safety
- 4 or personal well-being.
- 5 (h) A person while protecting the person's property.
- 6 (i) A person who repairs and installs intrusion alarms while repairing or installing intrusion
- 7 alarms.
- 8 (j) A person acting as an investigator as defined in ORS 703.401.
- 9 (k) A person performing crowd management or guest services, including, but not limited to, a
- 10 person described as a ticket taker, an usher, a parking attendant or event staff.
- 11 (L) A person who has a valid service permit issued by the Oregon Liquor Control Commission
- 12 pursuant to ORS 471.360 and who is an employee of a licensee of the commission when the person
- 13 is performing age verification and controlling access to premises of the licensee, if the person is not:
- 14 (A) Armed;
- 15 (B) Permitted to initiate confrontational activities, including physical contact and the confis-
- 16 cation of property; or
- 17 (C) Hired with the primary responsibility of taking enforcement action as described in ORS
- 18 181.870 (8)(f).
- 19 (m) A person performing security services at a facility regulated by the United States Nuclear
- 20 Regulatory Commission if the facility is operated by the person's employer.
- 21 (n) An individual while on active duty as a member of the armed services or while performing
- 22 duties as a law enforcement officer.
- 23 (o) An employee of a financial institution who has been designated as a security officer for the
- 24 financial institution pursuant to the Bank Protection Act of 1968 (12 U.S.C. 1881 et seq.) and regu-
- 25 lations adopted under the act or pursuant to ORS 723.276 (5).
- 26 (p) A person who provides security services as a volunteer or for de minimis consideration other
- 27 than money for an event operated for the benefit of a corporation that is organized not for profit
- 28 pursuant to ORS chapter 65 or any predecessor of ORS chapter 65 or that is exempt from taxation
- 29 under section 501(a) of the Internal Revenue Code as an organization described in section 501(c) of
- 30 the Internal Revenue Code.
- 31 (q) A student enrolled in a community college as defined in ORS 341.005 while engaged in non-
- 32 confrontational activities that contribute to campus safety under the direct or indirect supervision
- 33 of a law enforcement professional or private security professional certified or licensed by the De-
- 34 partment of Public Safety Standards and Training, provided the community college has conducted
- 35 a criminal background check on the student.
- 36 (2) The exemption provided by subsection (1)(k) of this section applies only:
- 37 (a) To a person who is not:
- 38 (A) Armed;
- 39 (B) Permitted to initiate confrontational activities, including physical contact and the confis-
- 40 cation of property; or
- 41 (C) Hired with the primary responsibility of taking enforcement action as described in ORS
- 42 181.870 (8)(f);
- 43 (b) If there is at least one person on-site who is certified or licensed under ORS 181.878 for ev-
- 44 ery 10 or fewer uncertified persons performing the services described in subsection (1)(k) of this
- 45 section;

1 (c) If any enforcement action, as described in ORS 181.870 (8)(f), other than incidental or tem-
 2 porary action, is taken by or under the supervision of a person certified or licensed under ORS
 3 181.878; and

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

7 (3) The exemption provided by subsection (1)(L) of this section does not apply during an organ-
 8 ized event that is on a scale substantially outside the ordinary course of the licensee’s business.

9 **SECTION 137.** ORS 182.122 is amended to read:

10 182.122. (1) As used in this section:

11 (a) “Executive department” has the meaning given that term in ORS 174.112.

12 (b) “Information systems” means computers, hardware, software, storage media, networks, oper-
 13 ational procedures and processes used in the collection, processing, storage, sharing or distribution
 14 of information within, or with any access beyond ordinary public access to, the state’s shared com-
 15 puting and network infrastructure.

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

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

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

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

25 (c) Conduct vulnerability assessments of agency information systems for the purpose of evalu-
 26 ating and responding to the susceptibility of information systems to attack, disruption or any other
 27 event that threatens the availability, integrity or confidentiality of information systems or the in-
 28 formation stored in information systems.

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

32 (5) In collaboration with agencies, the Oregon Department of Administrative Services shall de-
 33 velop and implement policies for responding to events that damage or threaten the availability, in-
 34 tegrity or confidentiality of information systems or the information stored in information systems,
 35 whether those systems are within, interoperable with or outside the state’s shared computing and
 36 network infrastructure. In the policies, the department shall prescribe actions reasonably necessary
 37 to:

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

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

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

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

45 (e) Communicate and share information with agencies, using preexisting incident response ca-

1 pabilities.

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

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

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

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

27 (9) This section does not apply to:

28 (a) Research and student computer systems used by or in conjunction with the **University of**
29 **Oregon, Portland State University, the State Board of Higher Education** or any public university
30 listed in ORS 352.002; and

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

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

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

37 **SECTION 138.** ORS 182.415 is amended to read:

38 182.415. As used in ORS 182.415 to 182.435 unless the context requires otherwise:

39 (1) "Furnishings" includes furniture usually used in connection with occupancy of a household
40 but does not include rugs, draperies, ranges, refrigerators, washers, dryers or any item of furnishings
41 received by the state or one of its agencies as a gift, nor does it include any furniture purchased
42 for the state-owned residence required in relation to the official duties of an institutional executive
43 or the Chancellor of the Oregon University System prior to September 9, 1971.

44 (2) "Housing" includes single and multiple family dwellings, apartments, and manufactured
45 dwellings and manufactured dwelling pads, available on a monthly tenancy but does not include

1 guard stations maintained by the State Forestry Department or dormitory facilities at any state in-
 2 stitution or at any public university listed in ORS 352.002, **Portland State University or the**
 3 **University of Oregon.**

4 (3) "Dormitory" includes any facility that houses students and those facilities used primarily for
 5 sleeping purposes by the employees of the Department of Human Services or the Oregon Health
 6 Authority.

7 (4) "State agency" has the meaning given that term in ORS 291.002.

8 **SECTION 139.** ORS 183.635 is amended to read:

9 183.635. (1) Except as provided in this section, all agencies must use administrative law judges
 10 assigned from the Office of Administrative Hearings established under ORS 183.605 to conduct con-
 11 tested case hearings, without regard to whether those hearings are subject to the procedural re-
 12 quirements for contested case hearings.

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

14 (a) Attorney General.

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

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

17 (d) Department of Corrections.

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

19 (f) Department of Human Services for vocational rehabilitation services cases under 29 U.S.C.
 20 722(c) and disability determination cases under 42 U.S.C. 405.

21 (g) Department of Revenue.

22 (h) Department of State Police.

23 (i) Employment Appeals Board.

24 (j) Employment Relations Board.

25 (k) Energy Facility Siting Council.

26 (L) Fair Dismissal Appeals Board.

27 (m) Governor.

28 (n) Land Conservation and Development Commission.

29 (o) Land Use Board of Appeals.

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

31 (q) Oregon University System and public universities listed in ORS 352.002.

32 (r) Oregon Youth Authority.

33 **(s) Portland State University.**

34 [(s)] (t) Psychiatric Security Review Board.

35 [(t)] (u) The Oregon Health Authority for hearings conducted under ORS 161.315 to 161.351.

36 [(u)] (v) Public Utility Commission.

37 [(v)] (w) State Accident Insurance Fund Corporation.

38 [(w)] (x) State Apprenticeship and Training Council.

39 [(x)] (y) State Board of Parole and Post-Prison Supervision.

40 [(y)] (z) State Land Board.

41 [(z)] (aa) State Treasurer.

42 **(bb) University of Oregon.**

43 [(aa)] (cc) Wage and Hour Commission.

44 (3) The Workers' Compensation Board is exempt from using administrative law judges assigned
 45 from the office for any hearing conducted by the board under ORS chapters 147, 654 and 656. Except

1 as specifically provided in this subsection, the Department of Consumer and Business Services must
 2 use administrative law judges assigned from the office only for contested cases arising out of the
 3 department's powers and duties under:

- 4 (a) ORS 86A.095 to 86A.198, 86A.990 and 86A.992 and ORS chapter 59;
- 5 (b) ORS chapter 455;
- 6 (c) ORS chapter 674;
- 7 (d) ORS chapters 706 to 716;
- 8 (e) ORS chapter 717;
- 9 (f) ORS chapters 723, 725 and 726; and
- 10 (g) ORS chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748 and 750.

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

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

- 16 (a) Federal law requires that a different administrative law judge or hearing officer be used; or
- 17 (b) Use of an administrative law judge from the office could result in a loss of federal funds.

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

21 **SECTION 140.** ORS 184.475 is amended to read:

22 184.475. (1) The purposes of information technology portfolio-based management are to:

- 23 (a) Ensure that state agencies link their information technology investments with business plans;
- 24 (b) Facilitate risk assessment of information technology projects and investments;
- 25 (c) Ensure that state agencies justify information technology investments on the basis of sound
 26 business cases;
- 27 (d) Ensure that state agencies facilitate development and review of information technology per-
 28 formance related to business operations;
- 29 (e) Identify projects that can cross agency and program lines to leverage resources; and
- 30 (f) Assist in state government-wide planning for common, shared information technology
 31 infrastructure.

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

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

45 (4) The department shall ensure that state agencies implement portfolio-based management of

1 information technology resources in accordance with this section and with rules adopted by the
2 Director of the Oregon Department of Administrative Services.

3 (5) This section does not apply to competitive research grants and contracts at public universi-
4 ties listed in ORS 352.002, **Portland State University or the University of Oregon.**

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

8 **SECTION 141.** ORS 184.477 is amended to read:

9 184.477. (1) The purpose of enterprise management is to create a plan and implement a state
10 government-wide approach for managing distributed information technology assets to minimize total
11 ownership costs from acquisition through retirement, while realizing maximum benefits for trans-
12 acting the state's business and delivering services to its citizens.

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

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

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

23 (5) This section does not apply to competitive research grants and contracts at public universi-
24 ties listed in ORS 352.002, **Portland State University or the University of Oregon.**

25 **SECTION 142.** ORS 184.631 is amended to read:

26 184.631. (1) The Department of Transportation shall establish a public-private partnership re-
27 search and development program.

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

32 (a) Individuals.

33 (b) Businesses.

34 (c) Nonprofit organizations.

35 (d) The State Board of Higher Education.

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

37 (f) **The University of Oregon.**

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

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

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

45 **SECTION 143.** ORS 190.410 is amended to read:

1 190.410. As used in ORS 190.410 to 190.440, “public agency” includes:

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

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

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

7 **(4) Portland State University; and**

8 **(5) The University of Oregon.**

9 **SECTION 144.** ORS 192.501 is amended to read:

10 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505
 11 unless the public interest requires disclosure in the particular instance:

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

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

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

29 (a) The arrested person’s name, age, residence, employment, marital status and similar bi-
 30 ographical information;

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

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

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

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

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

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

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

43 (5) Information consisting of production records, sale or purchase records or catch records, or
 44 similar business records of a private concern or enterprise, required by law to be submitted to or
 45 inspected by a governmental body to allow it to determine fees or assessments payable or to estab-

1 lish production quotas, and the amounts of such fees or assessments payable or paid, to the extent
2 that such information is in a form which would permit identification of the individual concern or
3 enterprise. This exemption does not include records submitted by long term care facilities as defined
4 in ORS 442.015 to the state for purposes of reimbursement of expenses or determining fees for pa-
5 tient care. Nothing in this subsection shall limit the use which can be made of such information for
6 regulatory purposes or its admissibility in any enforcement proceeding.

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

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

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

13 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and
14 663.180.

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

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

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

23 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and
24 564.100, regarding the habitat, location or population of any threatened species or endangered spe-
25 cies.

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

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

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

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

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

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

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

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

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

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

13 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS
14 247.967.

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

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

19 (b) Credit reports;

20 (c) Project appraisals;

21 (d) Market studies and analyses;

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

23 (f) Commitment letters;

24 (g) Project pro forma statements;

25 (h) Project cost certifications and cost data;

26 (i) Audits;

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

28 (k) Tenant files relating to certification; and

29 (L) Housing assistance payment requests.

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

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

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

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

37 (23) Records or information that would reveal or otherwise identify security measures, or
38 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to
39 protect:

40 (a) An individual;

41 (b) Buildings or other property;

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

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

1 (24) Personal information held by or under the direction of officials of the Oregon Health and
 2 Science University, **Portland State University, the University of Oregon** or the Oregon Univer-
 3 sity System about a person who has or who is interested in donating money or property to the
 4 university, the system or a public university listed in ORS 352.002, if the information is related to
 5 the family of the person, personal assets of the person or is incidental information not related to the
 6 donation.

7 (25) The home address, professional address and telephone number of a person who has or who
 8 is interested in donating money or property to **Portland State University, the University of**
 9 **Oregon** or the Oregon University System.

10 (26) Records of the name and address of a person who files a report with or pays an assessment
 11 to a commodity commission established under ORS 576.051 to 576.455, the Oregon Beef Council
 12 created under ORS 577.210 or the Oregon Wheat Commission created under ORS 578.030.

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

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

18 (29) The electronic mail address of a student who attends a public university listed in ORS
 19 352.002, **Portland State University, the University of Oregon** or Oregon Health and Science
 20 University.

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

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

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

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

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

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

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

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

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

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

43 (32) Unless the public records request is made by a financial institution, as defined in ORS
 44 706.008, consumer finance company licensed under ORS chapter 725, mortgage banker or mortgage
 45 broker licensed under ORS 86A.095 to 86A.198, or title company for business purposes, records de-

1 scribed in paragraph (a) of this subsection, if the exemption from disclosure of the records is sought
 2 by an individual described in paragraph (b) of this subsection using the procedure described in par-
 3 agraph (c) of this subsection:

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

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

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

10 (b) The individual claiming the exemption from disclosure must be a district attorney, a deputy
 11 district attorney, the Attorney General or an assistant attorney general, the United States Attorney
 12 for the District of Oregon or an assistant United States attorney for the District of Oregon, a city
 13 attorney who engages in the prosecution of criminal matters or a deputy city attorney who engages
 14 in the prosecution of criminal matters.

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

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

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

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

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

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

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

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

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

40 (37) Any document or other information related to an audit of a public body, as defined in ORS
 41 174.109, that is in the custody of an auditor or audit organization operating under nationally re-
 42 cognized government auditing standards, until the auditor or audit organization issues a final audit
 43 report in accordance with those standards or the audit is abandoned. This exemption does not pro-
 44 hibit disclosure of a draft audit report that is provided to the audited entity for the entity's response
 45 to the audit findings.

1 **SECTION 145.** ORS 192.501, as amended by section 3, chapter 455, Oregon Laws 2005, section
2 7, chapter 608, Oregon Laws 2007, section 2, chapter 687, Oregon Laws 2007, section 2, chapter 48,
3 Oregon Laws 2008, section 3, chapter 57, Oregon Laws 2009, section 2, chapter 135, Oregon Laws
4 2009, section 4, chapter 222, Oregon Laws 2009, section 2, chapter 769, Oregon Laws 2009, section
5 15, chapter 9, Oregon Laws 2011, section 2, chapter 285, Oregon Laws 2011, and section 69, chapter
6 637, Oregon Laws 2011, is amended to read:

7 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505
8 unless the public interest requires disclosure in the particular instance:

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

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

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

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

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

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

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

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

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

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

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

40 (5) Information consisting of production records, sale or purchase records or catch records, or
41 similar business records of a private concern or enterprise, required by law to be submitted to or
42 inspected by a governmental body to allow it to determine fees or assessments payable or to estab-
43 lish production quotas, and the amounts of such fees or assessments payable or paid, to the extent
44 that such information is in a form which would permit identification of the individual concern or
45 enterprise. This exemption does not include records submitted by long term care facilities as defined

1 in ORS 442.015 to the state for purposes of reimbursement of expenses or determining fees for pa-
2 tient care. Nothing in this subsection shall limit the use which can be made of such information for
3 regulatory purposes or its admissibility in any enforcement proceeding.

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

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

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

10 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and
11 663.180.

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

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

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

20 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and
21 564.100, regarding the habitat, location or population of any threatened species or endangered spe-
22 cies.

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

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

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

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

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

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

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

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

43 (19)(a) Audits or audit reports required of a telecommunications carrier. As used in this para-
44 graph, "audit or audit report" means any external or internal audit or audit report pertaining to a
45 telecommunications carrier, as defined in ORS 133.721, or pertaining to a corporation having an af-

1 filiated interest, as defined in ORS 759.390, with a telecommunications carrier that is intended to
 2 make the operations of the entity more efficient, accurate or compliant with applicable rules, pro-
 3 cedures or standards, that may include self-criticism and that has been filed by the telecommuni-
 4 cations carrier or affiliate under compulsion of state law. “Audit or audit report” does not mean an
 5 audit of a cost study that would be discoverable in a contested case proceeding and that is not
 6 subject to a protective order; and

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

10 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS
 11 247.967.

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

- 15 (a) Personal and corporate financial statements and information, including tax returns;
- 16 (b) Credit reports;
- 17 (c) Project appraisals;
- 18 (d) Market studies and analyses;
- 19 (e) Articles of incorporation, partnership agreements and operating agreements;
- 20 (f) Commitment letters;
- 21 (g) Project pro forma statements;
- 22 (h) Project cost certifications and cost data;
- 23 (i) Audits;
- 24 (j) Project tenant correspondence requested to be confidential;
- 25 (k) Tenant files relating to certification; and
- 26 (L) Housing assistance payment requests.

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

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

34 (23) Records or information that would reveal or otherwise identify security measures, or
 35 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to
 36 protect:

- 37 (a) An individual;
- 38 (b) Buildings or other property;
- 39 (c) Information processing, communication or telecommunication systems, including the infor-
 40 mation contained in the systems; or
- 41 (d) Those operations of the Oregon State Lottery the security of which are subject to study and
 42 evaluation under ORS 461.180 (6).

43 (24) Personal information held by or under the direction of officials of the Oregon Health and
 44 Science University, **Portland State University, the University of Oregon** or the Oregon Univer-
 45 sity System about a person who has or who is interested in donating money or property to the

1 university, the system or a public university listed in ORS 352.002, if the information is related to
 2 the family of the person, personal assets of the person or is incidental information not related to the
 3 donation.

4 (25) The home address, professional address and telephone number of a person who has or who
 5 is interested in donating money or property to **Portland State University, the University of**
 6 **Oregon** or the Oregon University System.

7 (26) Records of the name and address of a person who files a report with or pays an assessment
 8 to a commodity commission established under ORS 576.051 to 576.455, the Oregon Beef Council
 9 created under ORS 577.210 or the Oregon Wheat Commission created under ORS 578.030.

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

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

15 (29) The electronic mail address of a student who attends a public university listed in ORS
 16 352.002, **Portland State University, the University of Oregon** or Oregon Health and Science
 17 University.

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

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

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

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

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

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

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

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

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

35 (31) Unless the public records request is made by a financial institution, as defined in ORS
 36 706.008, consumer finance company licensed under ORS chapter 725, mortgage banker or mortgage
 37 broker licensed under ORS 86A.095 to 86A.198, or title company for business purposes, records de-
 38 scribed in paragraph (a) of this subsection, if the exemption from disclosure of the records is sought
 39 by an individual described in paragraph (b) of this subsection using the procedure described in par-
 40 agraph (c) of this subsection:

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

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

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

2 (b) The individual claiming the exemption from disclosure must be a district attorney, a deputy
3 district attorney, the Attorney General or an assistant attorney general, the United States Attorney
4 for the District of Oregon or an assistant United States attorney for the District of Oregon, a city
5 attorney who engages in the prosecution of criminal matters or a deputy city attorney who engages
6 in the prosecution of criminal matters.

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

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

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

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

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

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

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

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

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

32 (36) Any document or other information related to an audit of a public body, as defined in ORS
33 174.109, that is in the custody of an auditor or audit organization operating under nationally re-
34 cognized government auditing standards, until the auditor or audit organization issues a final audit
35 report in accordance with those standards or the audit is abandoned. This exemption does not pro-
36 hibit disclosure of a draft audit report that is provided to the audited entity for the entity's response
37 to the audit findings.

38 **SECTION 146.** ORS 205.450 is amended to read:

39 205.450. As used in ORS 205.450 to 205.470:

40 (1) "Encumbrance" means a claim, lien, charge or liability attached to and binding property.

41 (2) "Encumbrance claimant" means a person who purportedly benefits from the filing of an
42 encumbrance.

43 (3) "Federal official or employee" has the meaning given the term "employee of the
44 government" in the Federal Tort Claims Act (28 U.S.C. 2671).

45 (4) "Filing" includes filing or recording.

1 (5) "Invalid claim of encumbrance" means a claim of encumbrance that is not a valid claim of
2 encumbrance.

3 (6) "Property" includes, but is not limited to, real and personal property.

4 (7) "State or local official or employee" means an appointed or elected official, employee or
5 agent of:

6 (a) A branch of government of this state or a state agency, board, commission or department
7 of a branch of government of this state;

8 (b) A public university listed in ORS 352.002, **Portland State University or the University**
9 **of Oregon**;

10 (c) A community college or local school district in this state;

11 (d) A city, county or other political subdivision in this state; or

12 (e) A public corporation in this state.

13 (8) "Valid claim of encumbrance" is an encumbrance that:

14 (a) Is an encumbrance authorized by statute;

15 (b) Is a consensual encumbrance recognized under the laws of this state; or

16 (c) Is an equitable, constructive or other encumbrance imposed by a court of competent juris-
17 diction.

18 **SECTION 147.** ORS 205.455 is amended to read:

19 205.455. (1) No person or county shall accept for filing an invalid claim of encumbrance.

20 (2) No person or county shall accept for filing a claim of encumbrance against the property of
21 a federal official or employee or a state or local official or employee based on the performance or
22 nonperformance of the official duties of the official or employee unless accompanied by an order
23 from a court of competent jurisdiction authorizing the filing of the encumbrance.

24 (3) A claim of encumbrance against the property of a federal official or employee or a state or
25 local official or employee based on the performance or nonperformance of the official duties of the
26 official or employee that is not accompanied by an order from a court of competent jurisdiction is
27 an invalid claim of encumbrance and has no legal effect.

28 (4) If an invalid claim of encumbrance against the property of a federal official or employee or
29 against the property of a state or local official or employee is accepted for filing, the filing officer
30 shall accept for filing a notice of invalid encumbrance signed and submitted by:

31 (a) The assistant United States attorney representing the federal agency of which the individual
32 is an official or employee;

33 (b) The assistant attorney general representing the state official, employee or agent, or the state
34 agency, board, commission, department or public university, **including public universities** listed in
35 ORS 352.002, **Portland State University and the University of Oregon**, of which the individual
36 is an official, employee or agent; or

37 (c) The attorney representing the community college or local school district, political subdivi-
38 sion or public corporation of which the individual is an official, employee or agent.

39 (5) A notice of invalid encumbrance shall be in substantially the following form:
40

41
42 NOTICE OF INVALID ENCUMBRANCE

43 FILED AGAINST

44 _____ (Insert name)

45 (ORS 205.455)

1 _____ IS A _____
2 (Name) (Title)

3 NOTICE is hereby given that the document entitled _____, purporting to create an
4 obligation against or an interest in the real or personal property of the person named above, filed
5 and/or signed by _____ (insert name), and filed or recorded in book/reel/volume No.
6 _____ on page _____ or document/fee/file/ instrument/microfilm No. _____ in the
7 _____ (insert name of office where document was filed or recorded), is an invalid claim
8 of encumbrance under ORS 205.450 and 205.455.

9 No order from a court of competent jurisdiction authorizing the filing of such encumbrance ac-
10 companied the filing and, pursuant to ORS 205.455, the encumbrance has no legal effect and is in-
11 valid.

12 A copy of this Notice of Invalid Encumbrance has been mailed this day by depositing a true
13 copy of the notice in the United States mail, addressed to _____ (name and address of
14 encumbrance claimant), the last-known address of _____ (insert name of encumbrance
15 claimant).

16 DATED this _____ day of _____, _____.

17 _____
18 Attorney for _____

19
20 SUBSCRIBED AND SWORN to before me this _____ day of _____, _____.

21 _____
22 _____
23 NOTARY PUBLIC FOR OREGON
24 My commission expires: _____
25 _____

26
27 (6) A copy of the notice of invalid encumbrance filed under this section shall be posted at the
28 county courthouse and mailed by the attorney to the encumbrance claimant at the encumbrance
29 claimant’s last-known address, if available.

30 (7) No person or county shall be liable under this section for accepting for filing an invalid claim
31 of encumbrance or for accepting for filing a notice of invalid encumbrance.

32 (8) Filing a notice of invalid encumbrance under this section shall clear title to all property that
33 is affected by the claim of encumbrance that is the subject of the notice of invalid encumbrance from
34 all claims, liens, charges or liabilities attached to the property under the claim of encumbrance.

35 **SECTION 148.** ORS 238.005, as amended by section 30, chapter 54, Oregon Laws 2012, is
36 amended to read:

37 238.005. For purposes of this chapter:

38 (1) “Active member” means a member who is presently employed by a participating public em-
39 ployer in a qualifying position and who has completed the six-month period of service required by
40 ORS 238.015.

41 (2) “Annuity” means payments for life derived from contributions made by a member as provided
42 in this chapter.

43 (3) “Board” means the Public Employees Retirement Board.

44 (4) “Calendar year” means 12 calendar months commencing on January 1 and ending on De-
45 cember 31 following.

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

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

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

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

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

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

19 (a) Persons engaged as independent contractors.

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

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

25 (d) Persons employed and paid from federal funds received under a federal program intended
26 primarily to alleviate unemployment. However, any such person shall be considered an "employee"
27 if not otherwise excluded by paragraphs (a) to (c) of this subsection and the public employer elects
28 to have the person so considered by an irrevocable written notice to the board.

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

32 (9) "Final average salary" means whichever of the following is greater:

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

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

45 (10) "Firefighter" does not include a volunteer firefighter, but does include:

- 1 (a) The State Fire Marshal, the chief deputy fire marshal and deputy state fire marshals; and
 2 (b) An employee of the State Forestry Department who is certified by the State Forester as a
 3 professional wildland firefighter and whose primary duties include the abatement of uncontrolled
 4 fires as described in ORS 477.064.
- 5 (11) "Fiscal year" means 12 calendar months commencing on July 1 and ending on June 30 fol-
 6 lowing.
- 7 (12) "Fund" means the Public Employees Retirement Fund.
- 8 (13) "Inactive member" means a member who is not employed in a qualifying position, whose
 9 membership has not been terminated in the manner described by ORS 238.095 and who is not retired
 10 for service or disability.
- 11 (14) "Institution of higher education" means a public university listed in ORS 352.002, the
 12 Oregon Health and Science University, **Portland State University**, **the University of Oregon** and
 13 a community college, as defined in ORS 341.005.
- 14 (15) "Member" means a person who has established membership in the system and whose mem-
 15 bership has not been terminated as described in ORS 238.095. "Member" includes active, inactive
 16 and retired members.
- 17 (16) "Member account" means the regular account and the variable account.
- 18 (17) "Normal retirement age" means:
- 19 (a) For a person who establishes membership in the system before January 1, 1996, as described
 20 in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or firefighter
 21 or 58 years of age if the employee retires at that age as other than a police officer or firefighter.
- 22 (b) For a person who establishes membership in the system on or after January 1, 1996, as de-
 23 scribed in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or
 24 firefighter or 60 years of age if the employee retires at that age as other than a police officer or
 25 firefighter.
- 26 (18) "Pension" means annual payments for life derived from contributions by one or more public
 27 employers.
- 28 (19) "Police officer" includes:
- 29 (a) Employees of institutions defined in ORS 421.005 as Department of Corrections institutions
 30 whose duties, as assigned by the Director of the Department of Corrections, include the custody of
 31 persons committed to the custody of or transferred to the Department of Corrections and employees
 32 of the Department of Corrections who were classified as police officers on or before July 27, 1989,
 33 whether or not such classification was authorized by law.
- 34 (b) Employees of the Department of State Police who are classified as police officers by the
 35 Superintendent of State Police.
- 36 (c) Employees of the Oregon Liquor Control Commission who are classified as liquor enforce-
 37 ment inspectors by the administrator of the commission.
- 38 (d) Sheriffs and those deputy sheriffs or other employees of a sheriff whose duties, as classified
 39 by the sheriff, are the regular duties of police officers or corrections officers.
- 40 (e) Police chiefs and police personnel of a city who are classified as police officers by the
 41 council or other governing body of the city.
- 42 (f) Police officers who are commissioned by a university under ORS 352.383 and who are clas-
 43 sified as police officers by the university.
- 44 (g) Parole and probation officers employed by the Department of Corrections, parole and pro-
 45 bation officers who are transferred to county employment under ORS 423.549 and adult parole and

1 probation officers, as defined in ORS 181.610, who are classified as police officers for the purposes
 2 of this chapter by the county governing body. If a county classifies adult parole and probation offi-
 3 cers as police officers for the purposes of this chapter, and the employees so classified are repres-
 4 ented by a labor organization, any proposal by the county to change that classification or to cease
 5 to classify adult parole and probation officers as police officers for the purposes of this chapter is
 6 a mandatory subject of bargaining.

7 (h) Police officers appointed under ORS 276.021 or 276.023.

8 (i) Employees of the Port of Portland who are classified as airport police by the Board of Com-
 9 missioners of the Port of Portland.

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

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

14 (L) Investigators of the Criminal Justice Division of the Department of Justice.

15 (m) Corrections officers as defined in ORS 181.610.

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

18 (o) The Director of the Department of Corrections.

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

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

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

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

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

37 (u) Employees of the Oregon Youth Authority who are classified as juvenile parole and pro-
 38 bation officers.

39 (20) "Prior service credit" means credit provided under ORS 238.442 or under ORS 238.225 (2)
 40 to (6) (1999 Edition).

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

1 sue and be sued.

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

6 (23) "Regular account" means the account established for each active and inactive member un-
 7 der ORS 238.250.

8 (24) "Retired member" means a member who is retired for service or disability.

9 (25) "Retirement credit" means a period of time that is treated as creditable service for the
 10 purposes of this chapter.

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

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

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

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

20 (C) Retroactive payments described in ORS 238.008; and

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (29) "Variable account" means the account established for a member who participates in the
 2 Variable Annuity Account under ORS 238.260.

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

4 (31) "Volunteer firefighter" means a firefighter whose position normally requires less than 600
 5 hours of service per year.

6 **SECTION 149.** ORS 238.200 is amended to read:

7 238.200. (1)(a) An active member of the Public Employees Retirement System shall contribute to
 8 the Public Employees Retirement Fund and there shall be withheld from salary of the member six
 9 percent of that salary as an employee contribution.

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

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

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

30 (4) Notwithstanding subsections (1) to (3) of this section, a member of the system, or a partic-
 31 ipating employer acting on behalf of the member pursuant to ORS 238.205, is not permitted or re-
 32 quired to make employee contributions to the fund for service performed on or after January 1, 2004.
 33 This subsection does not affect any contribution for the purpose of unit purchases under ORS
 34 238.440 or amounts paid for acquisition of creditable service under ORS 238.105 to 238.175.

35 **SECTION 150.** ORS 238.215 is amended to read:

36 238.215. Notwithstanding any other provision of this chapter:

37 (1) An employee, as defined in ORS 243.910 (2), who is an active member of the system and who
 38 has elected, and not canceled that election, to be assisted by the State Board of Higher Education,
 39 **the Portland State University Board of Directors or the University of Oregon Board of Di-**
 40 **rectors** under ORS 243.920 (1), shall not contribute to the fund on any part of the annual salary of
 41 the employee in excess of \$4,800 at any time during which the [*State Board of Higher Education*]
 42 **relevant board** assists the employee under ORS 243.920 (1).

43 (2) The current service pension, whether for service or disability retirement, under this chapter
 44 provided by the contributions of the employers of such employee shall be:

45 (a) If the State Board of Higher Education, **the Portland State University Board of Directors**

1 **or the University of Oregon Board of Directors** is assisting such employee under ORS 243.920 (1)
 2 at the time of retirement, a pension equal to the annuity provided by the employee's accumulated
 3 contributions to the fund.

4 (b) If the State Board of Higher Education, **the Portland State University Board of Directors**
 5 **or the University of Oregon Board of Directors** is not assisting such employee under ORS 243.920
 6 (1) at the time of retirement, but previously so assisted the employee:

7 (A) For service before the date the [*State Board of Higher Education*] **relevant board** last
 8 ceased to assist the employee, a pension equal to the annuity provided by the employee's accumu-
 9 lated contributions to the fund before that date.

10 (B) For service on and after the date the [*State Board of Higher Education*] **relevant board** last
 11 ceased to so assist the employee, a pension computed as provided in ORS 238.300 (2), but if the
 12 employee retires before reaching the normal retirement age, actuarially reduced and computed on
 13 the then attained age. For the purpose of computing the pension under this subparagraph, only the
 14 number of years of membership of the employee after the day before that date and only the salary
 15 of the employee on which the employee contributes to the fund for those years shall be considered.

16 (3) Subsection (2) of this section does not apply to an employee, as defined in ORS 243.910 (2),
 17 who is an active member of the system, who elected to be assisted by the State Board of Higher
 18 Education, **the Portland State University Board of Directors or the University of Oregon**
 19 **Board of Directors** under ORS 243.920 (1) before January 1, 1968, who canceled that election within
 20 the first 60 days of the calendar year 1968 as provided in ORS 243.940 (5) and who does not there-
 21 after elect to be assisted by the [*State Board of Higher Education*] **relevant board** under ORS
 22 243.920 (1).

23 (4) Subsection (2) of this section does not apply to an employee, as defined in ORS 243.910 (2),
 24 who is an active member of the system and has been an active member of the system continuously
 25 since any date before January 1, 1968; who elected to be assisted by the State Board of Higher Ed-
 26 ucation, **the Portland State University Board of Directors or the University of Oregon Board**
 27 **of Directors** under ORS 243.920 (1) before January 1, 1968; and who cancels that election in any
 28 calendar year after 1968, but before the calendar year in which the employee retires, as provided
 29 in ORS 243.940 (5) and does not thereafter elect to be assisted by the [*State Board of Higher Edu-*
 30 *cation*] **relevant board** under ORS 243.920 (1). In this case the benefit, whether for service or disa-
 31 bility retirement, shall be computed as under ORS 238.300; however, for service during periods in
 32 which the employee was assisted by the [*State Board of Higher Education*] **relevant board** under
 33 ORS 243.920 (1), a year of membership as used in ORS 238.300 (2) shall be a portion of a year which
 34 is represented by a fraction the numerator of which is \$4,800 and the denominator of which is the
 35 salary earned by the employee in that year. However, in no case shall the fraction be greater than
 36 one.

37 **SECTION 151.** ORS 238A.005, as amended by section 1, chapter 31, Oregon Laws 2012, is
 38 amended to read:

39 238A.005. For the purposes of this chapter:

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

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

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

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

3 (a) Persons engaged as independent contractors;

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

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

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

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

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

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

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

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

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

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

21 (L) Judges.

22 (5) “Firefighter” means:

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

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

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

30 (6) “Fund” means the Public Employees Retirement Fund.

31 (7)(a) “Hour of service” means:

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

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

40 (b) “Hour of service” does not include any hour for which payment is made or due under a plan
 41 maintained solely for the purpose of complying with applicable workers’ compensation laws or un-
 42 employment compensation laws.

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

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

3 (10) "Institution of higher education" means a public university listed in ORS 352.002, the
 4 Oregon Health and Science University, **Portland State University, the University of Oregon** or
 5 a community college, as defined in ORS 341.005.

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

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

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

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

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

18 (16) "Retired member" means a pension program member who is receiving a pension as provided
 19 in ORS 238A.180 to 238A.195.

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

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

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

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

31 (C) Any amount that is contributed to a cafeteria plan or qualified transportation fringe benefit
 32 plan by the employer at the election of the employee and that is not includable in the taxable in-
 33 come of the employee by reason of 26 U.S.C. 125 or 132(f)(4), as in effect on December 31, 2011.

34 (D) Any amount that is contributed to a cash or deferred arrangement by the employer at the
 35 election of the employee and that is not included in the taxable income of the employee by reason
 36 of 26 U.S.C. 402(e)(3), as in effect on December 31, 2011.

37 (E) Retroactive payments described in ORS 238.008.

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

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

43 (H) Wages of a deceased member paid to a surviving spouse or dependent children under ORS
 44 652.190.

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

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

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

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

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

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

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

11 (G) Payments for instructional services rendered to public universities of the Oregon University
12 System, **the University of Oregon, Portland State University** or the Oregon Health and Science
13 University when those services are in excess of full-time employment subject to this chapter. A
14 person employed under a contract for less than 12 months is subject to this subparagraph only for
15 the months covered by the contract.

16 (H) The amount of an employee contribution to the individual account program that is paid by
17 the employer and is not deducted from the compensation of the employee, as provided under ORS
18 238A.335 (1) and (2)(b).

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

24 (18) "System" means the Public Employees Retirement System.

25 **SECTION 152.** ORS 240.185 is amended to read:

26 240.185. (1) On and after January 1, 1984, the number of persons employed by the state shall not
27 exceed 1.5 percent of the state's population of the prior year.

28 (2) The population figure shall be that required by ORS 190.510 to 190.610.

29 (3) This section applies to all full-time equivalent budgeted positions.

30 (4) This section does not apply to the Governor, the Secretary of State, the State Treasurer, the
31 Supreme Court or the Legislative Assembly in the conduct of duties vested in any of them by the
32 Oregon Constitution. However, this exception applies only to the office of the Governor and not to
33 the executive branch of government.

34 (5) This section does not apply to personnel who administer unemployment insurance benefits
35 programs of the Employment Department, to personnel who administer programs required to be im-
36 plemented as a condition for the continued certification of the Employment Division Law by the
37 United States Secretary of Labor or to personnel who administer programs implemented by the
38 United States Department of Labor under federal law if the state is required to enter into contracts
39 to provide such programs.

40 (6) This section does not apply to personnel whose positions are funded by the gifts, grants and
41 contracts program in the Oregon University System, **Portland State University or the University**
42 **of Oregon.**

43 (7) In order to assess the effect of subsection (1) of this section, the Oregon Department of Ad-
44 ministrative Services by December 31 of each even-numbered year shall conduct a workload analysis
45 of each state agency, regardless of whether the agency is exempt from the application of subsection

(1) of this section. The workload analysis of each agency shall be submitted to the Legislative Assembly prior to its convening in the subsequent odd-numbered year regular session and shall accompany the agency's budget request before the Joint Ways and Means Committee.

SECTION 153. ORS 243.105 is amended to read:

243.105. As used in ORS 243.105 to 243.285, unless the context requires otherwise:

(1) "Benefit plan" includes, but is not limited to:

(a) Contracts for insurance or other benefits, including medical, dental, vision, life, disability and other health care recognized by state law, and related services and supplies;

(b) Comparable benefits for employees who rely on spiritual means of healing; and

(c) Self-insurance programs managed by the Public Employees' Benefit Board.

(2) "Board" means the Public Employees' Benefit Board.

(3) "Carrier" means an insurance company or health care service contractor holding a valid certificate of authority from the Director of the Department of Consumer and Business Services, or two or more companies or contractors acting together pursuant to a joint venture, partnership or other joint means of operation, or a board-approved guarantor of benefit plan coverage and compensation.

(4)(a) "Eligible employee" means an officer or employee of a state agency who elects to participate in one of the group benefit plans described in ORS 243.135. The term includes state officers and employees in the exempt, unclassified and classified service, and state officers and employees, whether or not retired, who:

(A) Are receiving a service retirement allowance, a disability retirement allowance or a pension under the Public Employees Retirement System or are receiving a service retirement allowance, a disability retirement allowance or a pension under any other retirement or disability benefit plan or system offered by the State of Oregon for its officers and employees;

(B) Are eligible to receive a service retirement allowance under the Public Employees Retirement System and have reached earliest retirement age under ORS chapter 238;

(C) Are eligible to receive a pension under ORS 238A.100 to 238A.245, and have reached earliest retirement age as described in ORS 238A.165; or

(D) Are eligible to receive a service retirement allowance or pension under another retirement benefit plan or system offered by the State of Oregon and have attained earliest retirement age under the plan or system.

(b) "Eligible employee" does not include individuals:

(A) Engaged as independent contractors;

(B) Whose periods of employment in emergency work are on an intermittent or irregular basis;

(C) Who are employed on less than half-time basis unless the individuals are employed in positions classified as job-sharing positions, unless the individuals are defined as eligible under rules of the board;

(D) Appointed under ORS 240.309;

(E) Provided sheltered employment or make-work by the state in an employment or industries program maintained for the benefit of such individuals; or

(F) Provided student health care services in conjunction with their enrollment as students at a public university listed in ORS 352.002, **Portland State University or the University of Oregon.**

(5) "Family member" means an eligible employee's spouse and any unmarried child or stepchild within age limits and other conditions imposed by the board with regard to unmarried children or stepchildren.

1 (6) "Payroll disbursing officer" means the officer or official authorized to disburse moneys in
2 payment of salaries and wages of employees of a state agency.

3 (7) "Premium" means the monthly or other periodic charge for a benefit plan.

4 (8) "State agency" means every state officer, board, commission, department or other activity
5 of state government.

6 **SECTION 154.** ORS 243.107 is amended to read:

7 243.107. A person employed by a public university listed in ORS 352.002, **the University of**
8 **Oregon, Portland State University** or the Oregon Health and Science University may be consid-
9 ered an eligible employee for participation in one of the group benefit plans described in ORS
10 243.135 if the State Board of Higher Education, **the University of Oregon Board of Directors, the**
11 **Portland State University Board of Directors**, or the Oregon Health and Science University
12 Board of Directors [*for Oregon Health and Science University employees*], determines that funds are
13 available therefor and if:

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

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

19 **SECTION 155.** ORS 243.778 is amended to read:

20 243.778. (1) When an appropriate bargaining unit includes members of the faculty of a public
21 university listed in ORS 352.002, **Portland State University or the University of Oregon**, the duly
22 organized and recognized entity of student government at that university may designate three rep-
23 resentatives to meet and confer with the public employer of those members of the faculty and the
24 exclusive representative of that appropriate bargaining unit prior to collective bargaining.

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

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

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

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

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

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

40 (4) As used in this section, "meet and confer" means the performance of the mutual obligation
41 of the representatives of student government designated under subsection (1) of this section, the
42 exclusive representative and the public employer, or any two of them, to meet at the request of one
43 of them at reasonable times at a place convenient to all to conduct in good faith an interchange of
44 views concerning the duties of each under this section, employment relations of the faculty, the
45 negotiation of an agreement and the execution of a written agreement.

1 **SECTION 156.** ORS 243.800 is amended to read:

2 243.800. (1) Notwithstanding any provision of ORS chapter 238 or 238A or ORS 243.910 to
3 243.945, the State Board of Higher Education, **the Portland State University Board of Directors,**
4 **or the University of Oregon Board of Directors,** shall establish and administer an Optional Re-
5 tirement Plan for administrative and academic employees [*of the Oregon University System*] who are
6 eligible for membership in the Public Employees Retirement System. The Optional Retirement Plan
7 must be a qualified plan under the Internal Revenue Code, capable of accepting funds transferred
8 under subsection (7) of this section without the transfer being treated as a taxable event under the
9 Internal Revenue Code, and willing to accept those funds. Retirement and death benefits shall be
10 provided under the plan by the purchase of annuity contracts, fixed or variable or a combination
11 thereof, or by contracts for investments in mutual funds.

12 (2) The State Board of Higher Education, **the Portland State University Board of Directors,**
13 **or the University of Oregon Board of Directors,** shall select at least two life insurance compa-
14 nies providing fixed and variable annuities and at least two investment companies providing mutual
15 funds, but not more than five companies in total, for the purpose of providing benefits under the
16 Optional Retirement Plan. [*The State Board of Higher Education*] **Each board** shall establish se-
17 lection criteria for the purpose of this subsection.

18 (3) An administrative or academic employee may make an irrevocable election to participate in
19 the Optional Retirement Plan within six months after being employed. An election under this sub-
20 section is effective on the first day of the month following six full months of employment.

21 (4) An administrative or academic employee who does not elect to participate in the Optional
22 Retirement Plan:

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

25 (b) Continues to be assisted by the State Board of Higher Education, **the Portland State Uni-**
26 **versity Board of Directors, or the University of Oregon Board of Directors,** under ORS 243.920
27 if the employee is being so assisted.

28 (5) Except as provided in subsection (6) of this section, employees who elect to participate in the
29 Optional Retirement Plan are ineligible for active membership in the Public Employees Retirement
30 System or for any assistance by the State Board of Higher Education, **the Portland State Uni-**
31 **versity Board of Directors, or the University of Oregon Board of Directors,** under ORS 243.920
32 as long as those employees are employed in the Oregon University System, **or by the Portland**
33 **State University or the University of Oregon,** and the plan is in effect.

34 (6)(a) An administrative or academic employee who elects to participate in the Optional Retire-
35 ment Plan, who has creditable service under ORS chapter 238 as defined by ORS 238.005 and who
36 is not vested shall be considered by the Public Employees Retirement Board to be a terminated
37 member under the provisions of ORS 238.095 as of the effective date of the election, and the amount
38 credited to the member account of the member shall be transferred directly to the Optional Retire-
39 ment Plan by the Public Employees Retirement Board in the manner provided by subsection (7) of
40 this section.

41 (b) An administrative or academic employee who elects to participate in the Optional Retirement
42 Plan, who has creditable service under ORS chapter 238 as defined by ORS 238.005 and who is
43 vested shall be considered to be an inactive member by the Public Employees Retirement Board and
44 shall retain all the rights, privileges and options under ORS chapter 238 unless the employee makes
45 a written request to the Public Employees Retirement Board for a transfer of the amounts credited

1 to the member account of the member to the Optional Retirement Plan. A request for a transfer
2 must be made at the time the member elects to participate in the Optional Retirement Plan. Upon
3 receiving the request, the Public Employees Retirement Board shall transfer all amounts credited
4 to the member account of the member directly to the Optional Retirement Plan, and shall terminate
5 all rights, privileges and options of the employee under ORS chapter 238.

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

11 (d) An administrative or academic employee who elects to participate in the Optional Retirement
12 Plan, and who is a vested member of the pension program of the Oregon Public Service Retirement
13 Plan as described in ORS 238A.115 on the date that the election becomes effective, shall be consid-
14 ered an inactive member of the pension program by the Public Employees Retirement Board as of
15 the effective date of the election. An employee who is subject to the provisions of this paragraph
16 retains all the rights, privileges and options of an inactive member of the pension program. If the
17 actuarial equivalent of the employee's benefit under the pension program at the time that the
18 election becomes effective is \$5,000 or less, the employee may make a written request to the Public
19 Employees Retirement Board for a transfer of the employee's interest under the pension program to
20 the Optional Retirement Plan. The request must be made at the time the member elects to partic-
21 ipate in the Optional Retirement Plan. Upon receiving the request, the Public Employees Retirement
22 Board shall transfer the amount determined to be the actuarial equivalent of the employee's benefit
23 under the pension program directly to the Optional Retirement Plan, and shall terminate the mem-
24 bership of the employee in the pension program.

25 (e) An administrative or academic employee who elects to participate in the Optional Retirement
26 Plan, and who is a vested member of the individual account program of the Oregon Public Service
27 Retirement Plan as described in ORS 238A.320 on the date that the election becomes effective, shall
28 be considered an inactive member of the individual account program by the Public Employees Re-
29 tirement Board as of the effective date of the election. An employee who is subject to the provisions
30 of this paragraph retains all the rights, privileges and options of an inactive member of the indi-
31 vidual account program. An administrative or academic employee who elects to participate in the
32 Optional Retirement Plan, and who is a member of the individual account program of the Oregon
33 Public Service Retirement Plan, may make a written request to the Public Employees Retirement
34 Board that all amounts in the member's employee account, rollover account and employer account,
35 to the extent the member is vested in those accounts under ORS 238A.320, be transferred to the
36 Optional Retirement Plan. The request must be made at the time the member elects to participate
37 in the Optional Retirement Plan. Upon receiving the request, the Public Employees Retirement
38 Board shall transfer the amounts directly to the Optional Retirement Plan, and shall terminate the
39 membership of the employee in the individual account program upon making the transfer.

40 (f) Notwithstanding paragraphs (b), (d) and (e) of this subsection, the Public Employees Retirement
41 Board may not treat any employee as an inactive member under the provisions of this sub-
42 section for the purpose of receiving any benefit under ORS chapter 238 or 238A that requires that
43 the employee be separated from all service with participating public employers and with employers
44 who are treated as part of a participating public employer's controlled group under the federal laws
45 and rules governing the status of the system and the Public Employees Retirement Fund as a qual-

1 ified governmental retirement plan and trust.

2 (7) Any amounts transferred from the Public Employees Retirement Fund under subsection (6)
 3 of this section shall be transferred directly to the Optional Retirement Plan by the Public Employees
 4 Retirement Board and may not be made available to the employee.

5 (8) An employee participating in the Optional Retirement Plan shall contribute monthly an
 6 amount equal to the percentage of the employee's salary that the employee would otherwise have
 7 contributed as an employee contribution to the Public Employees Retirement System if the employee
 8 had not elected to participate in the Optional Retirement Plan.

9 (9) The State Board of Higher Education, **the Portland State University Board of Directors,**
 10 **or the University of Oregon Board of Directors,** shall contribute monthly to the Optional Re-
 11 tirement Plan the percentage of salary of each employee participating in the plan equal to the per-
 12 centage of salary that would otherwise have been contributed as an employer contribution on behalf
 13 of the employee to the Public Employees Retirement System, before any offset under ORS 238.229
 14 (2), if the employee had not elected to participate in the Optional Retirement Plan.

15 (10) Both employee and employer contributions to an Optional Retirement Plan shall be remitted
 16 directly to the companies that have issued annuity contracts to the participating employees or di-
 17 rectly to the mutual funds.

18 (11) Benefits under the Optional Retirement Plan are payable to employees who elect to partic-
 19 ipate in the plan and their beneficiaries by the selected annuity provider or mutual fund in accord-
 20 ance with the terms of the annuity contracts or the terms of the contract with the mutual fund.
 21 Employees electing to participate in the plan agree that benefits payable under the plan are not
 22 obligations of the State of Oregon or of the Public Employees Retirement System.

23 **SECTION 157.** ORS 243.820 is amended to read:

24 243.820. (1) In order to obtain the advantages of 26 U.S.C. 403(b), or any equivalent provision
 25 of federal law, an employer may agree with an employee who performs services for an educational
 26 institution that:

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

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

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

38 (3) An employer may make nonelective employer contributions on behalf of an employee who
 39 performs services for an educational institution as premiums for an annuity contract, or to a cus-
 40 todial account for investment in the stock of regulated investment companies as defined in 26 U.S.C.
 41 403(b)(7)(C), for the purpose of obtaining the advantages of 26 U.S.C. 403(b) or any equivalent pro-
 42 vision of federal law. Employer contributions under this subsection are in addition to any employee
 43 contributions under subsection (1) of this section.

44 (4) As used in this section:

45 (a) "Educational institution" means an educational institution that normally maintains a regular

1 faculty and curriculum and normally has a regularly organized body of students in attendance at the
2 place where its educational activities are carried on or an education service district.

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

7 **SECTION 158.** ORS 243.850 is amended to read:

8 243.850. (1) An eligible football coach and the State Board of Higher Education, **the Portland**
9 **State University Board of Directors or the University of Oregon Board of Directors** may enter
10 into an agreement to provide that:

11 (a) The coach's salary will be reduced monthly by a stated amount that is not less than \$25 a
12 month, or the coach will forgo monthly a salary increase of a stated amount that is not less than
13 \$25 a month; and

14 (b) The State Board of Higher Education, **the Portland State University Board of Directors**
15 **or the University of Oregon Board of Directors** will contribute monthly an amount equal to the
16 stated amount determined under paragraph (a) of this subsection for the month to a designated
17 qualified football coaches plan. The amount contributed by the employer shall not exceed the stated
18 amount.

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

25 (3) For the purposes of this section:

26 (a) "Eligible football coach" means a staff member of the Oregon University System, **Portland**
27 **State University or the University of Oregon** who primarily coaches football as a full-time em-
28 ployee of a four-year university described in 26 U.S.C. 170(b)(1)(A)(ii).

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

30 **SECTION 159.** ORS 243.910 is amended to read:

31 243.910. As used in ORS 243.910 to 243.945:

32 (1) "Board" means the State Board of Higher Education for all public universities listed in ORS
33 352.002, **the University of Oregon Board of Directors for the University of Oregon, the**
34 **Portland State University Board of Directors for Portland State University** and [*for the Oregon*
35 *Health and Science University means*] the Oregon Health and Science University Board of Directors
36 **for Oregon Health and Science University.**

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

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

40 **SECTION 160.** ORS 243.945 is amended to read:

41 243.945. Notwithstanding ORS 243.910 to 243.945, any person who is hired on or after September
42 9, 1995, is not eligible to be assisted by the Oregon University System, **Portland State University**
43 **or the University of Oregon** under the provisions of ORS 243.910 to 243.945.

44 **SECTION 161.** ORS 244.050, as amended by section 9, chapter 90, Oregon Laws 2012, is
45 amended to read:

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

4 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the
 5 Bureau of Labor and Industries, district attorneys and members of the Legislative Assembly.

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

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

9 (d) The Deputy Attorney General.

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

12 (f) The Chancellor and Vice Chancellors of the Oregon University System and the president and
 13 vice presidents, or their administrative equivalents, in each public university listed in ORS 352.002.

14 (g) The following state officers:

15 (A) Adjutant General.

16 (B) Director of Agriculture.

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

18 (D) Water Resources Director.

19 (E) Director of Department of Environmental Quality.

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

21 (G) State Fish and Wildlife Director.

22 (H) State Forester.

23 (I) State Geologist.

24 (J) Director of Human Services.

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

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

27 (M) State Librarian.

28 (N) Administrator of Oregon Liquor Control Commission.

29 (O) Superintendent of State Police.

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

31 (Q) Director of Department of Revenue.

32 (R) Director of Transportation.

33 (S) Public Utility Commissioner.

34 (T) Director of Veterans' Affairs.

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

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

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

38 (X) Director of the Department of Corrections.

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

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

41 (AA) Director of the Oregon Business Development Department.

42 (BB) Director of the Office of Emergency Management.

43 (CC) Director of the Employment Department.

44 (DD) Chief of staff for the Governor.

45 (EE) Administrator of the Office for Oregon Health Policy and Research.

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

- 1 (S) Public Employees Retirement Board.
- 2 (T) Oregon Racing Commission.
- 3 (U) Oregon Transportation Commission.
- 4 (V) Wage and Hour Commission.
- 5 (W) Water Resources Commission.
- 6 (X) Workers' Compensation Board.
- 7 (Y) Oregon Facilities Authority.
- 8 (Z) Oregon State Lottery Commission.
- 9 (AA) Pacific Northwest Electric Power and Conservation Planning Council.
- 10 (BB) Columbia River Gorge Commission.
- 11 (CC) Oregon Health and Science University Board of Directors.
- 12 (DD) Capitol Planning Commission.
- 13 (EE) Higher Education Coordinating Commission.
- 14 (FF) Oregon Growth Board.
- 15 **(GG) University of Oregon Board of Directors.**
- 16 **(HH) Portland State University Board of Directors.**
- 17 (q) The following officers of the State Treasurer:
- 18 (A) Deputy State Treasurer.
- 19 (B) Chief of staff for the office of the State Treasurer.
- 20 (C) Director of the Investment Division.
- 21 (r) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725
- 22 or 777.915 to 777.953.
- 23 (s) Every member of the board of directors of an authority created under ORS 441.525 to 441.595.
- 24 (2) By April 15 next after the date an appointment takes effect, every appointed public official
- 25 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-
- 26 ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070
- 27 and 244.090.
- 28 (3) By April 15 next after the filing deadline for the primary election, each candidate described
- 29 in subsection (1) of this section shall file with the commission a statement of economic interest as
- 30 required under ORS 244.060, 244.070 and 244.090.
- 31 (4) Within 30 days after the filing deadline for the general election, each candidate described in
- 32 subsection (1) of this section who was not a candidate in the preceding primary election, or who
- 33 was nominated for public office described in subsection (1) of this section at the preceding primary
- 34 election by write-in votes, shall file with the commission a statement of economic interest as re-
- 35 quired under ORS 244.060, 244.070 and 244.090.
- 36 (5) Subsections (1) to (4) of this section apply only to persons who are incumbent, elected or
- 37 appointed public officials as of April 15 and to persons who are candidates on April 15. Subsections
- 38 (1) to (4) of this section also apply to persons who do not become candidates until 30 days after the
- 39 filing deadline for the statewide general election.
- 40 (6) If a statement required to be filed under this section has not been received by the commis-
- 41 sion within five days after the date the statement is due, the commission shall notify the public of-
- 42 ficial or candidate and give the public official or candidate not less than 15 days to comply with the
- 43 requirements of this section. If the public official or candidate fails to comply by the date set by the
- 44 commission, the commission may impose a civil penalty as provided in ORS 244.350.
- 45 **SECTION 162.** ORS 244.050, as amended by sections 9 and 29, chapter 90, Oregon Laws 2012,

1 is amended to read:

2 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon
 3 Government Ethics Commission a verified statement of economic interest as required under this
 4 chapter:

5 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the
 6 Bureau of Labor and Industries, district attorneys and members of the Legislative Assembly.

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

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

10 (d) The Deputy Attorney General.

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

13 (f) The Chancellor and Vice Chancellors of the Oregon University System and the president and
 14 vice presidents, or their administrative equivalents, in each public university listed in ORS 352.002.

15 (g) The following state officers:

16 (A) Adjutant General.

17 (B) Director of Agriculture.

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

19 (D) Water Resources Director.

20 (E) Director of Department of Environmental Quality.

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

22 (G) State Fish and Wildlife Director.

23 (H) State Forester.

24 (I) State Geologist.

25 (J) Director of Human Services.

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

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

28 (M) State Librarian.

29 (N) Administrator of Oregon Liquor Control Commission.

30 (O) Superintendent of State Police.

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

32 (Q) Director of Department of Revenue.

33 (R) Director of Transportation.

34 (S) Public Utility Commissioner.

35 (T) Director of Veterans' Affairs.

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

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

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

39 (X) Director of the Department of Corrections.

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

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

42 (AA) Director of the Oregon Business Development Department.

43 (BB) Director of the Office of Emergency Management.

44 (CC) Director of the Employment Department.

45 (DD) Chief of staff for the Governor.

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

- 1 (R) Employment Relations Board.
- 2 (S) Public Employees Retirement Board.
- 3 (T) Oregon Racing Commission.
- 4 (U) Oregon Transportation Commission.
- 5 (V) Wage and Hour Commission.
- 6 (W) Water Resources Commission.
- 7 (X) Workers' Compensation Board.
- 8 (Y) Oregon Facilities Authority.
- 9 (Z) Oregon State Lottery Commission.
- 10 (AA) Pacific Northwest Electric Power and Conservation Planning Council.
- 11 (BB) Columbia River Gorge Commission.
- 12 (CC) Oregon Health and Science University Board of Directors.
- 13 (DD) Capitol Planning Commission.
- 14 (EE) Higher Education Coordinating Commission.
- 15 **(FF) University of Oregon Board of Directors.**
- 16 **(GG) Portland State University Board of Directors.**
- 17 (q) The following officers of the State Treasurer:
- 18 (A) Deputy State Treasurer.
- 19 (B) Chief of staff for the office of the State Treasurer.
- 20 (C) Director of the Investment Division.
- 21 (r) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725
- 22 or 777.915 to 777.953.
- 23 (s) Every member of the board of directors of an authority created under ORS 441.525 to 441.595.
- 24 (2) By April 15 next after the date an appointment takes effect, every appointed public official
- 25 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-
- 26 ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070
- 27 and 244.090.
- 28 (3) By April 15 next after the filing deadline for the primary election, each candidate described
- 29 in subsection (1) of this section shall file with the commission a statement of economic interest as
- 30 required under ORS 244.060, 244.070 and 244.090.
- 31 (4) Within 30 days after the filing deadline for the general election, each candidate described in
- 32 subsection (1) of this section who was not a candidate in the preceding primary election, or who
- 33 was nominated for public office described in subsection (1) of this section at the preceding primary
- 34 election by write-in votes, shall file with the commission a statement of economic interest as re-
- 35 quired under ORS 244.060, 244.070 and 244.090.
- 36 (5) Subsections (1) to (4) of this section apply only to persons who are incumbent, elected or
- 37 appointed public officials as of April 15 and to persons who are candidates on April 15. Subsections
- 38 (1) to (4) of this section also apply to persons who do not become candidates until 30 days after the
- 39 filing deadline for the statewide general election.
- 40 (6) If a statement required to be filed under this section has not been received by the commis-
- 41 sion within five days after the date the statement is due, the commission shall notify the public of-
- 42 ficial or candidate and give the public official or candidate not less than 15 days to comply with the
- 43 requirements of this section. If the public official or candidate fails to comply by the date set by the
- 44 commission, the commission may impose a civil penalty as provided in ORS 244.350.
- 45 **SECTION 163.** ORS 270.100 is amended to read:

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

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

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

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

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

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

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

35 (a) Property controlled by the State Department of Fish and Wildlife;

36 (b) State forestlands controlled by the State Forestry Department;

37 (c) Property controlled by the Department of Transportation;

38 (d) Property controlled by the Department of State Lands;

39 (e) Property controlled by the Oregon University System, **Portland State University or the**
40 **University of Oregon**;

41 (f) Property controlled by the legislative or judicial branches of state government; and

42 (g) Property controlled by the State Parks and Recreation Department.

43 (5) Notwithstanding the provisions of subsection (4) of this section, prior approval by the Oregon
44 Department of Administrative Services is required for the terminal disposition of public land for less
45 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, 406.050, 407.135, 407.145, 407.375 and 407.377.

4 **SECTION 164.** ORS 270.110 is amended to read:

5 270.110. (1) Except as provided in subsection (2) of this section, whenever the state or any
6 agency thereof possesses or controls real property not needed for public use, or whenever the public
7 interest may be furthered, the state or its agency may sell, exchange, convey or lease for any period
8 not exceeding 99 years all or any part of its interest in the property to or with the state or any
9 political subdivision of the state or the United States or any agency thereof or private individual
10 or corporation. Except where the state is exchanging real property, the consideration for the
11 transfer or lease may be cash or real property, or both.

12 (2) If the ownership, right or title of the state to any real property set apart by deed, will or
13 otherwise for a burial ground or cemetery, or for the purpose of interring the remains of deceased
14 persons, is limited or qualified or the use of such real property is restricted, whether by dedication
15 or otherwise, the state or its agency may, after first declaring by resolution that such real property
16 is not needed for public use, or that the sale, exchange, conveyance or lease thereof will further the
17 public interest, file a complaint in the circuit court for the county in which such real property is
18 located against all persons claiming any right, title or interest in such real property, whether the
19 interest be contingent, conditional or otherwise, for authority to sell, exchange, convey or lease all
20 or any part of such real property. The resolution is prima facie evidence that such real property is
21 not needed for public use, or that the sale, exchange, conveyance or lease will further the public
22 interest. The action shall be commenced and prosecuted to final determination in the same manner
23 as an action not triable by right to a jury. The complaint shall contain a description of such real
24 property, a statement of the nature of the restrictions, qualifications or limitations, and a statement
25 that the defendants claim some interest therein. The court shall make such judgment as it shall
26 deem proper, taking into consideration the limitations, qualifications or restrictions, the resolution
27 and all other matters pertinent thereto. Neither costs nor disbursements may be recovered against
28 any defendant.

29 (3) The authority to lease property granted by this section includes authority to lease property
30 not owned or controlled by the state at the time of entering into the lease. Such lease shall be
31 conditioned upon the subsequent acquisition of the interest covered by the lease.

32 (4) Any lease of state real property exceeding five years must be approved in advance by the
33 Oregon Department of Administrative Services, except for leases:

34 (a) Negotiated by the Oregon Department of Aviation;

35 (b) Of state forestlands;

36 (c) Of property controlled by the Department of State Lands, Department of Transportation,
37 **Portland State University, University of Oregon** or Oregon University System; or

38 (d) Of property controlled by the legislative or judicial branches of state government.

39 **SECTION 165.** ORS 273.785 is amended to read:

40 273.785. ORS 273.551 and 273.775 to 273.790 do not apply to:

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

43 (2) Mineral or geothermal resource rights or proceeds from those rights acquired by the State
44 Fish and Wildlife Commission pursuant to an agreement with the federal government under 16 U.S.C.
45 669 to 669i (P.L. 75-415).

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

4 (4) Proceeds of mineral and geothermal resource rights acquired by the state pursuant to ORS
5 530.010 and 530.030, other than those distributed under ORS 530.110 (1)(c).

6 (5) Mineral or geothermal resource rights or proceeds from those rights acquired after January
7 1, 1974, for the state by the Department of Veterans' Affairs pursuant to ORS 88.720, 406.050 (2),
8 407.135 or 407.145. After consultation, the Department of State Lands and the Department of
9 Veterans' Affairs shall enter into an interagency agreement governing consultation between them
10 concerning mineral and geothermal resource values on properties acquired for the state by the De-
11 partment of Veterans' Affairs. The Department of Veterans' Affairs shall adopt rules relating to the
12 release of mineral and geothermal rights on such properties.

13 (6) Mineral or geothermal resource rights or proceeds from those rights given by a donor to any
14 public university or office, department or activity under the control of the State Board of Higher
15 Education, **the Portland State University Board of Directors or the University of Oregon**
16 **Board of Directors** that are acquired or held for the state by the State Board of Higher Education
17 pursuant to ORS chapters 351 and 567, **the Portland State University Board of Directors pur-**
18 **suant to sections 65 to 114 of this 2013 Act and ORS chapter 567 or the University of Oregon**
19 **Board of Directors pursuant to sections 1 to 52 of this 2013 Act and ORS chapter 567.** In
20 managing mineral or geothermal resource leases, the State Board of Higher Education, **the**
21 **Portland State University Board of Directors or the University of Oregon Board of Directors**
22 shall consult with the Department of State Lands in accordance with an interagency agreement es-
23 tablished by the department and the State Board of Higher Education, **the Portland State Uni-**
24 **versity Board of Directors or the University of Oregon Board of Directors** governing
25 consultation between the department and the State Board of Higher Education, **the Portland State**
26 **University Board of Directors or the University of Oregon Board of Directors** and governing
27 management of the mineral or geothermal resources.

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

33 **SECTION 166.** ORS 276.227 is amended to read:

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

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

43 (3)(a) The Director of the Oregon Department of Administrative Services shall establish a public
44 review process for the proposed capital projects of all state agencies. To assist in this review, the
45 director shall establish a Capital Projects Advisory Board consisting of seven members. Five mem-

1 bers shall be public members knowledgeable about construction, facilities management and mainte-
 2 nance issues. Two members may be state employees. The director shall appoint the chairperson of
 3 the board.

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

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

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

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

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

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

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

19 (E) Appropriate technology;

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

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

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

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

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

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

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

38 (7) The provisions of this section do not apply to public universities listed in ORS 352.002,
 39 **Portland State University, the University of Oregon**, the Oregon Health and Science University
 40 or a community college as defined in ORS 341.005.

41 **SECTION 167.** ORS 276.229 is amended to read:

42 276.229. (1) State agencies shall develop four-year major construction budgets. Projects included
 43 in these budgets may be accelerated or deferred upon approval of the Emergency Board.

44 (2) State agencies shall include the biennial costs associated with maintenance, major repairs
 45 or building alterations in their regular budget presentation to the Legislative Assembly. Agencies

1 shall include in their budget presentations short-term and long-term plans to reduce or eliminate any
 2 existing backlog of deferred maintenance.

3 (3) The provisions of this section do not apply to public universities listed in ORS 352.002,
 4 **Portland State University, the University of Oregon**, the Oregon Health and Science
 5 University[,] or a community college as defined in ORS 341.005.

6 **SECTION 168.** ORS 276.610 is amended to read:

7 276.610. There is established a fund in the State Treasury to be known as the State Building
 8 Fund which shall be used for the construction, alteration and repair of buildings required for use
 9 of institutions and activities under the jurisdiction of the Department of Corrections, the Depart-
 10 ment of Human Services, the Oregon Health Authority, [or] the State Board of Education, **the**
 11 **Portland State University Board of Directors, the University of Oregon Board of Directors**
 12 and the State Board of Higher Education and for the furnishing and equipping of buildings so con-
 13 structed, altered or repaired.

14 **SECTION 169.** ORS 276.612 is amended to read:

15 276.612. The Department of Corrections, the Department of Human Services, the Oregon Health
 16 Authority and the State Board of Education each shall determine the buildings to be constructed,
 17 altered, repaired, furnished and equipped for the use of institutions and activities under their re-
 18 spective jurisdictions. The State Board of Higher Education, **the Portland State University Board**
 19 **of Directors and the University of Oregon Board of Directors** shall determine the buildings to
 20 be constructed, altered, repaired, furnished and equipped for the use of public universities or offices,
 21 departments or activities under [its] **the jurisdiction of the relevant board.**

22 **SECTION 170.** ORS 279A.025 is amended to read:

23 279A.025. (1) Except as provided in subsections (2) to (4) of this section, the Public Contracting
 24 Code applies to all public contracting.

25 (2) The Public Contracting Code does not apply to:

26 (a) Contracts between a contracting agency and:

27 (A) Another contracting agency;

28 (B) The Oregon Health and Science University;

29 **(C) Portland State University;**

30 **(D) The University of Oregon;**

31 [(C)] **(E) The Oregon State Bar;**

32 [(D)] **(F) A governmental body of another state;**

33 [(E)] **(G) The federal government;**

34 [(F)] **(H) An American Indian tribe or an agency of an American Indian tribe;**

35 [(G)] **(I) A nation, or a governmental body in a nation, other than the United States; or**

36 [(H)] **(J) An intergovernmental entity formed between or among:**

37 (i) Governmental bodies of this or another state;

38 (ii) The federal government;

39 (iii) An American Indian tribe or an agency of an American Indian tribe;

40 (iv) A nation other than the United States; or

41 (v) A governmental body in a nation other than the United States;

42 (b) Agreements authorized by ORS chapter 190 or by a statute, charter provision, ordinance or
 43 other authority for establishing agreements between or among governmental bodies or agencies or
 44 tribal governing bodies or agencies;

45 (c) Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and

- 1 414.145 for purposes of source selection;
- 2 (d) Grants;
- 3 (e) Contracts for professional or expert witnesses or consultants to provide services or testimony
4 relating to existing or potential litigation or legal matters in which a public body is or may become
5 interested;
- 6 (f) Acquisitions or disposals of real property or interest in real property;
- 7 (g) Sole-source expenditures when rates are set by law or ordinance for purposes of source se-
8 lection;
- 9 (h) Contracts for the procurement or distribution of textbooks;
- 10 (i) Procurements by a contracting agency from an Oregon Corrections Enterprises program;
- 11 (j) The procurement, transportation or distribution of distilled liquor, as defined in ORS 471.001,
12 or the appointment of agents under ORS 471.750 by the Oregon Liquor Control Commission;
- 13 (k) Contracts entered into under ORS chapter 180 between the Attorney General and private
14 counsel or special legal assistants;
- 15 (L) Contracts for the sale of timber from lands owned or managed by the State Board of Forestry
16 and the State Forestry Department;
- 17 (m) Contracts for forest protection or forest related activities, as described in ORS 477.406, by
18 the State Forester or the State Board of Forestry;
- 19 (n) Sponsorship agreements entered into by the State Parks and Recreation Director in accord-
20 ance with ORS 565.080 (4);
- 21 (o) Contracts entered into by the Housing and Community Services Department in exercising the
22 department's duties prescribed in ORS chapters 456 and 458, except that the department's public
23 contracting for goods and services is subject to ORS chapter 279B;
- 24 (p) Contracts entered into by the State Treasurer in exercising the powers of that office pre-
25 scribed in ORS chapters 178, 286A, 287A, 289, 293, 294 and 295, including but not limited to invest-
26 ment contracts and agreements, banking services, clearing house services and collateralization
27 agreements, bond documents, certificates of participation and other debt repayment agreements, and
28 any associated contracts, agreements and documents, regardless of whether the obligations that the
29 contracts, agreements or documents establish are general, special or limited, except that the State
30 Treasurer's public contracting for goods and services is subject to ORS chapter 279B;
- 31 (q) Contracts, agreements or other documents entered into, issued or established in connection
32 with:
- 33 (A) The issuance of obligations, as defined in ORS 286A.100 and 287A.310, of a public body;
- 34 (B) The making of program loans and similar extensions or advances of funds, aid or assistance
35 by a public body to a public or private body for the purpose of carrying out, promoting or sustaining
36 activities or programs authorized by law; or
- 37 (C) The investment of funds by a public body as authorized by law, and other financial trans-
38 actions of a public body that by their character cannot practically be established under the com-
39 petitive contractor selection procedures of ORS 279B.050 to 279B.085;
- 40 (r) Contracts for employee benefit plans as provided in ORS 243.105 (1), 243.125 (4), 243.221,
41 243.275, 243.291, 243.303 and 243.565;
- 42 (s) Contracts for employee benefit plans as provided in ORS 243.860 to 243.886; or
- 43 (t) Any other public contracting of a public body specifically exempted from the code by another
44 provision of law.
- 45 (3) The Public Contracting Code does not apply to the contracting activities of:

- 1 (a) The Oregon State Lottery Commission;
- 2 (b) The Oregon University System and member public universities, except as provided in ORS
- 3 351.086;
- 4 (c) **Portland State University, except as provided in section 73 of this 2013 Act;**
- 5 (d) **The University of Oregon, except as provided in section 9 of this 2013 Act;**
- 6 [(c)] (e) The legislative department;
- 7 [(d)] (f) The judicial department;
- 8 [(e)] (g) Semi-independent state agencies listed in ORS 182.454, except as provided in ORS
- 9 279.835 to 279.855 and 279A.250 to 279A.290;
- 10 [(f)] (h) Oregon Corrections Enterprises;
- 11 [(g)] (i) The Oregon Film and Video Office, except as provided in ORS 279A.100 and 279A.250
- 12 to 279A.290;
- 13 [(h)] (j) The Travel Information Council, except as provided in ORS 279A.250 to 279A.290;
- 14 [(i)] (k) The Oregon 529 College Savings Network and the Oregon 529 College Savings Board;
- 15 [(j)] (L) The Oregon Innovation Council;
- 16 [(k)] (m) The Oregon Utility Notification Center; or
- 17 [(L)] (n) Any other public body specifically exempted from the code by another provision of law.
- 18 (4) ORS 279A.200 to 279A.225 and 279B.050 to 279B.085 do not apply to contracts made with
- 19 qualified nonprofit agencies providing employment opportunities for individuals with disabilities un-
- 20 der ORS 279.835 to 279.855.

21 **SECTION 171.** ORS 282.076 is amended to read:

22 282.076. (1) An athletic department of **Portland State University, the University of Oregon**

23 **or** any university under the jurisdiction of the State Board of Higher Education shall not be re-

24 quired to use state printing services controlled by the Director of the Oregon Department of Ad-

25 ministrative Services or the designee of the director as required by ORS 282.020 (1).

26 (2) A state agency that gives to the director prior written notice of its intent to use other

27 printing services shall not be required to use state printing services controlled by the director or

28 the director's designee as required by ORS 282.020 (1), if the agency can demonstrate that these

29 other printing services provide better value in the form of lower prices or better responsiveness

30 than those services already provided by the Oregon Department of Administrative Services.

31 **SECTION 172.** ORS 283.143 is amended to read:

32 283.143. (1) To encourage utilization of statewide integrated videoconferencing and statewide

33 online access services, the Oregon Department of Administrative Services shall, in addition to any

34 other charge or assessment for providing telecommunications services to state agencies, impose

35 upon each agency and public corporation a surcharge, in an amount established by the department.

36 All surcharge moneys collected shall be deposited in the Oregon Department of Administrative

37 Services Operating Fund, and may be expended only for state agency and public corporation tele-

38 communication and videoconferencing activities, under such terms and conditions as the department

39 may prescribe.

40 (2) Notwithstanding subsection (1) of this section, the Oregon Department of Administrative

41 Services shall not impose the surcharge established by this section on the Oregon University

42 System, **Portland State University, the University of Oregon** or the Oregon Health and Science

43 University. The Oregon Department of Administrative Services shall enter into an agreement with

44 the Oregon University System, **Portland State University, the University of Oregon** and the

45 Oregon Health and Science University on the amounts to be paid by the Oregon University

1 System, **Portland State University, the University of Oregon** and the Oregon Health and Science
 2 University to the Oregon Department of Administrative Services in lieu of the surcharge provided
 3 for in this section.

4 **SECTION 173.** ORS 284.633 is amended to read:

5 284.633. (1) The Oregon Progress Board may enter into an agreement with:

6 (a) Any state agency for the provision of clerical, technical and management personnel to the
 7 board to serve as the board's staff and for the provision of other administrative, operational or
 8 overhead expenses necessary to accomplish the public purposes of the board.

9 (b) A nongovernmental entity for the provision of administrative, operational or overhead ex-
 10 penses necessary to accomplish the public purposes of the board.

11 (2) As used in this section:

12 (a) "Public institution of higher education" means a community college, **Portland State Uni-**
 13 **versity, the University of Oregon** or a public university listed in ORS 352.002.

14 (b) "State agency" means any officer, board, commission, department, division or institution in
 15 the executive or administrative branch of state government or a public institution of higher educa-
 16 tion.

17 **SECTION 174.** ORS 284.701 is amended to read:

18 284.701. As used in ORS 284.701 to 284.749:

19 (1) "Clean energy" means a technology, product, process or innovation that involves conserva-
 20 tion of natural resources, solar energy, green building products and services, biofuels, biomass en-
 21 ergy, bio-based products or other renewable and sustainable energy.

22 (2) "Innovation-based economic development" includes, but is not limited to, a technology,
 23 product, process or innovation that:

24 (a) Derives from and supports innovation and research;

25 (b) Promotes Oregon's market capacities and competitive advantages;

26 (c) Involves technology-based innovation;

27 (d) Facilitates the creation of new products, processes and services that retain and create
 28 high-wage jobs;

29 (e) Involves the establishment of partnerships between and collaboration with research insti-
 30 tutions, the private sector and public entities;

31 (f) Endeavors to transfer innovative technologies to the private sector or to commercialize in-
 32 novative research and development; and

33 (g) Includes, but is not limited to, clean energy and clean energy economic development.

34 (3) "Oregon growth business" means:

35 (a) An individual, group of individuals or private sector business entity, including but not limited
 36 to a partnership, limited liability company, corporation, firm, association or other business entity,
 37 that engages in business that furthers innovation-based economic development, that has the capacity
 38 upon obtaining appropriate capital to generate significant high-skill, high-wage employment in
 39 Oregon and that conducts business in Oregon; or

40 (b) An emerging growth business as defined in ORS 348.701.

41 (4) "Public entity" means any agency of the federal or state government, county, city, town,
 42 public corporation or political subdivision in this state.

43 (5) "Research institution" means:

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

45 (b) A public university listed in ORS 352.002, **Portland State University or the University**

1 **of Oregon;**

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

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

4 (e) A federal research laboratory conducting research in Oregon;

5 (f) A private not-for-profit research institution located in Oregon;

6 (g) An institution for higher education as defined in ORS 289.005; or

7 (h) A private institution of higher education located in Oregon.

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

9 **SECTION 175.** ORS 284.701, as amended by section 20, chapter 90, Oregon Laws 2012, is
10 amended to read:

11 284.701. As used in ORS 284.701 to 284.749:

12 (1) "Clean energy" means a technology, product, process or innovation that involves conserva-
13 tion of natural resources, solar energy, green building products and services, biofuels, biomass en-
14 ergy, bio-based products or other renewable and sustainable energy.

15 (2) "Innovation-based economic development" includes, but is not limited to, a technology,
16 product, process or innovation that:

17 (a) Derives from and supports innovation and research;

18 (b) Promotes Oregon's market capacities and competitive advantages;

19 (c) Involves technology-based innovation;

20 (d) Facilitates the creation of new products, processes and services that retain and create
21 high-wage jobs;

22 (e) Involves the establishment of partnerships between and collaboration with research insti-
23 tutions, the private sector and public entities;

24 (f) Endeavors to transfer innovative technologies to the private sector or to commercialize in-
25 novative research and development; and

26 (g) Includes, but is not limited to, clean energy and clean energy economic development.

27 (3) "Oregon growth business" means:

28 (a) An individual, group of individuals or private sector business entity, including but not limited
29 to a partnership, limited liability company, corporation, firm, association or other business entity,
30 that engages in business that furthers innovation-based economic development, that has the capac-
31 ity, upon obtaining appropriate capital, to generate significant high-skill, high-wage employment in
32 Oregon and that conducts business in Oregon; or

33 (b) An emerging growth business consisting of an individual or group of individuals or a new
34 or small company, including but not limited to any new or small partnership, limited liability com-
35 pany, corporation, firm, association or other business entity, that has the capacity, upon obtaining
36 appropriate capital, to generate significant high-skill, high-wage employment.

37 (4) "Public entity" means any agency of the federal or state government, county, city, town,
38 public corporation or political subdivision in this state.

39 (5) "Research institution" means:

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

41 (b) A public university listed in ORS 352.002, **Portland State University or the University**
42 **of Oregon;**

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

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

45 (e) A federal research laboratory conducting research in Oregon;

- 1 (f) A private not-for-profit research institution located in Oregon;
- 2 (g) An institution for higher education as defined in ORS 289.005; or
- 3 (h) A private institution of higher education located in Oregon.
- 4 (6) "Traded sector" has the meaning given that term in ORS 285A.010.

5 **SECTION 176.** ORS 284.735 is amended to read:

6 284.735. (1) The Oregon Innovation Council may make grants and loans from the Oregon
7 Commercialized Research Fund to Oregon growth businesses.

8 (2) To qualify for a grant or loan under this section, an Oregon growth business must enter into
9 an agreement with one or more research institutions to carry out proof of concept activities to:

- 10 (a) Establish the commercial potential of research; and
- 11 (b) Develop a business concept that can attract early stage private investment, including angel
12 capital and venture capital.

13 (3) Proof of concept activities for which an Oregon growth business may receive a grant or loan
14 under this section include:

- 15 (a) The development of intellectual property;
- 16 (b) The payment of salaries and related expenses for commercialized research;
- 17 (c) The acquisition of equipment and supplies required for the proof of concept activities;
- 18 (d) Furthering innovation-based economic development; and
- 19 (e) Other activities as defined by rule of the council.

20 (4) To receive a grant or loan, the Oregon growth business or a research institution that has
21 entered into an agreement with the business must agree to provide a cash match equivalent to:

- 22 (a) 30 percent of the amount of the grant or loan for businesses with fewer than 20 employees.
- 23 (b) 50 percent of the amount of the grant or loan for businesses with 20 or more but fewer than
24 50 employees.
- 25 (c) 75 percent of the amount of the grant or loan for businesses with 50 or more but fewer than
26 100 employees.

27 (5)(a) The council shall award grant or loan moneys to an Oregon growth business in a two-
28 phase contract. Each phase of the contract shall have clearly defined performance measures in-
29 cluded in the contract between the business and the council.

30 (b) Under phase I of the contract, a business may be granted or loaned an initial investment not
31 to exceed \$75,000. Phase I shall also include an agreement that upon successful completion of the
32 performance measures for phase I, the business shall be eligible for funding under phase II. The
33 amount of grant or loan moneys available to a business under both phases may not exceed \$200,000.

34 (6) The council shall require any Oregon growth business that receives a grant or loan under
35 this section and that moves more than 50 percent of the employees of the business out of the state
36 within two years after receiving grant or loan moneys to repay the total amount of the grant or loan
37 moneys.

38 (7) The council shall require an Oregon growth business that receives a loan under this section
39 to repay the loan within five years after receiving the loan. The council shall deposit any loan
40 moneys received under this subsection in the Oregon Commercialized Research Fund.

41 (8) The council may award up to 15 percent of the amount of moneys available in the fund for
42 grants or loans:

- 43 (a) To the Oregon University System, **Portland State University and the University of**
44 **Oregon** for education of faculty on issues related to developing effective technology transfer and
45 commercialized research processes; and

1 (b) For other activities as defined by rule of the council.

2 (9) The council may adopt rules to administer this section. The council shall follow the advice
 3 of the Oregon Commercialized Research Fund Advisory Council when adopting rules to administer
 4 this section.

5 **SECTION 177.** ORS 285B.168 is amended to read:

6 285B.168. (1) The Oregon Business Development Department may make grants available to a
 7 community college district, a community college service district, **Portland State University or the**
 8 **University of Oregon** or, with the concurrence of the Commissioner for Community College Ser-
 9 vices and the Chancellor of the Oregon University System, a public university listed in ORS 352.002
 10 to assist in the formation, improvement and operation of small business development centers. If a
 11 community college district, a community college service district or a public university is unable to
 12 adequately provide services in a specific geographic area, the department may make grants available
 13 to other service providers as determined by the department. The grant application shall include:

14 (a) Plans for providing small business owners and managers individual counseling, to the great-
 15 est extent practicable, in subject areas critical to small business success;

16 (b) A budget for the year for which a grant is requested, including cost apportionment among
 17 the department, small business clients, the community college, the public university or other service
 18 providers and other sources;

19 (c) A plan for evaluating the effect of the program on small business clients served; and

20 (d) A plan for providing collaboration with other state agencies, state-supported organizations
 21 and private sector entities that provide services to small businesses.

22 (2) The grants made under subsection (1) of this section are to be used by the grant recipient
 23 to provide:

24 (a) Small business development center staff and support staff;

25 (b) Expert resource persons from the business community;

26 (c) Other training and business resources as approved by the department in skill areas for
 27 which, or areas of the state where, the grant recipient can demonstrate it does not otherwise have
 28 the capacity or expertise to provide the resources; and

29 (d) Other costs related to providing training, counseling and business resources to small busi-
 30 ness clients.

31 (3) To be eligible for a grant under subsection (1) of this section, the recipient shall be required
 32 to provide funds, in-kind contributions or some combination of funds and contributions, in accord-
 33 ance with rules adopted by the department.

34 (4) Subject to the approval of the department, a grant recipient may subcontract funds received
 35 under this section to any other entity that is eligible to receive funding under this section.

36 (5) The grant recipient shall submit a final report to the department after the distribution of
 37 grant funds and the delivery of services to the proposed business clients. The report shall state
 38 whether the plan and related budget have met the applicable criteria as described in the recipient's
 39 application for the grant period.

40 **SECTION 178.** ORS 285B.174 is amended to read:

41 285B.174. In cooperation with other state agencies and private organizations, public universities
 42 listed in ORS 352.002, **Portland State University, the University of Oregon** and community col-
 43 leges may develop programs to assist Oregon businesses with the procurement of government con-
 44 tracts and grants. Small business development centers established under ORS 285B.165 to 285B.171
 45 may assist with these programs.

1 **SECTION 179.** ORS 286A.001 is amended to read:

2 286A.001. As used in this chapter:

3 (1) “Agreement for exchange of interest rates” means a contract, or an option or forward com-
4 mitment to enter into a contract, for the exchange of interest rates that provides for:

5 (a) Payments based on levels of or changes in interest rates; or

6 (b) Provisions to hedge payment, rate, spread or similar exposure including, but not limited to,
7 an interest rate floor or cap or an option, put or call.

8 (2) “Bond”:

9 (a) Means a contractual undertaking or instrument of the State of Oregon to repay borrowed
10 moneys.

11 (b) Does not mean a financing agreement, as defined in ORS 283.085, if the principal amount of
12 the agreement is \$100,000 or less, or a credit enhancement device.

13 (3) “Counterparty” means an entity with whom the State of Oregon enters into an agreement for
14 exchange of interest rates.

15 (4) “Credit enhancement device”:

16 (a) Means a letter of credit, line of credit, standby bond purchase agreement, bond insurance
17 policy, reserve surety bond or other device or facility used to enhance the creditworthiness, liquidity
18 or marketability of bonds or agreements for the exchange of interest rates; and

19 (b) Does not mean a bond.

20 (5) “Credit enhancement device fee” means a payment required to be made to the provider of a
21 credit enhancement device securing a bond or securing an agreement for the exchange of interest
22 rates.

23 (6) “General obligation bond” means a bond that constitutes indebtedness of the state under
24 section 7, Article XI of the Oregon Constitution, and that is exempt from the \$50,000 limitation on
25 indebtedness set forth in that section.

26 (7) “Operative document” means a bond declaration, trust agreement, indenture, security
27 agreement or other document in which the State of Oregon pledges property as security for an ob-
28 ligation, as defined in ORS 286A.100.

29 (8) “Refunding bond” means a bond of the State of Oregon that is issued to refund another bond,
30 regardless of whether the refunding is on a current, advance, forward delivery, synthetic or other
31 basis.

32 (9) “Related agency” means the state agency that requests the State Treasurer to issue bonds
33 pursuant to ORS 286A.025 or for which the State Treasurer has issued bonds.

34 (10) “Related bond” means a bond for which the State of Oregon enters into an agreement for
35 exchange of interest rates.

36 (11) “Revenue” means all fees, tolls, excise taxes, assessments, property taxes and other taxes,
37 rates, charges, rentals and other income or receipts derived by a state agency or to which a state
38 agency is entitled.

39 (12) “Revenue bond” means a bond of the State of Oregon that is not a general obligation bond.

40 (13) “State agency”:

41 (a) Includes a statewide elected officer, board, commission, department, division, authority or
42 other entity, without regard to the designation given to the entity, that is within state government,
43 as defined in ORS 174.111; and

44 (b) Does not include:

45 (A) A statewide elected judge;

- 1 (B) The State Treasurer;
- 2 (C) A local government, as defined in ORS 174.116;
- 3 (D) The Oregon Health and Science University;
- 4 **(E) Portland State University;**
- 5 **(F) The University of Oregon;**

6 ~~[(E)]~~ (G) A special government body, as defined in ORS 174.117, except to the extent a special
 7 government body must be considered a state agency in order to achieve the purposes of Article XI-K
 8 of the Oregon Constitution; or

9 ~~[(F)]~~ (H) A semi-independent state agency listed in ORS 182.454, 377.835 or 674.305, or any other
 10 state agency denominated by statute as a semi-independent state agency.

11 (14) "Termination payment" means the amount payable under an agreement for exchange of in-
 12 terest rates by one party to another party as a result of the termination, in whole or part, of the
 13 agreement prior to the expiration of the stated term.

14 **SECTION 180.** ORS 286A.700 is amended to read:

15 286A.700. (1) As used in this section:

16 (a) "Oregon Baccalaureate Bonds" means bonds of the State of Oregon issued by the State
 17 Treasurer at the request of the Oregon University System, **Portland State University or the**
 18 **University of Oregon** that are designated as baccalaureate bonds.

19 (b) "Post-secondary education" means training and instruction provided by fully accredited
 20 public universities or private institutions of higher learning, community colleges and post-high-
 21 school career schools.

22 (2) The Legislative Assembly encourages citizens of the State of Oregon to avail themselves of
 23 post-secondary education opportunities.

24 (3) The Legislative Assembly finds:

25 (a) For the benefit of its citizens, the state supports a system of common schools, public uni-
 26 versities and community colleges.

27 (b) A post-secondary education advances a citizen's ability to pursue life, liberty and happiness
 28 through a wide range of employment opportunities.

29 (c) A well-educated citizenry contributes to the economic well-being of the state and nation.

30 (d) A well-trained and skilled citizenry enhances economic development of the state.

31 (e) While students have just begun their education upon completion of a formal education, a
 32 lifetime pursuit of learning contributes to a well-informed citizenry and to Oregon's cherished qual-
 33 ity of life.

34 (f) Citizens educated in Oregon are more likely to pursue careers in Oregon.

35 (g) It is in the interest of this state to encourage its citizens to plan and save for a post-
 36 secondary education.

37 (h) An Oregon Baccalaureate Bond program that provides citizens an opportunity to save for a
 38 post-secondary education for their children, themselves or any citizen is in the social and economic
 39 interest of the State of Oregon.

40 (i) A systematic way to save for post-secondary education can assist all of Oregon's higher ed-
 41 ucation, community college and career schools to better project enrollments, thereby permitting the
 42 prudent allocation of scarce resources.

43 (4) At the request of the Oregon University System, **Portland State University or the Uni-**
 44 **versity of Oregon**, the State Treasurer may:

45 (a) Issue bonds as Oregon Baccalaureate Bonds, to encourage investors to save for post-

1 secondary education opportunities.

2 (b) Investigate and implement the means and procedures to facilitate the participation by the
 3 broadest practical range of investors in the Oregon Baccalaureate Bond program. The means and
 4 procedures may include, but are not limited to, adjustments in the denominations in which the bonds
 5 are issued and the frequency with which the bonds are issued.

6 (5) The purchase of an Oregon Baccalaureate Bond does not guarantee the purchaser, owner
 7 or beneficiary of the bond admittance to a public university or private post-secondary institution.

8 **SECTION 181.** ORS 287A.001 is amended to read:

9 287A.001. As used in this chapter:

10 (1) "Advance refunding bond" means a bond all or part of the proceeds of which are to be used
 11 to pay an outstanding bond one year or more after the advance refunding bond is issued.

12 (2) "Agreement for exchange of interest rates" means a contract, or an option or forward com-
 13 mitment to enter into a contract, for an exchange of interest rates for related bonds that provides
 14 for:

15 (a) Payments based on levels or changes in interest rates; or

16 (b) Provisions to hedge payment, rate, spread or similar exposure including, but not limited to,
 17 an interest rate floor or cap or an option, put or call.

18 (3) "Bond":

19 (a) Means a contractual undertaking or instrument of a public body to repay borrowed moneys.

20 (b) Does not mean a credit enhancement device.

21 (4) "Capital construction" has the meaning given that term in ORS 310.140.

22 (5) "Capital improvements" has the meaning given that term in ORS 310.140.

23 (6) "Credit enhancement device":

24 (a) Means a letter of credit, line of credit, standby bond purchase agreement, bond insurance
 25 policy, reserve surety bond or other device or facility used to enhance the creditworthiness, liquidity
 26 or marketability of bonds or agreements for exchange of interest rates.

27 (b) Does not mean a bond.

28 (7) "Current refunding bond" means a bond the proceeds of which are to be used to pay or
 29 purchase an outstanding bond less than one year after the current refunding bond is issued.

30 (8) "Forward current refunding" means execution and delivery of a purchase agreement or sim-
 31 ilar instrument under which a public body contracts to sell current refunding bonds for delivery at
 32 a future date that is one year or more after execution of the purchase agreement or similar instru-
 33 ment.

34 (9) "General obligation bond" means exempt bonded indebtedness, as defined in ORS 310.140,
 35 that is secured by a commitment to levy ad valorem taxes outside the limits of sections 11 and 11b,
 36 Article XI of the Oregon Constitution.

37 (10) "Lawfully available funds" means revenues or other moneys of a public body including, but
 38 not limited to, moneys credited to the general fund of the public body, revenues from an ad valorem
 39 tax and revenues derived from other taxes levied by the public body that are not dedicated, res-
 40 tricted or obligated by law or contract to an inconsistent expenditure or use.

41 (11) "Operative document" means a bond declaration, trust agreement, indenture, security
 42 agreement or other document in which a public body pledges revenue or property as security for a
 43 bond.

44 (12) "Pledge" means:

45 (a) To create a lien on property pursuant to ORS 287A.310.

1 (b) A lien created on property pursuant to ORS 287A.310.

2 (13) "Public body" means:

3 (a) A county of this state;

4 (b) A city of this state;

5 (c) A local service district as defined in ORS 174.116 (2);

6 (d) A special government body as defined in ORS 174.117;

7 **(e) The University of Oregon;**

8 **(f) Portland State University;**

9 [(e)] **(g)** Oregon Health and Science University; or

10 [(f)] **(h)** Any other political subdivision of this state that is authorized by the Legislative As-
11 sembly to issue bonds.

12 (14) "Refunding bond" means an advance refunding bond, a current refunding bond or a forward
13 current refunding bond.

14 (15) "Related bond" means a bond for which the public body enters into an agreement for ex-
15 change of interest rates or obtains a credit enhancement device.

16 (16) "Revenue" means all fees, tolls, excise taxes, assessments, property taxes and other taxes,
17 rates, charges, rentals and other income or receipts derived by a public body or to which a public
18 body is entitled.

19 (17) "Revenue bond" means a bond that is not a general obligation bond.

20 (18) "Termination payment" means the amount payable under an agreement for exchange of in-
21 terest rates by one party to another party as a result of the termination, in whole or part, of the
22 agreement prior to the expiration of the stated term.

23 **SECTION 182.** ORS 291.038 is amended to read:

24 291.038. (1) The planning, acquisition, installation and use of all information and telecommuni-
25 cations technology by state government and agencies of state government shall be coordinated so
26 that statewide plans and activities, as well as those of individual agencies, are addressed in the most
27 integrated, economic and efficient manner. To provide policy direction for and coordination of in-
28 formation technology for state government, the Director of the Oregon Department of Administra-
29 tive Services shall chair and appoint not fewer than five agency executives to an Information
30 Resources Management Council. The council membership shall include at least two members who
31 represent the private sector and political subdivisions of the state.

32 (2) To facilitate accomplishment of the purpose set forth in subsection (1) of this section, the
33 Oregon Department of Administrative Services shall adopt rules, policies and standards to plan for,
34 acquire, implement and manage the state's information resources. In developing rules, policies and
35 standards, the department shall consult with state agencies that have needs that information re-
36 sources may satisfy. State agencies shall cooperate with the department in preparing and complying
37 with rules, policies and standards. The rules, policies and standards must be formulated to promote
38 electronic communication and information sharing among state agencies and programs, between
39 state and local governments and with the public where appropriate.

40 (3) Rules, policies, plans, standards and specifications must be formulated to ensure that infor-
41 mation resources fit together in a statewide system capable of providing ready access to information,
42 computing or telecommunication resources. Plans and specifications the department adopts must be
43 based on industry standards for open systems to the greatest extent possible. Before adopting rules
44 described in subsection (2) of this section, the department shall present the proposed rules to the
45 appropriate legislative committee. The department has the responsibility to review, oversee and en-

1 sure that state agencies' planning, acquisition and implementation activities align with and support
2 the statewide information resources management plan. The department is responsible for procuring
3 information technology fairly, competitively and in a manner that is consistent with the
4 department's rules.

5 (4)(a) The policy of the State of Oregon is that state government telecommunications networks
6 should be designed to provide state-of-the-art services where economically and technically feasible,
7 using shared, rather than dedicated, lines and facilities.

8 (b) The department shall, when procuring telecommunications network services, consider
9 achieving the economic development and quality of life outcomes set forth in the Oregon
10 benchmarks.

11 (5)(a) The department, upon request, may furnish and deliver statewide integrated
12 videoconferencing and statewide online access service to a public or private entity that primarily
13 conducts activities for the direct good or benefit of the public or community at large in providing
14 educational, economic development, health care, human services, public safety, library or other
15 public services. The department shall adopt rules with respect to furnishing the service.

16 (b) The department shall establish the statewide integrated videoconferencing and statewide
17 online access user fees, services, delivery, rates and long range plans in consultation with the
18 Stakeholders Advisory Committee created pursuant to this section. The rates shall reflect the
19 department's cost in providing the service.

20 (c) The department by rule shall restrict the department's furnishing or delivery of Internet
21 access service to private entities when the service would directly compete with two or more local
22 established providers of Internet access services within the local exchange telecommunications
23 service area.

24 (d) The rates and services established and provided under this section are not subject to the
25 Public Utility Commission's regulation or authority.

26 (6)(a) There is created the Stakeholders Advisory Committee, consisting of a minimum of nine
27 members appointed by the Director of the Oregon Department of Administrative Services. In making
28 appointments, the director shall give consideration to geographic balance and adequate represen-
29 tation of the department's users and providers and the general public.

30 (b) The committee must consist of members who represent elementary or secondary education,
31 higher education, community colleges, economic development, health care, human services and pub-
32 lic safety. At least four members must reside in areas east of the Cascade Mountains.

33 (c) The term of office of each member is three years, but a member serves at the sole discretion
34 of the director. The director shall appoint a successor to a member before the member's term ex-
35 pires. A member is eligible for reappointment. If a position on the committee is vacant for any cause,
36 the director shall make an appointment to the position that is immediately effective for the unex-
37 pired term.

38 (d) A member of the committee is entitled to travel expenses pursuant to ORS 292.495. Members
39 of the committee are not entitled to compensation.

40 (e) The director may establish additional advisory and technical committees as the director
41 considers necessary to aid and advise the Stakeholders Advisory Committee in the performance of
42 the committee's functions.

43 (f) The director may delegate to the State Chief Information Officer a duty, function or power
44 that this subsection imposes upon the director.

45 (7) An organization or organizations recognized as tax exempt under section 501(c)(3) of the

1 Internal Revenue Code that primarily conduct activities for the direct good or benefit of the public
 2 or community at large in providing educational, economic development, health care, human services,
 3 public safety, library or other public services and have formed an affiliation with one or more fed-
 4 eral, state or local governmental units within this state may apply to the department for designation
 5 as a community of interest. The application must be in the form prescribed by the department and
 6 contain information regarding the governmental affiliation relationship, the tax exempt status of
 7 each organization and the public benefit services to be provided. The department shall establish an
 8 application review and appeal process to ensure that designating the organizations as a community
 9 of interest for the purposes of including the organization in telecommunications contracts under
 10 ORS 283.520 will result in providing educational, medical, library or other services for public benefit.

11 (8) This section does not apply to the State Board of Higher Education, [or] any public univer-
 12 sity listed in ORS 352.002, **Portland State University or the University of Oregon.**

13 (9) As used in this section:

14 (a) "Information resources" means media, instruments and methods for planning, collecting,
 15 processing, transmitting and storing data and information, including telecommunications.

16 (b) "Information technology" includes, but is not limited to, present and future forms of hard-
 17 ware, software and services for data processing, office automation and telecommunications.

18 (c) "Internet access service" means electronic connectivity to the Internet and the services of
 19 the Internet.

20 (d) "Open systems" means systems that allow state agencies freedom of choice by providing a
 21 vendor-neutral operating environment where different computers, applications, system software and
 22 networks operate together easily and reliably.

23 (e) "State-of-the-art services" includes equipment, facilities and the capability to distribute dig-
 24 ital communication signals that transmit voice, data, video and images over a distance.

25 (f) "Telecommunications" means hardware, software and services for transmitting voice, data,
 26 video and images over a distance.

27 (g) "Statewide integrated videoconferencing" means a statewide electronic system capable of
 28 transmitting video, voice and data communications.

29 (h) "Statewide online access" means electronic connectivity to information resources such as
 30 computer conferencing, electronic mail, databases and Internet access.

31 **SECTION 183.** ORS 291.055 is amended to read:

32 291.055. (1) Notwithstanding any other law that grants to a state agency the authority to es-
 33 tablish fees, all new state agency fees or fee increases adopted during the period beginning on the
 34 date of adjournment sine die of a regular session of the Legislative Assembly and ending on the date
 35 of adjournment sine die of the next regular session of the Legislative Assembly:

36 (a) Are not effective for agencies in the executive department of government unless approved
 37 in writing by the Director of the Oregon Department of Administrative Services;

38 (b) Are not effective for agencies in the judicial department of government unless approved in
 39 writing by the Chief Justice of the Supreme Court;

40 (c) Are not effective for agencies in the legislative department of government unless approved
 41 in writing by the President of the Senate and the Speaker of the House of Representatives;

42 (d) Shall be reported by the state agency to the Oregon Department of Administrative Services
 43 within 10 days of their adoption; and

44 (e) Are rescinded on adjournment sine die of the next regular session of the Legislative Assem-
 45 bly as described in this subsection, unless otherwise authorized by enabling legislation setting forth

1 the approved fees.

2 (2) This section does not apply to:

3 (a) Any tuition or fees charged by the State Board of Higher Education *[and]* **for** the public
4 universities listed in ORS 352.002, **by the Portland State University Board of Directors or by**
5 **the University of Oregon Board of Directors.**

6 (b) Taxes or other payments made or collected from employers for unemployment insurance re-
7 quired by ORS chapter 657 or premium assessments required by ORS 656.612 and 656.614 or contri-
8 butions and assessments calculated by cents per hour for workers' compensation coverage required
9 by ORS 656.506.

10 (c) Fees or payments required for:

11 (A) Health care services provided by the Oregon Health and Science University, by the Oregon
12 Veterans' Homes and by other state agencies and institutions pursuant to ORS 179.610 to 179.770.

13 (B) Assessments and premiums paid to the Oregon Medical Insurance Pool established by ORS
14 735.614 and 735.625.

15 (C) Copayments and premiums paid to the Oregon medical assistance program.

16 (D) Assessments paid to the Department of Consumer and Business Services under ORS 743.951
17 and 743.961.

18 (d) Fees created or authorized by statute that have no established rate or amount but are cal-
19 culated for each separate instance for each fee payer and are based on actual cost of services pro-
20 vided.

21 (e) State agency charges on employees for benefits and services.

22 (f) Any intergovernmental charges.

23 (g) Forest protection district assessment rates established by ORS 477.210 to 477.265 and the
24 Oregon Forest Land Protection Fund fees established by ORS 477.760.

25 (h) State Department of Energy assessments required by ORS 469.421 (8) and 469.681.

26 (i) Any charges established by the State Parks and Recreation Director in accordance with ORS
27 565.080 (3).

28 (j) Assessments on premiums charged by the Department of Consumer and Business Services
29 pursuant to ORS 731.804 or fees charged by the Division of Finance and Corporate Securities of the
30 Department of Consumer and Business Services to banks, trusts and credit unions pursuant to ORS
31 706.530 and 723.114.

32 (k) Public Utility Commission operating assessments required by ORS 756.310 or charges paid
33 to the Residential Service Protection Fund required by chapter 290, Oregon Laws 1987.

34 (L) Fees charged by the Housing and Community Services Department for intellectual property
35 pursuant to ORS 456.562.

36 (m) New or increased fees that are anticipated in the legislative budgeting process for an
37 agency, revenues from which are included, explicitly or implicitly, in the legislatively adopted
38 budget or the legislatively approved budget for the agency.

39 (n) Tolls approved by the Oregon Transportation Commission pursuant to ORS 383.004.

40 (o) Convenience fees as defined in ORS 182.126 and established by the Oregon Department of
41 Administrative Services under ORS 182.132 (3) and recommended by the Electronic Government
42 Portal Advisory Board.

43 (3)(a) Fees temporarily decreased for competitive or promotional reasons or because of unex-
44 pected and temporary revenue surpluses may be increased to not more than their prior level without
45 compliance with subsection (1) of this section if, at the time the fee is decreased, the state agency

1 specifies the following:

2 (A) The reason for the fee decrease; and

3 (B) The conditions under which the fee will be increased to not more than its prior level.

4 (b) Fees that are decreased for reasons other than those described in paragraph (a) of this sub-
5 section may not be subsequently increased except as allowed by ORS 291.050 to 291.060 and 294.160.

6 **SECTION 184.** ORS 291.229, as amended by section 2, chapter 101, Oregon Laws 2012, is
7 amended to read:

8 291.229. (1) The Oregon Department of Administrative Services shall develop a plan for state
9 agencies that employ more than 100 employees to attain a ratio of 11 to 1 of employees of state
10 agencies who are not supervisory employees to supervisory employees. The plan shall be used to
11 develop the legislatively adopted budget and may provide for a transition to the ratio specified in
12 this subsection during a period lasting more than one biennium.

13 (2) As part of the development of the legislatively adopted budget, during each odd-numbered
14 year regular session of the Legislative Assembly, the department shall report on the plan developed
15 under subsection (1) of this section to the Joint Committee on Ways and Means. The report shall
16 include the ratio of employees of state agencies who are not supervisory employees to supervisory
17 employees.

18 (3) As used in this section:

19 (a) "Legislatively adopted budget" means the budget enacted by the Legislative Assembly during
20 an odd-numbered year regular session.

21 (b)(A) "State agency" means all state officers, boards, commissions, departments, institutions,
22 branches, agencies, divisions and other entities, without regard to the designation given to those
23 entities, that are within the executive department of government as described in section 1, Article
24 III of the Oregon Constitution.

25 (B) "State agency" does not include:

26 (i) The legislative department as defined in ORS 174.114;

27 (ii) The judicial department as defined in ORS 174.113;

28 (iii) The Public Defense Services Commission;

29 (iv) The Secretary of State and the State Treasurer in the performance of the duties of their
30 constitutional offices;

31 (v) Semi-independent state agencies listed in ORS 182.454;

32 (vi) The Oregon Tourism Commission;

33 (vii) The Oregon Film and Video Office;

34 (viii) The Oregon University System;

35 (ix) The Oregon Health and Science University;

36 **(x) Portland State University;**

37 **(xi) The University of Oregon;**

38 [(x)] **(xii) The Travel Information Council;**

39 [(xi)] **(xiii) Oregon Corrections Enterprises;**

40 [(xii)] **(xiv) The Oregon State Lottery Commission;**

41 [(xiii)] **(xv) The State Accident Insurance Fund Corporation;**

42 [(xiv)] **(xvi) The Oregon Health Insurance Exchange Corporation;**

43 [(xv)] **(xvii) The Oregon Utility Notification Center;**

44 [(xvi)] **(xviii) Oregon Community Power;**

45 [(xvii)] **(xix) The Citizens' Utility Board;**

1 [(xviii)] **(xx)** A special government body as defined in ORS 174.117;

2 [(xix)] **(xxi)** Any other public corporation created under a statute of this state and specifically
3 designated as a public corporation; and

4 [(xx)] **(xxii)** Any other semi-independent state agency denominated by statute as a semi-
5 independent state agency.

6 (c) "Supervisory employee" has the meaning given that term in ORS 243.650.

7 **SECTION 185.** ORS 292.043 is amended to read:

8 292.043. (1) As used in this section:

9 (a) "Foundation" means:

10 (A) A tax exempt organization designated by a rule adopted by a state agency; [or]

11 (B) A tax exempt organization designated by the State Board of Higher Education to solicit
12 contributions for the support of a public university listed in ORS 352.002[.];

13 **(C) A tax exempt organization designated by the Portland State University Board of Di-**
14 **rectors to solicit contributions for the support of Portland State University; or**

15 **(D) A tax exempt organization designated by the University of Oregon Board of Directors**
16 **to solicit contributions for the support of the University of Oregon.**

17 (b) "Salary and wages" has the meaning given that term in ORS 292.014.

18 (2) Any state official authorized to disburse funds in payment of salaries or wages of the officers
19 and employees of a state agency, or of the officers, teachers, instructors and other employees of the
20 Oregon University System, **Portland State University or the University of Oregon**, is authorized,
21 upon written request of the individual, to deduct each month from the salary or wages of the indi-
22 vidual the amount of money designated by the individual for payment to a foundation.

23 (3) The individual may withdraw the authorization at any time if the individual so notifies such
24 officer in writing.

25 (4) The moneys so deducted shall be paid over promptly to the foundation designated by the
26 individual. Subject to any rules prescribed by a state agency, [or] the State Board of Higher Edu-
27 cation, **the Portland State University Board of Directors or the University of Oregon Board**
28 **of Directors**, the state official authorized to disburse the funds in payment of salaries and wages
29 may prescribe any procedures necessary to carry out this section.

30 **SECTION 186.** ORS 307.095 is amended to read:

31 307.095. (1) Any portion of state property that is used during the tax year for parking on a
32 rental or fee basis to private individuals is subject to ad valorem taxation.

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

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

42 **SECTION 187.** ORS 307.110 is amended to read:

43 307.110. (1) Except as provided in ORS 307.120, all real and personal property of this state or
44 any institution or department thereof or of any county or city, town or other municipal corporation
45 or political subdivision of this state, held under a lease or other interest or estate less than a fee

1 simple, by any person whose real property, if any, is taxable, except employees of the state,
2 municipality or political subdivision as an incident to such employment, shall be subject to assess-
3 ment and taxation for the assessed or specially assessed value thereof uniformly with real property
4 of nonexempt ownerships.

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

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

10 (a) Leased for student housing by a school or college to students attending such a school or
11 college.

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

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

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

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

24 (f) State property that is used by the Oregon University System, **Portland State University**,
25 **the University of Oregon** or the Oregon Health and Science University to provide parking for
26 employees, students or visitors.

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

31 (h) Property of a health district if:

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

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

36 (4) Property determined to be an eligible project for tax exemption under ORS 285C.600 to
37 285C.626 and 307.123 that was acquired with revenue bonds issued under ORS 285B.320 to 285B.371
38 and that is leased by this state, any institution or department thereof or any county, city, town or
39 other municipal corporation or political subdivision of this state to an eligible applicant shall be
40 assessed and taxed in accordance with ORS 307.123. The property's continued eligibility for taxation
41 and assessment under ORS 307.123 is not affected:

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

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

45 (5) The provisions of law for liens and the payment and collection of taxes levied against real

1 property of nonexempt ownerships shall apply to all real property subject to the provisions of this
 2 section. Taxes remaining unpaid upon the termination of a lease or other interest or estate less than
 3 a fee simple, shall remain a lien against the real or personal property.

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

11 **SECTION 188.** ORS 310.155 is amended to read:

12 310.155. (1) For purposes of ORS 310.150, taxes are levied or imposed to fund the public school
 13 system if the taxes will be used exclusively for educational services, including support services,
 14 provided by any unit of government, at any level from prekindergarten through post-graduate
 15 training.

16 (2) Taxes on property levied or imposed by a unit of government whose principal function is to
 17 provide educational services shall be considered to be dedicated to fund the public school system
 18 unless the sole purpose of a particular, voter approved levy is for other than educational services
 19 or support services as defined in this section.

20 (3) Taxes on property levied or imposed by a unit of government whose principal function is to
 21 perform government operations other than educational services shall be considered to be dedicated
 22 to fund the public school system only if the sole purpose of a particular, voter approved levy is for
 23 educational services or support services as defined in this section.

24 (4) As used in this section, “educational services” includes:

25 (a) Establishment and maintenance of preschools, kindergartens, elementary schools, high
 26 schools, community colleges, [and the] public universities listed in ORS 352.002, **Portland State**
 27 **University and the University of Oregon.**

28 (b) Establishment and maintenance of career schools, adult education programs, evening school
 29 programs and schools or facilities for persons with physical, mental or emotional disabilities.

30 (5) As used in this section, “support services” includes clerical, administrative, professional and
 31 managerial services, property maintenance, transportation, counseling, training and other services
 32 customarily performed in connection with the delivery of educational services.

33 (6) “Educational services” does not include community recreation programs, civic activities,
 34 public libraries, programs for custody or care of children or community welfare activities if those
 35 programs or activities are provided to the general public and not for the benefit of students or other
 36 participants in the programs and activities described in subsection (4) of this section.

37 **SECTION 189.** ORS 326.543 is amended to read:

38 326.543. (1) As used in this section:

39 (a) “Education service district” has the meaning given that term in ORS 334.003.

40 (b) “Facility” means the school operated under ORS 346.010.

41 (c) “Post-secondary institution” means:

42 (A) A community college as defined in ORS 341.005;

43 (B) A public university listed in ORS 352.002; [and]

44 (C) **Portland State University;**

45 (D) **The University of Oregon; and**

1 [(C)] (E) The Oregon Health and Science University.

2 (d) "School district" has the meaning given that term in ORS 330.005.

3 (2) The interest or estate of an education service district, a facility, a post-secondary institution
4 or a school district in any real property may not be extinguished or diminished by adverse pos-
5 session.

6 **SECTION 190.** ORS 326.587 is amended to read:

7 326.587. (1) A public university listed in ORS 352.002, **Portland State University and the**
8 **University of Oregon** may not disclose the Social Security number of a student who is attending
9 the public university.

10 (2) Subsection (1) of this section does not apply if the public university discloses the Social Se-
11 curity number:

12 (a) At the request of a law enforcement agency or an agency providing support enforcement
13 services under ORS 25.080;

14 (b) After obtaining written permission for the disclosure from the student to whom the number
15 refers;

16 (c) In the payment of wages or benefits;

17 (d) In the payment or collection of taxes or of a debt owed by the student to whom the number
18 refers; or

19 (e) For purposes of statistical analysis.

20 **SECTION 191.** ORS 332.114 is amended to read:

21 332.114. (1) A person who meets the requirements under subsection (3) of this section may re-
22 quest a school district to issue the person a high school diploma if the person resides within the
23 boundaries of the school district or is a resident of this state and attended a high school of the
24 school district.

25 (2) A representative of a deceased person who meets the requirements under subsection (3) of
26 this section may request a school district to issue a high school diploma on behalf of the deceased
27 person if the deceased person resided within the boundaries of the school district at the time of
28 death or was a resident of this state at the time of death and attended a high school of the school
29 district.

30 (3) Notwithstanding the requirements for a high school diploma established under ORS 329.451
31 and by the State Board of Education and school districts, a school district that receives a request
32 under subsection (1) or (2) of this section shall issue a high school diploma to a person if the person:

33 (a) Attended a high school before serving in the Armed Forces of the United States;

34 (b) Did not graduate from a high school because the person was serving in the Armed Forces
35 of the United States;

36 (c) Was discharged or released under honorable conditions from the Armed Forces of the United
37 States;

38 (d) Served in the Armed Forces of the United States as described in subsection (4) of this sec-
39 tion; and

40 (e)(A) Has received a General Educational Development (GED) certificate;

41 (B) Has received a post-secondary degree from a community college, public university listed in
42 ORS 352.002, **Portland State University, the University of Oregon** or other generally accredited
43 institution of higher education; or

44 (C) Has received a minimum score on the Armed Services Vocational Aptitude Battery (ASVAB),
45 as established by the Oregon Military Department.

- 1 (4) The provisions of subsection (3) of this section apply to a person who:
2 (a) Served in the Armed Forces of the United States at any time during:
3 (A) World War I;
4 (B) World War II;
5 (C) The Korean Conflict; or
6 (D) The Vietnam War;
7 (b) Served in the Armed Forces of the United States and was physically present in:
8 (A) Operation Urgent Fury (Grenada);
9 (B) Operation Just Cause (Panama);
10 (C) Operation Desert Shield/Desert Storm (the Persian Gulf War);
11 (D) Operation Restore Hope (Somalia);
12 (E) Operation Enduring Freedom (Afghanistan); or
13 (F) Operation Iraqi Freedom (Iraq); or
14 (c) Served in the Armed Forces of the United States in an area designated as a combat zone by
15 the President of the United States.

16 **SECTION 192.** ORS 332.155 is amended to read:

17 332.155. A district school board:

18 (1) May furnish, equip, repair, lease, purchase and build schoolhouses, including high schools,
19 junior high schools, career and technical education schools, gymnasiums, houses for teachers and
20 other employees, and like buildings; and locate, buy and lease lands for all school purposes. Leases
21 authorized by this section include lease-purchase agreements whereunder the district may acquire
22 ownership of the leased property at a nominal price. Such leases and lease-purchase agreements may
23 be for a term of up to 30 years.

24 (2) May contract for the removal or containment of asbestos substances in school buildings and
25 for repairs made necessary by such removal or containment. Contracts authorized by this section
26 may be for a term exceeding one year.

27 (3) May construct or cooperate in the construction of schools for training of student teachers
28 on state or district owned lands, for any public university, **including public universities** listed in
29 ORS 352.002, **Portland State University and the University of Oregon**, that is in or contiguous
30 to the district, and to expend district funds in so doing.

31 (4) May acquire personal property by a lease-purchase agreement or contract of purchase for a
32 term exceeding one year. A lease-purchase agreement is one in which the rent payable by the dis-
33 trict is expressly agreed to have been established to reflect the savings resulting from the exemption
34 from taxation, and the district is entitled to ownership of the property at a nominal or other price
35 that is stated or determinable by the terms of the agreement and was not intended to reflect the true
36 value of the property.

37 (5) May lease, sell and convey all property of the district as may not in the judgment of the
38 district school board be required for school purposes.

39 (6) May sell property of the district in transactions whereby the district has the right to lease,
40 occupy or reacquire the property following the sale or have facilities constructed thereon or fur-
41 nished to the specifications of the district. The construction or furnishing of such facilities shall be
42 subject to:

- 43 (a) ORS chapter 279A, except ORS 279A.125 and 279A.250 to 279A.290;
44 (b) ORS chapter 279B, except ORS 279B.235, 279B.240, 279B.270, 279B.275 and 279B.280; and
45 (c) ORS chapter 279C.005, 279C.100 to 279C.125 and 279C.300 to 279C.470.

1 (7) Shall furnish the schools with supplies, equipment, apparatus and services essential to
 2 meeting the requirements of a standard school and may furnish such other supplies, equipment, ap-
 3 paratus and services as the board considers advisable.

4 (8) May construct, purchase or lease in cooperation with other school districts or community
 5 college districts facilities for secondary career and technical education programs for pupils of more
 6 than one district and may furnish or cooperate in furnishing supplies and equipment for such facil-
 7 ities, to be financed in the same manner as other school buildings and supplies are financed.

8 (9) May purchase real property upon a contractual basis when the period of time allowed for
 9 payment under the contract does not exceed 30 years.

10 (10) May purchase relocatable classrooms and other relocatable structures in installment
 11 transactions in which deferred installments of the purchase price are payable over not more than
 12 10 years from the date such property is delivered to the district for occupancy and are secured by
 13 a security interest in such property. Such transactions may take the form of, but are not limited to,
 14 lease-purchase agreements.

15 (11) May enter into rental or lease-purchase agreements covering motor vehicles operated by the
 16 district.

17 **SECTION 193.** ORS 337.500 is amended to read:

18 337.500. As used in ORS 337.500 to 337.506:

19 (1) “Adopter” means any faculty member or academic department or other adopting entity at a
 20 higher education institution responsible for considering and choosing course materials to be utilized
 21 in connection with accredited courses taught at the institution.

22 (2) “Higher education institution” means:

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

24 (b) A public university listed in ORS 352.002;

25 (c) **Portland State University;**

26 (d) **The University of Oregon;**

27 [(c)] (e) The Oregon Health and Science University;

28 [(d)] (f) A private institution of higher education located in Oregon; and

29 [(e)] (g) A bookstore that serves as the primary bookstore for an entity listed in paragraphs (a)
 30 to [(d)] (f) of this subsection.

31 (3) “Special edition” means a bound book that does not constitute a traditional textbook and
 32 that may or may not be used for instructional purposes.

33 (4)(a) “Textbook bundle” means a textbook packaged together with other supplemental course
 34 materials, including but not limited to workbooks, study guides, online technologies, online course
 35 resources, CD-ROMs or other books, to be sold as course material for one price.

36 (b) “Textbook bundle” does not include a textbook that is unusable without the supplemental
 37 course materials, materials that cannot be sold separately due to third-party contractual agreements,
 38 custom editions or special editions.

39 **SECTION 194.** ORS 337.511 is amended to read:

40 337.511. As used in ORS 337.511 to 337.524:

41 (1) “Alternative format” means any medium or format for the presentation of instructional ma-
 42 terials other than standard print that is needed by a post-secondary student with a print disability
 43 for a reading accommodation, including but not limited to Braille, large print texts, audio re-
 44 cordings, digital texts and digital talking books.

45 (2) “Electronic format” means a medium or format containing digital text.

- 1 (3) “Instructional material” means a textbook or other material if:
- 2 (a) The textbook or other material, including additional prints or new editions of previously
- 3 published instructional material, is published on or after January 1, 2004, and is published primarily
- 4 for use by students in a course of study in which a post-secondary student with a print disability is
- 5 enrolled;
- 6 (b) The textbook or other material is required for a student’s success in the course, as deter-
- 7 mined by the course instructor in consultation with the representative making the request for an
- 8 electronic format under ORS 337.517 (2);
- 9 (c) The textbook or other material is required for the course as stated in the course syllabus
- 10 or other curriculum documents, or the use of the materials by the student is necessary for the
- 11 completion of course assignments that are used to evaluate the student, such as to determine the
- 12 student’s proficiency level or assign a grade; and
- 13 (d) Software is commercially available to permit the conversion of an electronic file of the
- 14 textbook or other material into a format that is compatible with assistive technologies such as
- 15 speech synthesis software or Braille translation software.
- 16 (4) “Post-secondary education institution” means:
- 17 (a) A public university listed in ORS 352.002;
- 18 **(b) Portland State University;**
- 19 **(c) The University of Oregon;**
- 20 [(b)] **(d)** A community college operated under ORS chapter 341;
- 21 [(c)] **(e)** The Oregon Health and Science University; or
- 22 [(d)] **(f)** An Oregon-based, generally accredited institution of higher education.
- 23 (5) “Print disability” means a disability that prevents a student from effectively utilizing print
- 24 material and may include blindness, other serious visual impairments, specific learning disabilities
- 25 or the inability to hold a book.
- 26 (6) “Printed instructional material” means instructional material in book or other printed form.
- 27 (7) “Publisher” means any person that publishes or manufactures instructional material used by
- 28 students attending a post-secondary education institution.
- 29 (8) “Structural integrity” means the inclusion of all of the information provided in printed in-
- 30 structional material, including but not limited to the text of the material sidebars, the tables of
- 31 contents, the chapter headings and subheadings, the footnotes, the page numbers, the indexes and
- 32 the glossaries.
- 33 (9) “Working day” means a day that is not a Saturday, Sunday or legal holiday.
- 34 **SECTION 195.** ORS 338.005, as amended by section 19, chapter 91, Oregon Laws 2012, is
- 35 amended to read:
- 36 338.005. As used in this chapter, unless the context requires otherwise:
- 37 (1) “Applicant” means any person or group that develops and submits a written proposal for a
- 38 public charter school to a sponsor.
- 39 (2) “Institution of higher education” means a community college operated under ORS chapter
- 40 341, a public university listed in ORS 352.002, **Portland State University, the University of**
- 41 **Oregon** or the Oregon Health and Science University.
- 42 (3) “Public charter school” means an elementary or secondary school offering a comprehensive
- 43 instructional program operating under a written agreement entered into between a sponsor and an
- 44 applicant and operating pursuant to this chapter.
- 45 (4) “Remote and necessary school district” means a school district that offers kindergarten

1 through grade 12 and has:

2 (a) An average daily membership (ADM), as defined in ORS 327.006, in the prior fiscal year of
3 less than 110; and

4 (b) A school that is located, by the nearest traveled road, more than 20 miles from the nearest
5 school or from a city with a population of more than 5,000.

6 (5) "Sponsor" means:

7 (a) The board of the common school district or the union high school district in which the public
8 charter school is located that has developed a written charter with an applicant to create a public
9 charter school.

10 (b) The State Board of Education pursuant to ORS 338.075.

11 (c) An institution of higher education pursuant to ORS 338.075.

12 (6)(a) "Virtual public charter school" means a public charter school that provides online
13 courses.

14 (b) "Virtual public charter school" does not include a public charter school that primarily serves
15 students in a physical location.

16 **SECTION 196.** ORS 338.115, as amended by section 9, chapter 92, Oregon Laws 2012, is
17 amended to read:

18 338.115. (1) Statutes and rules that apply to school district boards, school districts or other
19 public schools do not apply to public charter schools. However, the following laws do apply to public
20 charter schools:

21 (a) Federal law;

22 (b) ORS 30.260 to 30.300 (tort claims);

23 (c) ORS 192.410 to 192.505 (public records law);

24 (d) ORS 192.610 to 192.690 (public meetings law);

25 (e) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law);

26 (f) ORS 326.565, 326.575 and 326.580 (student records);

27 (g) ORS 181.534, 326.603, 326.607, 342.223 and 342.232 (criminal records checks);

28 (h) ORS 329.045 (academic content standards and instruction);

29 (i) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative cer-
30 tificate);

31 (j) The statewide assessment system developed by the Department of Education for mathematics,
32 science and English under ORS 329.485 (2);

33 (k) ORS 337.150 (textbooks);

34 (L) ORS 339.141, 339.147 and 339.155 (tuition and fees);

35 (m) ORS 339.250 (12) (prohibition on infliction of corporal punishment);

36 (n) ORS 339.326 (notice concerning students subject to juvenile court petitions);

37 (o) ORS 339.370, 339.372, 339.388 and 339.400 (reporting of abuse and sexual conduct and training
38 on prevention and identification of abuse and sexual conduct);

39 (p) ORS chapter 657 (Employment Department Law);

40 (q) ORS 659.850, 659.855 and 659.860 (discrimination);

41 (r) Any statute or rule that establishes requirements for instructional time provided by a school
42 during each day or during a year;

43 (s) Health and safety statutes and rules;

44 (t) Any statute or rule that is listed in the charter;

45 (u) ORS 339.119 (consideration for educational services); and

1 (v) This chapter.

2 (2) Notwithstanding subsection (1) of this section, a charter may specify that statutes and rules
3 that apply to school district boards, school districts and other public schools may apply to a public
4 charter school.

5 (3) If a statute or rule applies to a public charter school, then the terms “school district” and
6 “public school” include public charter school as those terms are used in that statute or rule.

7 (4) A public charter school may not violate the Establishment Clause of the First Amendment
8 to the United States Constitution or section 5, Article I of the Oregon Constitution, or be religion
9 based.

10 (5)(a) A public charter school shall maintain an active enrollment of at least 25 students.

11 (b) For a public charter school that provides educational services under a cooperative agree-
12 ment described in ORS 338.080, the public charter school is in compliance with the requirements of
13 this subsection if the public charter school provides educational services under the cooperative
14 agreement to at least 25 students, without regard to the school districts in which the students are
15 residents.

16 (6) A public charter school may sue or be sued as a separate legal entity.

17 (7) The sponsor, members of the governing board of the sponsor acting in their official capacities
18 and employees of a sponsor acting in their official capacities are immune from civil liability with
19 respect to all activities related to a public charter school within the scope of their duties or em-
20 ployment.

21 (8) A public charter school may enter into contracts and may lease facilities and services from
22 a school district, education service district, public university listed in ORS 352.002, **Portland State**
23 **University, the University of Oregon**, other governmental unit or any person or legal entity.

24 (9) A public charter school may not levy taxes or issue bonds under which the public incurs li-
25 ability.

26 (10) A public charter school may receive and accept gifts, grants and donations from any source
27 for expenditure to carry out the lawful functions of the school.

28 (11) The school district in which the public charter school is located shall offer a high school
29 diploma, a modified diploma, an extended diploma or an alternative certificate to any public charter
30 school student who meets the district’s and state’s standards for a high school diploma, a modified
31 diploma, an extended diploma or an alternative certificate.

32 (12) A high school diploma, a modified diploma, an extended diploma or an alternative certificate
33 issued by a public charter school grants to the holder the same rights and privileges as a high
34 school diploma, a modified diploma, an extended diploma or an alternative certificate issued by a
35 nonchartered public school.

36 (13) Prior to beginning operation, the public charter school shall show proof of insurance to the
37 sponsor as specified in the charter.

38 (14) A public charter school may receive services from an education service district in the same
39 manner as a nonchartered public school in the school district in which the public charter school is
40 located.

41 **SECTION 197.** ORS 338.115, as amended by section 7, chapter 839, Oregon Laws 2007, section
42 12, chapter 50, Oregon Laws 2008, section 4, chapter 618, Oregon Laws 2009, section 3, chapter 53,
43 Oregon Laws 2010, section 3, chapter 94, Oregon Laws 2011, section 118, chapter 637, Oregon Laws
44 2011, section 5, chapter 682, Oregon Laws 2011, and section 10, chapter 92, Oregon Laws 2012, is
45 amended to read:

1 338.115. (1) Statutes and rules that apply to school district boards, school districts or other
2 public schools do not apply to public charter schools. However, the following laws do apply to public
3 charter schools:

- 4 (a) Federal law;
- 5 (b) ORS 30.260 to 30.300 (tort claims);
- 6 (c) ORS 192.410 to 192.505 (public records law);
- 7 (d) ORS 192.610 to 192.690 (public meetings law);
- 8 (e) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law);
- 9 (f) ORS 326.565, 326.575 and 326.580 (student records);
- 10 (g) ORS 181.534, 326.603, 326.607, 342.223 and 342.232 (criminal records checks);
- 11 (h) ORS 329.045 (academic content standards and instruction);
- 12 (i) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative cer-
13 tificate);
- 14 (j) ORS 329.496 (physical education);
- 15 (k) The statewide assessment system developed by the Department of Education for mathematics,
16 science and English under ORS 329.485 (2);
- 17 (L) ORS 337.150 (textbooks);
- 18 (m) ORS 339.141, 339.147 and 339.155 (tuition and fees);
- 19 (n) ORS 339.250 (12) (prohibition on infliction of corporal punishment);
- 20 (o) ORS 339.326 (notice concerning students subject to juvenile court petitions);
- 21 (p) ORS 339.370, 339.372, 339.388 and 339.400 (reporting of abuse and sexual conduct and training
22 on prevention and identification of abuse and sexual conduct);
- 23 (q) ORS chapter 657 (Employment Department Law);
- 24 (r) ORS 659.850, 659.855 and 659.860 (discrimination);
- 25 (s) Any statute or rule that establishes requirements for instructional time provided by a school
26 during each day or during a year;
- 27 (t) Health and safety statutes and rules;
- 28 (u) Any statute or rule that is listed in the charter;
- 29 (v) ORS 339.119 (consideration for educational services); and
- 30 (w) This chapter.

31 (2) Notwithstanding subsection (1) of this section, a charter may specify that statutes and rules
32 that apply to school district boards, school districts and other public schools may apply to a public
33 charter school.

34 (3) If a statute or rule applies to a public charter school, then the terms “school district” and
35 “public school” include public charter school as those terms are used in that statute or rule.

36 (4) A public charter school may not violate the Establishment Clause of the First Amendment
37 to the United States Constitution or section 5, Article I of the Oregon Constitution, or be religion
38 based.

39 (5)(a) A public charter school shall maintain an active enrollment of at least 25 students.

40 (b) For a public charter school that provides educational services under a cooperative agree-
41 ment described in ORS 338.080, the public charter school is in compliance with the requirements of
42 this subsection if the public charter school provides educational services under the cooperative
43 agreement to at least 25 students, without regard to the school districts in which the students are
44 residents.

45 (6) A public charter school may sue or be sued as a separate legal entity.

1 (7) The sponsor, members of the governing board of the sponsor acting in their official capacities
 2 and employees of a sponsor acting in their official capacities are immune from civil liability with
 3 respect to all activities related to a public charter school within the scope of their duties or em-
 4 ployment.

5 (8) A public charter school may enter into contracts and may lease facilities and services from
 6 a school district, education service district, public university listed in ORS 352.002, **Portland State**
 7 **University, the University of Oregon**, other governmental unit or any person or legal entity.

8 (9) A public charter school may not levy taxes or issue bonds under which the public incurs li-
 9 ability.

10 (10) A public charter school may receive and accept gifts, grants and donations from any source
 11 for expenditure to carry out the lawful functions of the school.

12 (11) The school district in which the public charter school is located shall offer a high school
 13 diploma, a modified diploma, an extended diploma or an alternative certificate to any public charter
 14 school student who meets the district's and state's standards for a high school diploma, a modified
 15 diploma, an extended diploma or an alternative certificate.

16 (12) A high school diploma, a modified diploma, an extended diploma or an alternative certificate
 17 issued by a public charter school grants to the holder the same rights and privileges as a high
 18 school diploma, a modified diploma, an extended diploma or an alternative certificate issued by a
 19 nonchartered public school.

20 (13) Prior to beginning operation, the public charter school shall show proof of insurance to the
 21 sponsor as specified in the charter.

22 (14) A public charter school may receive services from an education service district in the same
 23 manner as a nonchartered public school in the school district in which the public charter school is
 24 located.

25 **SECTION 198.** ORS 339.331 is amended to read:

26 339.331. (1) There is created the Center for School Safety within the [*Oregon University*
 27 *System*] **University of Oregon**. The mission of the center shall be to:

28 (a) Serve as the central point for data analysis;

29 (b) Conduct research;

30 (c) Disseminate information about successful school safety programs, research results and new
 31 programs; and

32 (d) Provide technical assistance for improving the safety of schools in collaboration with the
 33 Department of Education and others.

34 (2) To fulfill its mission, the Center for School Safety shall:

35 (a) Establish a clearinghouse for information and materials concerning school violence pre-
 36 vention and intervention services. As used in this paragraph, "intervention services" means any
 37 preventive, developmental, corrective or supportive service or treatment provided to a student who
 38 is at risk of school failure, is at risk of participation in violent behavior or juvenile crime or has
 39 been expelled from the school district. "Intervention services" may include, but is not limited to:

40 (A) Screening to identify students at risk for emotional disabilities or antisocial behavior;

41 (B) Direct instruction in academic, social, problem-solving and conflict resolution skills;

42 (C) Alternative education programs;

43 (D) Psychological services;

44 (E) Identification and assessment of abilities;

45 (F) Counseling services;

- 1 (G) Medical services;
- 2 (H) Day treatment;
- 3 (I) Family services; and
- 4 (J) Work and community service programs.
- 5 (b) Provide program development and implementation expertise and technical support to schools,
- 6 law enforcement agencies and communities. The expertise and support may include coordinating
- 7 training for administrators, teachers, students, parents and other community representatives.
- 8 (c) Analyze the data collected in compliance with section 5, chapter 618, Oregon Laws 2001.
- 9 (d) Research and evaluate school safety programs so schools and communities are better able
- 10 to address their specific needs.
- 11 (e) Promote interagency efforts to address discipline and safety issues within communities
- 12 throughout the state.
- 13 (f) Prepare and disseminate information regarding the best practices in creating safe and effec-
- 14 tive schools.
- 15 (g) Advise the State Board of Education on rules and policies.
- 16 (h) Provide an annual report on the status of school safety in Oregon by July 1 of each year to:
- 17 (A) The Governor;
- 18 (B) The Attorney General;
- 19 (C) The State Board of Education; and
- 20 (D) All relevant legislative committees.

21 (3) The University of Oregon Institute on Violence and Destructive Behavior shall provide staff
 22 support to the Center for School Safety board of directors and shall manage the center.

23 (4) The Center for School Safety board of directors may seek and accept public and private funds
 24 for the center.

25 **SECTION 199.** ORS 339.336 is amended to read:

26 339.336. (1) The [*Oregon University System*] **University of Oregon** may seek and accept contri-
 27 butions of funds and assistance from the United States, its agencies or from any other source, public
 28 or private, and agree to conditions thereon not inconsistent with ORS 339.331, 339.333 and 339.339.
 29 All such funds are to aid in financing the functions of the Center for School Safety and shall be
 30 deposited in the Center for School Safety Account and shall be disbursed for the purpose for which
 31 contributed.

32 (2) The Center for School Safety Account is established in the General Fund of the State
 33 Treasury. Except for moneys otherwise designated by statute, all federal funds or other moneys re-
 34 ceived by the [*Oregon University System*] **University of Oregon** for the center shall be paid into the
 35 State Treasury and credited to the account. All moneys in the account are appropriated contin-
 36 uously to the [*Oregon University System*] **University of Oregon** and shall be used by the system for
 37 the purposes of carrying out ORS 339.331, 339.333 and 339.339.

38 **SECTION 200.** ORS 339.885 is amended to read:

39 339.885. (1) No secret society of any kind, including a fraternity or sorority, shall be permitted
 40 in any public school.

41 (2) The district school board may order the suspension or expulsion of any pupil who belongs
 42 to a secret society.

43 (3) This section does not apply to any public university listed in ORS 352.002, **Portland State**
 44 **University or the University of Oregon.**

45 **SECTION 201.** ORS 340.005 is amended to read:

1 340.005. For purposes of ORS 340.005 to 340.090:

2 (1) “Accelerated college credit program” has the meaning given that term by rules adopted by
3 the State Board of Education.

4 (2) “At-risk student” means:

5 (a) A student who qualifies for a free or reduced lunch program; or

6 (b) An at-risk student as defined by rules adopted by the board if the board has adopted rules
7 to define an at-risk student.

8 (3) “Duplicate course” means a course with a scope that is identical to the scope of another
9 course.

10 (4)(a) “Eligible post-secondary course” means any nonsectarian course or program offered
11 through an eligible post-secondary institution if the course or program may lead to high school
12 completion, a certificate, professional certification, associate degree or baccalaureate degree.

13 (b) “Eligible post-secondary course” does not include a duplicate course offered at the student’s
14 resident school.

15 (c) “Eligible post-secondary course” includes:

16 (A) Academic courses;

17 (B) Career and technical education courses; and

18 (C) Distance education courses.

19 (5) “Eligible post-secondary institution” means:

20 (a) A community college;

21 (b) A public university listed in ORS 352.002; *[and]*

22 (c) **Portland State University;**

23 (d) **The University of Oregon; and**

24 *[(c)]* (e) The Oregon Health and Science University.

25 (6)(a) “Eligible student” means a student who is enrolled in an Oregon public school and who:

26 (A) Is 16 years of age or older at the time of enrollment in a course under the Expanded Options
27 Program;

28 (B)(i) Is in grade 11 or 12 at the time of enrollment in a course under the Expanded Options
29 Program; or

30 (ii) Is not in grade 11 or 12, because the student has not completed the required number of
31 credits, but who has been allowed by the school district to participate in the program;

32 (C) Has developed an educational learning plan as described in ORS 340.025; and

33 (D) Has not successfully completed the requirements for a high school diploma as established
34 by ORS 329.451, the State Board of Education and the school district board.

35 (b) “Eligible student” does not include a foreign exchange student enrolled in a school under a
36 cultural exchange program.

37 (7) “Expanded Options Program” means the program created under ORS 340.005 to 340.090.

38 (8) “Scope” means depth and breadth of course content as evidenced through a planned course
39 statement including content outline, applicable state content standards where appropriate, course
40 goals and student outcomes.

41 **SECTION 202.** ORS 340.310, as amended by section 10, chapter 104, Oregon Laws 2012, is
42 amended to read:

43 340.310. (1) The Higher Education Coordinating Commission shall develop statewide standards
44 for dual credit programs to be implemented by public high schools, community colleges *[and state*
45 *institutions of higher education within the Oregon University System]*, **public universities listed in**

1 **ORS 352.002, Portland State University and the University of Oregon.** The standards must es-
2 tablish the manner by which:

3 (a) A student may, upon completion of a course, earn course credit both for high school and for
4 a community college [*or state institution of higher education within the Oregon University System*], a
5 **public university listed in ORS 352.002, Portland State University or the University of**
6 **Oregon;** and

7 (b) Teachers of courses that are part of a dual credit program will work together to determine
8 the quality of the program and to ensure the alignment of the content, objectives and outcomes of
9 individual courses.

10 (2) Each public high school, community college [*and state institution of higher education within*
11 *the Oregon University System*] **and public university, including public universities listed in ORS**
12 **352.002, Portland State University and the University of Oregon,** that provides a dual credit
13 program must implement the statewide standards developed under subsection (1) of this section.

14 (3) Each school district, community college [*and state institution of higher education within the*
15 *Oregon University System*] **and public university, including public universities listed in ORS**
16 **352.002, Portland State University and the University of Oregon,** that provides a dual credit
17 program shall submit an annual report to the Higher Education Coordinating Commission on the
18 academic performance of students enrolled in a dual credit program. The Higher Education Coordi-
19 nating Commission shall establish the required contents of the report, which must provide sufficient
20 information to allow the commission to determine the quality of the dual credit program.

21 **SECTION 203.** ORS 341.430, as amended by section 11, chapter 104, Oregon Laws 2012, and
22 section 35, chapter _____, Oregon Laws 2013 (Enrolled House Bill 2148), is amended to read:

23 341.430. (1) As used in this section:

24 (a) "Associate transfer degree" means an associate degree that is awarded by a community
25 college and that is intended to allow a student to apply the credits earned for the degree toward a
26 baccalaureate degree.

27 (b) "Community college" means a community college operated under ORS chapter 341.

28 (c) "Public university" means a public university listed in ORS 352.002, **Portland State Uni-**
29 **versity and the University of Oregon.**

30 (d) "Transfer program" means a one-year program that is designed to allow a student to apply
31 the credits earned through the program toward a baccalaureate degree.

32 (2) The Higher Education Coordinating Commission shall develop standards related to the ability
33 of students to apply credits earned through courses of study at community colleges to baccalaureate
34 degrees awarded by public universities. The standards shall be known as the "Transfer Student Bill
35 of Rights and Responsibilities."

36 (3) The standards developed under this section may include:

37 (a) Admission standards to public universities for students who have earned an associate trans-
38 fer degree.

39 (b) The maximum number of credits that students who have earned an associate transfer degree
40 would need to complete prior to receiving various types of baccalaureate degrees at public univer-
41 sities.

42 (c) The maximum number of credits that students who have completed a transfer program would
43 need to complete prior to receiving various types of baccalaureate degrees at public universities.

44 (d) A process by which a community college would award an associate degree to a student upon
45 completion of necessary credits, regardless of whether the student applied to receive the degree or

1 whether the student earned the credits for the degree at a community college or **at** a public uni-
 2 versity.

3 (e) Any other issues identified by the Higher Education Coordinating Commission that relate to
 4 courses of study at community colleges and the ability of a student to transfer credits to a commu-
 5 nity college or **to** a public university, to be admitted to a public university or to earn a degree at
 6 a community college or **at** a public university.

7 (f) Requirements that students must meet in order to benefit from the standards described in
 8 paragraphs (a) to (e) of this subsection.

9 (4) Each community college and **each** public university shall submit annual reports to the
 10 Higher Education Coordinating Commission related to:

11 (a) The number of students who attend a community college and then a public university, or a
 12 public university and then a community college.

13 (b) The number of students who attend one community college and then a different community
 14 college.

15 (c) The number of students who transfer from a community college to a public university and
 16 who have an associate transfer degree or have completed a transfer program.

17 (d) The average number of credits students have when they transfer from a community college
 18 to a public university.

19 (e) The average number of credits students have when they attend one community college and
 20 then a different community college.

21 (f) The average number of credits that a student earning an associate transfer degree completed
 22 at a community college.

23 (g) The average number of credits students who have transferred from a community college to
 24 a public university must earn prior to receiving a baccalaureate degree compared to the average
 25 number of credits students who did not transfer from a community college must earn prior to re-
 26 ceiving a baccalaureate degree.

27 **SECTION 204.** ORS 341.440 is amended to read:

28 341.440. (1) A community college district may contract with another community college district,
 29 common or union high school district, education service district, the Oregon University System,
 30 **Portland State University, the University of Oregon,** the Oregon Health and Science University,
 31 with a private educational institution accredited by the [*Northwest Association of Schools and Col-*
 32 *leges*] **Northwest Commission on Colleges and Universities** or its successor or a career school
 33 as defined in ORS 345.010 to obtain educational services for students enrolled in the community
 34 college of the district. However, the educational services so obtained must meet the standards for
 35 educational services provided by the college and the contract price to the college for such services
 36 must not exceed the costs which would otherwise be incurred by the college to provide its students
 37 the same or similar services.

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

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

44 **SECTION 205.** ORS 342.144 is amended to read:

45 342.144. (1) As used in this section, "American Indian tribe" means an Indian tribe as that term

1 is defined in ORS 97.740.

2 (2) The Legislative Assembly declares that teaching American Indian languages is essential to
3 the proper education of American Indian children.

4 (3) The Teacher Standards and Practices Commission shall establish an American Indian lan-
5 guages teaching license.

6 (4) Each American Indian tribe may develop a written and oral test that must be successfully
7 completed by an applicant for an American Indian languages teaching license in order to determine
8 whether the applicant is qualified to teach the tribe's native language. When developing the test, the
9 tribe shall determine:

10 (a) Which dialects will be used on the test;

11 (b) Whether the tribe will standardize the tribe's writing system; and

12 (c) How the teaching methods will be evaluated in the classroom.

13 (5) The test shall be administered at an appropriate location that does not create hardship for
14 the tribal members administering the test.

15 (6) The commission may not require an applicant to hold a specific academic degree, to complete
16 a specific amount of education or to complete a teacher education program to receive an American
17 Indian languages teaching license.

18 (7)(a) An American Indian languages teaching license qualifies the holder to accept a teaching
19 position in a school district, a public charter school, an education service district, a community
20 college, **Portland State University, the University of Oregon** or a public university listed in ORS
21 352.002.

22 (b) A holder of an American Indian languages teaching license who does not also have a
23 teaching license issued under ORS 342.125 may not teach in a school district or education service
24 district any subject other than the American Indian language the holder of the license is approved
25 to teach by the tribe.

26 (c) A holder of an American Indian languages teaching license who does not also have a
27 teaching license or registration issued under ORS 342.125 may not teach in a public charter school
28 any subject other than the American Indian language the holder of the license is approved to teach
29 by the tribe.

30 (8)(a) As used in this subsection, "technical assistance program" means a program provided to
31 an American Indian languages teacher by a licensed teacher with three or more years of teaching
32 experience. A technical assistance program may include direct classroom observation and consulta-
33 tion, assistance in instructional planning and preparation, support in implementation and delivery
34 of classroom instruction, and other assistance intended to enhance the professional performance and
35 development of the American Indian languages teacher.

36 (b) The holder of an American Indian languages teaching license who does not also have an
37 administrative license, teaching license or registration issued under ORS 342.125 and who is em-
38 ployed by a school district, public charter school or education service district shall participate in
39 a technical assistance program with a person holding a teaching license issued by the commission
40 under ORS 342.125. The technical assistance program shall meet the guidelines specified in ORS
41 329.815 (2) to (4).

42 (9) An American Indian languages teaching license shall be valid for three years and may be
43 renewed upon application from the holder of the license.

44 **SECTION 206.** ORS 342.147 is amended to read:

45 342.147. (1) After considering recommendations of the State Board of Education, the Teacher

1 Standards and Practices Commission shall establish by rule standards for approval of teacher edu-
 2 cation institutions and teacher education programs. Public teacher education institutions shall be
 3 approved for programs of more than four years' duration only if teacher education programs which
 4 are reasonably attainable in a four-year period are also available in the system of higher education
 5 and are designed to culminate in a baccalaureate degree that qualifies its graduates for entry-level
 6 teaching licenses.

7 (2) The commission shall establish rules that allow teacher education programs leading to
 8 graduate degrees to commence prior to the student's completion of baccalaureate degree require-
 9 ments and that allow the combined use of undergraduate and graduate level course work in
 10 achieving program completion.

11 (3) Whenever any teacher education institution or program is denied approved status or has
 12 such status withdrawn, such denial or withdrawal must be treated as a contested case within the
 13 meaning of ORS chapter 183.

14 (4) Nothing in this section is intended to grant any authority to the commission relating to
 15 granting degrees or establishing degree requirements that are within the authority of the State
 16 Board of Higher Education, **Portland State University, the University of Oregon** or any of the
 17 public universities listed in ORS 352.002, or that are within the authority of the governing board
 18 of any private institution of higher education.

19 **SECTION 207.** ORS 342.443 is amended to read:

20 342.443. (1) The Education and Workforce Policy Advisor shall report biennially to the Legisla-
 21 tive Assembly longitudinal data on the number and percentage of:

- 22 (a) Minority students enrolled in community colleges;
- 23 (b) Minority students applying for admission to public universities, **including public universi-**
 24 **ties** listed in ORS 352.002, **Portland State University and the University of Oregon;**
- 25 (c) Minority students accepted in public universities;
- 26 (d) Minority students graduated from public universities;
- 27 (e) Minority candidates seeking to enter public teacher education programs in this state;
- 28 (f) Minority candidates admitted to public teacher education programs;
- 29 (g) Minority candidates who have completed approved public teacher education programs;
- 30 (h) Minority candidates receiving Oregon teaching licenses based on preparation in this state
 31 and preparation in other states;
- 32 (i) Minority teachers who are newly employed in the public schools in this state; and
- 33 (j) Minority teachers already employed in the public schools.

34 (2) The advisor also shall report comparisons of minorities' and nonminorities' scores on basic
 35 skills, pedagogy and subject matter tests.

36 (3) The Oregon University System, **the University of Oregon, Portland State University,** the
 37 Department of Education, the Teacher Standards and Practices Commission, community colleges and
 38 school districts shall cooperate with the advisor in collecting data and preparing the report.

39 **SECTION 208.** ORS 344.259 is amended to read:

40 344.259. (1) The State Board of Education shall coordinate continuing education in lower divi-
 41 sion, developmental, adult self-improvement, professional and technical education for agencies under
 42 its regulatory authority. The State Board of Higher Education shall coordinate continuing education
 43 in upper division and graduate education for public universities under its jurisdiction.

44 (2) When significantly adverse impact is alleged by one or more of the agencies listed in this
 45 subsection, the affected parties jointly shall provide for written agreements. These agreements shall

1 allocate responsibility for planning and providing continuing education or off-campus instruction in
2 specific areas or by specific types. The agencies are:

3 (a) The State Board of Education.

4 (b) The State Board of Higher Education.

5 **(c) The Portland State University Board of Directors.**

6 **(d) The University of Oregon Board of Directors.**

7 [(c)] **(e)** Community college districts.

8 [(d)] **(f)** Independent colleges.

9 [(e)] **(g)** Proprietary schools.

10 (3) In the event the affected parties fail to reach a written agreement within 120 days following
11 receipt of written notice of the allegation, either party may request the Education and Workforce
12 Policy Advisor to review and to recommend resolution.

13 (4) Nothing in this section prohibits the offering of upper division or graduate programs within
14 30 miles of the campus of the Oregon University System university [offering], **Portland State Uni-**
15 **versity or the University of Oregon that offers** the program, or the offering of lower division
16 programs within 30 miles of the campus [offering] **that offers** the program in areas outside a com-
17 munity college district. Such programs are entitled to the same college credit and financial support
18 as programs offered on the campus of the university.

19 **SECTION 209.** ORS 344.557 is amended to read:

20 344.557. (1) The Department of Human Services may refer a person for vocational training only
21 to the following schools or programs:

22 (a) A school that has accreditation recognized by the United States Department of Education.

23 (b) A school that has been approved by the Higher Education Coordinating Commission to offer
24 and confer degrees in Oregon.

25 (c) A community college.

26 (d) A public university listed in ORS 352.002.

27 **(e) Portland State University.**

28 **(f) The University of Oregon.**

29 [(e)] **(g)** The Oregon Health and Science University.

30 [(f)] **(h)** A career school licensed under ORS 345.010 to 345.450.

31 [(g)] **(i)** An apprenticeship program that is registered with the State Apprenticeship and Training
32 Council.

33 (2) This section does not apply to vocational rehabilitation training.

34 **SECTION 210.** ORS 344.753 is amended to read:

35 344.753. (1) Employers who enter into written agreements with educational institutions and who
36 are providing training to participants in youth apprenticeship and training or work based learning
37 programs are eligible for reimbursement of expenses incurred in the training process. These ex-
38 penses may include wages paid to the student, training costs for mentors and supervisors, equipment
39 costs to set up youth training capacity, curriculum development costs, costs of establishing interfirm
40 training centers or other costs necessitated by the training agreement.

41 (2) The amount of reimbursement shall be 50 percent of the actual cost of the investment, such
42 reimbursement not to exceed \$2,500 per student who completes the agreed upon course of study.
43 In the event that a student drops out of the program through no fault of the employer, the Depart-
44 ment of Education may reimburse the employer for costs incurred to that point.

45 (3) Eligible employers may elect to receive education service credits in lieu of the reimburse-

1 ment provided in this section. The amount of the education service credit shall equal the value of
2 the potential reimbursement on a dollar-for-dollar basis. Education service credits may be used to
3 purchase educational services provided to the employer by school districts, education service dis-
4 tricts, community colleges, **Portland State University, the University of Oregon**, the Oregon
5 University System or private providers approved by the Department of Education.

6 (4) Employers who terminate students without the concurrence of the school forfeit all claim to
7 reimbursements or education service credits earned under this section.

8 (5) The total amount of employer reimbursement allowable under this section to all employers
9 shall not exceed the amount allocated therefor biennially from the Administrative Services Eco-
10 nomic Development Fund.

11 (6) Reimbursements allowed under this section must first be certified with regard to eligibility
12 and availability of funds pursuant to a method established by the Department of Education in con-
13 sultation with the Bureau of Labor and Industries.

14 **SECTION 211.** ORS 348.005 is amended to read:

15 348.005. (1) The Legislative Assembly finds that:

16 (a) The State of Oregon can achieve its full economic and social potential only if all Oregonians
17 have the opportunity to contribute to the full extent of their capabilities and only when financial
18 barriers to their educational goals are removed;

19 (b) All Oregonians who meet the appropriate admissions requirements should be able to attend
20 any community college, **any** public university listed in ORS 352.002, **Portland State University,**
21 **the University of Oregon** or **any** independent not-for-profit institution of post-secondary education
22 regardless of individual economic or social circumstances;

23 (c) The interests of this state are best served when public subsidies supporting college students
24 are distributed fairly, equitably and consciously to ensure maximum access and choice for all
25 Oregonians at the least cost to the taxpayers;

26 (d) Need-based student financial aid is an effective, efficient and essential means of assisting
27 Oregonians who are unable to afford the full cost of higher education;

28 (e) Student financial aid allows Oregonians with limited resources to select academic programs
29 based on their interests, aptitudes and career goals;

30 (f) Student financial aid encourages and permits capable and promising Oregonians to persist in
31 their education and training within this state; and

32 (g) By assisting Oregonians in this manner, student financial aid contributes to the quality of
33 life of each Oregonian and to the social, cultural and economic well-being of all Oregonians.

34 (2) It is the intention of the Legislative Assembly to establish financial assistance programs to
35 enable qualified Oregonians who need student aid to obtain post-secondary education in Oregon's
36 community colleges, public universities or independent not-for-profit institutions of post-secondary
37 education.

38 **SECTION 212.** ORS 348.010 is amended to read:

39 348.010. (1) An account in the Oregon University System Fund established under ORS 351.506
40 is designated for the purpose of granting student loans under the terms established by the National
41 Defense Education Act of 1958, as amended, under the terms of the Health Professions Educational
42 Assistance Act of 1963, as amended, and under the terms of the Nurses Training Act of 1964, as
43 amended.

44 (2) The account designated under this section consists of:

45 (a) All moneys made available to the State Board of Higher Education, **Portland State Uni-**

1 **versity and the University of Oregon** for student loan purposes by state appropriations and by the
 2 federal government under terms of the National Defense Education Act of 1958, as amended, under
 3 the terms of the Health Professions Educational Assistance Act of 1963, as amended, and under the
 4 terms of the Nurses Training Act of 1964, as amended;

5 (b) Repayments of loans identified in paragraph (a) of this subsection;

6 (c) Interest earned on student loans identified in paragraph (a) of this subsection; and

7 (d) Earnings from investments of the account.

8 (3) The repayment in whole or part of any student loan made under terms of the National De-
 9 fense Education Act of 1958, as amended, under the terms of the Health Professions Educational
 10 Assistance Act of 1963, as amended, and under the terms of the Nurses Training Act of 1964, as
 11 amended, shall be made pursuant to the provisions of the applicable federal statutes and repayment
 12 to the account designated under this section shall be made in accordance with applicable federal
 13 statutes.

14 (4) Income and interest derived from moneys in the account designated by this section are
 15 credited to the account.

16 **SECTION 213.** ORS 348.180 is amended to read:

17 348.180. As used in this section and ORS 348.186, 348.205, 348.230, 348.250, 348.260 and 348.285:

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

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

20 (a) A public university listed in ORS 352.002;

21 **(b) Portland State University;**

22 **(c) The University of Oregon;**

23 [(b)] **(d)** A community college operated under ORS chapter 341;

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

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

26 (3) "Qualified student" means any resident student who plans to attend an eligible post-
 27 secondary institution and who:

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

29 (b) Is enrolled in an eligible program as defined by rule of the Oregon Student Access Commis-
 30 sion; and

31 (c) Is making satisfactory academic progress as defined by rule of the commission.

32 **SECTION 214.** ORS 348.205 is amended to read:

33 348.205. (1) The Oregon Opportunity Grant program is established within the Oregon Student
 34 Access Commission.

35 (2) Under the program, the cost of education of a qualified student shall be shared by the stu-
 36 dent, the family of the student, the federal government and the state.

37 (3) The commission shall determine the cost of education of a qualified student based on the type
 38 of eligible post-secondary institution the student is attending. The cost of education equals:

39 (a) For a student attending a community college, the average cost of education of attending a
 40 community college in this state;

41 (b) For a student attending a public university under the direction of the State Board of Higher
 42 Education, the average cost of education of attending a public university under the direction of the
 43 board;

44 **(c) For a student attending the University of Oregon or Portland State University, the**
 45 **average cost of education of attending the university;**

1 [(c)] (d) For a student attending a two-year Oregon-based, generally accredited, not-for-profit
2 institution of higher education, the average cost of education of attending a community college in
3 this state; and

4 [(d)] (e) For a student attending the Oregon Health and Science University or a four-year
5 Oregon-based, generally accredited, not-for-profit institution of higher education, the average cost
6 of education of attending an institution under the direction of the board.

7 (4)(a) The commission shall determine the amount of the student share. The student share shall
8 be based on:

9 (A) The type of eligible post-secondary institution the student is attending;

10 (B) The number of hours of work that the commission determines may be reasonably expected
11 from the student; and

12 (C) The amount of loans that the commission determines would constitute a manageable debt
13 burden for the student.

14 (b) The student shall determine how to cover the student share through income from work,
15 loans, savings and scholarships.

16 (c) The student share for a student who attends a community college may not exceed the amount
17 that the commission determines a student may earn based on the number of hours of work reason-
18 ably expected from the student under paragraph (a) of this subsection.

19 (d) The student share for a student who attends an eligible post-secondary institution that is not
20 a community college may not exceed the sum of the amount that the commission determines a stu-
21 dent may receive as loans plus the amount a student may earn based on the number of hours of
22 work reasonably expected from the student under paragraph (a) of this subsection.

23 (5) The commission shall determine the amount of the family share. The family share shall be
24 based on the resources of the family.

25 (6) The commission shall determine the amount of the federal share based on how much the
26 student or the student's family is expected to receive from the federal government as grants, loans,
27 tax credits or other student assistance.

28 (7)(a) The commission shall determine the amount of the state share. The state share shall be
29 equal to the cost of education reduced by the student share, family share and amount received by
30 the student from the federal government.

31 (b) The commission shall establish a minimum amount that a student may receive as a state
32 share. If the commission determines that the amount of the state share of a student is below the
33 minimum amount, the student may not receive the state share.

34 (c) In determining the amount of the state share, the commission shall consider the total amount
35 available to award as grants to all qualified students. If the commission must reduce the amount of
36 the state share under this paragraph, the commission may not reduce the amount of the state share
37 awarded to students in the low income range in a greater proportion than the amount that the state
38 share for students in other income ranges is reduced.

39 (8)(a) The commission shall adopt rules that prioritize current foster children and former foster
40 children for receiving Oregon Opportunity Grants when the Oregon Opportunity Grant program
41 does not have sufficient funding to serve all eligible Oregon students.

42 (b) For the purposes of this subsection, "former foster child" has the meaning given that term
43 in ORS 351.293.

44 **SECTION 215.** ORS 348.270 is amended to read:

45 348.270. (1) In addition to any other scholarships provided by law, the **Oregon Student Access**

1 Commission shall award scholarships in any public university listed in ORS 352.002, **in Portland**
2 **State University, in the University of Oregon**, in the Oregon Health and Science University, in
3 any community college operated under ORS chapter 341, or in any Oregon-based regionally accred-
4 ited independent institution, to any student applying for enrollment or who is enrolled therein, who
5 is:

6 (a) The natural child, adopted child or stepchild of any public safety officer who, in the line of
7 duty, was killed or so disabled, as determined by the commission, that the income of the public
8 safety officer is less than that earned by public safety officers performing duties comparable to those
9 performed at the highest rank or grade attained by the public safety officer; or

10 (b) A current foster child or former foster child who enrolls in an institution of higher education
11 as an undergraduate student not later than three years from the date the student was removed from
12 the care of the Department of Human Services, the date the student graduated from high school or
13 the date the student received the equivalent of a high school diploma, whichever date is earliest.

14 (2) Scholarships awarded under this section to students who are dependents of public safety of-
15 ficers or who are current foster children or former foster children shall equal the amount of tuition
16 and all fees levied by the institution against the recipient of the scholarship. However, scholarships
17 awarded to students who attend independent institutions shall not exceed the amount of tuition and
18 all fees levied by the University of Oregon.

19 (3) If the student who is the dependent of a deceased public safety officer continues to remain
20 enrolled in a public university listed in ORS 352.002, **Portland State University or the University**
21 **of Oregon**, or **in** a community college or an independent institution within the State of Oregon, the
22 student shall be entitled to renewal of the scholarship until the student has received the equivalent
23 of four years of undergraduate education and four years of post-graduate education.

24 (4) If the student who is a current foster child or former foster child or who is the dependent
25 of a public safety officer with a disability continues to remain enrolled in a public university listed
26 in ORS 352.002, **Portland State University or the University of Oregon**, or **in** a community col-
27 lege or an independent institution within the State of Oregon, the student shall be entitled to re-
28 newal of the scholarship until the student has received the equivalent of four years of undergraduate
29 education.

30 (5) The commission may require proof of the student's relationship to a public safety officer de-
31 scribed in subsection (1) of this section or proof that the student is a current foster child or former
32 foster child.

33 (6) As used in this section:

34 (a) "Former foster child" means an individual who, for a total of 12 or more months while be-
35 tween the ages of 16 and 21, was a ward of the court pursuant to ORS 419B.100 (1)(b) to (e) and in
36 the legal custody of the Department of Human Services for out-of-home placement.

37 (b) "Public safety officer" means:

38 (A) A firefighter or police officer as those terms are defined in ORS 237.610.

39 (B) A member of the Oregon State Police.

40 (C) A police officer commissioned by a university under ORS 352.383.

41 (D) An authorized tribal police officer as defined in section 1, chapter 644, Oregon Laws 2011.

42 **SECTION 216.** ORS 348.270, as amended by section 51, chapter 644, Oregon Laws 2011, is
43 amended to read:

44 348.270. (1) In addition to any other scholarships provided by law, the **Oregon Student Access**
45 Commission shall award scholarships in any public university listed in ORS 352.002, **in Portland**

1 **State University, in the University of Oregon**, in the Oregon Health and Science University, in
 2 any community college operated under ORS chapter 341, or in any Oregon-based regionally accred-
 3 ited independent institution, to any student applying for enrollment or who is enrolled therein, who
 4 is:

5 (a) The natural child, adopted child or stepchild of any public safety officer who, in the line of
 6 duty, was killed or so disabled, as determined by the commission, that the income of the public
 7 safety officer is less than that earned by public safety officers performing duties comparable to those
 8 performed at the highest rank or grade attained by the public safety officer; or

9 (b) A current foster child or former foster child who enrolls in an institution of higher education
 10 as an undergraduate student not later than three years from the date the student was removed from
 11 the care of the Department of Human Services, the date the student graduated from high school or
 12 the date the student received the equivalent of a high school diploma, whichever date is earliest.

13 (2) Scholarships awarded under this section to students who are dependents of public safety of-
 14 ficers or who are current foster children or former foster children shall equal the amount of tuition
 15 and all fees levied by the institution against the recipient of the scholarship. However, scholarships
 16 awarded to students who attend independent institutions shall not exceed the amount of tuition and
 17 all fees levied by the University of Oregon.

18 (3) If the student who is the dependent of a deceased public safety officer continues to remain
 19 enrolled in a public university listed in ORS 352.002, **Portland State University or the University**
 20 **of Oregon**, or **in** a community college or an independent institution within the State of Oregon, the
 21 student shall be entitled to renewal of the scholarship until the student has received the equivalent
 22 of four years of undergraduate education and four years of post-graduate education.

23 (4) If the student who is a current foster child or former foster child or who is the dependent
 24 of a public safety officer with a disability continues to remain enrolled in a public university listed
 25 in ORS 352.002, **Portland State University or the University of Oregon**, or **in** a community col-
 26 lege or an independent institution within the State of Oregon, the student shall be entitled to re-
 27 newal of the scholarship until the student has received the equivalent of four years of undergraduate
 28 education.

29 (5) The commission may require proof of the student's relationship to a public safety officer de-
 30 scribed in subsection (1) of this section or proof that the student is a current foster child or former
 31 foster child.

32 (6) As used in this section:

33 (a) "Former foster child" means an individual who, for a total of 12 or more months while be-
 34 tween the ages of 16 and 21, was a ward of the court pursuant to ORS 419B.100 (1)(b) to (e) and in
 35 the legal custody of the Department of Human Services for out-of-home placement.

36 (b) "Public safety officer" means:

37 (A) A firefighter or police officer as those terms are defined in ORS 237.610.

38 (B) A member of the Oregon State Police.

39 (C) A police officer commissioned by a university under ORS 352.383.

40 **SECTION 217.** ORS 348.282 is amended to read:

41 348.282. As used in this section and ORS 348.283:

42 (1) "Armed Forces of the United States" means:

43 (a) The Army, Navy, Air Force, Marine Corps and Coast Guard of the United States;

44 (b) The reserves of the Army, Navy, Air Force, Marine Corps and Coast Guard of the United
 45 States; and

- 1 (c) The Oregon National Guard and a National Guard of any other state or territory.
- 2 (2) “Public post-secondary institution” means:
- 3 (a) A public university under the direction of the State Board of Higher Education; *[and]*
- 4 **(b) Portland State University;**
- 5 **(c) The University of Oregon; and**
- 6 *[(b)]* **(d)** A community college operated under ORS chapter 341.
- 7 (3) “Veteran” has the meaning given that term in ORS 408.225.
- 8 **SECTION 218.** ORS 348.394 is amended to read:
- 9 348.394. As used in ORS 348.394 to 348.406:
- 10 (1) “Eligible post-secondary institution” means:
- 11 (a) A public university listed in ORS 352.002;
- 12 (b) A community college as defined in ORS 341.005; *[or]*
- 13 **(c) Portland State University;**
- 14 **(d) The University of Oregon; or**
- 15 *[(c)]* **(e)** A generally accredited, not-for-profit institution of higher education.
- 16 (2) “Participant” means a student who receives a grant under ORS 348.401.
- 17 **SECTION 219.** ORS 348.470 is amended to read:
- 18 348.470. The Legislative Assembly finds and declares that:
- 19 (1) It is the policy of this state to encourage cooperation between the Oregon University
- 20 System, **Portland State University, the University of Oregon** and community colleges on issues
- 21 affecting students who transfer *[between the two]* **among the** segments; and
- 22 (2) All unnecessary obstacles that restrict student transfer opportunities *[between the two]*
- 23 **among the** segments shall be eliminated.
- 24 **SECTION 220.** ORS 348.597 is amended to read:
- 25 348.597. (1) Except as provided in subsection (2) of this section, ORS 348.594 to 348.615 apply to
- 26 all schools that operate in this state.
- 27 (2) ORS 348.594 to 348.615 do not apply to:
- 28 (a) An Oregon community college;
- 29 (b) A public university listed in ORS 352.002, **Portland State University or the University**
- 30 **of Oregon;**
- 31 (c) The Oregon Health and Science University;
- 32 (d) A school, or a separately accredited campus of a school, if the school:
- 33 (A) Is a nonprofit school that is exempt from federal income tax under section 501(c)(3) of the
- 34 Internal Revenue Code;
- 35 (B) Conferred degrees in this state under the same control for at least five consecutive years;
- 36 and
- 37 (C) Is accredited by a regional accrediting association or its national successor;
- 38 (e) A school that, on July 14, 2005, was a school that met the criteria and followed procedures
- 39 to obtain a religious exemption adopted by rule by the Oregon Student Access Commission and that
- 40 offered only degrees with approved titles in theology or religious occupations; or
- 41 (f) A school that is exempt from ORS 348.594 to 348.615 under ORS 348.604.
- 42 (3) The Higher Education Coordinating Commission shall issue a separate license to issue de-
- 43 grees to each school that meets the requirements for exemption from evaluation by the office set
- 44 forth in subsection (2)(d) of this section. The license shall remain in effect if the school continues
- 45 to meet the requirements of subsection (2)(d) of this section.

1 **SECTION 221.** ORS 348.890 is amended to read:

2 348.890. (1) The Higher Education Coordinating Commission shall provide policy direction to
3 implement regional partnership proposals and any other joint program or activity approved by the
4 State Board of Education [*and*], **Portland State University, the University of Oregon** or the State
5 Board of Higher Education.

6 (2) Notwithstanding ORS 351.063 (3), the Department of Community Colleges and Workforce
7 Development and the Oregon University System may use appropriations from the General Fund to
8 implement agreements approved by the Higher Education Coordinating Commission that provide di-
9 rect aid to a student, or other incentives that encourage shared use of facilities, programs and other
10 resources of public universities listed in ORS 352.002 and community colleges.

11 **SECTION 222.** ORS 348.900 is amended to read:

12 348.900. (1) The Employment Department, in consultation with health care industry employers,
13 shall perform a statewide and regional needs assessment for health care occupations to identify
14 emerging occupations and occupations for which there is high demand or a shortage of workers. The
15 assessment shall be performed as necessary on a periodic basis, as determined by the department,
16 in consultation with industry employers. To perform the needs assessment, the department may
17 consider any reliable data sources available to the department.

18 (2) Based on the needs assessment, the Higher Education Coordinating Commission shall inform
19 the community colleges, public universities listed in ORS 352.002, **Portland State University, the**
20 **University of Oregon**, Oregon Health and Science University and health care industry employers
21 of the identified statewide needs and invite the development of health care education programs that
22 are responsive to those needs.

23 (3) When approving health care education programs, the State Board of Education, the State
24 Board of Higher Education and the Oregon Health and Science University Board of Directors shall
25 use the statewide needs assessment to evaluate whether a program fulfills statewide needs. If a
26 board determines there is a statewide need, the board shall facilitate the:

27 (a) Coordination of new health care education programs and existing health care education
28 programs that are similar to the new health care education programs to address the statewide need;
29 and

30 (b) Alignment of health care education programs relating to statewide access, student
31 transferability between programs, course articulation and common student learning outcomes for
32 health care education programs.

33 (4) In the development and approval of health care education programs, community colleges,
34 public universities, Oregon Health and Science University, the State Board of Education, the State
35 Board of Higher Education, **the Portland State University Board of Directors, the University**
36 **of Oregon Board of Directors** and the Oregon Health and Science University Board of Directors
37 shall consider issues related to statewide access, student transferability between programs, course
38 articulation and common student learning outcomes for health care education programs. The com-
39 munity colleges, public universities, Oregon Health and Science University and boards shall con-
40 tinue to provide and improve upon an effective articulation and transfer framework for students in
41 Oregon's post-secondary sectors.

42 **SECTION 223.** ORS 348.910 is amended to read:

43 348.910. (1) As used in this section, "applied baccalaureate degree" means a bachelor's degree
44 designed to incorporate applied associate courses and degrees with additional coursework empha-
45 sizing higher-order thinking skills and advanced technical knowledge and skills.

1 (2) The Higher Education Coordinating Commission shall develop a plan for offering applied
 2 baccalaureate degree programs at community colleges, **Portland State University, the University**
 3 **of Oregon** and public universities listed in ORS 352.002. The commission shall consider the follow-
 4 ing types of programs for the purpose of offering some of these types and the possibility of combi-
 5 nations of these types:

6 (a) A career ladder program that requires a substantial number of upper level courses in the
 7 same technical area of study as the student's applied associate degree;

8 (b) An inverse program that reverses the traditional curriculum sequence by adding general
 9 education courses in the student's third and fourth years to the associate degree courses taken in
 10 the student's first and second years;

11 (c) A management ladder program that combines associate degree requirements with applied
 12 management skills coursework; and

13 (d) A work experience program that combines general education and technical coursework with
 14 direct, supervised work experience in a relevant field.

15 (3) The plan must include the following elements:

16 (a) The method by which the applied baccalaureate degree programs will be created, including
 17 any necessary accreditation by the relevant accrediting agency;

18 (b) The criteria for approving the degree and course options offered by **Portland State Uni-**
 19 **versity, the University of Oregon**, public universities listed in ORS 352.002 and community col-
 20 leges;

21 (c) The articulation agreements between community colleges **and Portland State University,**
 22 **the University of Oregon** and public universities listed in ORS 352.002 necessary to ensure that
 23 the applied baccalaureate degree programs are as widely available as possible;

24 (d) The resources required to implement the applied baccalaureate degree program;

25 (e) The timeline necessary to implement the applied baccalaureate degree program; and

26 (f) A recommendation as to whether community colleges should be allowed to offer applied
 27 baccalaureate degrees.

28 **SECTION 224.** ORS 351.015 is amended to read:

29 351.015. The Oregon University System shall be conducted under the control of a board of 15
 30 directors, to be known as the State Board of Higher Education. Except as otherwise provided by
 31 law, the board has sole authority to govern, set policy and otherwise manage the affairs of the
 32 public universities listed in ORS 352.002. The board shall consist of:

33 (1) Two students who at the time of their appointment to the board are attending different public
 34 universities listed in ORS 352.002.

35 (2) One member of the faculty at Oregon State University[, *Portland State University or Uni-*
 36 *versity of Oregon*].

37 (3) One member of the faculty at Eastern Oregon University, Oregon Institute of Technology,
 38 Southern Oregon University or Western Oregon University.

39 (4) Eleven members of the general public who are not students or faculty members at the time
 40 of appointment.

41 **SECTION 225.** ORS 351.296, as amended by section 50, chapter _____, Oregon Laws 2013
 42 (Enrolled House Bill 2148), is amended to read:

43 351.296. (1) As used in this section, "institution of higher education" means:

44 (a) A public university listed in ORS 352.002;

45 (b) A community college operated under ORS chapter 341; [or]

1 (c) The Oregon Health and Science University;[.]

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

3 (e) **The University of Oregon.**

4 (2) An institution of higher education shall allow members and agents of the Armed Forces of
5 the United States to recruit on a public campus and shall set rules and standards for such recruit-
6 ment that are the same as for all other employment recruitment activities allowed on the campus.

7 **SECTION 226.** ORS 351.509 is amended to read:

8 351.509. (1) There is established in the General Fund an account to be known as the Portland
9 State University Center for Nanoscience and Nanotechnology Account. Funds in the account shall
10 be used for the acquisition and expansion of microscopy and materials characterization facilities at
11 Portland State University related to a signature research center.

12 (2) The account shall consist of proceeds from lottery bonds made available to [*the Oregon*
13 *University System*] **Portland State University** for the purpose of the Portland State University
14 center for nanoscience and nanotechnology project described in subsection (1) of this section. In-
15 terest earned on moneys in the account shall be credited to the account.

16 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]
17 **Portland State University** for the center for nanoscience and nanotechnology project described in
18 subsection (1) of this section. The account may not be credited with more than \$500,000 in interest
19 and proceeds from lottery bonds.

20 **SECTION 227.** ORS 351.511 is amended to read:

21 351.511. (1) There is established in the General Fund an account to be known as the Portland
22 State University Northwest Engineering Science Center Phase I Account. Funds in the account shall
23 be used for acquisition or construction of an engineering science center at Portland State Univer-
24 sity.

25 (2) The account shall consist of federal and local government funds made available to and funds
26 donated to [*the Oregon University System*] **Portland State University** for the purpose of the
27 Portland State University Northwest Engineering Science Center Phase I project described in sub-
28 section (1) of this section. Interest earned on moneys in the account shall be credited to the ac-
29 count.

30 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]
31 **Portland State University** for the purposes described in subsection (1) of this section. The account
32 may not be credited with more than \$26,500,000 in interest, donations and federal and local gov-
33 ernment funds for purposes of this subsection.

34 **SECTION 228.** ORS 351.517 is amended to read:

35 351.517. (1) There is established in the General Fund an account to be known as the University
36 of Oregon Education Building and Complex Account. Funds in the account shall be used for the
37 acquisition, construction, remodeling, expansion and renovation of facilities for an education build-
38 ing and complex at the University of Oregon.

39 (2) The account shall consist of federal and local government funds made available to and funds
40 donated to the Oregon University System for the purpose of the education building and complex
41 project described in subsection (1) of this section. Interest earned on moneys in the account shall
42 be credited to the account. The account may not be credited with more than \$19,400,000 in interest,
43 donations and federal and local government funds for purposes of this subsection.

44 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**
45 **behalf of the University of Oregon,** and may be transferred to the account designated by ORS

1 351.626 for the education building and complex project described in subsection (1) of this section.

2 **SECTION 229.** ORS 351.518 is amended to read:

3 351.518. (1) There is established in the General Fund an account to be known as the University
4 of Oregon Gilbert Hall Account. Funds in the account shall be used for the acquisition, construction,
5 remodeling, expansion and renovation of facilities for Gilbert Hall at the University of Oregon.

6 (2) The account shall consist of federal and local government funds made available to and funds
7 donated to the Oregon University System for the purpose of the Gilbert Hall project described in
8 subsection (1) of this section. Interest earned on moneys in the account shall be credited to the ac-
9 count. The account may not be credited with more than \$3,300,000 in interest, donations and federal
10 and local government funds for purposes of this subsection.

11 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**
12 **behalf of the University of Oregon** and may be transferred to the account designated by ORS
13 351.626 for the Gilbert Hall project described in subsection (1) of this section.

14 **SECTION 230.** ORS 351.519 is amended to read:

15 351.519. (1) There is established in the General Fund an account to be known as the University
16 of Oregon Integrative Science Complex Account. Funds in the account shall be used for the acqui-
17 sition, construction, remodeling, expansion and renovation of facilities for an integrative science
18 complex at the University of Oregon that includes a multiscale materials and devices laboratory and
19 other facilities related to a signature research center.

20 (2) The account shall consist of proceeds from lottery bonds made available to the Oregon Uni-
21 versity System **or the University of Oregon** for the purpose of the University of Oregon integrative
22 science complex project described in subsection (1) of this section. Interest earned on moneys in the
23 account shall be credited to the account.

24 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**
25 **behalf of the University of Oregon** for the integrative science complex project described in sub-
26 section (1) of this section. The account may not be credited with more than \$4,750,000 in interest
27 and proceeds from lottery bonds.

28 **SECTION 231.** ORS 351.521 is amended to read:

29 351.521. (1) There is established in the General Fund an account to be known as the University
30 of Oregon School of Music Account. Funds in the account shall be used for additions and alterations
31 to the School of Music at the University of Oregon.

32 (2) The account shall consist of federal and local government funds made available to and funds
33 donated to the Oregon University System **or the University of Oregon** for the purpose of the
34 University of Oregon School of Music project described in subsection (1) of this section. Interest
35 earned on moneys in the account shall be credited to the account.

36 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**
37 **behalf of the University of Oregon** for that purpose. The account may not be credited with more
38 than \$7,600,000 in interest, donations and federal and local government funds for purposes of this
39 subsection.

40 **SECTION 232.** ORS 351.538 is amended to read:

41 351.538. (1) There is established in the General Fund an account to be known as the Museum
42 of Art Project Account. Funds in the account shall be used for additions to and alterations of the
43 Museum of Art at the University of Oregon.

44 (2) The account shall consist of federal and local government funds made available to and funds
45 donated to the Oregon University System **or the University of Oregon** for the purposes of the

1 Museum of Art project described in subsection (1) of this section. Interest earned on moneys in the
2 account shall be credited to the account.

3 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**
4 **behalf of the University of Oregon** for that purpose. The account may not be credited with more
5 than \$6,360,000 in interest, donations and federal and local government funds for purposes of this
6 subsection.

7 **SECTION 233.** ORS 351.539 is amended to read:

8 351.539. (1) There is established in the General Fund an account to be known as the Straub Hall
9 Project Account. Funds in the account shall be used for the additions to and alterations of Straub
10 Hall at the University of Oregon.

11 (2) The account shall consist of federal and local government funds made available to and funds
12 donated to the Oregon University System **or the University of Oregon** for the purposes of the
13 Straub Hall project described in subsection (1) of this section. Interest earned on moneys in the
14 account shall be credited to the account.

15 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**
16 **behalf of the University of Oregon** for that purpose. The account may not be credited with more
17 than \$1,166,000 in interest, donations and federal and local government funds for purposes of this
18 subsection.

19 **SECTION 234.** ORS 351.642, as amended by section 7, chapter 106, Oregon Laws 2012, is
20 amended to read:

21 351.642. (1) As used in this section:

22 (a) "Active member of the Armed Forces of the United States" includes officers and enlisted
23 personnel of the Armed Forces of the United States who:

24 (A) Reside in this state while assigned to duty at any base, station, shore establishment or other
25 facility in this state;

26 (B) Reside in this state while serving as members of the crew of a ship that has an Oregon port
27 or shore establishment as its home port or permanent station; or

28 (C) Reside in another state or a foreign country and establish Oregon residency by filing Oregon
29 state income taxes no later than 12 months before leaving active duty.

30 (b) "Armed Forces of the United States" includes:

31 (A) The Army, Navy, Air Force, Marine Corps and Coast Guard of the United States;

32 (B) Reserve components of the Army, Navy, Air Force, Marine Corps and Coast Guard of the
33 United States; and

34 (C) The National Guard of the United States and the Oregon National Guard.

35 (c) "Dependent children" includes any children of an active member of the Armed Forces of the
36 United States, of an active member of the commissioned corps of the National Oceanic and Atmo-
37 spheric Administration or of a member of the Public Health Service of the United States Department
38 of Health and Human Services detailed by proper authority for duty with the Army or Navy of the
39 United States, who:

40 (A) Are under 18 years of age and not married, otherwise emancipated or self-supporting; or

41 (B) Are under 23 years of age, unmarried, enrolled in a full-time course of study in an institution
42 of higher learning and dependent on the member for over one-half of their support.

43 (2) Active members of the Armed Forces of the United States, active members of the commis-
44 sioned corps of the National Oceanic and Atmospheric Administration and members of the Public
45 Health Service of the United States Department of Health and Human Services detailed by proper

1 authority for duty with the Army or Navy of the United States, and their spouses and dependent
 2 children, are considered residents of this state for the purpose of admission and for the purpose of
 3 determining fees and tuition to be paid by such individuals while attending **Portland State Uni-**
 4 **versity, the University of Oregon** or any public university that is under the control of the State
 5 Board of Higher Education.

6 (3) The State Board of Higher Education, **Portland State University and the University of**
 7 **Oregon** may contract with the Armed Forces of the United States to furnish educational service in
 8 the public universities to active members of the Armed Forces of the United States.

9 (4) The State Board of Higher Education, **Portland State University and the University of**
 10 **Oregon** shall determine the number of such students that should be accepted and shall make final
 11 decisions on admission of individual applicants.

12 (5) Students attending the public universities under contracts with the Armed Forces of the
 13 United States under this section shall pay fees and tuition customarily charged Oregon students.

14 (6) Payments made by the Armed Forces of the United States under such contracts shall be de-
 15 posited in a designated account in the Oregon University System Fund established by ORS 351.506
 16 in the same manner that fees and tuition payments for resident students are deposited and credited.

17 **SECTION 235.** ORS 351.649 is amended to read:

18 351.649. (1) For the purposes of this section:

19 (a) "Public institution of higher education" means:

20 (A) A community college;

21 (B) A public university listed in ORS 352.002; *[and]*

22 (C) **Portland State University;**

23 (D) **The University of Oregon; and**

24 *[(C)]* (E) The Oregon Health and Science University.

25 (b) "School-sponsored media" means materials that are prepared, substantially written, published
 26 or broadcast by student journalists, that are distributed or generally made available, either free of
 27 charge or for a fee, to members of the student body and that are prepared under the direction of a
 28 student media adviser. "School-sponsored media" does not include media intended for distribution
 29 or transmission solely in the classrooms in which they are produced.

30 (c) "Student journalist" means a student who gathers, compiles, writes, edits, photographs, re-
 31 cords or prepares information for dissemination in school-sponsored media.

32 (d) "Student media adviser" means a person who is employed, appointed or designated by a
 33 public institution of higher education to supervise, or provide instruction relating to, school-
 34 sponsored media.

35 (2) Student journalists are responsible for determining the news, opinion, feature and advertising
 36 content of school-sponsored media. This subsection does not prevent a student media adviser from
 37 teaching professional standards of English and journalism to the student journalists.

38 (3) Nothing in this section may be interpreted to authorize expression by students that:

39 (a) Is libelous or slanderous;

40 (b) Constitutes an unwarranted invasion of privacy;

41 (c) Violates federal or state statutes, rules or regulations or state common law; or

42 (d) So incites students as to create a clear and present danger of:

43 (A) The commission of unlawful acts on or off school premises;

44 (B) The violation of school policies; or

45 (C) The material and substantial disruption of the orderly operation of the school. A school of-

1 ficial must base a forecast of material and substantial disruption on specific facts, including past
 2 experience in the school and current events influencing student behavior, and not on undifferen-
 3 tiated fear or apprehension.

4 (4) Any student enrolled in a public institution of higher education may commence a civil action
 5 to obtain damages under this subsection and appropriate injunctive or declaratory relief as deter-
 6 mined by a court for a violation of subsection (2) of this section, the First Amendment to the United
 7 States Constitution or section 8, Article I of the Oregon Constitution. Upon a motion, a court may
 8 award \$100 in damages and injunctive and declaratory relief to a prevailing plaintiff in a civil action
 9 brought under this subsection.

10 **SECTION 236.** ORS 351.656 is amended to read:

11 351.656. (1) As used in this section:

12 (a) "Child" means a child, adopted child or stepchild of a service member.

13 (b) "Eligible post-secondary institution" means:

14 (A) A public university listed in ORS 352.002; *[and]*

15 **(B) Portland State University;**

16 **(C) The University of Oregon; and**

17 *[(B)]* **(D) The Oregon Health and Science University.**

18 (c) "Qualified student" means a child, a spouse or an unremarried surviving spouse of a service
 19 member.

20 (d) "Service member" means a person who:

21 (A) As a member of the Armed Forces of the United States, died on active duty;

22 (B) As a member of the Armed Forces of the United States, died as a result of a military service
 23 connected disability; or

24 (C) Is 100 percent disabled as the result of a military service connected disability, as certified
 25 by the United States Department of Veterans Affairs or any branch of the Armed Forces of the
 26 United States.

27 (2) Subject to subsections (3) to (6) of this section, an eligible post-secondary institution shall
 28 waive tuition for a qualified student for courses that may lead to a baccalaureate degree or a
 29 master's degree. A qualified student who received a tuition waiver for a baccalaureate degree may
 30 also qualify for a tuition waiver for a master's degree.

31 (3)(a) The maximum waiver granted under this section shall be as follows:

32 (A) For a baccalaureate degree, the total number of credit hours that equals four years of full-
 33 time attendance at an eligible post-secondary institution.

34 (B) For a master's degree, the total number of credit hours that equals two years of full-time
 35 attendance at an eligible post-secondary institution.

36 (b) Notwithstanding paragraph (a) of this subsection, a waiver may not exceed the total number
 37 of credit hours the qualified student needs to graduate with a baccalaureate degree or a master's
 38 degree.

39 (4) A waiver may be granted under this section only for credit hours for courses that are offered
 40 by an eligible post-secondary institution and are available for enrollment regardless of whether the
 41 qualified student attends the course and pays tuition.

42 (5) A qualified student may receive a waiver under this section if the student:

43 (a) At the time of application for a waiver, is considered a resident of this state for the purpose
 44 of determining tuition to be paid at an eligible post-secondary institution; and

45 (b) Has been admitted to an eligible post-secondary institution for a baccalaureate degree pro-

1 gram or has been admitted to a master's degree program at an eligible post-secondary institution.

2 (6)(a) A child who applies for a waiver under this section must be 23 years of age or younger
3 at the time the child applies for a waiver.

4 (b) Notwithstanding paragraph (a) of this subsection, a child who is older than 23 years of age
5 is eligible for a waiver for a master's degree if the child:

6 (A) Applied for and received a waiver for a baccalaureate degree when the child was 23 years
7 of age or younger; and

8 (B) Applied for a waiver for a master's degree within 12 months of receiving a baccalaureate
9 degree.

10 **SECTION 237.** ORS 351.658 is amended to read:

11 351.658. (1) The State Board of Higher Education shall direct each public university listed in
12 ORS 352.002 to waive tuition for any course audited by an Oregon resident 65 years of age or older
13 if:

14 (a) Space is available in the course for additional students to register after degree-seeking stu-
15 dents have registered;

16 (b) The department in which the course is being taught approves; and

17 (c) The auditing student is registered for eight credits or fewer per term.

18 **(2) The Portland State University Board of Directors shall waive tuition for any course**
19 **audited by an Oregon resident 65 years of age or older if:**

20 **(a) Space is available in the course for additional students to register after degree-**
21 **seeking students have registered;**

22 **(b) The department in which the course is being taught approves; and**

23 **(c) The auditing student is registered for eight credits or fewer per term.**

24 **(3) The University of Oregon Board of Directors shall waive tuition for any course au-**
25 **ditied by an Oregon resident 65 years of age or older if:**

26 **(a) Space is available in the course for additional students to register after degree-**
27 **seeking students have registered;**

28 **(b) The department in which the course is being taught approves; and**

29 **(c) The auditing student is registered for eight credits or fewer per term.**

30 [(2)] (4) The public university may charge the student attending under [subsection (1)] **sub-**
31 **sections (1) to (3)** of this section fees associated with the course being audited.

32 [(3)] (5) A public university may develop rules for implementation of this section, including rules
33 relating to registration, admission and fees.

34 **SECTION 238.** ORS 351.695 is amended to read:

35 351.695. (1) A university within the Oregon University System may deposit moneys received for
36 its university venture development fund in the Higher Education Donation Fund established under
37 ORS 351.130.

38 (2) Notwithstanding ORS 351.697 (5), the State Treasurer, as payment for expenses, may deduct
39 a fee pursuant to ORS 293.718 from a university venture development fund administered by a uni-
40 versity within the Oregon University System, **Portland State University, the University of**
41 **Oregon** or the Oregon Health and Science University.

42 (3) A university within the Oregon University System, **Portland State University, the Uni-**
43 **versity of Oregon** or the Oregon Health and Science University may direct that moneys credited
44 to its university venture development fund be held and invested by the university's affiliated foun-
45 dation. Any moneys held by an affiliated foundation under this section or ORS 351.697 are not sub-

1 ject to the provisions of ORS chapter 293 or 295 and may not be considered public or state funds
 2 for any purpose. Moneys transferred to an affiliated foundation under this section or ORS 351.697
 3 may be used only as provided under ORS 351.692, 351.695, 351.697 and 353.445.

4 (4) At the request of a university within the Oregon University System, moneys in the Higher
 5 Education Donation Fund that were deposited by the university under this section may be trans-
 6 ferred to the university's affiliated foundation.

7 (5) A university within the Oregon University System, **Portland State University, the Uni-**
 8 **versity of Oregon** or the Oregon Health and Science University may retain or may elect to have
 9 its affiliated foundation retain some or all of the principal contributed to a university venture de-
 10 velopment fund for investment to perpetuate and increase the moneys available for expenditure. The
 11 balance of the fund and the earnings on that balance may be used as provided under ORS 351.692,
 12 351.695, 351.697 and 353.445.

13 **SECTION 239.** ORS 351.697 is amended to read:

14 351.697. (1) Each university in the Oregon University System, **Portland State University, the**
 15 **University of Oregon** and Oregon Health and Science University may elect to establish a univer-
 16 sity venture development fund as provided in this section for the purpose of facilitating the
 17 commercialization of university research and development. A university shall direct that the uni-
 18 versity venture development fund be administered, in whole or in part, by the university or by the
 19 university's affiliated foundation.

20 (2) The purposes of a university venture development fund are to provide:

21 (a) Capital for university entrepreneurial programs;

22 (b) Opportunities for students to gain experience in applying research to commercial activities;

23 (c) Proof-of-concept funding for transforming research and development concepts into commer-
 24 cially viable products and services;

25 (d) Entrepreneurial opportunities for persons interested in transforming research into viable
 26 commercial ventures that create jobs in this state; and

27 (e) Tax credits for contributors to university research commercialization activities.

28 (3) Each university that elects to establish a university venture development fund shall:

29 (a) Notify the Department of Revenue of the establishment of the fund;

30 (b) Either directly or through its affiliated foundation, solicit contributions to the fund and re-
 31 ceive, manage and disburse moneys contributed to the fund;

32 (c) Subject to ORS 315.521 (1), 351.692 (3) and 353.445 (3), issue tax credit certificates to con-
 33 tributors to the fund in the amount of the contributions;

34 *[(d) Establish a grant program that meets the requirements for a venture grant program under*
 35 *policies adopted by the State Board of Higher Education under ORS 351.692 or under policies adopted*
 36 *by the Oregon Health and Science University Board of Directors under ORS 353.445; and]*

37 **(d) Establish a grant program that meets the requirements for a venture grant program**
 38 **under policies adopted by:**

39 **(A) The State Board of Higher Education under ORS 351.692;**

40 **(B) The University of Oregon Board of Directors under section 52 of this 2013 Act;**

41 **(C) The Portland State University Board of Directors under section 114 of this 2013 Act;**

42 **or**

43 **(D) The Oregon Health and Science University Board of Directors under ORS 353.445; and**

44 (e) Subject to available moneys from the fund, provide qualified grant applicants with moneys
 45 for the purpose of facilitating the commercialization of university research and development.

1 (4) Except as provided in subsection (5) of this section, moneys in a university venture devel-
 2 opment fund shall be disbursed only as directed by a university.

3 (5) A university or its affiliated foundation may charge its customary administrative assessment
 4 to manage its university venture development fund in an amount not to exceed three percent of the
 5 fund's average balance during the fiscal year of the university or its affiliated foundation. The ad-
 6 ministrative assessment may be paid from the assets in the fund. Except as authorized by law, no
 7 other fees or indirect costs shall be charged against the university venture development fund or any
 8 associated grants or other disbursements from the fund.

9 (6) A university that has established a university venture development fund shall monitor the
 10 use of grants made from the fund and identify the income realized by the university as the result
 11 of the use of the grants. Income consists of cash realized from royalties, milestone and license fee
 12 payments and cash from the sale of equity. The university shall cause the transfer of 20 percent of
 13 the income realized from the grants to the General Fund, but not to exceed the amount of the tax
 14 credits issued by the university as a result of contributions to its university venture development
 15 fund. Immediately upon deposit of the transferred amount into the General Fund, the university may
 16 issue new tax credits to equal the transferred amount.

17 (7) A university that has established a university venture development fund shall report annually
 18 to the Legislative Assembly or, if the Legislative Assembly is not in session, to the interim legisla-
 19 tive committees on revenue. The report shall be at the end of the fiscal year of the university or
 20 of its affiliated foundation and provide information for that fiscal year. The university shall include
 21 in the report the following information pertaining to its university venture development fund:

- 22 (a) The amount of donations received for the fund;
- 23 (b) The amount of income received from the fund;
- 24 (c) The amount of disbursements and grants paid from the fund;
- 25 (d) The amount of income and royalties received from disbursements from the fund; and
- 26 (e) The amount of moneys transferred from the fund to the General Fund.

27 **SECTION 240.** ORS 351.700 is amended to read:

28 351.700. As used in ORS 351.704 and 351.708, "public institution of higher education" means:

- 29 (1) A community college; [or]
- 30 (2) A public university listed in ORS 352.002[.];
- 31 **(3) Portland State University; or**
- 32 **(4) The University of Oregon.**

33 **SECTION 241.** ORS 351.704 is amended to read:

34 351.704. (1) Subject to ORS 351.094 and any group health and welfare insurance benefit plan
 35 developed under ORS 351.094, **or any group health and welfare insurance benefit plan developed**
 36 **by Portland State University or the University of Oregon**, a part-time faculty member at a
 37 public institution of higher education is eligible for the same health care benefits as full-time faculty
 38 members if the part-time faculty member is eligible for membership in the Public Employees Retirement
 39 System or another plan authorized under ORS chapter 238 or 238A by teaching either at a
 40 single public institution of higher education or in aggregate at multiple public institutions of higher
 41 education during the prior year.

42 (2) A part-time faculty member at a public institution of higher education shall pay all insurance
 43 premiums for health care benefits unless otherwise provided for by the policy of the institution or
 44 by collective bargaining at the institution.

45 **SECTION 242.** ORS 351.708 is amended to read:

1 351.708. The State Board of Education, **the Portland State University Board of Directors,**
 2 **the University of Oregon Board of Directors** and the State Board of Higher Education shall es-
 3 tablish baselines and conduct annual reviews of each public institution of higher education with
 4 respect to the employment of full-time faculty and of faculty working less than full-time. Each public
 5 institution of higher education shall provide the necessary data for the board's report prior to Sep-
 6 tember 1 of each year. The boards shall report the results of the reviews to the Legislative Assembly
 7 and the Governor's office prior to October 1 of each year. The reviews shall include:

8 (1) Examination of data related to the ratio of courses taught by the following faculty catego-
 9 ries:

10 (a) Full-time faculty;

11 (b) Part-time faculty; and

12 (c) Graduate assistants;

13 (2) The pay differential for the faculty categories; and

14 (3) The health care and other benefits provided for each faculty category.

15 **SECTION 243.** ORS 351.718 is amended to read:

16 351.718. (1) The members of the Higher Education Coordinating Commission must be residents
 17 of this state who are well informed on the principles of higher education.

18 (2) A member of the State Board of Higher Education, Oregon Health and Science University
 19 Board of Directors, **Portland State University Board of Directors, University of Oregon Board**
 20 **of Directors** or the governing board of a community college district may not serve as a member
 21 of the Higher Education Coordinating Commission.

22 **SECTION 244.** ORS 351.735, as amended by sections 1, 3 and 5, chapter 104, Oregon Laws 2012,
 23 is amended to read:

24 351.735. (1) The Higher Education Coordinating Commission shall **advise the Oregon Educa-**
 25 **tion Investment Board on[:]**

26 [(1) *Develop*] state goals and associated achievement compacts for the state post-secondary edu-
 27 cation system, including community colleges, [*and*] public universities listed in ORS 352.002,
 28 **Portland State University and the University of Oregon,** and for the Oregon Student Access
 29 Commission.

30 (2) **Under the direction and control of the Oregon Education Investment Board, the**
 31 **Higher Education Coordinating Commission shall:**

32 [(2)] (a) Develop a strategic plan for achieving state higher education goals, identifying priority
 33 areas for attention and taking into consideration the contributions of this state's independent insti-
 34 tutions and other organizations dedicated to helping Oregonians reach state goals. Goals should in-
 35 clude, but need not be limited to:

36 [(a)] (A) Increasing the educational attainment of the population;

37 [(b)] (B) Increasing this state's global economic competitiveness and the quality of life of its
 38 citizens;

39 [(c)] (C) Ensuring affordable access for qualified Oregon students at each college or public uni-
 40 versity; and

41 [(d)] (D) Ensuring that public higher education in this state is provided in a cost-effective man-
 42 ner.

43 [(3)] (b) Evaluate and recommend changes to statutory goals and missions described for com-
 44 munity colleges in ORS 341.009 and for public universities in ORS 351.003 and 351.009 after receiv-
 45 ing recommendations from the appropriate governing board. The appropriate governing board shall

1 have decision-making authority over program offerings to implement established goals and missions.

2 [(4)] (c) Develop a finance model for higher education aligned with the goals in the system
3 strategic plan, including:

4 [(a)] (A) Recommended biennial appropriations to institutions, including a component specifically
5 tied to institutional contributions to state educational priorities;

6 [(b)] (B) Recommended limits regarding the setting of tuition rates at public universities listed
7 in ORS 352.002, **Portland State University and the University of Oregon** in accordance with
8 criteria set by the State Board of Higher Education, **the Portland State University Board of Di-**
9 **rectors and the University of Oregon Board of Directors, as appropriate**, with the goal of en-
10 couraging tuition affordability for students;

11 [(c)] (C) Tuition rates set by each community college governing board for community colleges
12 in this state;

13 [(d)] (D) Recommended biennial appropriations for student financial aid; and

14 [(e)] (E) Recommended biennial appropriations for any future statewide higher education initi-
15 atives.

16 [(5)] (d) Each biennium, recommend to the [*Governor and the Legislative Assembly*] **Oregon**
17 **Education Investment Board** a consolidated higher education budget request consistent with the
18 finance model, including appropriations for:

19 [(a)] (A) Ongoing operations of the Oregon Student Access Commission;

20 [(b)] (B) Ongoing operations for the Oregon University System, **Portland State University and**
21 **the University of Oregon**;

22 [(c)] (C) Ongoing operations for community colleges;

23 [(d)] (D) Needed new facilities or programs; and

24 [(e)] (E) Capital improvements.

25 [(6)] (e) Coordinate with the Oregon Student Access Commission to maximize the effectiveness
26 of student financial assistance programs, including the Oregon Opportunity Grant program under
27 ORS 348.260.

28 [(7)] (f) Approve and authorize degrees for the Oregon University System, **Portland State**
29 **University and the University of Oregon**.

30 [(8)] (g) Authorize degrees to be offered in this state in accordance with ORS 348.594 to 348.615,
31 and adopt any rules to implement that authority.

32 **(3) In addition to the duties described in subsections (1) and (2) of this section, the Higher**
33 **Education Coordinating Commission shall:**

34 [(9)] (a) Develop and recommend policies to ensure or improve access to higher education by
35 underserved populations.

36 [(10)] (b) Recommend and encourage student success and completion initiatives.

37 [(11)] (c) Develop and recommend policies to improve the coordination of the provision of edu-
38 cational services, including:

39 [(a)] (A) Transfers and other movements throughout the higher education system;

40 [(b)] (B) Accelerated college credit programs for high school students;

41 [(c)] (C) Applied baccalaureate and other transfer degrees; and

42 [(d)] (D) Reciprocity agreements with other states.

43 [(12)] (d) Review research efforts among the public universities of this state to improve economic
44 development in this state.

45 [(13)] (e) Coordinate education initiatives with the State Workforce Investment Board, the De-

1 partment of Community Colleges and Workforce Development, local workforce investment boards,
2 the Oregon Health and Science University and independent institutions of post-secondary education.

3 [(14)] (f) Oversee the licensing of career schools under ORS 345.010 to 345.450.

4 **SECTION 245.** ORS 351.810 is amended to read:

5 351.810. The State Board of Higher Education, **Portland State University, the University of**
6 **Oregon**, the Oregon Health and Science University and the Oregon members of the Western Inter-
7 state Commission for Higher Education are authorized to take any action necessary to achieving the
8 ends of the Western Regional Higher Education Compact.

9 **SECTION 246.** ORS 351.820 is amended to read:

10 351.820. (1) Prior to June 1 of each even-numbered year the Oregon members of the Western
11 Interstate Commission for Higher Education shall determine the quotas of Oregon students for whom
12 various kinds of educational service should be purchased in out-of-state institutions during the next
13 biennium and shall recommend to the State Board of Higher Education, **the Portland State Uni-**
14 **versity Board of Directors, the University of Oregon Board of Directors** and the Oregon Health
15 and Science University Board of Directors the amount to be included in *[its]* **the** biennial budget
16 **of the relevant board** to cover the cost of such educational service for students enrolled in their
17 respective institutions.

18 (2) The State Board of Higher Education, **the Portland State University Board of Directors,**
19 **the University of Oregon Board of Directors** and the Oregon Health and Science University
20 Board of Directors shall negotiate contracts with the Western Interstate Commission for Higher
21 Education for educational service of the kind and amount indicated by the quotas determined under
22 subsection (1) of this section. The *[board]* **boards** shall make payments required by such contracts
23 out of the money appropriated to *[it]* **them** for that purpose.

24 (3) The State Board of Higher Education may also contract with higher education institutions,
25 or others, which are not members of the Western Interstate Commission for Higher Education, to
26 furnish educational services to students who are residents of the State of Oregon in those areas of
27 higher education where the educational institutions of the State of Oregon are unable to provide the
28 desired professional educational opportunities.

29 **SECTION 247.** ORS 351.840 is amended to read:

30 351.840. (1) The State Board of Higher Education, **the Portland State University Board of**
31 **Directors, the University of Oregon Board of Directors** and the Oregon Health and Science
32 University Board of Directors may contract with the Western Interstate Commission for Higher
33 Education to furnish educational service in their respective Oregon public universities to out-of-state
34 students.

35 (2) The State Board of Higher Education, **the Portland State University Board of Directors,**
36 **the University of Oregon Board of Directors** and the Oregon Health and Science University
37 Board of Directors shall determine the number of out-of-state students that should be accepted into
38 their respective universities, and shall make final decisions on admission of individual applicants.

39 (3) Payments made by the commission under such contracts shall be deposited in and credited
40 to a designated account in the Oregon University System Fund established by ORS 351.506 for stu-
41 dents enrolled in public universities under the jurisdiction of the State Board of Higher Education
42 in the same manner that fees and tuition payments for resident students are deposited and credited.
43 The estimated amount of the payments must be considered by the board in making its biennial
44 budgetary requests. Payments made by the commission under such contracts must be deposited with
45 the Oregon Health and Science University for students who enroll in that university under the terms

1 of such contracts. **Payments made by the commission under such contracts for students who**
2 **enroll in Portland State University or the University of Oregon must be deposited with the**
3 **respective university under the terms of such contracts.**

4 **SECTION 248.** ORS 352.002 is amended to read:

5 352.002. The Oregon University System established in ORS 351.011 consists of the following
6 public universities under the jurisdiction of the State Board of Higher Education:

7 [(1) *University of Oregon.*]

8 [(2)] (1) Oregon State University.

9 [(3) *Portland State University.*]

10 [(4)] (2) Oregon Institute of Technology.

11 [(5)] (3) Western Oregon University.

12 [(6)] (4) Southern Oregon University.

13 [(7)] (5) Eastern Oregon University.

14 **SECTION 249.** ORS 352.021 is amended to read:

15 352.021. (1) As used in this section, "internment camp" means a relocation center to which
16 persons were ordered evacuated by Presidential Executive Order 9066, signed on February 19, 1942.

17 (2) A person who meets the requirements of subsection (4) of this section may request a public
18 university listed in ORS 352.002, **Portland State University or the University of Oregon** to award
19 the person an honorary post-secondary degree.

20 (3) A representative of a deceased person who meets the requirements of subsection (4) of this
21 section may request a public university to award an honorary post-secondary degree on behalf of the
22 deceased person.

23 (4) Notwithstanding the requirements for a post-secondary degree established by a public uni-
24 versity or by the State Board of Higher Education, a public university that receives a request under
25 subsection (2) or (3) of this section may award an honorary post-secondary degree to a person, or
26 on behalf of a deceased person, who:

27 (a) Was a student at the public university in 1942; and

28 (b) Did not graduate from the public university because the person was ordered to an internment
29 camp.

30 **SECTION 250.** ORS 352.043 is amended to read:

31 352.043. (1) There is created [*within the Oregon University System*] the University of Oregon
32 School of Law. The school shall be administered by the University of Oregon.

33 (2) The University of Oregon School of Law shall:

34 (a) Prepare students for careers in the legal profession.

35 (b) Perform the duties required of the school under ORS 36.100 to 36.238.

36 (3) The president of the University of Oregon shall appoint the Dean of the University of Oregon
37 School of Law.

38 **SECTION 251.** ORS 352.046 is amended to read:

39 352.046. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the
40 Center for Brain, Biology and Machine. The center shall be administered by the University of
41 Oregon.

42 (2) The purpose of the center is to promote interdisciplinary teaching and research in scientific
43 areas, including but not limited to brain structure, development and functions, genetics and
44 genomics, cognitive neuroscience, molecular biology, computational science, computing, magnetic
45 resonance imaging and optics.

1 (3) The [*Oregon University System*] **University of Oregon** may receive moneys from any public
 2 or private source to support the Center for Brain, Biology and Machine created under subsections
 3 (1) and (2) of this section. Gifts or grants received to support the center shall be deposited in an
 4 appropriate fund at the University of Oregon [*by the Oregon University System*].

5 **SECTION 252.** ORS 352.048 is amended to read:

6 352.048. (1) There is created [*within the Oregon University System*] the Industrialized Housing
 7 Development Program. The program shall be administered in conjunction with the Center for
 8 Housing Innovation at the University of Oregon.

9 (2) The purpose of the program is to provide assistance to industrialized housing manufacturers
 10 to help them achieve demonstrated best practice by researching, evaluating and disseminating in-
 11 formation on opportunities to improve design technology, including but not limited to:

- 12 (a) Methods to improve the affordability of housing;
- 13 (b) Better utilization of new products in industrialized housing;
- 14 (c) Improving the energy efficiency of industrialized housing; and
- 15 (d) Specialized training for workers and management.

16 **SECTION 253.** ORS 352.049 is amended to read:

17 352.049. (1) In fulfilling the purpose described in ORS 352.048, the Industrialized Housing De-
 18 velopment Program shall:

- 19 (a) Emphasize client-directed problem solving with the planning and design of appropriate design
 20 technologies;
- 21 (b) Provide or arrange for the provision of management assistance, specialized training for
 22 workers and other consulting services;
- 23 (c) Supplement the design skills and expertise of program staff by developing relations with ex-
 24 perts who may work in a consulting role;
- 25 (d) Research new and developing design technology in the United States and overseas with the
 26 purpose of adapting proven technologies and management practices to Oregon conditions; and
- 27 (e) Disseminate research findings to all interested firms throughout the industrialized housing
 28 industry.

29 (2) The Industrialized Housing Development Program shall establish a schedule of fees for the
 30 services it provides. The program may establish a minimum level of service for which it does not
 31 charge fees.

32 (3) The Industrialized Housing Development Program may hire individuals on a contract basis,
 33 to provide either full-time or part-time staffing. However, employees of the program shall not be
 34 considered tenured employees of the [*Oregon University System*] **University of Oregon**.

35 **SECTION 254.** ORS 352.051 is amended to read:

36 352.051. The [*State Board of Higher Education*] **University of Oregon Board of Directors** shall
 37 adopt rules necessary to carry out the provisions of ORS 352.048 to 352.053.

38 **SECTION 255.** ORS 352.063 is amended to read:

39 352.063. [*The Oregon University System*] **Portland State University** may receive moneys from
 40 any public or private source to support the Mark O. Hatfield School of Government, the Center for
 41 Lakes and Reservoirs, the Graduate School of Social Work or the Institute of Portland Metropolitan
 42 Studies created under ORS 352.066, 352.068, 352.071 and 352.074. Gifts and grants received to support
 43 the Mark O. Hatfield School of Government, the Center for Lakes and Reservoirs, the Graduate
 44 School of Social Work or the Institute of Portland Metropolitan Studies shall be credited to the
 45 appropriate fund at Portland State University [*by the Oregon University System*].

SECTION 256. ORS 352.066 is amended to read:

352.066. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the Mark O. Hatfield School of Government. The Mark O. Hatfield School of Government shall be administered by Portland State University. The president of Portland State University shall appoint the director of the Mark O. Hatfield School of Government.

(2) The purposes of the Mark O. Hatfield School of Government are:

(a) To prepare students for careers in political service, public administration and the administration of justice;

(b) To perform the duties required of the school under ORS 36.179, 183.502 and 390.240; and

(c) To assist the Criminal Justice Research and Policy Institute in carrying out the duties under subsection (3) of this section.

(3) There is created within the Mark O. Hatfield School of Government the Criminal Justice Research and Policy Institute. The institute may assist the Legislative Assembly and state and local governments in developing policies to reduce crime and delinquency by:

(a) Providing the Legislative Assembly with objective, nonpartisan analyses of existing or proposed state criminal justice policies, which analyses may not be inconsistent with state or federal law or the Oregon or United States Constitution;

(b) Evaluating programs, including but not limited to programs dealing with public safety professionalism, ethics in leadership and childhood development, funded directly or indirectly by the State of Oregon that are intended to reduce criminal and delinquent behavior or to improve professionalism in public safety careers;

(c) Managing reviews and evaluations relating to major long-term issues confronting the state involving criminal and juvenile justice, public safety professionalism, ethics in leadership and early childhood development programs;

(d) Initiating, sponsoring, conducting and publishing research on criminal and juvenile justice, public safety professionalism, ethics in leadership and early childhood development that is peer reviewed and directly useful to policymakers;

(e) Organizing conferences on current state issues that bring together policymakers, public agencies and leading academicians; and

(f) Seeking to strengthen the links among the Legislative Assembly, state and local governments, the Oregon Criminal Justice Commission, the Department of Public Safety Standards and Training and the academic community in the interest of more informed policymaking, the application of best practices and more relevant academic research.

(4) The Governor, the Chief Justice of the Supreme Court, the President of the Senate, the Speaker of the House of Representatives or the chairperson of a legislative committee with responsibility over criminal or juvenile justice systems or childhood development programs may request the assistance of the Criminal Justice Research and Policy Institute in evaluating criminal or juvenile justice programs developed for, but not necessarily limited to, preventing delinquency, reducing crime and improving professionalism in public safety careers.

(5) Agencies, departments and officers of state and local governments may assist the Criminal Justice Research and Policy Institute in the performance of its functions and furnish information, data and advice as requested by the institute.

SECTION 257. ORS 352.068 is amended to read:

352.068. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the Center for Lakes and Reservoirs. The Center for Lakes and Reservoirs shall be administered by

1 Portland State University.

2 (2) The purpose of the Center for Lakes and Reservoirs is to assist state and federal agencies
3 in researching and mitigating nonindigenous, invasive aquatic species in this state and to work with
4 communities in developing effective management of lakes and reservoirs.

5 **SECTION 258.** ORS 352.071 is amended to read:

6 352.071. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the
7 Graduate School of Social Work. The Graduate School of Social Work shall be administered by
8 Portland State University.

9 (2) The purpose of the Graduate School of Social Work is to provide a center for specialized
10 education and research in the social services for the betterment of communities in the Portland
11 metropolitan area, the state and the Pacific Northwest.

12 **SECTION 259.** ORS 352.074 is amended to read:

13 352.074. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the
14 Institute of Portland Metropolitan Studies. The Institute of Portland Metropolitan Studies shall be
15 administered by Portland State University.

16 (2) The purpose of the Institute of Portland Metropolitan Studies is to build partnerships be-
17 tween Portland State University's urban studies programs and the surrounding communities of met-
18 ropolitan Portland and to sponsor public service research.

19 **SECTION 260.** ORS 353.440 is amended to read:

20 353.440. The Legislative Assembly finds that:

21 (1) Public universities in the Oregon University System, **Portland State University, the Uni-**
22 **versity of Oregon** and other educational sectors have academic programs that are related to or
23 integrated with the programs of Oregon Health and Science University.

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

26 (3) In order to best ensure the continued harmony of such academic programs, the Oregon
27 Health and Science University, **Portland State University, the University of Oregon** and the
28 Oregon University System shall coordinate such programs and shall advise each other of the fol-
29 lowing proposed changes to such academic programs:

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

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

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

33 (4) The Oregon Health and Science University and the Higher Education Coordinating Com-
34 mission shall coordinate and advise each other of the following types of proposed changes to their
35 related or integrated academic programs:

36 (a) Coordination of strategic plans for achieving higher education goals;

37 (b) Seeking advice and input from each other on modifications to statutory educational missions;

38 (c) Working to develop a statewide educational data system;

39 (d) Collaborating as necessary on the creation of any new degree programs; and

40 (e) Notifying each other and commenting on tuition rate changes.

41 (5) In order to further the coordination described by this section, Oregon Health and Science
42 University officers shall maintain a role in the appropriate committees of the State Board of Higher
43 Education, the Higher Education Coordinating Commission and the Oregon University System.

44 **SECTION 261.** ORS 353.600 is amended to read:

45 353.600. As used in ORS 353.600 to 353.612:

1 (1) "Committee" means the Oregon Nursing Shortage Coalition Committee created in ORS
2 353.606.

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

4 (a) A public university listed in ORS 352.002;

5 **(b) Portland State University;**

6 **(c) The University of Oregon;**

7 [(b)] **(d)** A community college operated under ORS chapter 341;

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

9 [(d)] **(f)** An Oregon-based, generally accredited, not-for-profit private institution of higher edu-
10 cation.

11 **SECTION 262.** ORS 353.603 is amended to read:

12 353.603. (1) Oregon Health and Science University shall distribute grants to post-secondary ed-
13 ucation institutions to support nursing education programs based on the selections of the Oregon
14 Nursing Shortage Coalition Committee and in accordance with appropriate university policies and
15 procedures. If the university is not able to distribute a grant to a post-secondary education institu-
16 tion selected by the committee, the university shall report to the committee the reason for not dis-
17 tributing the grant.

18 (2) Grants distributed under this section to a community college, **the University of Oregon,**
19 **Portland State University** or a public university listed in ORS 352.002 may be based on an inter-
20 governmental agreement entered into by Oregon Health and Science University and the college or
21 public university.

22 (3) Oregon Health and Science University may not use more than five percent of the amount
23 received from the Nursing Education Grant Fund established in ORS 353.612 for the grant program
24 in any biennium for administrative expenses incurred in administering ORS 353.600 to 353.612.

25 (4) Oregon Health and Science University may accept contributions of funds and assistance from
26 the United States Government or its agencies, or from any other source, public or private, and agree
27 to conditions placed on the funds not inconsistent with the purposes of ORS 353.600 to 353.612. The
28 university shall use funds and assistance received under this subsection for grants distributed under
29 this section or for administering ORS 353.600 to 353.612.

30 (5) Oregon Health and Science University shall deposit moneys received by the university for
31 purposes of ORS 353.600 to 353.612 in the Nursing Education Grant Fund. The total amount of
32 grants distributed under this section may not exceed the amount of moneys available for distribution
33 in the fund.

34 **SECTION 263.** ORS 357.004 is amended to read:

35 357.004. As used in ORS 357.001 to 357.200, unless the context requires otherwise:

36 (1) "Depository library" means a library that is designated as such under ORS 357.095.

37 (2)(a) "Issuing agency" means state government, as that term is defined in ORS 174.111.

38 (b) "Issuing agency" does not include:

39 **(A)** The State Board of Higher Education or any public university or office, department or ac-
40 tivity under the control of the board[.];

41 **(B) Portland State University; or**

42 **(C) The University of Oregon.**

43 (3)(a) "Public document" means informational matter produced for public distribution or access
44 regardless of format, medium, source or copyright, originating in or produced with the imprint of,
45 by the authority of or at the total or partial expense of any state agency. "Public document" in-

1 cludes informational matter produced on computer diskettes, CD-ROMs, computer tapes, the Internet
2 or in other electronic formats.

3 (b) "Public document" does not include:

4 (A) Correspondence, forms, interoffice or intraoffice memoranda;

5 (B) Legislative bills;

6 (C) Oregon Revised Statutes or any edition thereof; or

7 (D) Reports and publications of the Oregon Supreme Court, the Oregon Court of Appeals and
8 the Oregon Tax Court.

9 **SECTION 264.** ORS 357.203 is amended to read:

10 357.203. (1) The State Library and State of Oregon Law Library operating budget for services
11 to state agencies shall be assessed against all state agencies except the Oregon University System,
12 **Portland State University and the University of Oregon.** The State Library assessment shall
13 be apportioned among the agencies as follows:

14 (a) One-third of the assessment shall be based on the use of the State Library by the agency;
15 and

16 (b) Two-thirds of the assessment shall be based on the number of full-time equivalent employees
17 budgeted by the agency.

18 (2) Except as provided in subsection (4) of this section, the Oregon Department of Administrative
19 Services shall cause the amount assessed to be transferred from the moneys appropriated to each
20 state agency to the Miscellaneous Receipts Account for the State Library.

21 (3) Subject to the provisions of subsection (5) of this section, the department shall determine and
22 may at any time redetermine which state funds or appropriations shall be assessed a reasonable
23 share of State Library and State of Oregon Law Library operating expenses that support state
24 agencies. In determining or redetermining the funds that shall be so assessed:

25 (a) A fund consisting of moneys the use of which is restricted by the Oregon Constitution shall
26 be assessed only those governmental service expenses ascertained as being necessarily incurred in
27 connection with the purposes set forth in the Oregon Constitution.

28 (b) Trust funds shall be assessed only those governmental service expenses ascertained as being
29 necessarily incurred in connection with the purposes for which the trust fund was established.

30 (c) State agencies shall be assessed only the State Library and State of Oregon Law Library
31 expenditures that support state agencies.

32 (4) The Oregon Department of Administrative Services shall cause the amount assessed against
33 state agencies for the operating budget of the State of Oregon Law Library to be transferred to the
34 Judicial Department. Moneys transferred under this subsection are continuously appropriated to the
35 Judicial Department and may be used only for the costs of operating the State of Oregon Law Li-
36 brary.

37 (5) Unless the Oregon Department of Administrative Services and the Judicial Department agree
38 to a different methodology and formula, the State of Oregon Law Library assessment shall be ap-
39 portioned on the basis of the number of full-time equivalent employees budgeted by the agency.

40 **SECTION 265.** ORS 408.095 is amended to read:

41 408.095. (1) As used in this section, "community college" has the meaning given that term in
42 ORS 341.005.

43 (2) There is created in the Department of Veterans' Affairs the Campus Veterans' Service Offi-
44 cers Program.

45 (3) The purpose of the program is to provide educational outreach to veterans to help ensure

1 that they obtain maximum state and federal benefits.

2 (4) The department shall appoint a sufficient number of campus veterans' service officers to en-
3 sure that each Oregon community college, [and] each public university in the Oregon University
4 System[,] as described in ORS 352.002, [is] **Portland State University and the University of**
5 **Oregon, are** provided veterans' services.

6 (5) Each community college, [and] **each** public university in the Oregon University System,
7 **Portland State University and the University of Oregon** shall provide office space that may be
8 used for the provision of veterans' services.

9 (6) The department may adopt rules to implement the Campus Veterans' Service Officers Pro-
10 gram.

11 **SECTION 266.** ORS 419B.005, as amended by section 60, chapter 37, Oregon Laws 2012, and
12 section 1, chapter 92, Oregon Laws 2012, is amended to read:

13 419B.005. As used in ORS 419B.005 to 419B.050, unless the context requires otherwise:

14 (1)(a) "Abuse" means:

15 (A) Any assault, as defined in ORS chapter 163, of a child and any physical injury to a child
16 which has been caused by other than accidental means, including any injury which appears to be
17 at variance with the explanation given of the injury.

18 (B) Any mental injury to a child, which shall include only observable and substantial impairment
19 of the child's mental or psychological ability to function caused by cruelty to the child, with due
20 regard to the culture of the child.

21 (C) Rape of a child, which includes but is not limited to rape, sodomy, unlawful sexual pene-
22 tration and incest, as those acts are described in ORS chapter 163.

23 (D) Sexual abuse, as described in ORS chapter 163.

24 (E) Sexual exploitation, including but not limited to:

25 (i) Contributing to the sexual delinquency of a minor, as defined in ORS chapter 163, and any
26 other conduct which allows, employs, authorizes, permits, induces or encourages a child to engage
27 in the performing for people to observe or the photographing, filming, tape recording or other ex-
28 hibition which, in whole or in part, depicts sexual conduct or contact, as defined in ORS 167.002 or
29 described in ORS 163.665 and 163.670, sexual abuse involving a child or rape of a child, but not in-
30 cluding any conduct which is part of any investigation conducted pursuant to ORS 419B.020 or
31 which is designed to serve educational or other legitimate purposes; and

32 (ii) Allowing, permitting, encouraging or hiring a child to engage in prostitution or to patronize
33 a prostitute, as defined in ORS chapter 167.

34 (F) Negligent treatment or maltreatment of a child, including but not limited to the failure to
35 provide adequate food, clothing, shelter or medical care that is likely to endanger the health or
36 welfare of the child.

37 (G) Threatened harm to a child, which means subjecting a child to a substantial risk of harm
38 to the child's health or welfare.

39 (H) Buying or selling a person under 18 years of age as described in ORS 163.537.

40 (I) Permitting a person under 18 years of age to enter or remain in or upon premises where
41 methamphetamines are being manufactured.

42 (J) Unlawful exposure to a controlled substance, as defined in ORS 475.005, that subjects a child
43 to a substantial risk of harm to the child's health or safety.

44 (b) "Abuse" does not include reasonable discipline unless the discipline results in one of the
45 conditions described in paragraph (a) of this subsection.

- 1 (2) “Child” means an unmarried person who is under 18 years of age.
- 2 (3) “Higher education institution” means:
- 3 (a) A community college as defined in ORS 341.005;
- 4 (b) A public university listed in ORS 352.002;
- 5 (c) The Oregon Health and Science University; *[and]*
- 6 **(d) Portland State University;**
- 7 **(e) The University of Oregon; and**
- 8 *[(d)]* **(f)** A private institution of higher education located in Oregon.
- 9 (4) “Law enforcement agency” means:
- 10 (a) A city or municipal police department.
- 11 (b) A county sheriff’s office.
- 12 (c) The Oregon State Police.
- 13 (d) A police department established by a university under ORS 352.383.
- 14 (e) A county juvenile department.
- 15 (5) “Public or private official” means:
- 16 (a) Physician, osteopathic physician, physician assistant, naturopathic physician, podiatric phy-
- 17 sician and surgeon, including any intern or resident.
- 18 (b) Dentist.
- 19 (c) School employee, including an employee of a higher education institution.
- 20 (d) Licensed practical nurse, registered nurse, nurse practitioner, nurse’s aide, home health aide
- 21 or employee of an in-home health service.
- 22 (e) Employee of the Department of Human Services, Oregon Health Authority, Early Learning
- 23 Council, Youth Development Council, Child Care Division of the Employment Department, the
- 24 Oregon Youth Authority, a county health department, a community mental health program, a com-
- 25 munity developmental disabilities program, a county juvenile department, a licensed child-caring
- 26 agency or an alcohol and drug treatment program.
- 27 (f) Peace officer.
- 28 (g) Psychologist.
- 29 (h) Member of the clergy.
- 30 (i) Regulated social worker.
- 31 (j) Optometrist.
- 32 (k) Chiropractor.
- 33 (L) Certified provider of foster care, or an employee thereof.
- 34 (m) Attorney.
- 35 (n) Licensed professional counselor.
- 36 (o) Licensed marriage and family therapist.
- 37 (p) Firefighter or emergency medical services provider.
- 38 (q) A court appointed special advocate, as defined in ORS 419A.004.
- 39 (r) A child care provider registered or certified under ORS 657A.030 and 657A.250 to 657A.450.
- 40 (s) Member of the Legislative Assembly.
- 41 (t) Physical, speech or occupational therapist.
- 42 (u) Audiologist.
- 43 (v) Speech-language pathologist.
- 44 (w) Employee of the Teacher Standards and Practices Commission directly involved in investi-
- 45 gations or discipline by the commission.

1 (x) Pharmacist.

2 (y) An operator of a preschool recorded program under ORS 657A.255.

3 (z) An operator of a school-age recorded program under ORS 657A.257.

4 (aa) Employee of a private agency or organization facilitating the provision of respite services,
5 as defined in ORS 418.205, for parents pursuant to a properly executed power of attorney under ORS
6 109.056.

7 (bb) Employee of a public or private organization providing child-related services or activities:

8 (A) Including but not limited to youth groups or centers, scout groups or camps, summer or day
9 camps, survival camps or groups, centers or camps that are operated under the guidance, super-
10 vision or auspices of religious, public or private educational systems or community service organ-
11 izations; and

12 (B) Excluding community-based, nonprofit organizations whose primary purpose is to provide
13 confidential, direct services to victims of domestic violence, sexual assault, stalking or human traf-
14 ficking.

15 (cc) A coach, assistant coach or trainer of an amateur, semiprofessional or professional athlete,
16 if compensated and if the athlete is a child.

17 **SECTION 267.** ORS 431.690 is amended to read:

18 431.690. (1) As used in this section, “place of public assembly” means a single building that has
19 50,000 square feet or more of indoor floor space and where:

20 (a)(A) The public congregates for purposes such as deliberation, shopping, entertainment,
21 amusement or awaiting transportation; or

22 (B) Business activities are conducted; and

23 (b) At least 50 individuals congregate on a normal business day.

24 (2) Notwithstanding ORS 431.680 (3), the owner of a place of public assembly shall have on the
25 premises at least one automated external defibrillator.

26 (3) Notwithstanding subsection (2) of this section:

27 (a) A community college, **Portland State University, the University of Oregon** or a public
28 university listed in ORS 352.002 shall have at least one automated external defibrillator on the
29 campus of the community college or public university; and

30 (b) If the campus of the community college or public university contains more than one place
31 of public assembly, the community college or public university shall ensure that at least one auto-
32 mated external defibrillator is readily available to each place of public assembly.

33 (4) Subsection (2) of this section does not apply to a building primarily used for worship or ed-
34 ucation associated with worship.

35 **SECTION 268.** ORS 433.090 is amended to read:

36 433.090. As used in ORS 433.090 to 433.102:

37 (1) “Authorized user” means a person or entity authorized to provide information to or to re-
38 ceive information from an immunization registry or tracking and recall system under ORS 433.090
39 to 433.102. “Authorized user” includes, but is not limited to:

40 (a) The Oregon Health Authority and its agents;

41 (b) Local health departments and their agents;

42 (c) Licensed health care providers and their agents;

43 (d) Health care institutions;

44 (e) Insurance carriers;

45 (f) State health plans as defined in ORS 192.556;

- 1 (g) Parents, guardians or legal custodians of children under 18 years of age;
 2 (h) Clients 18 years of age or older;
 3 (i) Post-secondary education institutions;
 4 (j) Schools; and
 5 (k) Children’s facilities.
 6 (2) “Children’s facility” has the meaning given that term in ORS 433.235.
 7 (3) “Client” means a person registered with any Oregon tracking and recall system.
 8 (4) “Immunization record” includes but is not limited to records of the following:
 9 (a) Any immunization received;
 10 (b) Date immunization was received;
 11 (c) Complication or side effect associated with immunization;
 12 (d) Date and place of birth of a client;
 13 (e) Hospital where a client was born;
 14 (f) Client’s name; and
 15 (g) Mother’s name.
 16 (5) “Immunization registry” means a listing of clients and information relating to their immu-
 17 nization status, without regard to whether the registry is maintained in this state or elsewhere.
 18 (6) “Local health department” has the meaning given that term in ORS 433.235.
 19 (7) “Parent or guardian” has the meaning given the term “parent” in ORS 433.235.
 20 (8) “Post-secondary education institution” means:
 21 (a) A public university listed in ORS 352.002;
 22 **(b) Portland State University;**
 23 **(c) The University of Oregon;**
 24 *[(b)]* **(d)** A community college operated under ORS chapter 341;
 25 *[(c)]* **(e)** A school or division of Oregon Health and Science University; or
 26 *[(d)]* **(f)** An Oregon-based, generally accredited, private institution of higher education.
 27 (9) “Provider” means a physician or a health care professional who is acting within the scope
 28 of the physician’s or professional’s licensure and is responsible for providing immunization services
 29 or for coordinating immunization services within a clinic, public health site, school or other immu-
 30 nization site.
 31 (10) “School” has the meaning given that term in ORS 433.235.
 32 (11) “Tracking and recall record” means information needed to send reminder cards to, place
 33 telephone calls to or personally contact the client or the parent or guardian of a client for the
 34 purposes of informing the client, parent or guardian that the client is late in receiving recommended
 35 immunizations, hearing or lead screenings, or other public health interventions, including but not
 36 limited to the client’s:
 37 (a) Name;
 38 (b) Address;
 39 (c) Telephone number;
 40 (d) Insurance carrier; and
 41 (e) Health care provider.
 42 (12) “Tracking and recall system” means a system attached to an immunization registry designed
 43 to contact clients listed in the immunization registry for the purposes of assisting in the timely
 44 completion of immunization series, hearing or lead screenings, or other public health interventions
 45 designated by rule of the authority.

1 **SECTION 269.** ORS 461.543 is amended to read:

2 461.543. (1) Except as otherwise specified in subsection (5) of this section, the Sports Lottery
3 Account is continuously appropriated to and shall be used by the State Board of Higher Education
4 to fund sports programs at public universities listed in ORS 352.002, **Portland State University**
5 **and the University of Oregon**. Seventy percent of the revenues in the fund shall be used to fund
6 nonrevenue producing sports and 30 percent shall be used for revenue producing sports. Of the total
7 amount available in the fund, at least 50 percent shall be made available for women's athletics.

8 (2) The board shall allocate moneys in the Sports Lottery Account among the public universities,
9 giving due consideration to:

10 (a) The athletic conference to which the public university belongs and the relative costs of
11 competing in that conference.

12 (b) The level of effort being made by the public university to generate funds and support from
13 private sources.

14 (3) As used in subsections (1) to (3) of this section, "revenue producing sport" is a sport that
15 produces net revenue over expenditures during a calendar year or if its season extends into two
16 calendar years, produces net revenue over expenditures during the season.

17 (4) An amount equal to one percent of the moneys transferred to the Administrative Services
18 Economic Development Fund from the State Lottery Fund shall be allocated from the Administrative
19 Services Economic Development Fund to the Sports Lottery Account.

20 (5) The amounts received by the Sports Lottery Account shall be allocated as follows:

21 (a) Eighty-eight percent for the purposes specified in subsections (1) to (3) of this section, but
22 not to exceed \$8 million annually, adjusted annually pursuant to the Consumer Price Index, as de-
23 fined in ORS 327.006.

24 (b) Twelve percent for the purpose of scholarships, to be distributed equally between scholar-
25 ships based on academic merit and scholarships based on need, as determined by rule of the board,
26 but not to exceed \$1,090,909 annually.

27 (c) All additional money to the Oregon Student Access Commission for the Oregon Opportunity
28 Grant program under ORS 348.260.

29 **SECTION 270.** ORS 541.932 is amended to read:

30 541.932. (1)(a) The following entities may submit a request for funding for, or for advice and
31 assistance in developing, a project under ORS 541.890 to 541.969:

32 (A) A person;

33 (B) An Indian tribe;

34 (C) A watershed council;

35 (D) A soil and water conservation district;

36 (E) A community college;

37 (F) A public university listed in ORS 352.002, **Portland State University or the University**
38 **of Oregon**;

39 (G) An independent not-for-profit institution of higher education; or

40 (H) A political subdivision of this state that is not a state agency.

41 (b) A state agency or federal agency may apply for funding under this section only as a
42 coapplicant with an entity described in paragraph (a) of this subsection.

43 (2) The request under subsection (1) of this section shall be filed in the manner, be in the form
44 and contain the information required by the Oregon Watershed Enhancement Board, regardless of
45 the anticipated funding source for the project.

1 (3) The board may establish a grant program through soil and water conservation districts or-
2 ganized under ORS 568.210 to 568.808 and 568.900 to 568.933 that provides funds for local imple-
3 mentation of watershed enhancement, education and monitoring efforts.

4 (4) The board may fund implementation of action plans based on a watershed assessment that
5 addresses water quality and aquatic resources of the watershed.

6 (5) A project may use mechanical, vegetative or structural methods including, but not limited
7 to, management techniques, erosion control, streambank stabilization, forest, range or crop land
8 treatment, site specific in-stream structures, acquisitions or leases of land or water rights from a
9 willing owner, watershed assessments, landowner incentives and action plan development, imple-
10 mentation and monitoring.

11 (6) The actions of a soil and water conservation district carried out pursuant to a grant program
12 established by the board under subsection (3) of this section shall not be subject to review and ap-
13 proval by the Natural Resources Division under ORS 561.400.

14 (7) If a project or a portion of a project is not subject to the funding criteria described in ORS
15 541.958 and applies to receive funding from the board, the board may approve the project or portion
16 of a project for funding only if the project or portion of a project:

17 (a) Is based on sound principles of native fish or wildlife habitat conservation or watershed
18 management;

19 (b) Uses methods most adapted to the project locale;

20 (c) Meets the criteria established by the board under ORS 541.906; and

21 (d) Contributes to either:

22 (A) The improved health of a stream, lake or reservoir and toward the achievement of standards
23 that satisfy the requirements of the Federal Water Pollution Control Act (P.L. 92-500), as amended;
24 or

25 (B) The conservation or restoration of habitat for, or of watershed or ecosystem function for,
26 native fish or wildlife.

27 (8) The Oregon Watershed Enhancement Board may fund a project for the restoration of a
28 riparian area or associated upland that is carried out in conjunction with a storage structure.
29 However, the board shall not approve funding for any proposed project that consists solely of con-
30 struction of a storage structure for out-of-stream use.

31 (9) The Oregon Watershed Enhancement Board may fund projects involving the acquisition of
32 lands and waters, or interests therein from willing sellers, for the purpose of maintaining or re-
33 storing watersheds and habitat for native fish or wildlife. Interests in these lands and waters may
34 be held by local, state and federal agencies, tribes, not-for-profit land conservation organizations and
35 trusts, public universities listed in ORS 352.002, independent not-for-profit institutions of higher ed-
36 ucation or political subdivisions of this state, as long as the entity continues to use the land or
37 water for the purposes specified under section 4b, Article XV of the Oregon Constitution.

38 (10) If the Oregon Watershed Enhancement Board approves funding for a project under this
39 section, the board may not disburse funds to the applicant for any part of the project that requires
40 the applicant to obtain a permit or license from a local, state or federal agency or governing body
41 until the applicant presents evidence that the agency has granted the permit or license.

42 **SECTION 271.** ORS 634.660 is amended to read:

43 634.660. Each of the following state agencies shall implement integrated pest management
44 practices when carrying out the agency's duties related to pest control:

45 (1) State Department of Agriculture, including the control of noxious weeds.

1 (2) State Department of Fish and Wildlife.

2 (3) Department of Transportation.

3 (4) State Parks and Recreation Department.

4 (5) State Forestry Department.

5 (6) Department of Corrections.

6 (7) Oregon Department of Administrative Services.

7 (8) The Department of State Lands.

8 (9) Each public university listed in ORS 352.002, **Portland State University and the Univer-**
 9 **sity of Oregon**, for the public university’s own building and grounds maintenance.

10 **SECTION 272.** ORS 659.850 is amended to read:

11 659.850. (1) As used in this section, “discrimination” means any act that unreasonably differen-
 12 tiates treatment, intended or unintended, or any act that is fair in form but discriminatory in oper-
 13 ation, either of which is based on race, color, religion, sex, sexual orientation, national origin,
 14 marital status, age or disability. “Discrimination” does not include enforcement of an otherwise
 15 valid dress code or policy, as long as the code or policy provides, on a case-by-case basis, for rea-
 16 sonable accommodation of an individual based on the health and safety needs of the individual.

17 (2) A person may not be subjected to discrimination in any public elementary, secondary or
 18 community college education program or service, school or interschool activity or in any higher
 19 education program or service, school or interschool activity where the program, service, school or
 20 activity is financed in whole or in part by moneys appropriated by the Legislative Assembly.

21 (3) The State Board of Education, **the Portland State University Board of Directors, the**
 22 **University of Oregon Board of Directors** and the State Board of Higher Education shall establish
 23 rules necessary to ensure compliance with subsection (2) of this section in the manner required by
 24 ORS chapter 183.

25 **SECTION 273.** ORS 659.860 is amended to read:

26 659.860. (1) Any person claiming to be aggrieved by unlawful discrimination as prohibited by
 27 ORS 659.850 may file a civil action in circuit court for equitable relief or, subject to the terms and
 28 conditions of ORS 30.265 to 30.300, damages, or both. The court may order such other relief as may
 29 be appropriate. Damages shall be \$200 or actual damages, whichever is greater.

30 (2) The action authorized by this section shall be filed within one year of the filing of a griev-
 31 ance.

32 (3) No action shall be filed unless, within 180 days of the alleged discrimination, a grievance has
 33 been filed with the school district board, public charter school governing body, community college
 34 board of education, **Portland State University Board of Directors, University of Oregon Board**
 35 **of Directors** or State Board of Higher Education.

36 (4) No action may be filed until 90 days after filing a grievance unless only injunctive relief is
 37 sought pursuant to ORCP 79. The right to temporary or preliminary injunctive relief shall be inde-
 38 pendent of the right to pursue any administrative remedy available to complainants pursuant to ORS
 39 659.850.

40 (5) No action may be filed if the school district board, public charter school governing body,
 41 community college board of education, **Portland State University Board of Directors, University**
 42 **of Oregon Board of Directors** or State Board of Higher Education has obtained a conciliation
 43 agreement with the person filing the grievance or if a final determination of a grievance has been
 44 made except as provided in ORS 183.480.

45 (6) Notwithstanding the filing of a grievance, pursuant to subsection (3) of this section, any

1 person seeking to maintain an action under this section shall also file a notice of claim within 180
2 days of the alleged discrimination as required by ORS 30.275.

3 (7) The court shall award reasonable attorney fees to a prevailing plaintiff in any action under
4 this section. The court may award reasonable attorney fees and expert witness fees incurred by a
5 defendant who prevails in the action if the court determines that the plaintiff had no objectively
6 reasonable basis for asserting a claim or no objectively reasonable basis for appealing an adverse
7 decision of a trial court.

8 (8) Nothing in this section is intended to reduce the obligations of the education agencies under
9 this section and ORS 659.850 and 659.855.

10 **SECTION 274.** ORS 660.315 is amended to read:

11 660.315. (1) The Governor shall designate regional workforce committees to advise the Governor,
12 local workforce investment boards that represent federally recognized workforce areas containing
13 multiple regions, and county elected officials on regional and local needs for workforce development.
14 The committees shall also prepare plans for achieving regional goals and coordinate the provision
15 of services within regions. The committees shall have private and public sector members. However,
16 a majority of the members of each committee shall represent the private sector and include business
17 and labor representatives. The chairperson of each committee shall be a private sector member and
18 be elected by the committee.

19 (2) The private sector committee members shall play a critical role in workforce development,
20 including but not limited to:

21 (a) Identifying current and future workforce needs;

22 (b) Providing feedback on public sector programs;

23 (c) Assisting public agencies in changing programs to be more effective in meeting private sector
24 needs; and

25 (d) Being a partner in addressing workforce needs.

26 (3) Private sector members of a committee created under this section shall be appointed by
27 county commissioners and, in the region that includes the City of Portland, the Mayor of Portland.
28 The members of the committee shall reflect the broadest feasible representation from the groups
29 described in ORS 660.312 (4)(a) to (h).

30 (4) The public sector representatives on the committee are representatives who receive re-
31 sources and deliver education and workforce programs within the labor market area. Public sector
32 members shall include the broadest feasible representation from, but not be limited to, the following:

33 (a) The Department of Human Services;

34 (b) School districts, education service districts, community colleges, public universities listed in
35 ORS 352.002, **Portland State University, University of Oregon** and Oregon Health and Science
36 University;

37 (c) The Oregon Business Development Department and local economic development entities;

38 (d) The Employment Department;

39 (e) The federal Act programs; and

40 (f) Other public sector partners.

41 (5) A region may recommend to the Governor an alternate structure for its regional committee,
42 based on regional determination and mutually agreed to by the current public and private sector
43 members of the regional workforce committee and the chief elected officials. The alternate structure
44 must retain a private sector chairperson, appointments of the private sector members as provided
45 in subsection (3) of this section, and substantive public and private sector and other stakeholder

1 participation through formalized methods, such as standing committees.

2 (6) A regional workforce committee shall develop and implement a strategic regional workforce
3 plan that responds to the current and future workforce needs of the regional labor market.

4 (7) The strategic regional workforce plan shall:

5 (a) Consider the supply and demand outlook for the region;

6 (b) Identify and prioritize initiatives and resources, both public and private, to meet the regional
7 workforce needs;

8 (c) Articulate and include the coordination of both public and private resources in addressing
9 the workforce needs and goals; and

10 (d) Ensure the most appropriate use of resource investments.

11 (8) The regional workforce committee shall create or enhance the workforce program delivery
12 system to meet the strategic priorities of the region and any strategic priorities of a federally re-
13 cognized workforce area that includes that region.

14 (9) Within each region, or within overlapping regions, regional workforce committees, local
15 workforce investment boards and regional investment boards shall coordinate their planning efforts
16 to ensure that the strategic efforts and resource allocation of economic and workforce development
17 of an area are consistent. Regional workforce committees and regional investment boards will ex-
18 tend opportunities to other entities engaged in economic and workforce development programs and
19 services to participate in their joint or integrated strategic planning.

20 (10)(a) A local workforce investment board that represents a multiregional workforce area shall
21 hold regional workforce committees in the area accountable for any policy and operational respon-
22 sibilities under 2832(d) of the federal Act that is delegated to the committees in accordance with
23 state policy and local workforce investment board policy.

24 (b) A regional workforce committee within a multiregional workforce area is accountable to the
25 local workforce investment board for any policy and operational responsibilities carried out under
26 the federal Act on behalf of the board.

27 (c) As it relates to regional responsibilities under this section, a regional workforce committee
28 may, through a vote of the committee, determine the methodology for delegating the responsibilities
29 of the regional workforce committee to a local workforce investment board representing the multi-
30 regional workforce area.

31 **SECTION 275.** ORS 660.358 is amended to read:

32 660.358. (1) The State Workforce Investment Board, in consultation with the Governor, the Ed-
33 ucation and Workforce Policy Advisor and other parties deemed appropriate by the board and after
34 consideration of the clean energy and energy efficiency policies of this state, shall develop a plan
35 for a green jobs growth initiative to promote the development of emerging technologies and inno-
36 vations that lead to, create or sustain family wage green jobs.

37 (2) The plan for the initiative developed by the board shall:

38 (a) Identify industries that are high demand green industries based on current and projected
39 creation of family wage green jobs and the potential for career pathways created for such jobs.

40 (b) Use the needs of identified high demand green industries as the basis for the planning of
41 workforce development activities that promote the development of emerging green technologies and
42 innovations. These activities include, but are not limited to, such efforts undertaken by community
43 colleges, the public universities of the Oregon University System, **Portland State University, the**
44 **University of Oregon**, designated signature research centers, registered apprenticeship programs
45 and other private sector training programs.

1 (c) Leverage and align existing public workforce development programs and other public and
 2 private resources to the goal of recruiting, supporting, educating and training of targeted popu-
 3 lations of workers.

4 (d) Require the board to work collaboratively with stakeholders from business, labor and low
 5 income advocacy groups in the regional economy to develop and implement the initiative.

6 (e) Link adult basic and remedial education programs with job training for skills necessary for
 7 green jobs.

8 (f) Require the board to collaborate with employers and labor organizations to identify skills and
 9 competencies necessary for green job career pathways.

10 (g) Ensure that support services are integrated with education and training for green jobs and
 11 that such services are provided by organizations with direct access to and experience with targeted
 12 populations.

13 (h) Include an analysis of occupations in the forest products industry to:

14 (A) Determine key growth factors and employment projections for green jobs in the forest prod-
 15 ucts industry; and

16 (B) Define the educational and skill standards required for current and emerging green occupa-
 17 tions in the forest products industry.

18 (3) Based on the analysis conducted under subsection (2)(h) of this section, the State Workforce
 19 Investment Board, in consultation with the Education and Workforce Policy Advisor, shall identify
 20 those forest products industries to be classified as high-demand green industries, taking into con-
 21 sideration current and future job creation and the strategic importance of the development of high-
 22 demand green forest products industry jobs to the development and growth of the state's green
 23 economy.

24 (4) As used in this section, "forest products industry" includes, but is not limited to, businesses
 25 that grow, manage, harvest, transport or process forest, wood and paper products.

26 **SECTION 276.** ORS 679.020 is amended to read:

27 679.020. (1) A person may not practice dentistry without a license.

28 (2) Only a person licensed as a dentist by the Oregon Board of Dentistry may own, operate,
 29 conduct or maintain a dental practice, office or clinic in this state.

30 (3) The restrictions of subsection (2) of this section, as they relate to owning and operating a
 31 dental office or clinic, do not apply to a dental office or clinic owned or operated by any of the
 32 following:

33 (a) A labor organization as defined in ORS 243.650 and 663.005 (6), or to any nonprofit organ-
 34 ization formed by or on behalf of such labor organization for the purpose of providing dental ser-
 35 vices. Such labor organization must have had an active existence for at least three years, have a
 36 constitution and bylaws, and be maintained in good faith for purposes other than providing dental
 37 services.

38 (b) The School of Dentistry of the Oregon Health and Science University.

39 (c) Public universities listed in ORS 352.002, **Portland State University or the University of**
 40 **Oregon.**

41 (d) Local governments.

42 (e) Institutions or programs accredited by the Commission on Dental Accreditation of the
 43 American Dental Association to provide education and training.

44 (f) Nonprofit corporations organized under Oregon law to provide dental services to rural areas
 45 and medically underserved populations of migrant, rural community or homeless individuals under

1 42 U.S.C. 254b or 254c or health centers qualified under 42 U.S.C. 1396d(1)(2)(B) operating in com-
2 pliance with other applicable state and federal law.

3 (g) Nonprofit charitable corporations as described in section 501(c)(3) of the Internal Revenue
4 Code and determined by the Oregon Board of Dentistry as providing dental services by volunteer
5 licensed dentists to populations with limited access to dental care at no charge or a substantially
6 reduced charge.

7 (4) For the purpose of owning or operating a dental office or clinic, an entity described in sub-
8 section (3) of this section must:

9 (a) Name an actively licensed dentist as its dental director, who shall be subject to the pro-
10 visions of ORS 679.140 in the capacity as dental director. The dental director, or an actively licensed
11 dentist designated by the director, shall have responsibility for the clinical practice of dentistry,
12 which includes, but is not limited to:

13 (A) Diagnosis of conditions within the human oral cavity and its adjacent tissues and structures.

14 (B) Prescribing drugs that are administered to patients in the practice of dentistry.

15 (C) The treatment plan of any dental patient.

16 (D) Overall quality of patient care that is rendered or performed in the practice of dentistry.

17 (E) Supervision of dental hygienists, dental assistants or other personnel involved in direct pa-
18 tient care and the authorization for procedures performed by them in accordance with the standards
19 of supervision established by statute or by the rules of the board.

20 (F) Other specific services within the scope of clinical dental practice.

21 (G) Retention of patient dental records as required by statute or by rule of the board.

22 (H) Ensuring that each patient receiving services from the dental office or clinic has a dentist
23 of record.

24 (b) Maintain current records of the names of licensed dentists who supervise the clinical activ-
25 ities of dental hygienists, dental assistants or other personnel involved in direct patient care utilized
26 by the entity. The records must be available to the board upon written request.

27 (5) Subsections (1) and (2) of this section do not apply to an expanded practice dental hygienist
28 who renders services authorized by a permit issued by the board pursuant to ORS 680.200.

29 (6) Nothing in this chapter precludes a person or entity not licensed by the board from:

30 (a) Ownership or leasehold of any tangible or intangible assets used in a dental office or clinic.
31 These assets include real property, furnishings, equipment and inventory but do not include dental
32 records of patients related to clinical care.

33 (b) Employing or contracting for the services of personnel other than licensed dentists.

34 (c) Management of the business aspects of a dental office or clinic that do not include the clin-
35 ical practice of dentistry.

36 (7) If all of the ownership interests of a dentist or dentists in a dental office or clinic are held
37 by an administrator, executor, personal representative, guardian, conservator or receiver of the es-
38 tate of a former shareholder, member or partner, the administrator, executor, personal represen-
39 tative, guardian, conservator or receiver may retain the ownership interest for a period of 12 months
40 following the creation of the ownership interest. The board shall extend the ownership period for
41 an additional 12 months upon 30 days' notice and may grant additional extensions upon reasonable
42 request.

43 **SECTION 277.** ORS 696.182 is amended to read:

44 696.182. (1) The Real Estate Agency, with advice from real estate professionals and educators,
45 shall prescribe rules for certifying real estate continuing education providers.

1 (2) The agency shall include in the rules that an applicant for certification under this section
2 must be:

3 (a) A main or branch office, with a registered business name as provided under ORS 696.026,
4 of a licensed real estate property manager or principal real estate broker;

5 (b) A licensed title or escrow company conducting business in this state;

6 (c) A real estate trade association or a trade association in a related field;

7 (d) A real estate multiple listing service;

8 (e) An attorney admitted to practice in this state;

9 (f) A private career school licensed by the Department of Education and approved by the agency
10 to provide the basic real estate broker's or property manager's educational courses required under
11 ORS 696.022;

12 (g) An accredited community college, an accredited public university listed in ORS 352.002,
13 **Portland State University, the University of Oregon** or a private and independent institution of
14 higher education as defined in ORS 352.720;

15 (h) A distance learning provider as provided by rule of the agency; or

16 (i) Another provider approved by the Real Estate Board.

17 (3) The Real Estate Agency may provide continuing education without being certified under this
18 section.

19 (4) The agency, in consultation with real estate professionals and educators, shall provide by
20 rule:

21 (a) A broad list of course topics that are eligible for continuing education credit required by
22 ORS 696.174; and

23 (b) Learning objectives for each course topic.

24 (5) The list of course topics developed by the agency under subsection (4) of this section must
25 allow for changes in the real estate profession.

26 (6) The minimum length of each course is one hour. A continuing education provider or course
27 instructor may allow a break of no more than 10 minutes for each hour of instruction.

28 **SECTION 278.** ORS 696.182, as amended by section 46, chapter 104, Oregon Laws 2012, is
29 amended to read:

30 696.182. (1) The Real Estate Agency, with advice from real estate professionals and educators,
31 shall prescribe rules for certifying real estate continuing education providers.

32 (2) The agency shall include in the rules that an applicant for certification under this section
33 must be:

34 (a) A main or branch office, with a registered business name as provided under ORS 696.026,
35 of a licensed real estate property manager or principal real estate broker;

36 (b) A licensed title or escrow company conducting business in this state;

37 (c) A real estate trade association or a trade association in a related field;

38 (d) A real estate multiple listing service;

39 (e) An attorney admitted to practice in this state;

40 (f) A private career school licensed by the Higher Education Coordinating Commission and ap-
41 proved by the agency to provide the basic real estate broker's or property manager's educational
42 courses required under ORS 696.022;

43 (g) An accredited community college, an accredited public university listed in ORS 352.002,
44 **Portland State University, the University of Oregon** or a private and independent institution of
45 higher education as defined in ORS 352.720;

1 (h) A distance learning provider as provided by rule of the agency; or

2 (i) Another provider approved by the Real Estate Board.

3 (3) The Real Estate Agency may provide continuing education without being certified under this
4 section.

5 (4) The agency, in consultation with real estate professionals and educators, shall provide by
6 rule:

7 (a) A broad list of course topics that are eligible for continuing education credit required by
8 ORS 696.174; and

9 (b) Learning objectives for each course topic.

10 (5) The list of course topics developed by the agency under subsection (4) of this section must
11 allow for changes in the real estate profession.

12 (6) The minimum length of each course is one hour. A continuing education provider or course
13 instructor may allow a break of no more than 10 minutes for each hour of instruction.

14 **SECTION 279.** ORS 743.550 is amended to read:

15 743.550. (1) Student health insurance is subject to ORS 743.537, 743.540, 743.543, 743.546 and
16 743.549, except as provided in this section.

17 (2) Coverage under a student health insurance policy may be mandatory for all students at the
18 institution, voluntary for all students at the institution, or mandatory for defined classes of students
19 and voluntary for other classes of students. As used in this subsection, "classes" refers to under-
20 graduates, graduate students, domestic students, international students or other like classifications.
21 Any differences based on a student's nationality may be established only for the purpose of com-
22 plying with federal law in effect when the policy is issued.

23 (3) When coverage under a student health insurance policy is mandatory, the policyholder may
24 allow any student subject to the policy to decline coverage if the student provides evidence ac-
25 ceptable to the policyholder that the student has similar health coverage.

26 (4) A student health insurance policy may provide for any student to purchase optional supple-
27 mental coverage.

28 (5) Student health insurance coverage for athletic injuries may:

29 (a) Exclude coverage for injuries of students who have not obtained medical release for a similar
30 injury; and

31 (b) Be provided in excess of or in addition to any other coverage under any other health insur-
32 ance policy, including a student health insurance policy.

33 (6) A student health insurance policy may provide that coverage under the policy is secondary
34 to any other health insurance for purposes of guidelines established under ORS 743.552.

35 (7) A student health insurance policy may provide, on request by the policyholder, that all or
36 any portion of any indemnities provided by such policy on account of hospital, nursing, medical or
37 surgical services may, at the insurer's option, be paid directly to the hospital or person rendering
38 such services. However, the amount of any such payment shall not exceed the amount of benefit
39 provided by the policy with respect to the service or billing of the provider of aid. The amount of
40 such payments pursuant to one or more assignments shall not exceed the amount of expenses in-
41 curred on account of such hospitalization or medical or surgical aid.

42 (8) An insurer providing student health insurance as primary coverage may negotiate and enter
43 into contracts for alternative rates of payment with providers and offer the benefit of such alterna-
44 tive rates to insureds who select such providers. An insurer may utilize such contracts by offering
45 a choice of plans at the time an insured enrolls, one of which provides benefits only for services by

1 members of a particular provider organization with whom the insurer has an agreement. If an insured chooses such a plan, benefits are payable only for services rendered by a member of that
2 provider organization, unless such services were requested by a member of such organization or are
3 rendered as the result of an emergency.
4

5 (9) Payments made under subsection (8) of this section shall discharge the insurer's obligation
6 with respect to the amount of insurance paid.

7 (10) An insurer shall provide each student health insurance policyholder with a current roster
8 of institutional and professional providers under contract to provide services at alternative rates
9 under the group policy and shall also make such lists available for public inspection during regular
10 business hours at the insurer's principal office within this state.

11 (11) As used in this section, "student health insurance" means that form of health insurance
12 under a policy issued to a college, school or other institution of learning, a school district or dis-
13 tricts, or school jurisdictional unit, or recognized student government at a public university listed
14 in ORS 352.002, **Portland State University or the University of Oregon**, or to the head, principal
15 or governing board of any such educational unit, who or which shall be deemed the policyholder,
16 that is available exclusively to students at the college, school or other institution.

17 **SECTION 280.** ORS 759.445 is amended to read:

18 759.445. (1) There is established in the State Treasury, separate and distinct from the General
19 Fund, the Connecting Oregon Communities Fund. Moneys in the fund shall consist of amounts de-
20 posited in the fund under ORS 759.405 and any other moneys deposited by a telecommunications
21 carrier that elects to be subject to ORS 759.405 and 759.410, including amounts deposited pursuant
22 to a performance assurance plan implemented by a telecommunications carrier in connection with
23 an application under 47 U.S.C. 271, as in effect on January 1, 2002. Interest earned on moneys in the
24 fund shall accrue to the fund. Moneys in the fund may be invested as provided in ORS 293.701 to
25 293.820. Moneys in the fund shall be used to provide access to advanced telecommunications tech-
26 nology in elementary schools and high schools, colleges and universities, community colleges, public
27 television corporations, rural health care providers, public libraries and other eligible persons.

28 (2) Two dedicated accounts shall be established within the Connecting Oregon Communities
29 Fund for purposes of supporting education and public access to advanced telecommunications ser-
30 vices. The first \$25 million of the moneys deposited in the Connecting Oregon Communities Fund in
31 both 2000 and 2001 shall be appropriated to the School Technology Account established under sub-
32 section (3) of this section. Except as provided in subsection (8) of this section, any additional moneys
33 available in the fund shall be appropriated to the Public Access Account established under sub-
34 section (4) of this section.

35 (3) There is established the School Technology Account within the Connecting Oregon Commu-
36 nities Fund. The purpose of the School Technology Account is to improve access to advanced tele-
37 communications services for students attending public school in kindergarten through grade 12.
38 Moneys in the account shall be expended as provided in section 34, chapter 1093, Oregon Laws 1999.

39 (4)(a) There is established the Public Access Account within the Connecting Oregon Communi-
40 ties Fund. The purpose of the Public Access Account is to improve access to advanced telecommu-
41 nications services for community colleges, universities, public libraries and rural health care
42 providers.

43 (b) If funding has not been provided from other sources, the first \$3 million available in the
44 Public Access Account shall be transferred to the Oregon University System for the purpose of
45 funding the Oregon Wide Area Network project to provide and expand Internet access for the

1 Oregon University System. The Oregon University System shall complete an audit of bandwidth
2 utilization and report to the Joint Legislative Committee on Information Management and Technol-
3 ogy during the Seventy-first Legislative Assembly in the manner provided in ORS 192.245.

4 (c) Following the transfer of funds described in paragraph (b) of this subsection, the next \$1
5 million available in the Public Access Account shall be transferred to the Oregon University System
6 for Oregon State University for the purpose of providing virtual access to persons with disabilities.

7 (d) Following the transfer of funds as described in paragraphs (b) and (c) of this subsection, the
8 next \$2 million available in the Public Access Account shall be transferred to the Department of
9 Community Colleges and Workforce Development for distribution to community colleges for the
10 purpose of developing connectivity and distance education programs.

11 (e) Following the transfer of funds described in paragraphs (b) to (d) of this subsection, the next
12 \$4 million available in the Public Access Account shall be transferred to the Oregon University
13 System for video transport and network management services for the Oregon University System.

14 (f) Following the transfer of funds described in paragraphs (b) to (e) of this subsection, the next
15 \$5.5 million available in the Public Access Account shall be transferred to the Oregon Public
16 Broadcasting Corporation for the purpose of digitizing the state television network, using the
17 Oregon Enterprise Network when possible.

18 (g) Following the transfer of funds described in paragraphs (b) to (f) of this subsection, the next
19 \$500,000 available in the Public Access Account shall be transferred to the Southern Oregon Public
20 Television Corporation for the purpose of digitizing the state television network, using the Oregon
21 Enterprise Network when possible.

22 (h) Following the transfer of funds described in paragraphs (b) to (g) of this subsection, a public
23 university listed in ORS 352.002, **Portland State University, the University of Oregon** or the
24 Oregon Health and Science University may apply for one-time matching funds up to \$1 million from
25 the Public Access Account to endow a telecommunications chair for the purpose of increasing re-
26 search and development of advanced telecommunications services applications. Only one chair may
27 be endowed under this paragraph.

28 (5)(a) The Oregon Business Development Commission shall approve expenditure of any remaining
29 moneys in the Public Access Account consistent with this section and ORS 759.430.

30 (b) Community colleges, public universities listed in ORS 352.002, **Portland State University,**
31 **the University of Oregon,** public libraries, public television corporations and rural health care
32 providers may apply to the Oregon Business Development Commission for funding from the Public
33 Access Account under this subsection.

34 (c) Funds received from the account shall be used for the purchase of advanced telecommuni-
35 cations services, equipment or recurring costs of telecommunications connectivity. Priority shall be
36 given to collaborative projects that improve access to advanced telecommunications services.

37 (d) Funds available in the Public Access Account under this subsection are continuously ap-
38 propriated to the Oregon Business Development Department for the purposes described in this sub-
39 section.

40 (6) Public libraries and rural health care providers must apply for federal universal service
41 support in order to be eligible for a grant from the Public Access Account.

42 (7) The video transport and network management services purchased with funds made available
43 under this section shall be purchased through the Oregon Department of Administrative Services.

44 (8) Any moneys deposited in the Connecting Oregon Communities Fund under subsection (1) of
45 this section pursuant to a performance assurance plan implemented by a telecommunications carrier

1 in connection with an application under 47 U.S.C. 271, as in effect on January 1, 2002, shall be
 2 placed in the School Technology Account to be expended as provided in section 34, chapter 1093,
 3 Oregon Laws 1999.

4 **SECTION 281.** ORS 815.080 is amended to read:

5 815.080. (1) A person commits the offense of providing a safety belt, harness equipment or a child
 6 safety system that does not comply with standards if the person does any of the following:

7 (a) Sells or offers for sale a new motor vehicle that is not equipped with safety belts, safety
 8 harnesses or child safety systems that comply with and are installed in compliance with the rules
 9 adopted by the Department of Transportation under ORS 815.055. This paragraph applies only to
 10 motor vehicles that are primarily designed for transportation of individuals and that have seating
 11 for one or more passengers side-by-side with the operator. This paragraph requires only that the
 12 vehicle be equipped with one seat belt or harness for the operator and one for at least one of the
 13 passengers seated beside the operator.

14 (b) Sells or offers for sale any safety belt, safety harness, child safety system, anchor or other
 15 device for attaching or securing safety belts, safety harnesses or child safety system if the belt,
 16 harness, child safety system, anchor or device does not comply with the rules adopted by the de-
 17 partment under ORS 815.055. This paragraph applies only to belts, harnesses, child safety systems,
 18 anchors or devices for use or installation on a vehicle that is primarily designed for transportation
 19 of individuals.

20 (c) Sells or offers for sale any safety belt, safety harness, child safety system, anchor or other
 21 device for attaching or securing safety belts, safety harnesses or child safety systems if the belt,
 22 harness, child safety system, anchor or device is not marked as required under federal safety stan-
 23 dards and if the mark is not legible when the belt, harness, child safety system, anchor or other
 24 device is used or installed on a vehicle. This paragraph applies only to belts, harnesses, child safety
 25 systems, anchors or devices for use or installation on a vehicle that is primarily designed for
 26 transportation of individuals.

27 (d) Installs any safety belt, safety harness, child safety system, anchor or other device for at-
 28 taching or securing safety belts, safety harnesses or child safety systems on a vehicle that is pri-
 29 marily designed for the transportation of individuals except in compliance with rules adopted by the
 30 department under ORS 815.055.

31 (2) This section does not apply to school buses or school activity vehicles that are subject to
 32 equipment standards adopted by the State Board of Education, **Portland State University Board**
 33 **of Directors, the University of Oregon Board of Directors** or the State Board of Higher Educa-
 34 tion under ORS 820.100.

35 (3) The offense described in this section, providing a safety belt, harness equipment or a child
 36 safety system that does not comply with standards, is a Class C traffic violation.

37 **SECTION 282.** ORS 820.100 is amended to read:

38 820.100. (1) The State Board of Education shall adopt and enforce such reasonable standards
 39 relating to school bus and school activity vehicle construction and school bus and school activity
 40 vehicle equipment as the board deems necessary for safe and economical operation, except that the
 41 board may not authorize the use of school buses manufactured before April 1, 1977.

42 (2) The State Board of Higher Education may adopt and enforce separate rules of the type de-
 43 scribed under this section for school buses and school activity vehicles that are under the board's
 44 jurisdiction, except that the board may not authorize the use of school buses manufactured before
 45 April 1, 1977.

1 **(3) The University of Oregon Board of Directors may adopt and enforce separate rules**
 2 **of the type described under this section for school buses and school activity vehicles that are**
 3 **under the board’s jurisdiction, except that the board may not authorize the use of school**
 4 **buses manufactured before April 1, 1977.**

5 **(4) The Portland State University Board of Directors may adopt and enforce separate**
 6 **rules of the type described under this section for school buses and school activity vehicles**
 7 **that are under the board’s jurisdiction, except that the board may not authorize the use of**
 8 **school buses manufactured before April 1, 1977.**

9 [(3)] **(5)** The State Board of Education shall adopt and enforce standards for school bus stop
 10 arms authorized by ORS 820.105.

11 [(4)] **(6)** 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 283.** 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 **(4) The Portland State University Board of Directors may adopt and enforce separate**
 29 **rules of the type described under this section for school buses and school activity vehicles**
 30 **that are under its jurisdiction.**

31 [(3)] **(5)** The rules adopted under this section:

32 (a) Are subject to ORS 820.190 and 820.200 and to any other statute or regulation relating to
 33 the operation of vehicles, qualifications of drivers and accident reports.

34 (b) Must be consistent with requirements established by statute or by rule adopted under stat-
 35 utory authority that relate to the same subject.

36 (c) May include different requirements for different classes or types of school buses or school
 37 activity vehicles.

38 (d) May include any exemptions determined appropriate under ORS 820.150.

39 [(4)] **(6)** If the Department of Transportation suspends, cancels or revokes any driving privileges
 40 of a person who holds a school bus endorsement under ORS 807.035 (5), the Department of Trans-
 41 portation shall notify the Department of Education of the suspension, cancellation or revocation.

42 **SECTION 284.** ORS 820.120 is amended to read:

43 820.120. (1) The State Board of Education shall adopt and enforce rules to provide for the in-
 44 spection of school buses and school activity vehicles to assure that the vehicles are in compliance
 45 with requirements under rules established under ORS 820.100 and 820.110, as applicable, and that

1 the vehicles are safe for operation. The rules may include intervals of inspections.

2 (2) The State Board of Higher Education may adopt and enforce separate rules of the type de-
3 scribed under this section for school buses and school activity vehicles that are under its jurisdic-
4 tion.

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 its jurisdiction.**

8 **(4) The Portland State University Board of Directors may adopt and enforce separate**
9 **rules of the type described under this section for school buses and school activity vehicles**
10 **that are under its jurisdiction.**

11 [(3)] (5) The rules adopted under this section:

12 (a) Are subject to any other statute or regulation relating to the safety of vehicles for operation
13 and the inspection of vehicles.

14 (b) May include different requirements for different classes or types of school buses or school
15 activity vehicles.

16 (c) May include any exemptions determined appropriate under ORS 820.150.

17 **SECTION 285.** ORS 820.130 is amended to read:

18 820.130. The Department of Transportation shall issue registration for a school bus when noti-
19 fied that the vehicle conforms to applicable rules under ORS 820.100 to 820.120 and that the vehicle
20 is safe for operation on the highways. Notification required by this section shall be from:

21 (1) The State Board of Education or its authorized representative regarding vehicles under its
22 regulatory authority.

23 (2) The State Board of Higher Education or its authorized representative regarding vehicles
24 under its jurisdiction.

25 **(3) The University of Oregon Board of Directors or its authorized representative regard-**
26 **ing vehicles under its jurisdiction.**

27 **(4) The Portland State University Board of Directors or its authorized representative**
28 **regarding vehicles under its jurisdiction.**

29 **SECTION 286.** ORS 820.150 is amended to read:

30 820.150. (1) The State Board of Education, by rule, may establish classes or types of vehicles
31 that are not considered school buses or school activity vehicles for purposes of the Oregon Vehicle
32 Code or classes of school buses or school activity vehicles that are not subject to regulation under
33 the Oregon Vehicle Code either partially or completely.

34 (2) The State Board of Higher Education may adopt separate rules of the type described under
35 this section for vehicles that are under its jurisdiction.

36 **(3) The University of Oregon Board of Directors may adopt separate rules of the type**
37 **described under this section for vehicles that are under its jurisdiction.**

38 **(4) The Portland State University Board of Directors may adopt separate rules of the**
39 **type described under this section for vehicles that are under its jurisdiction.**

40 [(3)] (5) Rules adopted under this section are subject to the following:

41 (a) Any exemption, either partial or total, established under this section may be based upon
42 passenger capacity, on limited use or on any other basis the State Board of Education, [or] the State
43 Board of Higher Education, **the Portland State University Board of Directors or the University**
44 **of Oregon Board of Directors** considers appropriate.

45 (b) No exemption, either partial or total, shall be established under this section for any vehicle

1 that is marked with or displays the words “school bus.”

2 (c) Any vehicle determined not to be a school bus under this section is not a school bus within
3 the definition established under ORS 801.460. Partial exemptions established for vehicles under this
4 section may include removal of the vehicle from any provisions relating to school buses under the
5 vehicle code.

6 (d) Any vehicle determined not to be a school activity vehicle under this section is not a school
7 activity vehicle within the definition established under ORS 801.455. Partial exemptions established
8 for vehicles under this section may include removal of the vehicle from any provisions relating to
9 school activity vehicles under the vehicle code.

10 (e) In considering any rules under this section, the boards shall consider the need to assure
11 student safety.

12 **SECTION 287.** Section 3, chapter 797, Oregon Laws 2001, is amended to read:

13 **Sec. 3.** Subject to available funding, if a building evaluated under section 2 (4), **chapter 797,**
14 **Oregon Laws 2001,** [of this 2001 Act] is found by a board to pose an undue risk to life safety during
15 a seismic event, the State Board of Higher Education, **Portland State University Board of Di-**
16 **rectors, University of Oregon Board of Directors,** local school district board, community college
17 board or education service district board, as appropriate, shall develop a plan for seismic rehabili-
18 tation of the building or for other actions to reduce the risk. For a board that is subject to ORS
19 291.224, the board’s plan to rehabilitate or take other action to reduce the seismic risk of a building
20 must be included in the capital construction program of the board. A board that is subject to ORS
21 291.224 shall rank the relative benefit of projects to reduce seismic risk in comparison with other
22 life safety and code requirement projects. Subject to availability of funding, all seismic rehabili-
23 tations or other actions to reduce seismic risk must be completed before January 1, 2032. If the
24 building is listed on a national or state register of historic places or properties or is designated as
25 a landmark by local ordinance, the plan for seismic rehabilitation or other action shall be developed
26 in a manner that gives consideration to preserving the character of the building.

27 **SECTION 288.** Section 13, chapter 761, Oregon Laws 2007, as amended by section 5, chapter
28 2, Oregon Laws 2009, section 93, chapter 762, Oregon Laws 2009, and section 32, chapter 2, Oregon
29 Laws 2011, is amended to read:

30 **Sec. 13.** (1) There is established in the General Fund an account to be known as the Portland
31 State University Science Research and Teaching Center and Hazardous Waste Facility Account.
32 Funds in the account shall be used for the acquisition, construction, remodeling, expansion and
33 renovation of facilities for a Science Research and Teaching Center and Hazardous Waste Facility
34 Phase I at Portland State University.

35 (2) The account shall consist of proceeds from certificates of participation, grant funds, gift
36 funds, proceeds of legal settlements, federal and local government funds made available to and funds
37 donated to [the Oregon University System] **Portland State University** for the purpose of the center
38 and facility project described in subsection (1) of this section. Interest earned on moneys in the ac-
39 count shall be credited to the account. The account may not be credited with more than \$7,000,000
40 for purposes of this subsection.

41 (3) Moneys in the account are continuously appropriated to the [Oregon University System]
42 **Portland State University** and may be transferred to the account designated by [ORS 351.626] **the**
43 **university** for the center and facility project described in subsection (1) of this section.

44 **SECTION 289.** Section 14, chapter 761, Oregon Laws 2007, as amended by section 94, chapter
45 762, Oregon Laws 2009, and section 33, chapter 2, Oregon Laws 2011, is amended to read:

1 **Sec. 14.** (1) There is established in the General Fund an account to be known as the University
2 of Oregon Integrative Science Complex, Phase 2 Account. Funds in the account shall be used for the
3 acquisition, construction, remodeling, expansion and renovation of facilities for an Interactive Sci-
4 ence Complex, Phase 2 at the University of Oregon.

5 (2) The account shall consist of grant funds, gift funds, federal and local government funds made
6 available to and funds donated to the [*Oregon University System*] **University of Oregon** for the
7 purpose of the Interactive Science Complex, Phase 2 project described in subsection (1) of this sec-
8 tion. Interest earned on moneys in the account shall be credited to the account. The account may
9 not be credited with more than \$30,000,000 for purposes of this subsection.

10 (3) Moneys in the account are continuously appropriated to the [*Oregon University System*]
11 **University of Oregon** and may be transferred to the account designated by [*ORS 351.626*] **the**
12 **university** for the Interactive Science Complex, Phase 2 project described in subsection (1) of this
13 section.

14 **SECTION 290.** Section 15, chapter 761, Oregon Laws 2007, as amended by section 95, chapter
15 762, Oregon Laws 2009, and section 34, chapter 2, Oregon Laws 2011, is amended to read:

16 **Sec. 15.** (1) There is established in the General Fund an account to be known as the University
17 of Oregon Hayward Field Account. Funds in the account shall be used for the purposes described
18 in Article XI-G of the Oregon Constitution at Hayward Field at the University of Oregon.

19 (2) The account shall consist of funds received from not-for-profit organizations, grant funds, gift
20 funds, federal and local government funds made available to and funds donated to the [*Oregon Uni-*
21 *versity System*] **University of Oregon** for the purpose of the Hayward Field project described in
22 subsection (1) of this section. Interest earned on moneys in the account shall be credited to the ac-
23 count. The account may not be credited with more than \$2,500,000 for purposes of this subsection.

24 (3) Moneys in the account are continuously appropriated to the [*Oregon University System*]
25 **University of Oregon** and may be transferred to the account designated by [*ORS 351.626*] **the**
26 **university** for the purposes described in subsection (1) of this section.

27 **SECTION 291.** Section 17, chapter 761, Oregon Laws 2007, as amended by section 97, chapter
28 762, Oregon Laws 2009, and section 36, chapter 2, Oregon Laws 2011, is amended to read:

29 **Sec. 17.** (1) There is established in the General Fund an account to be known as the Portland
30 State University Science PCAT Redevelopment Account. Funds in the account shall be used for the
31 acquisition, construction, remodeling, expansion and renovation of facilities on the current site of
32 the Portland Center for Advanced Technology at Portland State University.

33 (2) The account shall consist of grant funds, gift funds, proceeds of legal settlements, federal and
34 local government funds made available to and funds donated to the [*Oregon University System*]
35 **Portland State University** for the purpose of the project described in subsection (1) of this section.
36 Interest earned on moneys in the account shall be credited to the account. The account may not be
37 credited with more than \$10,000,000 for purposes of this subsection.

38 (3) Moneys in the account are continuously appropriated to the [*Oregon University System*]
39 **Portland State University** and may be transferred to the account designated by [*ORS 351.626*] **the**
40 **university** for the project described in subsection (1) of this section.

41 **SECTION 292.** Section 22, chapter 904, Oregon Laws 2009, as amended by section 50, chapter
42 2, Oregon Laws 2011, and section 46, chapter 9, Oregon Laws 2011, is amended to read:

43 **Sec. 22.** (1) There is established in the General Fund an account to be known as the Portland
44 State University Science Research and Teaching Center/Hazardous Waste Facility Phase 2 Project
45 Account. Funds in the account shall be used for the acquisition, construction, remodeling, expansion

1 and renovation of facilities for a facility project at Oregon State University.

2 (2) The account shall consist of proceeds from grant funds, gift funds and federal and local
 3 government funds made available to the [*Oregon University System*] **Portland State University** for
 4 the purpose of the facility project described in subsection (1) of this section. Interest earned on
 5 moneys in the account shall be credited to the account. The account may not be credited with more
 6 than \$2,500,000 for purposes of this subsection.

7 (3) Moneys in the account are continuously appropriated to the [*Oregon University System*]
 8 **Portland State University** and may be transferred to the account designated by [*ORS 351.626*] **the**
 9 **university** for the facility project described in subsection (1) of this section.

10 **SECTION 293.** Section 24, chapter 904, Oregon Laws 2009, as amended by section 52, chapter
 11 2, Oregon Laws 2011, and section 48, chapter 9, Oregon Laws 2011, is amended to read:

12 **Sec. 24.** (1) There is established in the General Fund an account to be known as the University
 13 of Oregon Allen Hall Expansion and Remodel Project Account. Funds in the account shall be used
 14 for the acquisition, construction, remodeling, expansion and renovation of facilities for a facility
 15 project at the University of Oregon.

16 (2) The account shall consist of proceeds from grant funds and gift funds made available to and
 17 funds donated to the [*Oregon University System*] **University of Oregon** for the purpose of the fa-
 18 cility project described in subsection (1) of this section. Interest earned on moneys in the account
 19 shall be credited to the account. The account may not be credited with more than \$7,500,000 for
 20 purposes of this subsection.

21 (3) Moneys in the account are continuously appropriated to the [*Oregon University System*]
 22 **University of Oregon** and may be transferred to the account designated by [*ORS 351.626*] **the**
 23 **university** for the facility project described in subsection (1) of this section.

24 **SECTION 294. ORS 352.035 is repealed.**

25
 26 **REMOVAL OF SUNSET**
 27 **FOR OREGON EDUCATION INVESTMENT BOARD**

28
 29 **SECTION 295.** Section 10, chapter 519, Oregon Laws 2011, as amended by section 1,
 30 chapter 37, Oregon Laws 2012, is repealed.

31
 32 **TECHNICAL CHANGES RELATED TO REMOVAL OF SUNSET**

33
 34 **SECTION 296.** (1) Section 11, chapter 519, Oregon Laws 2011, as amended by section 2,
 35 chapter 37, Oregon Laws 2012, is repealed.

36 (2) Sections 13 and 22c, chapter 36, Oregon Laws 2012, are repealed.

37 (3) Sections 9 and 24, chapter 37, Oregon Laws 2012, are repealed.

38 (4) Sections 4 and 6, chapter 104, Oregon Laws 2012, are repealed.

39 **SECTION 297.** ORS 326.300, as amended by sections 7 and 12, chapter 36, Oregon Laws 2012,
 40 is amended to read:

41 326.300. (1) As provided by section 1, Article VIII of the Oregon Constitution, the Governor is
 42 the Superintendent of Public Instruction.

43 (2)(a) The Governor, acting as Superintendent of Public Instruction, shall appoint a Deputy Su-
 44 perintendent of Public Instruction. The deputy superintendent must have at least five years of ex-
 45 perience in the administration of an elementary school or a secondary school. The appointment of

1 the deputy superintendent shall be subject to confirmation by the Senate as provided by ORS 171.562
2 and 171.565.

3 (b) The deputy superintendent shall:

4 (A) Perform any act or duty of the office of Superintendent of Public Instruction that is desig-
5 nated by the Governor, and the Governor is responsible for any acts of the deputy superintendent.

6 (B) **Serve under the direction and control of the Chief Education Officer appointed under**
7 **section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization**
8 **of the state's education system.**

9 (3) The deputy superintendent may be removed from office by the Governor following consulta-
10 tion with the State Board of Education.

11 (4) The deputy superintendent shall receive a salary set by the Governor, and shall be reim-
12 bursed for all expenses actually and necessarily incurred by the deputy superintendent in the per-
13 formance of official duties.

14 **SECTION 298.** ORS 326.375, as amended by sections 3 and 9, chapter 36, Oregon Laws 2012, is
15 amended to read:

16 326.375. (1) The State Board of Education shall appoint a Commissioner for Community College
17 Services who shall:

18 (a) Serve at the pleasure of the board.

19 (b) **Serve under the direction and control of the Chief Education Officer appointed under**
20 **section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization**
21 **of the state's education system.**

22 (2) The commissioner shall be a person who by training and experience is well qualified to per-
23 form the duties of the office and to assist in carrying out the functions of the board under ORS
24 326.041, 326.051, 326.375, 341.005, 341.015, 341.440, 341.455, 341.626, 341.655 and 341.933.

25 (3) The commissioner shall:

26 (a) Be the executive head of the Department of Community Colleges and Workforce Develop-
27 ment.

28 (b) Direct and supervise all activities of the Department of Community Colleges and Workforce
29 Development.

30 (c) Hire staff, as authorized by the State Board of Education to assist in carrying out the duties
31 of the commissioner. The staff shall be considered employees of the Department of Community Col-
32 leges and Workforce Development for purposes of ORS chapters 240 and 243.

33 (d) Be responsible directly to:

34 (A) The State Board of Education for those duties enumerated in ORS chapter 341.

35 (B) **The Chief Education Officer for matters related to the design and organization of the**
36 **state's education system.**

37 (4) The commissioner, with approval of the State Board of Education, shall be responsible for
38 the representation of community college interests to the Governor, the Legislative Assembly, state
39 agencies and others. The commissioner, with the approval of the state board, shall be responsible
40 for submitting community college budget requests and budget reports for the Department of Com-
41 munity Colleges and Workforce Development to the Legislative Assembly. The state board shall
42 ensure that the budget request for community colleges and for the Department of Community Col-
43 leges and Workforce Development are separate and distinct from its other requests to the Legisla-
44 tive Assembly.

45 **SECTION 299.** ORS 351.075, as amended by sections 4 and 10, chapter 36, Oregon Laws 2012,

1 is amended to read:

2 351.075. (1) The State Board of Higher Education shall appoint a chief executive officer who
3 shall be known as the Chancellor of the Oregon University System.

4 (2) The chancellor shall:

5 (a) Serve at the pleasure of the board.

6 (b) **Serve under the direction and control of the Chief Education Officer appointed under
7 section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization
8 of the state's education system.**

9 **SECTION 300.** ORS 351.725, as amended by sections 6 and 11, chapter 36, Oregon Laws 2012,
10 is amended to read:

11 351.725. (1) The Higher Education Coordinating Commission shall appoint an executive director
12 to:

13 (a) Serve at the pleasure of the commission.

14 (b) **Serve under the direction and control of the Chief Education Officer appointed under
15 section 2, chapter 519, Oregon Laws 2011, for matters related to the design and organization
16 of the state's education system.**

17 (2) The appointment of the executive director must be by written order, filed with the Secretary
18 of State.

19 (3) Subject to any applicable provisions of ORS chapter 240, the executive director shall appoint
20 all subordinate officers and employees of the commission, prescribe their duties and fix their com-
21 pensation.

22 **SECTION 301.** Section 4, chapter 519, Oregon Laws 2011, as amended by sections 22a and 22b,
23 chapter 36, Oregon Laws 2012, and section 3, chapter 37, Oregon Laws 2012, is amended to read:

24 **Sec. 4.** (1) The Early Learning Council is established. **The council shall function under the
25 direction and control of the Oregon Education Investment Board established by section 1,
26 chapter 519, Oregon Laws 2011.**

27 (2) The council is established to *[oversee]* **assist the board in overseeing** a unified system of
28 early learning services for the purpose of ensuring that children enter school ready to learn. The
29 Early Learning Council shall ensure that children enter school ready to learn by:

30 (a) Serving as the state advisory council for purposes of the federal Head Start Act, as provided
31 by section 7, chapter 37, Oregon Laws 2012.

32 (b) Implementing and overseeing a system that coordinates the delivery of early learning ser-
33 vices.

34 (c) Overseeing the Oregon Early Learning System created by ORS 417.727.

35 (3) The council consists of members appointed as provided by subsections (4) and (5) of this
36 section.

37 (4)(a) The Governor shall appoint nine voting members who are appointed for a term of four
38 years and serve at the pleasure of the Governor. A person appointed under this subsection may not
39 be appointed to serve more than two consecutive full terms as a council member.

40 (b) When determining whom to appoint to the council under this subsection, the Governor shall:

41 (A) **Ensure that at least one of the members is an appointed member of the Oregon Ed-
42 ucation Investment Board;**

43 [(A)] (B) Ensure that each congressional district of this state is represented;

44 [(B)] (C) **For a member who is not an appointed member of the Oregon Education In-
45 vestment Board,** ensure that *[each]* **the** member meets the following qualifications:

1 (i) Demonstrates leadership skills in civics or the member's profession;

2 (ii) To the greatest extent practicable, contributes to the council's representation of the ge-
3 ographic, ethnic, gender, racial and economic diversity of this state; and

4 (iii) Contributes to the council's expertise, knowledge and experience in early childhood devel-
5 opment, early childhood care, early childhood education, family financial stability, populations dis-
6 proportionately burdened by poor education outcomes and outcome-based best practices; and

7 [(C)] (D) Solicit recommendations from the Speaker of the House of Representatives for at least
8 two members and from the President of the Senate for at least two members.

9 (5) In addition to the members appointed under subsection (4) of this section, the Governor shall
10 appoint voting, ex officio members who represent the state agencies and other entities that are re-
11 quired to be represented on a state advisory council for purposes of the federal Head Start Act and
12 who represent the tribes of this state.

13 (6) The activities of the council shall be directed and supervised by the Early Learning System
14 Director who is appointed by the Governor and serves at the pleasure of the Governor.

15 (7) In accordance with applicable provisions of ORS chapter 183, the council may adopt rules
16 necessary for the administration of the laws that the council is charged with administering.

17 **SECTION 302.** Section 7, chapter 37, Oregon Laws 2012, as amended by section 8, chapter 37,
18 Oregon Laws 2012, is amended to read:

19 **Sec. 7.** (1) As the state advisory council for purposes of the federal Head Start Act, the Early
20 Learning Council shall:

21 (a) Conduct a periodic statewide needs assessment concerning the quality and availability of
22 early childhood education and development programs and services for children from birth to school
23 age, including an assessment of the availability of high-quality prekindergarten services for low-
24 income children in this state.

25 (b) Identify opportunities for, and barriers to, collaboration and coordination among federally-
26 funded and state-funded child care and early childhood education and development programs and
27 services, including collaboration and coordination among state agencies responsible for administer-
28 ing those programs and services.

29 (c) Develop recommendations for increasing the overall participation of children in existing
30 federal, state and local early childhood education and development programs and services, including
31 outreach to underrepresented and special populations.

32 (d) Develop recommendations for establishing a unified data collection system for public early
33 childhood education and development programs and services throughout this state.

34 (e) Develop recommendations regarding statewide professional development and career ad-
35 vancement plans for providers of early childhood education and development programs and services
36 in this state.

37 (f) Assess the capacity and effectiveness of two-year and four-year public and private institutions
38 of higher education in this state in supporting the development of early childhood educators, in-
39 cluding the extent to which the institutions have articulation agreements, professional development
40 and career advancement plans, and internships or other training opportunities that allow students
41 to spend time with children enrolled in the federal Head Start program or another prekindergarten
42 program. The assessment conducted under this paragraph must be conducted in coordination with
43 appropriate higher education governance bodies, **as identified by the Oregon Education Invest-**
44 **ment Board.**

45 (g) Make recommendations for improvements in state early learning standards and undertake

1 efforts to develop high-quality comprehensive early learning standards when appropriate.

2 (2) The council shall hold public hearings and provide an opportunity for public comment in
3 relation to the actions described in subsection (1) of this section.

4 (3)(a) The council shall submit an annual statewide strategic report addressing the activities
5 described in subsection (1) of this section to the State Director of Head Start Collaboration, **the**
6 **Oregon Education Investment Board**, the Legislative Assembly and the Governor.

7 (b) Following submission of a statewide strategic report described in paragraph (a) of this sub-
8 section, the council may meet periodically to review the implementation of the recommendations in
9 the report and to review any changes in state or local needs.

10 **SECTION 303.** Section 21, chapter 37, Oregon Laws 2012, as amended by section 23, Oregon
11 Laws 2012, is amended to read:

12 **Sec. 21.** (1) The Youth Development Council is established. **The council shall function under**
13 **the direction and control of the Oregon Education Investment Board established by section**
14 **1, chapter 519, Oregon Laws 2011.**

15 (2) The council is established for the purpose of **assisting the board in** overseeing a unified
16 system that provides services to school-age children through youth 20 years of age in a manner that
17 supports academic success, reduces criminal involvement and is integrated, measurable and ac-
18 countable.

19 (3) The council consists of no fewer than 15 members who are appointed by the Governor. The
20 Governor shall ensure that membership of the council satisfies any federal requirements for mem-
21 bership of a state advisory committee on juvenile justice.

22 (4) The council shall:

23 (a) Prioritize funding for prevention and intervention services related to gang violence and gang
24 involvement.

25 (b) Determine the means by which services to children and youth may be provided effectively
26 and efficiently across multiple programs to improve the academic and social outcomes of children
27 and youth.

28 (c) Assess state programs and services related to youth development and training, and identify
29 methods by which programs and services may be coordinated or consolidated.

30 (d) Establish common academic and social indicators to support attainment of goals established
31 by the [council] **Oregon Education Investment Board**.

32 (e) Establish common program outcome measurements and coordinate data collection across
33 multiple programs and services.

34 (f) Ensure implementation of best practices that:

35 (A) Are evidence based;

36 (B) Are culturally, gender and age appropriate;

37 (C) Address individual risk factors;

38 (D) Build upon factors that increase the health and well-being of children and youth; and

39 (E) Include tribal best practices.

40 (5) The Governor may designate one member of the council to serve as the chairperson or, if the
41 Governor chooses not to designate a chairperson, the council may elect one of its members to serve
42 as chairperson.

43 [(6) *In accordance with applicable provisions of ORS chapter 183, the council may adopt rules*
44 *necessary for the administration of the laws that the council is charged with administering.*]
45

RECLASSIFICATION OF EXISTING ORS SECTIONS

SECTION 304. ORS 351.517, 351.518, 351.519, 351.521, 351.538, 351.539, 352.043, 352.045, 352.046, 352.048, 352.049, 352.051, 352.052 and 352.053 are added to and made a part of sections 1 to 52 of this 2013 Act.

SECTION 305. ORS 351.509, 351.511, 352.063, 352.066, 352.067, 352.068, 352.071 and 352.074 are added to and made a part of sections 65 to 114 of this 2013 Act.

CAPTIONS

SECTION 306. The unit captions used in this 2013 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2013 Act.

OPERATIVE DATE AND TRANSITIONAL PROVISIONS

SECTION 307. Sections 1 to 127 of this 2013 Act, the amendments to statutes by sections 128 to 293 of this 2013 Act, the repeal of ORS 352.035 by section 294 of this 2013 Act, the repeal of section 10, chapter 519, Oregon Laws 2011, by section 295 of this 2013 Act and the repeal of section 11, chapter 519, Oregon Laws 2011, sections 13 and 22c, chapter 36, Oregon Laws 2012, sections 9 and 24, chapter 37, Oregon Laws 2012, and sections 4 and 6, chapter 104, Oregon Laws 2012, by section 296 of this 2013 Act become operative on January 1, 2014.

SECTION 308. The State Board of Higher Education shall continue to have jurisdiction over the operations of the University of Oregon and Portland State University for the 2013-2014 and 2014-2015 academic years. However, the University of Oregon Board of Directors and the Portland State University Board of Directors shall propose funding requests pursuant to sections 18 and 81 of this 2013 Act and shall prepare budgets, in cooperation with the State Board of Higher Education, for the biennium beginning July 1, 2015. The presidents of the University of Oregon and Portland State University shall assume responsibilities for administration of the respective universities under the provisions of this 2013 Act on July 1, 2015.

SECTION 309. For the biennium beginning July 1, 2015, the funding requests required to be submitted by the University of Oregon and Portland State University under sections 18 and 81 of this 2013 Act shall be submitted to the Oregon Department of Administrative Services prior to November 1, 2014.

EMERGENCY CLAUSE

SECTION 310. This 2013 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect on its passage.