

HOUSE AMENDMENTS TO RESOLVE CONFLICTS TO B-ENGROSSED SENATE BILL 270

By JOINT COMMITTEE ON WAYS AND MEANS

July 6

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

2 Delete page 77.

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

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

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

16 “(2) An administrative or academic employee [*of the Oregon University System*] may elect to
17 participate in the Optional Retirement Plan upon completion of:

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

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

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

26 “(4) An administrative or academic employee who does not elect to participate in the Optional
27 Retirement Plan:

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

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

32 “(5) Except as provided in subsection (6) of this section, employees who elect to participate in
33 the Optional Retirement Plan are ineligible for active membership in the Public Employees Retire-
34 ment System or for any assistance by the State Board of Higher Education **or governing board**
35 under ORS 243.920 as long as those employees are employed in the Oregon University System **or**

1 **public university** and the plan is in effect.

2 “(6)(a) An administrative or academic employee who elects to participate in the Optional Re-
3 tirement Plan, who has creditable service under ORS chapter 238 as defined by ORS 238.005 and
4 who is not vested shall be considered by the Public Employees Retirement Board to be a terminated
5 member under the provisions of ORS 238.095 as of the effective date of the election, and the amount
6 credited to the member account of the member shall be transferred directly to the Optional Retire-
7 ment Plan by the Public Employees Retirement Board in the manner provided by subsection (7) of
8 this section.

9 “(b) An administrative or academic employee who elects to participate in the Optional Retire-
10 ment Plan, who has creditable service under ORS chapter 238 as defined by ORS 238.005 and who
11 is vested shall be considered to be an inactive member by the Public Employees Retirement Board
12 and shall retain all the rights, privileges and options under ORS chapter 238 unless the employee
13 makes a written request to the Public Employees Retirement Board for a transfer of the amounts
14 credited to the member account of the member to the Optional Retirement Plan. A request for a
15 transfer must be made at the time the member elects to participate in the Optional Retirement Plan.
16 Upon receiving the request, the Public Employees Retirement Board shall transfer all amounts
17 credited to the member account of the member directly to the Optional Retirement Plan, and shall
18 terminate all rights, privileges and options of the employee under ORS chapter 238.

19 “(c) An administrative or academic employee who elects to participate in the Optional Retire-
20 ment Plan, and who is not a vested member of the pension program of the Oregon Public Service
21 Retirement Plan as described in ORS 238A.115 on the date that the election becomes effective, shall
22 be considered to be a terminated member of the pension program by the Public Employees Retire-
23 ment Board as of the effective date of the election.

24 “(d) An administrative or academic employee who elects to participate in the Optional Retire-
25 ment Plan, and who is a vested member of the pension program of the Oregon Public Service Re-
26 tirement Plan as described in ORS 238A.115 on the date that the election becomes effective, shall
27 be considered an inactive member of the pension program by the Public Employees Retirement
28 Board as of the effective date of the election. An employee who is subject to the provisions of this
29 paragraph retains all the rights, privileges and options of an inactive member of the pension pro-
30 gram. If the actuarial equivalent of the employee’s benefit under the pension program at the time
31 that the election becomes effective is \$5,000 or less, the employee may make a written request to
32 the Public Employees Retirement Board for a transfer of the employee’s interest under the pension
33 program to the Optional Retirement Plan. The request must be made at the time the member elects
34 to participate in the Optional Retirement Plan. Upon receiving the request, the Public Employees
35 Retirement Board shall transfer the amount determined to be the actuarial equivalent of the
36 employee’s benefit under the pension program directly to the Optional Retirement Plan, and shall
37 terminate the membership of the employee in the pension program.

38 “(e) An administrative or academic employee who elects to participate in the Optional Retire-
39 ment Plan, and who is a vested member of the individual account program of the Oregon Public
40 Service Retirement Plan as described in ORS 238A.320 on the date that the election becomes effec-
41 tive, shall be considered an inactive member of the individual account program by the Public Em-
42 ployees Retirement Board as of the effective date of the election. An employee who is subject to the
43 provisions of this paragraph retains all the rights, privileges and options of an inactive member of
44 the individual account program. An administrative or academic employee who elects to participate
45 in the Optional Retirement Plan, and who is a member of the individual account program of the

1 Oregon Public Service Retirement Plan, may make a written request to the Public Employees Retirement Board that all amounts in the member's employee account, rollover account and employer account, to the extent the member is vested in those accounts under ORS 238A.320, be transferred to the Optional Retirement Plan. The request must be made at the time the member elects to participate in the Optional Retirement Plan. Upon receiving the request, the Public Employees Retirement Board shall transfer the amounts directly to the Optional Retirement Plan, and shall terminate the membership of the employee in the individual account program upon making the transfer.

8 “(f) Notwithstanding paragraphs (b), (d) and (e) of this subsection, the Public Employees Retirement Board may not treat any employee as an inactive member under the provisions of this subsection for the purpose of receiving any benefit under ORS chapter 238 or 238A that requires that the employee be separated from all service with participating public employers and with employers who are treated as part of a participating public employer's controlled group under the federal laws and rules governing the status of the system and the Public Employees Retirement Fund as a qualified governmental retirement plan and trust.

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

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

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

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

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

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

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

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

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

45 Delete lines 39 through 44.

1 On page 130, line 3, delete “and 40 to 162” and insert “, 40 to 162 and 176 to 178”.
2 After line 14, insert:

3
4 **“CONFLICT AMENDMENTS**

5
6 **“SECTION 173. If Senate Bill 225 becomes law, section 101 of this 2013 Act (amending**
7 **ORS 30.264) is repealed.**

8 **“SECTION 174. If House Bill 3079 becomes law, section 34 of this 2013 Act (amending ORS**
9 **348.603) is repealed.**

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

12 **“SECTION 176. If Senate Bill 267 becomes law, section 123b of this 2013 Act (amending**
13 **ORS 284.540) is repealed and ORS 284.540, as amended by section 3, chapter 230, Oregon Laws**
14 **2013 (Enrolled Senate Bill 267), is amended to read:**

15 “284.540. (1) There is established the Governor’s Council on Oregon’s Economy.

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

17 “(a) The presiding officer of the Oregon Business Development Commission;

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

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

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

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

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

24 “(a) Discuss and coordinate the activities of each entity described in subsection (2) of this sec-
25 tion that relate to economic development and improving the economy in Oregon; and

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

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

32 “284.706. (1) There is created the Oregon Innovation Council consisting of the following voting
33 members:

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

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

38 “(c) One member appointed by the Governor who is a representative of an Oregon-based, gen-
39 erally accredited, not-for-profit private institution of higher education.

40 “(d) A member of the Oregon Growth Account Board, appointed by the board, who has experi-
41 ence in the field of venture capital.

42 “(e) A member of the Engineering and Technology Industry Council, appointed by the Engi-
43 neering and Technology Industry Council.

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

45 “(g) The [*Chancellor of the Oregon University System*] **executive director of the Higher Edu-**

1 **cation Coordinating Commission.**

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

3 “[*i*] **(h)** The State Treasurer.

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

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

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

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

12 “(a) The presiding officer of the Oregon Business Development Commission.

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

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

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

18 “(4) The term of office of each appointed voting member of the council is three years, but an
19 appointed member serves at the pleasure of the appointing authority. Before the expiration of the
20 term of an appointed voting member, the appointing authority shall appoint a successor whose term
21 begins on July 1 next following. An appointed member is eligible for reappointment. If there is a
22 vacancy for any cause, the appointing authority shall make an appointment to become immediately
23 effective for the remainder of the unexpired term.

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

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

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

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

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

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

35 “(11) Members of the council who are members of the Legislative Assembly are entitled to
36 compensation and expense reimbursement as provided in ORS 171.072.

37 “(12) Members of the council who are not members of the Legislative Assembly are entitled to
38 compensation and expenses incurred by them in the performance of their official duties in the man-
39 ner and amounts provided for in ORS 292.495. Claims for compensation and expenses of members
40 of the council who are public officers shall be paid out of funds appropriated to the public agency
41 that employs the member. Claims for compensation and expenses of members of the council who are
42 not public officers shall be paid out of funds appropriated to the Oregon Business Development De-
43 partment for that purpose.

44 “(13) All agencies of state government, as defined in ORS 174.111, are directed to assist the
45 council in the performance of its duties and, to the extent permitted by laws relating to

1 confidentiality, to furnish such information and advice as the members of the council consider nec-
2 essary to perform their duties.

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

6 “341.440. (1) A community college district may contract with another community college district,
7 a common or union high school district, an education service district, [*the Oregon University*
8 *System*] **a public university listed in ORS 352.002**, the Oregon Health and Science University, a
9 private educational institution accredited by the Northwest Commission on Colleges and Universi-
10 ties or its successor or a career school as defined in ORS 345.010 to obtain educational services for
11 students enrolled in the community college of the district. However, the educational services so
12 obtained must meet the standards for educational services provided by the college and the contract
13 price to the college for such services must not exceed the costs that would otherwise be incurred
14 by the college to provide its students the same or similar services.

15 “(2) Educational services for which a district operating a community college may contract in-
16 clude services offered by correspondence and services offered electronically or through telecommu-
17 nications if such services are accredited by a nationally recognized accrediting association.

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

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

22 **“Sec. 16.** (1) The following entities are not subject to any provision of law enacted after January
23 1, 2013, that is unique to governmental entities unless the following entities are expressly named:

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

25 “(b) Any not-for-profit organization or other entity if the equity of the entity is owned or con-
26 trolled exclusively by a university with a governing board and if the organization or entity is cre-
27 ated by the university to advance any of the university’s statutory missions.

28 “(2) Notwithstanding subsection (1) of this section, the provisions of ORS 30.260 to 30.460,
29 33.710, 33.720, 200.005 to 200.025, 200.045 to 200.090, 236.605 to 236.640, 276.080, 279.835, 279.840,
30 279.850 and 297.040 and ORS chapters 35, 190, 192 and 244 apply to a university with a governing
31 board under the same terms as they apply to public bodies other than the state.

32 “(3) Except as otherwise provided by law, the provisions of ORS 35.550 to 35.575, 180.060,
33 180.210 to 180.235, 184.305 to 184.345, 190.480, 190.490, 200.035, 243.696, 357.805 to 357.895 and
34 656.017 (2) and ORS chapters 182, 183, 240, 270, 273, 276, 278, 279A, 279B, 279C, 282, 283, 291, 292,
35 293, 294, 295 and 297 do not apply to a university with a governing board.

36 “(4) Notwithstanding subsections (1) and (3) of this section, ORS 240.167, 279C.600 to 279C.625,
37 279C.800, 279C.810, 279C.825, 279C.830, 279C.835, 279C.840, 279C.845, 279C.850, 279C.855, 279C.860,
38 279C.865, 279C.870 and 292.043 apply to a university with a governing board under the same terms
39 as they apply to public bodies other than the state.

40 “(5) Notwithstanding subsection (2) of this section, ORS 190.430 and 192.105 do not apply to a
41 university with a governing board or any organization or other entity described in subsection (1)
42 of this section.

43 “(6) Except as set forth in subsection (3) of this section, ORS 243.650 to 243.782 apply to a uni-
44 versity with a governing board under the same terms as they apply to the state.

45 “(7) ORS 351.065, 351.067, 351.642, 351.643, 351.644, 351.646, 351.656, 351.658, 352.012 and 352.375

1 apply to a university with a governing board, except that the board or university shall exercise the
2 responsibilities and authorities of the State Board of Higher Education, **the Higher Education**
3 **Coordinating Commission** or the Oregon University System.

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

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

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

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

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

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

23
