

# Senate Bill 270

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## 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 institutional boards for University of Oregon and Portland State University. Vests institutional boards with certain duties, rights and powers.

Establishes process by which other universities in Oregon University System may establish institutional boards.

Becomes operative on July 1, 2014.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to the establishment of institutional boards for public universities in the Oregon University  
3 System; creating new provisions; amending ORS 21.007, 30.264, 30.864, 36.145, 36.150, 36.155,  
4 184.631, 192.501, 238.005, 238.200, 238.215, 238A.005, 243.107, 243.800, 243.820, 243.850, 243.910,  
5 244.050, 270.100, 270.110, 276.610, 276.612, 279A.025, 282.076, 283.143, 283.310, 291.055, 291.357,  
6 291.375, 292.043, 292.044, 307.095, 307.110, 340.310, 341.440, 343.961, 344.259, 344.753, 348.010,  
7 348.205, 348.210, 348.282, 348.283, 348.470, 348.603, 348.890, 348.900, 351.011, 351.015, 351.020,  
8 351.047, 351.052, 351.054, 351.062, 351.063, 351.065, 351.067, 351.070, 351.085, 351.086, 351.088,  
9 351.105, 351.110, 351.155, 351.160, 351.165, 351.170, 351.205, 351.300, 351.310, 351.340, 351.509,  
10 351.511, 351.517, 351.518, 351.519, 351.521, 351.538, 351.539, 351.590, 351.626, 351.628, 351.638,  
11 351.642, 351.643, 351.644, 351.646, 351.658, 351.692, 351.695, 351.697, 351.718, 351.735, 352.002,  
12 352.006, 352.010, 352.012, 352.035, 352.043, 352.046, 352.048, 352.049, 352.051, 352.063, 352.066,  
13 352.068, 352.071, 352.074, 352.360, 352.383, 352.385, 353.440, 357.004, 408.095, 408.506, 430.651,  
14 471.580, 659.850, 659.855, 659.860, 660.358, 820.100, 820.110, 820.120, 820.130 and 820.150 and sec-  
15 tion 3, chapter 797, Oregon Laws 2001, sections 13, 14, 15 and 17, chapter 761, Oregon Laws  
16 2007, sections 22 and 24, chapter 904, Oregon Laws 2009, and section 14, chapter 36, Oregon  
17 Laws 2012; and declaring an emergency.

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

19 **SECTION 1. (1) The Legislative Assembly finds that the State of Oregon may benefit**  
20 **from having public universities with institutional boards that:**

21 **(a) Provide transparency, public accountability and support for the university.**

22 **(b) Are close to and closely focused on the individual university.**

23 **(c) Do not negatively impact public universities that do not have institutional boards.**

24 **(d) Lead to greater access and affordability for Oregon residents and do not disadvantage**  
25 **Oregon students relative to out-of-state students.**

26 **(e) Are similar to the State Board of Higher Education in composition, constitution and**  
27 **transparency.**

**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 (f) Have a dual fiduciary responsibility to the university and to the State of Oregon as a  
2 whole.

3 (g) Promote the academic success of students in support of the mission of all education  
4 beyond high school as described in ORS 351.009.

5 (2) The Legislative Assembly also finds that:

6 (a) There are economy-of-scale benefits to having a coordinated university system.

7 (b) Shared services may continue to be shared among universities.

8 (c) Ownership of all university property, whether acquired before or after the creation  
9 of an institutional board, through state funding, revenue bonds or philanthropy, resides with  
10 the people of Oregon.

11 (d) The Legislative Assembly has a responsibility to monitor the success of institutional  
12 boards at fulfilling their missions, their compacts and the principles stated in this section.

13 **SECTION 2.** (1) An institutional board is established for each of the following public  
14 universities:

15 (a) University of Oregon.

16 (b) Portland State University.

17 (2)(a) The institutional board of the University of Oregon shall be known as the Univer-  
18 sity of Oregon Board of Directors.

19 (b) The institutional board of Portland State University shall be known as the Portland  
20 State University Board of Directors.

21 (3) An institutional board shall manage the affairs of the university by exercising and  
22 carrying out all of the powers, rights and duties that are expressly conferred upon the board  
23 by law, or that are implied by law or are incident to such powers, rights and duties.

24 (4) Each university with an institutional board is an instrumentality of the state and a  
25 government entity performing governmental functions and exercising governmental powers.  
26 A university with an institutional board is not considered a unit of local or municipal gov-  
27 ernment.

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

32 **SECTION 3.** Upon the request of the president of a public university listed in ORS 352.002  
33 to establish an institutional board of the university, the Higher Education Coordinating  
34 Commission shall:

35 (1) Evaluate and determine whether:

36 (a) There is clear evidence of support for an institutional board by the university com-  
37 munity;

38 (b) The university has the capacity and capability to be governed by an institutional  
39 board; and

40 (c) An institutional board of the university will function in accordance with the principles  
41 enumerated in section 1 of this 2013 Act.

42 (2) Make recommendations to the Legislative Assembly as to whether, in addition to the  
43 universities named in section 2 of this 2013 Act, an institutional board should be established  
44 for the university.

45 **SECTION 4.** (1) On an annual basis, the Oregon Education Investment Board shall submit

1 to the Legislative Assembly an evaluation of each public university with an institutional  
2 board under section 2 of this 2013 Act. The Oregon Education Investment Board may make  
3 recommendations to the Legislative Assembly regarding the ability of the university to meet  
4 academic goals and fulfill its fiduciary responsibilities.

5 (2) The evaluation must include:

6 (a) A report on the university's achievement of outcomes, measures of progress, goals  
7 and targets as described in the university's achievement compact with the Oregon Education  
8 Investment Board;

9 (b) An assessment of the university's progress toward achieving the mission of all edu-  
10 cation beyond high school as described in ORS 351.009; and

11 (c) An assessment as to how well the establishment of an institutional board at the uni-  
12 versity comports with the findings described in section 1 of this 2013 Act.

13 **SECTION 5.** (1) An institutional board of a public university shall be formed and main-  
14 tained as provided in this section.

15 (2)(a) The Governor shall appoint 11 to 15 members of an institutional board, subject to  
16 confirmation by the Senate in the manner provided in ORS 171.562 and 171.565.

17 (b) For each appointment, the university shall nominate a slate of candidates and shall  
18 forward the recommended candidates to the Governor for consideration.

19 (c) The institutional board must include one person who is a member of the State Board  
20 of Higher Education.

21 (d) The president of the university shall be an ex officio nonvoting member of the insti-  
22 tutional board.

23 (3)(a) Except for the president of the university, the term of office for each nonstudent  
24 member of the institutional board is four years.

25 (b) The term of office of each student member of the institutional board, if any, is two  
26 years.

27 (c) A member appointed to the institutional board may not be appointed to serve con-  
28 secutively more than two full terms as a board member.

29 (d) The Governor may remove any member of the institutional board at any time for  
30 cause, after notice and public hearing, but may not remove more than three members within  
31 a period of four years, unless it is for corrupt conduct in office.

32 (e) Vacancies shall be filled by appointment by the Governor for the remainder of the  
33 unexpired term.

34 (4) The members of the institutional board shall elect a chairperson and a vice chair-  
35 person.

36 (5) The institutional board shall meet at least once quarterly, and may meet at the call  
37 of the chairperson or a majority of the members.

38 (6)(a) A newly formed institutional board shall convene for the first time not later than  
39 February of an even-numbered year.

40 (b) Notwithstanding the term of office specified in subsection (3)(a) of this section, the  
41 Governor may assign two-year terms of office to members of a newly appointed institutional  
42 board so that one-half, as nearly as possible, of the members of the board are appointed  
43 biennially.

44 **SECTION 6.** (1)(a) In consultation with the State Board of Higher Education and the  
45 Governor, or the Governor's designee, the institutional board of a public university shall

1 **appoint the president of the university.**

2 **(b) The hiring committee for the president of the university shall include representatives**  
 3 **of the university's community and at least one other president of a public university listed**  
 4 **in ORS 352.002.**

5 **(c) The institutional board shall evaluate the president of the university based on input**  
 6 **from the State Board of Higher Education and the presidents of the public universities listed**  
 7 **in ORS 352.002.**

8 **(2) The institutional board is responsible for the reappointment or removal of the presi-**  
 9 **dent of the university.**

10 **(3) The president of the university is the president of the faculty and is the chief execu-**  
 11 **tive officer of the university. The president of the university has authority to direct the af-**  
 12 **fairs and operation of the university, subject to the policies and direction of the institutional**  
 13 **board.**

14 **(4) The institutional board may delegate to the president any of the powers, rights and**  
 15 **duties granted to the board.**

16 **SECTION 7. (1) An institutional board of a public university may do all things necessary**  
 17 **or convenient involving matters of concern to the university, including the following:**

18 **(a) Approve a mission statement and academic programs for the university.**

19 **(b) Determine or approve policies for the organization, administration and development**  
 20 **of the university.**

21 **(c) Make any and all contracts and agreements, enter into any partnership, joint venture**  
 22 **or other business arrangement, and create and participate fully in the operation of any**  
 23 **business structure, including but not limited to the development of business structures for**  
 24 **health care delivery systems and networks with any public or private government, nonprofit**  
 25 **or for-profit person or entity that in the judgment of the university or the board is necessary**  
 26 **or appropriate to carry out the university's missions and goals.**

27 **(d) Acquire, purchase, receive, hold, control, convey, sell, manage, operate, lease, license,**  
 28 **lend, invest, improve, develop, use, dispose of and hold title to real and personal property of**  
 29 **any nature, including intellectual property, in its own name.**

30 **(e) Sue in its own name and be sued, plead and be impleaded in all actions, suits or pro-**  
 31 **ceedings in any forum brought by or against it by any and all private or state, local, federal**  
 32 **or other public entities, agencies or persons.**

33 **(f) Encourage gifts and donations for the benefit of the university, and subject to the**  
 34 **terms of the gift, retain, invest and use such gifts as deemed appropriate by the university**  
 35 **or the board.**

36 **(g) Acquire, receive, hold, keep, pledge, control, convey, manage, use, lend, expend and**  
 37 **invest all funds, appropriations, gifts, bequests, stock and revenue from any source to the**  
 38 **university.**

39 **(h) Borrow money for the needs of the university, in such amounts and for such time**  
 40 **and upon such terms as may be determined by the university or the board.**

41 **(i) Erect, construct, improve, develop, repair, maintain, equip, furnish, lease, lend, con-**  
 42 **vey, sell, manage, operate, use and dispose of any building, land or project.**

43 **(j) Except as provided in ORS 243.105 to 243.585, purchase any and all insurance, operate**  
 44 **a self-insurance program or otherwise arrange for the equivalent of insurance coverage of**  
 45 **any nature or type.**

1 (k) Create, develop, manage and control educational, research, service and any other  
2 programs.

3 (L) Set standards for the admission, graduation and discipline of students.

4 (m) Authorize, establish, eliminate, manage, operate, reorganize, reduce or expand any  
5 program, school, institute, college or unit of operation, except that any new degree or pro-  
6 gram and any policy regarding transferability of credits to and from a public university listed  
7 in ORS 352.002, a community college in this state or the Oregon Health and Science Univer-  
8 sity must be authorized by the Higher Education Coordinating Commission.

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

17 (o) Acquire, receive, own, hold, use, sell, mortgage, lend, pledge, invest in or otherwise  
18 dispose of and deal in or with the shares, stock, bonds or other equity or interests in or ob-  
19 ligations of any entity.

20 (2) The institutional board shall have authority over employees of the university as fol-  
21 lows:

22 (a) The institutional board is responsible for hiring and terminating all employees and  
23 prescribing all conditions of employment, including but not limited to compensation, benefits  
24 and tenure.

25 (b) The institutional board may engage in collective bargaining with local bargaining or-  
26 ganizations of the employees of the university.

27 (c) The institutional board shall participate in a collective bargaining partnership with  
28 the State Board of Higher Education and members of other institutional boards for the  
29 purpose of entering into collective bargaining agreements with statewide bargaining organ-  
30 izations of the employees of the university.

31 (d) The institutional board shall establish employment policies for employees of the uni-  
32 versity who are not represented by a bargaining organization.

33 **SECTION 8.** (1) An institutional board shall establish enrollment fees, including tuition  
34 for education and services and any other charges found by the board to be necessary to carry  
35 out the educational program of the university, as provided in this section.

36 (2) The institutional board may not increase tuition rates and fees for resident students  
37 by a total amount of five percent or more per academic year unless the board first receives  
38 approval from:

39 (a) The Oregon Education Investment Board, with advice from the Higher Education  
40 Coordinating Commission; or

41 (b) The Legislative Assembly.

42 (3) The institutional board shall attempt to increase tuition rates and fees for resident  
43 students per academic year by a percentage that is no greater than the percentage increase  
44 in the Consumer Price Index for All Urban Consumers of the Portland, Oregon, Metropolitan  
45 Statistical Area, as compiled by the United States Department of Labor, Bureau of Labor

1 **Statistics.**

2 (4) **The institutional board shall have complete discretion in establishing tuition rates and**  
3 **fees for nonresident students and graduate students.**

4 **SECTION 9. (1) An institutional board of a public university may purchase such real**  
5 **property as in its sole discretion may be necessary for the present or future development**  
6 **of the university. The board may enter into contracts of purchase or agreements that the**  
7 **board deems necessary in carrying out this authorization.**

8 (2) **The board may apply any funds toward the purchase of property authorized under this**  
9 **section. The board may mortgage or pledge any property so purchased, or its contracts to**  
10 **purchase, or in relation thereto, together with the income from such property, to secure the**  
11 **payment of the purchase price.**

12 (3) **The board may purchase real property or undertake capital construction projects that**  
13 **do not require the use of moneys appropriated from state funds or obtained through general**  
14 **obligation bonds, for purposes consistent with the promotion and enhancement of public**  
15 **higher education.**

16 (4) **Legal title to all real property acquired by the board shall be taken and held in the**  
17 **name of the State of Oregon. Legal title to all real property conveyed to the university is**  
18 **deemed to be conveyed to and vested in the State of Oregon. Authorized conveyances of all**  
19 **real property, other than university lands, acquired by or vested in the State of Oregon for**  
20 **the use or benefit of the university shall be executed in the name of the State of Oregon by**  
21 **the chair of the board.**

22 (5) **The board shall have custody and control of and shall care for all real property used**  
23 **for university purposes. Management, maintenance and preservation of all real property**  
24 **used for university purposes is the responsibility of the university.**

25 **SECTION 10. (1) An institutional board of a public university shall submit any budget**  
26 **requests regarding full-time equivalent funding or capital construction general obligation**  
27 **funding to the State Board of Higher Education.**

28 (2) **The State Board of Higher Education shall include any budget requests submitted by**  
29 **an institutional board as part of the funding request submitted to the Higher Education Co-**  
30 **ordinating Commission for the Oregon University System.**

31 **SECTION 11. (1) Except as otherwise provided by this section, an institutional board of**  
32 **a public university may issue and sell revenue bonds in accordance with ORS chapter 287A.**

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

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

40 (4) **Revenue bonds issued by an institutional board under this section shall be considered**  
41 **bonds of a political subdivision of the State of Oregon for the purposes of all laws of the**  
42 **state.**

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

45 **SECTION 12. ORS 352.002 is amended to read:**

1 352.002. [*The Oregon University System established in ORS 351.011 consists of the following public*  
 2 *universities under the jurisdiction of the State Board of Higher Education*] **The following are es-**  
 3 **tablished as public universities in the State of Oregon:**

- 4 (1) University of Oregon.
- 5 (2) Oregon State University.
- 6 (3) Portland State University.
- 7 (4) Oregon Institute of Technology.
- 8 (5) Western Oregon University.
- 9 (6) Southern Oregon University.
- 10 (7) Eastern Oregon University.

11 **SECTION 13.** ORS 351.011 is amended to read:

12 351.011. (1) The Oregon University System is established as a public university system, consist-  
 13 ing of the office of the Chancellor of the Oregon University System[, *the public universities listed in*  
 14 *ORS 352.002 and any related offices, departments or activities.*] **and the following public universi-**  
 15 **ties, and any related offices, departments or activities:**

- 16 (a) **Oregon State University.**
- 17 (b) **Oregon Institute of Technology.**
- 18 (c) **Western Oregon University.**
- 19 (d) **Southern Oregon University.**
- 20 (e) **Eastern Oregon University.**

21 (2) The State Board of Higher Education, on behalf of the Oregon University System, shall ex-  
 22 ercise and carry out all of the powers, rights and duties that are expressly conferred upon the board  
 23 or that are implied by law or incident to such powers, rights and duties.

24 (3) The Oregon University System is an instrumentality of the state and a government entity  
 25 performing governmental functions and exercising governmental powers. Notwithstanding the status  
 26 of the Oregon University System as an instrumentality of the state, the Oregon University System  
 27 is not eligible to request or receive legal services from the Attorney General and the Department  
 28 of Justice pursuant to ORS chapter 180, except as otherwise expressly provided by law.

29 (4) The Oregon University System is not considered a unit of local or municipal government.

30 **SECTION 14.** ORS 348.010 is amended to read:

31 348.010. (1) An account in the Oregon University System Fund established under ORS 351.506  
 32 is designated for the purpose of granting student loans under the terms established by the National  
 33 Defense Education Act of 1958, as amended, under the terms of the Health Professions Educational  
 34 Assistance Act of 1963, as amended, and under the terms of the Nurses Training Act of 1964, as  
 35 amended.

36 (2) The account designated under this section consists of:

37 (a) All moneys made available to [*the State Board of Higher Education*] **public universities**  
 38 **listed in ORS 352.002** for student loan purposes by state appropriations and by the federal govern-  
 39 ment under terms of the National Defense Education Act of 1958, as amended, under the terms of  
 40 the Health Professions Educational Assistance Act of 1963, as amended, and under the terms of the  
 41 Nurses Training Act of 1964, as amended;

- 42 (b) Repayments of loans identified in paragraph (a) of this subsection;
- 43 (c) Interest earned on student loans identified in paragraph (a) of this subsection; and
- 44 (d) Earnings from investments of the account.

45 (3) The repayment in whole or part of any student loan made under terms of the National De-

1 fense Education Act of 1958, as amended, under the terms of the Health Professions Educational  
 2 Assistance Act of 1963, as amended, and under the terms of the Nurses Training Act of 1964, as  
 3 amended, shall be made pursuant to the provisions of the applicable federal statutes and repayment  
 4 to the account designated under this section shall be made in accordance with applicable federal  
 5 statutes.

6 (4) Income and interest derived from moneys in the account designated by this section are  
 7 credited to the account.

8 **SECTION 15.** ORS 348.205 is amended to read:

9 348.205. (1) The Oregon Opportunity Grant program is established within the Oregon Student  
 10 Access Commission.

11 (2) Under the program, the cost of education of a qualified student shall be shared by the stu-  
 12 dent, the family of the student, the federal government and the state.

13 (3) The commission shall determine the cost of education of a qualified student based on the type  
 14 of eligible post-secondary institution the student is attending. The cost of education equals:

15 (a) For a student attending a community college, the average cost of education of attending a  
 16 community college in this state;

17 (b) For a student attending a public university [*under the direction of the State Board of Higher*  
 18 *Education*] **listed in ORS 352.002**, the average cost of education of attending a public university  
 19 [*under the direction of the board*];

20 (c) For a student attending a two-year Oregon-based, generally accredited, not-for-profit institu-  
 21 tion of higher education, the average cost of education of attending a community college in this  
 22 state; and

23 (d) For a student attending the Oregon Health and Science University or a four-year Oregon-  
 24 based, generally accredited, not-for-profit institution of higher education, the average cost of edu-  
 25 cation of attending [*an institution under the direction of the board*] **a public university listed in**  
 26 **ORS 352.002.**

27 (4)(a) The commission shall determine the amount of the student share. The student share shall  
 28 be based on:

29 (A) The type of eligible post-secondary institution the student is attending;

30 (B) The number of hours of work that the commission determines may be reasonably expected  
 31 from the student; and

32 (C) The amount of loans that the commission determines would constitute a manageable debt  
 33 burden for the student.

34 (b) The student shall determine how to cover the student share through income from work,  
 35 loans, savings and scholarships.

36 (c) The student share for a student who attends a community college may not exceed the amount  
 37 that the commission determines a student may earn based on the number of hours of work reason-  
 38 ably expected from the student under paragraph (a) of this subsection.

39 (d) The student share for a student who attends an eligible post-secondary institution that is not  
 40 a community college may not exceed the sum of the amount that the commission determines a stu-  
 41 dent may receive as loans plus the amount a student may earn based on the number of hours of  
 42 work reasonably expected from the student under paragraph (a) of this subsection.

43 (5) The commission shall determine the amount of the family share. The family share shall be  
 44 based on the resources of the family.

45 (6) The commission shall determine the amount of the federal share based on how much the



1 student or the student's family is expected to receive from the federal government as grants, loans,  
2 tax credits or other student assistance.

3 (7)(a) The commission shall determine the amount of the state share. The state share shall be  
4 equal to the cost of education reduced by the student share, family share and amount received by  
5 the student from the federal government.

6 (b) The commission shall establish a minimum amount that a student may receive as a state  
7 share. If the commission determines that the amount of the state share of a student is below the  
8 minimum amount, the student may not receive the state share.

9 (c) In determining the amount of the state share, the commission shall consider the total amount  
10 available to award as grants to all qualified students. If the commission must reduce the amount of  
11 the state share under this paragraph, the commission may not reduce the amount of the state share  
12 awarded to students in the low income range in a greater proportion than the amount that the state  
13 share for students in other income ranges is reduced.

14 (8)(a) The commission shall adopt rules that prioritize current foster children and former foster  
15 children for receiving Oregon Opportunity Grants when the Oregon Opportunity Grant program  
16 does not have sufficient funding to serve all eligible Oregon students.

17 (b) For the purposes of this subsection, "former foster child" has the meaning given that term  
18 in ORS 351.293.

19 **SECTION 16.** ORS 348.210 is amended to read:

20 348.210. (1) In addition to any other scholarships provided by law, the Oregon Student Access  
21 Commission may award scholarships at Eastern Oregon University to resident undergraduate stu-  
22 dents applying for enrollment in the university or who are pursuing courses therein. The number  
23 of students who receive scholarships under this subsection may not exceed two and one-half percent  
24 of the number of students who are enrolled at the university. The scholarships shall be awarded  
25 upon the basis of a record of high intellectual standing and deportment in the school or institution  
26 where the applicant has received or is receiving preparatory training, the necessity for financial  
27 assistance and other qualifications of such nature that the awarding of scholarships will operate not  
28 only to the advantage of the applicant but to the people of Oregon. A scholarship awarded under  
29 this subsection may not exceed in value the amount of the tuition and other fees, including the fees  
30 that are levied against the recipient of the scholarship by [*the State Board of Higher Education at*]  
31 the university.

32 (2) The commission may award tuition and fee-exempting scholarships to students from foreign  
33 nations who are enrolled in public universities listed in ORS 352.002. A student may not receive a  
34 scholarship under this subsection that exceeds the amount of tuition and fees owed by the student.

35 (3) The value of scholarships awarded each year under subsection (2) of this section may not  
36 exceed in aggregate an amount equal to 10 percent of the amount of tuition and fees paid in the  
37 preceding year to the Oregon University System by students enrolled in public universities [*listed*  
38 *in ORS 352.002*] who were not Oregon residents.

39 **SECTION 17.** ORS 348.282 is amended to read:

40 348.282. As used in this section and ORS 348.283:

41 (1) "Armed Forces of the United States" means:

42 (a) The Army, Navy, Air Force, Marine Corps and Coast Guard of the United States;

43 (b) The reserves of the Army, Navy, Air Force, Marine Corps and Coast Guard of the United  
44 States; and

45 (c) The Oregon National Guard and a National Guard of any other state or territory.

1 (2) "Public post-secondary institution" means:

2 (a) A public university [*under the direction of the State Board of Higher Education*] **listed in ORS**  
 3 **352.002**; and

4 (b) A community college operated under ORS chapter 341.

5 (3) "Veteran" has the meaning given that term in ORS 408.225.

6 **SECTION 18.** ORS 348.283 is amended to read:

7 348.283. (1) There is established within the Oregon Student Access Commission the Oregon  
 8 Troops to Teachers program. Through the program, the commission shall pay for all of the resident  
 9 tuition charges of a veteran imposed by a public post-secondary institution, provided the veteran:

10 (a) Was discharged from the Armed Forces of the United States;

11 (b) Is a resident of Oregon; and

12 (c) Agrees to teach:

13 (A) In an Oregon school district or public charter school classified as serving a high poverty  
 14 area for not less than three years; or

15 (B) In the area of mathematics, science or special education for not less than four years.

16 (2) An award under subsection (1) of this section shall be used for the purpose of paying resident  
 17 tuition. The commission may not award funds under subsection (1) of this section for the purpose  
 18 of paying for books, supplies, housing, food or any other costs associated with attending a public  
 19 post-secondary institution.

20 (3) The commission shall adopt rules necessary for the implementation and administration of this  
 21 section in consultation with the Department of Education, [*and*] the Oregon University System **and**  
 22 **the institutional board of a public university listed in section 2 of this 2013 Act.**

23 **SECTION 19.** ORS 348.470 is amended to read:

24 348.470. The Legislative Assembly finds and declares that:

25 (1) It is the policy of this state to encourage cooperation between [*the Oregon University*  
 26 *System*] **public universities** and community colleges on issues affecting students who transfer be-  
 27 tween the two segments; and

28 (2) All unnecessary obstacles that restrict student transfer opportunities between the two seg-  
 29 ments shall be eliminated.

30 **SECTION 20.** ORS 348.603 is amended to read:

31 348.603. (1) The Higher Education Coordinating Commission shall:

32 (a) Authorize approved schools to offer academic degree programs;

33 (b) Authorize approved degree-granting schools to offer nondegree programs leading to a certif-  
 34 icate or diploma;

35 (c) Validate claims of degree possession;

36 (d) Terminate substandard or fraudulent degree activities;

37 (e) Terminate activities of diploma mills operating in or from Oregon;

38 (f) Except as provided in subsection (4) of this section, terminate the operation in or from  
 39 Oregon of post-secondary accrediting bodies that are not recognized by the United States Depart-  
 40 ment of Education or by the commission; and

41 (g) Review proposed new publicly funded post-secondary programs and locations.

42 (2)(a) Following review of a proposed new publicly funded post-secondary program or location  
 43 that is not a career pathways certificate of completion program described in ORS 348.611, the com-  
 44 mission shall recommend resolution to the appropriate governing boards and mediate between the  
 45 boards to seek a negotiated resolution if:

1 (A) There is a detrimental duplication of programs; or

2 (B) The program or location would have a significantly adverse impact on one or more other  
3 segments of education.

4 (b) If the boards do not resolve the issue raised under paragraph (a) of this subsection within  
5 90 days of the date when the issue was recommended to the boards for mediation, the commission  
6 shall have final authority for approval or disapproval of the program or location. If the boards do  
7 not resolve the issue, the commission shall approve or disapprove the program or location within  
8 180 days of the date when the review began.

9 (c) If the boards do not resolve the issue, the commission shall approve the program or location  
10 if the commission finds that the program or location meets an unmet workforce need in the state.

11 (d) The commission shall establish by rule a fair and neutral decision-making process in con-  
12 sultation with representatives designated by the State Board of Education, the State Board of  
13 Higher Education, **the institutional board of a public university**, associations representing  
14 Oregon independent colleges, associations representing Oregon career colleges, and the governing  
15 boards of otherwise unrepresented post-secondary schools.

16 (3) The commission, by rule, may impose a fee on any school or person requesting information  
17 from the commission. The amount of the fee shall be established to recover designated expenses in-  
18 curred by the commission in carrying out the administration of ORS 348.594 to 348.615. Any fees  
19 collected under this subsection shall be deposited in the Degree Authorization Account established  
20 under ORS 348.601.

21 (4) Subsection (1)(f) of this section does not apply to a body the role of which is to accredit  
22 schools that offer only associate, bachelor's or master's degrees with titles in theology or religious  
23 occupations or, if the schools also offer doctoral degrees, offer doctoral degrees only in theology or  
24 religious occupations that have been approved by a federally recognized accrediting organization.

25 **SECTION 21.** ORS 348.890 is amended to read:

26 348.890. (1) The Higher Education Coordinating Commission shall provide policy direction to  
27 implement regional partnership proposals and any other joint program or activity approved by the  
28 State Board of Education, [*and*] the State Board of Higher Education **and the institutional board**  
29 **of a public university**.

30 (2) Notwithstanding ORS 351.063 (3), the Department of Community Colleges and Workforce  
31 Development and the Oregon University System may use appropriations from the General Fund to  
32 implement agreements approved by the Higher Education Coordinating Commission that provide di-  
33 rect aid to a student, or other incentives that encourage shared use of facilities, programs and other  
34 resources of public universities listed in ORS 352.002 and community colleges.

35 **SECTION 22.** ORS 348.900 is amended to read:

36 348.900. (1) The Employment Department, in consultation with health care industry employers,  
37 shall perform a statewide and regional needs assessment for health care occupations to identify  
38 emerging occupations and occupations for which there is high demand or a shortage of workers. The  
39 assessment shall be performed as necessary on a periodic basis, as determined by the department,  
40 in consultation with industry employers. To perform the needs assessment, the department may  
41 consider any reliable data sources available to the department.

42 (2) Based on the needs assessment, the Higher Education Coordinating Commission shall inform  
43 the community colleges, public universities listed in ORS 352.002, Oregon Health and Science Uni-  
44 versity and health care industry employers of the identified statewide needs and invite the devel-  
45 opment of health care education programs that are responsive to those needs.

1 (3) When approving health care education programs, the State Board of Education, the State  
 2 Board of Higher Education, **the institutional board of a public university** and the Oregon Health  
 3 and Science University Board of Directors shall use the statewide needs assessment to evaluate  
 4 whether a program fulfills statewide needs. If a board determines there is a statewide need, the  
 5 board shall facilitate the:

6 (a) Coordination of new health care education programs and existing health care education  
 7 programs that are similar to the new health care education programs to address the statewide need;  
 8 and

9 (b) Alignment of health care education programs relating to statewide access, student  
 10 transferability between programs, course articulation and common student learning outcomes for  
 11 health care education programs.

12 (4) In the development and approval of health care education programs, community colleges,  
 13 public universities, Oregon Health and Science University, the State Board of Education, the State  
 14 Board of Higher Education, **the institutional board of a public university** and the Oregon Health  
 15 and Science University Board of Directors shall consider issues related to statewide access, student  
 16 transferability between programs, course articulation and common student learning outcomes for  
 17 health care education programs. The community colleges, public universities, Oregon Health and  
 18 Science University and boards shall continue to provide and improve upon an effective articulation  
 19 and transfer framework for students in Oregon's post-secondary sectors.

20 **SECTION 23.** ORS 351.015 is amended to read:

21 351.015. The Oregon University System shall be conducted under the control of a board of 15  
 22 directors, to be known as the State Board of Higher Education. Except as otherwise provided by  
 23 law, the board has sole authority to govern, set policy and otherwise manage the affairs of the  
 24 public universities listed in ORS [352.002] **351.011**. The board shall consist of:

25 (1) Two students who at the time of their appointment to the board are attending different public  
 26 universities listed in ORS [352.002] **351.011**.

27 (2) One member of the faculty at Oregon State University[, *Portland State University or Uni-*  
 28 *versity of Oregon*].

29 (3) One member of the faculty at Eastern Oregon University, Oregon Institute of Technology,  
 30 Southern Oregon University or Western Oregon University.

31 (4) Eleven members of the general public who are not students or faculty members at the time  
 32 of appointment.

33 **SECTION 24.** ORS 351.020 is amended to read:

34 351.020. (1) The directors of the State Board of Higher Education must be residents of Oregon  
 35 and are appointed by the Governor. The appointments are subject to the confirmation of the Senate  
 36 in the manner provided by ORS 171.562 and 171.565. No director who is not a student or faculty  
 37 member at the time of appointment may be an employee of any of the public universities or offices,  
 38 departments or activities under the control of the State Board of Higher Education. The faculty  
 39 members appointed under this section may not participate in any discussions or action by the board  
 40 or attend any executive session of the board involving collective bargaining issues that affect faculty  
 41 at any public university listed in ORS [352.002] **351.011**.

42 (2) To assist the Governor in making appointments of the student members as provided in ORS  
 43 351.015, the duly organized and recognized entities of student government at each public university  
 44 shall submit a list of nominees to the Governor. The entities are entitled to no more than three  
 45 nominees per public university. The Governor shall consider these lists in the selection of the stu-

1 dent members to be appointed to the State Board of Higher Education.

2 (3) To assist the Governor in making appointments of the faculty members as provided in ORS  
3 351.015, a duly organized and recognized association of faculty members may submit a list of nomi-  
4 nees to the Governor. The Governor shall consider any submitted list in the selection of the faculty  
5 members to be appointed to the State Board of Higher Education.

6 (4) When making an appointment of the faculty or student members as provided in ORS 351.015,  
7 the Governor shall rotate the appointments among representatives from various public universities  
8 to ensure equal representation among the public universities.

9 **SECTION 25.** ORS 351.047 is amended to read:

10 351.047. The State Board of Higher Education shall:

11 (1) Review all mission statements of the public universities listed in ORS 352.002; and

12 (2) Approve all academic programs offered at the public universities, and shall ensure that the  
13 academic programs:

14 (a) Are consistent with the mission statement of the respective public university;

15 (b) Do not unnecessarily duplicate academic programs offered by other public universities listed  
16 in ORS 352.002; and

17 (c) Are allocated among the public universities [*in the Oregon University System*] to maximize  
18 the achievement of statewide needs and requirements.

19 **SECTION 26.** ORS 351.052, as amended by section 7, chapter 104, Oregon Laws 2012, is  
20 amended to read:

21 351.052. (1) For the purposes of this section, “performance compact” means:

22 (a) An agreement between the State Board of Higher Education and the State of Oregon to  
23 achieve certain performance targets in order to enhance the success of Oregon University System  
24 students in exchange for consideration of the appropriations sought in a funding request submitted  
25 by the State Board of Higher Education to the Oregon Department of Administrative Services.

26 (b) **An agreement between the institutional board of a public university listed in section**  
27 **2 of this 2013 Act and the State of Oregon to achieve certain performance targets in order**  
28 **to enhance the success of students in exchange for consideration of the appropriations**  
29 **sought in a funding request submitted by the State Board of Higher Education to the Oregon**  
30 **Department of Administrative Services.**

31 (2) **Before a date set by the State Board of Higher Education, an institutional board shall**  
32 **submit to the State Board of Higher Education a performance compact and funding request**  
33 **for the biennium beginning on July 1 of the following year.**

34 [(2)] (3) On or before September 1 of each even-numbered year, the State Board of Higher Edu-  
35 cation shall submit the funding request and performance compact to the Oregon Department of Ad-  
36 ministrative Services for the Oregon University System **and universities listed in section 2 of this**  
37 **2013 Act.**

38 [(3)] (4) The Governor’s biennial budget submitted to the Legislative Assembly may include the  
39 State Board of Higher Education’s funding request submitted to the Oregon Department of Admin-  
40 istrative Services for the Oregon University System **and universities listed in section 2 of this**  
41 **2013 Act.** Any funding request approved by the Legislative Assembly must specify that the moneys  
42 be appropriated to the Oregon Department of Administrative Services for allocation to the Oregon  
43 University System **and universities listed in section 2 of this 2013 Act.**

44 [(4)] (5) The funding request must include, in addition to the performance compact, a report on  
45 performance from the previous biennium’s performance compact.

1        [(5)] (6) The State Board of Higher Education shall, by rule, establish a framework for the de-  
 2        velopment of a performance compact that must accompany the funding request to the Oregon De-  
 3        partment of Administrative Services. The framework must address, among other issues, the issue of  
 4        tuition affordability for students.

5        **SECTION 27.** ORS 351.054 is amended to read:

6        351.054. The State Board of Higher Education is authorized to:

7        (1) Request, as part of the funding request under ORS 351.052, appropriations for budgetary  
 8        items, including but not limited to education and general operations, statewide public services, state  
 9        funded debt service, capital improvements and other special initiatives and investments; and

10        (2) Allocate moneys, from funds appropriated to the board and other available moneys, among  
 11        the office of the Chancellor of the Oregon University System[,] **and** public universities listed in ORS  
 12        352.002 [*and offices, departments and activities under the control of the board*].

13        **SECTION 28.** ORS 351.062 is amended to read:

14        351.062. Except for the power to prescribe enrollment fees under ORS 351.063 and the power to  
 15        adopt rules, the State Board of Higher Education may delegate any of the powers, duties or func-  
 16        tions of the board to a committee of the board, the Chancellor of the Oregon University System or  
 17        a president of a public university listed in ORS [352.002] **351.011**.

18        **SECTION 29.** ORS 351.063 is amended to read:

19        351.063. (1) The State Board of Higher Education shall set enrollment fees for each public uni-  
 20        versity listed in ORS [352.002] **351.011**. Enrollment fees include tuition for education and services  
 21        and any other charges found by the State Board of Higher Education to be necessary to carry out  
 22        the educational program of the Oregon University System.

23        (2) The State Board of Higher Education shall, by rule, establish a process under which each  
 24        public university may develop and submit proposed enrollment fees for board consideration. The  
 25        process must provide for participation of enrolled students and the recognized student government  
 26        of the public university.

27        (3) Each public university listed in ORS [352.002] **351.011** is authorized to offer fee remissions  
 28        to its students, including remissions offered on the basis of need, from any authorized source of re-  
 29        venue. Moneys appropriated from the General Fund may not be used to fund fee remissions to stu-  
 30        dents of the public university.

31        **SECTION 30.** ORS 351.065 is amended to read:

32        351.065. (1) The State Board of Higher Education may, for each public university or office, de-  
 33        partment or activity under its control, **and an institutional board may for the public university**  
 34        **under its control**, adopt rules and specific orders by or through the president of each public uni-  
 35        versity governing access to personnel records of the public university or office, department or ac-  
 36        tivity that are less than 25 years old.

37        (2) Rules adopted under subsection (1) of this section shall require that personnel records be  
 38        subjected to restrictions on access unless upon a finding by the president of the public university  
 39        that the public interest in maintaining individual rights to privacy in an adequate educational en-  
 40        vironment would not suffer by disclosure of such records. Access to such records may be limited to  
 41        designated classes of information or persons, or to stated times and conditions, or to both, but can-  
 42        not be limited for records more than 25 years old.

43        (3) [No] **A** rule or order promulgated pursuant to this section [*shall*] **may not** deny to a faculty  
 44        member full access to the member's personnel file or records kept by the board or [*its public uni-*  
 45        *versities or offices, departments or activities*] **the public university**, except as provided in subsections

1 (7) and (8) of this section.

2 (4) The number of files relating to the evaluation of a faculty member *[shall be]* **is** limited to  
3 three, to be kept in designated, available locations.

4 (5) Any evaluation received by telephone *[shall]* **must** be documented in each of the faculty  
5 member's files by means of a written summary of the conversation with the names of the conversants  
6 identified.

7 (6) A faculty member *[shall be]* **is** entitled to submit, for placement in the three files, evidence  
8 rebutting, correcting, amplifying or explaining any document contained therein and other material  
9 that the member believes might be of assistance in the evaluation process.

10 (7) Letters and other information submitted in confidence to the board or its public universities,  
11 offices, departments or activities prior to July 1, 1975, shall be maintained in the files designated.  
12 However, if a faculty member requests access to those files, the anonymity of the contributor of  
13 letters and other information obtained prior to July 1, 1975, shall be protected. The full text shall  
14 be made available except that portions of the text that would serve to identify the contributor shall  
15 be excised by a faculty committee. Only the names of the contributors and the excised portions of  
16 the documents may be kept in a file other than the three prescribed by subsection (4) of this section.

17 (8)(a) Confidential letters and other information submitted to or solicited after July 1, 1975, by  
18 the board or its public universities, offices, departments or activities prior to the employment of a  
19 prospective faculty member are exempt from the provisions of this section. However, if the member  
20 is employed by the board or its public universities, offices, departments or activities, the confidential  
21 preemployment materials shall be placed in the three authorized files. If a faculty member requests  
22 access to the member's files, the anonymity of the contributor of confidential preemployment letters  
23 and other preemployment information shall be protected. The full text shall be made available, ex-  
24 cept that portions of the text that would serve to identify the contributor shall be excised and re-  
25 tained in a file other than the three designated in subsection (4) of this section.

26 **(b) Confidential letters and other information submitted to or solicited by a public uni-**  
27 **versity listed in section 2 of this 2013 Act after July 1, 2014, and prior to the employment of**  
28 **a prospective faculty member are exempt from the provisions of this section. However, if the**  
29 **member is employed by the university, the confidential preemployment materials shall be**  
30 **placed in the three authorized files. If a faculty member requests access to the member's**  
31 **files, the anonymity of the contributor of confidential preemployment letters and other pre-**  
32 **employment information shall be protected. The full text shall be made available, except that**  
33 **portions of the text that would serve to identify the contributor shall be excised and retained**  
34 **in a file other than the three designated in subsection (4) of this section.**

35 (9) Classroom survey evaluation by students of a faculty member's classroom or laboratory per-  
36 formance shall be anonymous. The record of tabulated reports shall be placed in at least one of the  
37 files designated in subsection (4) of this section. All survey instruments used to obtain evaluation  
38 data shall be returned to the faculty member.

39 (10) **A public university listed in section 2 of this 2013 Act and,** after July 1, 1975, the  
40 **[board] State Board of Higher Education** and its public universities, offices, departments or ac-  
41 tivities, when evaluating its employed faculty members, may not solicit or accept letters, documents  
42 or other materials, given orally or in written form, from individuals or groups who wish their iden-  
43 tity kept anonymous or the information they provide kept confidential.

44 (11) *[No]* **A rule or order promulgated pursuant to this section [limits] does not limit** the au-  
45 **thority of [the public universities, offices, departments or activities under the control of the board] a**

1 **public university** to prepare, without identification of individual persons who have not consented  
2 thereto, statistical or demographic reports from personnel records.

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

5 (13) As used in this section, "personnel records" means records containing information kept by  
6 the public university, office, department or activity concerning a faculty member and furnished by  
7 the faculty member or by others about the faculty member at the request of the faculty member or  
8 the public university, office, department or activity, including, but not limited to, information con-  
9 cerning discipline, membership activity, employment performance or other personal records of indi-  
10 vidual persons.

11 **SECTION 31.** ORS 351.067 is amended to read:

12 351.067. (1) **The State Board of Higher Education**, in carrying out its authority under ORS  
13 351.070, [*the State Board of Higher Education*] **and the institutional board of a public university**  
14 **listed in section 2 of this 2013 Act** may authorize receipt of compensation for any officer or em-  
15 ployee [*of the Oregon University System*] from private or public resources, including, but not limited  
16 to, income from:

17 (a) Consulting;

18 (b) Appearances and speeches;

19 (c) Intellectual property conceived, reduced to practice or originated and therefore owned within  
20 the [*Oregon University System*] **public university**;

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

25 (e) Performing public duties paid by private organizations, including institution corporate affil-  
26 iates, that augments an officer's or employee's publicly funded salary. Such income shall be author-  
27 ized and received in accordance with policies and rules established by [*the*] **each** board.

28 (2) [*The*] **Each** board may not authorize compensation, as described in subsection (1) of this  
29 section, that, in the board's judgment, does not comport with the mission of [*a*] **the** public university  
30 [*listed in ORS 352.002 and the Oregon University System*] or substantially interferes with an officer's  
31 or employee's duties to the [*Oregon University System*] **university**.

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

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

42 **SECTION 32.** ORS 351.070 is amended to read:

43 351.070. (1) The State Board of Higher Education shall, by rule, implement a personnel system  
44 for the Oregon University System and may engage in collective bargaining with the employees. All  
45 collective bargaining with any certified or recognized exclusive employee representative shall be



1 under the direction and supervision of the Chancellor of the Oregon University System. The board  
2 and the Oregon University System shall have payroll authority.

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

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

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

17 (3) The board may, for each public university listed in ORS [352.002] **351.011**:

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

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

23 (c) Prescribe incidental fees for programs under the supervision or control of the board found  
24 by the board, upon its own motion or upon recommendation of the recognized student government,  
25 to be advantageous to the cultural or physical development of students. Fees realized in excess of  
26 amounts allocated and exceeding required reserves shall be considered surplus incidental fees and  
27 shall be allocated for programs under the control of the board and found to be advantageous to the  
28 cultural or physical development of students by the president upon the recommendation of the re-  
29 cognized student government.

30 (d) Upon recommendation of the recognized student government, collect optional fees for student  
31 activities not included in paragraph (c) of this subsection or ORS 351.063 as authorized by the  
32 president. The payment of such optional fees is at the option and selection of the student and is not  
33 a prerequisite of enrollment.

34 (e) Confer, consistent with the mission and programs of each public university and on the rec-  
35 ommendation of the faculty of the public university, such degrees as usually are conferred by public  
36 universities, or as the faculty deems appropriate.

37 (f) Prescribe the qualifications for admission.

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

41 (a) Shall supervise the general course of instruction therein, and the research, extension, edu-  
42 cational and other activities thereof.

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

45 (c) Shall maintain cultural and physical development services and facilities therefor and, in

1 connection therewith, may cooperate and enter into agreements with any person or governmental  
 2 agency.

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

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

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

6 (A) Dependents of students.

7 (B) Staff.

8 (C) Faculty.

9 (g) Shall prescribe and collect charges.

10 (h) Shall adopt rules relating to the creation, use, custody and disclosure, including access, of  
 11 student education records that are consistent with the requirements of applicable state and federal  
 12 law. Whenever a student has attained 18 years of age or is attending a public university listed in  
 13 ORS [352.002] **351.011**, the permission or consent required of and the rights accorded to a parent of  
 14 the student regarding education records shall thereafter be required of and accorded to only the  
 15 student.

16 (5) For each public university listed in ORS [352.002] **351.011**, the board shall provide opportu-  
 17 nities for part-time students to obtain complete undergraduate degrees at unconventional times,  
 18 which include but are not limited to early morning and noon hours, evenings and weekends. In ad-  
 19 ministering these degree programs, the public university may use any educational facility available  
 20 for the use of the public university.

21 (6) For all public universities [*listed in ORS 352.002*] **under the board's control**, the board  
 22 shall, to the extent feasible and cost beneficial, develop and implement a common admissions process  
 23 that permits applicants to be considered for admission to more than one public university.

24 **SECTION 33.** ORS 351.085 is amended to read:

25 351.085. The Chancellor of the Oregon University System shall exercise, under the direction of  
 26 the State Board of Higher Education, the administrative and management authority necessary to  
 27 carry out the policies and directives of the board with respect to the public universities and offices,  
 28 departments and activities under the control of the board. In carrying out the duties of the  
 29 chancellor, the chancellor shall:

30 (1) Serve as chief executive officer of the Oregon University System and administrative officer  
 31 of the State Board of Higher Education.

32 (2) Supervise the presidents of the public universities listed in ORS [352.002] **351.011** and re-  
 33 commend the terms and conditions of their employment to the board, including but not limited to  
 34 appointment, compensation and termination.

35 (3) Maintain a centralized service program for all public universities and offices, departments  
 36 and activities under the control of the board, including but not limited to accounting, statistical  
 37 services, capital construction, management analysis, legal services, academic affairs and educational  
 38 research.

39 (4) Collect and compile information and statistics relative to the operation of the public uni-  
 40 versities and offices, departments and activities under the control of the board.

41 (5) Prepare and submit to the board an annual operating budget for all public universities and  
 42 offices, departments and activities under the control of the board, including but not limited to budget  
 43 allocations to the public universities and offices, departments and activities.

44 (6) Oversee the preparation and submission to the board of the funding request for the Oregon  
 45 University System for consideration by the board as the funding request under ORS 351.052.

1 (7) Appoint such personnel as may be necessary for the performance of the duties of the  
2 chancellor.

3 (8) Designate, if the chancellor wishes, one or more suitable persons to sign or countersign  
4 warrants, vouchers, certificates or other papers and documents requiring the signature of the  
5 chancellor.

6 (9) Prepare the agendas for board meetings and provide an analysis of proposals made to the  
7 board, including such alternatives as may be necessary or desirable for their consideration, and  
8 make recommendations thereon.

9 (10) Prepare and submit to the board on or about December 31 of each year an annual report  
10 in which the chancellor describes the principal activities of the Oregon University System during  
11 the fiscal year ending June 30.

12 (11) Keep a record of the transactions of the board.

13 (12) Have the custody of all books, papers, documents and other property belonging to the board.

14 (13) Give such instructions as may be necessary to carry out the directives of the board and  
15 forward them to the various institution presidents and heads of offices, departments and activities.

16 (14) Provide for meetings of the presidents and principal executives of the public universities  
17 and offices, departments and activities under the control of the board, at such times as the board  
18 may direct. The meetings shall be open to any member of the board.

19 (15) Perform such other administrative or management assistance and consider other adminis-  
20 trative or management matters as the board may require.

21 **SECTION 34.** ORS 351.086, as amended by section 48, chapter 104, Oregon Laws 2012, is  
22 amended to read:

23 351.086. (1) Except as otherwise provided in this chapter and ORS chapter 352, the provisions  
24 of ORS chapters 182, 240, 270, 273, 276, 278, 279A, 279B, 279C, 282, 283, 291 and 292 and ORS  
25 180.060, 180.160, 180.210, 180.220, 180.225 and 180.230 do not apply to [*the Oregon University*  
26 *System*] **public universities listed in ORS 352.002.**

27 (2) Notwithstanding subsection (1) of this section, the provisions of ORS 182.100, 182.109,  
28 240.167, 276.073 to 276.090, 279A.065 (2), 279B.055 (3), 279C.380 (1)(a) and (3), 279C.600 to 279C.625,  
29 279C.800, 279C.810, 279C.825, 279C.830, 279C.835, 279C.840, 279C.845, 279C.850, 279C.855, 279C.860,  
30 279C.865, 279C.870, 283.085 to 283.092, 291.200, 291.201 to 291.222, 291.223, 291.224 (2) and (6),  
31 291.226, 291.272 to 291.278, 291.322 to 291.334, 291.405, 291.407, 291.445, 292.043 and 292.044 apply to  
32 [*the Oregon University System*] **public universities listed in ORS 352.002.**

33 (3) Notwithstanding subsection (1) of this section, ORS 273.413 to 273.456 apply to any structure,  
34 equipment or asset owned by [*the Oregon University System*] **a public university** that is encumbered  
35 by a certificate of participation.

36 (4) Notwithstanding subsection (6) of this section:

37 (a) The provisions of ORS chapters 35, 190, 192, 244 and 297 and ORS 30.260 to 30.460, 184.480,  
38 184.483, 184.486, 184.488, 200.005 to 200.025, 200.045 to 200.090, 200.100 to 200.120, 200.160 to 200.200,  
39 236.605 to 236.640, 243.650 to 243.782, 243.800, 243.820, 243.830, 243.850, 243.910 to 243.945, 307.090  
40 and 307.112 apply to [*the Oregon University System*] **public universities listed in ORS 352.002** under  
41 the same terms as they apply to other public bodies other than the State of Oregon.

42 (b) The provisions of ORS chapter 286A and ORS 293.115, 293.117, 293.130, 293.169, 293.171,  
43 293.205 to 293.225, 293.250, 293.265 to 293.280, 293.285, 293.295, 293.321, 293.353, 293.375, 293.406,  
44 293.465 to 293.485, 293.490, 293.495, 293.525, 293.701 to 293.820, 293.875, 293.880 and 293.990 apply to  
45 [*the Oregon University System*] **public universities listed in ORS 352.002** under the same terms as

1 they apply to state agencies with moneys held by the State Treasurer, to the Oregon University  
 2 System Fund established in ORS 351.506 and to any other moneys deposited with or held by the  
 3 State Treasurer for [*the Oregon University System*] **public universities**.

4 (5) Notwithstanding subsections (1) and (6) of this section, [*the Oregon University System*] **a**  
 5 **public university listed in ORS 352.002** and its agents and employees remain subject to all statutes  
 6 and administrative rules of this state that create rights, benefits or protections in favor of military  
 7 veterans, service members and families of service members to the same extent as an agency of this  
 8 state would be subject to such statutes and administrative rules.

9 (6)(a) Except as provided by paragraph (b) of this subsection, the Oregon University System, as  
 10 a distinct governmental entity, is not subject to any provision of law enacted after January 1, 2011,  
 11 with respect to any governmental entity, that is unique to governmental entities, unless the pro-  
 12 vision specifically provides that it applies to the Oregon University System.

13 (b) To the same extent as state agencies that borrow through the State Treasurer or that have  
 14 moneys held in the State Treasury, the Oregon University System is subject to any provision of law  
 15 enacted after January 1, 2011, that relates to or affects the borrowings of the Oregon University  
 16 System through the State Treasurer or the deposit, payment or investment of moneys held in the  
 17 Oregon University System Fund or any other moneys held for the Oregon University System in the  
 18 State Treasury.

19 (7) In carrying out the duties, functions and powers imposed by law upon the [*Oregon University*  
 20 *System*] **public universities listed in ORS 352.002**, the State Board of Higher Education, [*or*] the  
 21 Chancellor of the Oregon University System **or the institutional board of a public university**  
 22 **listed in section 2 of this 2013 Act** may contract with any public agency for the performance of  
 23 such duties, functions and powers as the board or chancellor considers appropriate.

24 **SECTION 35.** ORS 351.088 is amended to read:

25 351.088. Notwithstanding ORS chapter 183, the State Board of Higher Education or [*any public*  
 26 *university listed in ORS 352.002*] **the institutional board of a public university** may, by rule, es-  
 27 tablish adjudicative procedures that are consistent with federal and state constitutional require-  
 28 ments and other provisions of law. The adjudicative procedures shall be consistent with ORS  
 29 183.413 to 183.497 and 183.502 whenever the type of hearing or procedure required is substantially  
 30 of the character that would necessitate the procedures required by ORS 183.413 to 183.470.

31 **SECTION 36.** ORS 351.105 is amended to read:

32 351.105. In order to carry out the duties described in ORS 352.008, the State Board of Higher  
 33 Education **and the institutional board of a public university listed in section 2 of this 2013**  
 34 **Act**, in consultation with the Oregon Health Authority and the Alcohol and Drug Policy Commis-  
 35 sion, shall adopt by rule, as a minimum, descriptions of the content of what shall be included in the  
 36 policy and plan described in ORS 352.008.

37 **SECTION 37.** ORS 351.110 is amended to read:

38 351.110. All relationships and negotiations between the Legislative Assembly and its various  
 39 committees and a public university listed in ORS [*352.002*] **351.011** must be carried on through the  
 40 office of the Chancellor of the Oregon University System. An employee representing any of the  
 41 public universities may not appear before the Legislative Assembly or any committee except upon  
 42 the written authority of the State Board of Higher Education or the chancellor.

43 **SECTION 38.** ORS 351.155 is amended to read:

44 351.155. Notwithstanding the applicable provisions of ORS 279.835 to 279.855, 279A.140 to  
 45 279A.155, 279A.250 to 279A.290, 279A.990, 279B.200 to 279B.240, 279B.270, 279B.275, 279B.280,

1 279C.360, 279C.365, 279C.370, 279C.375, 279C.380, 279C.385, 279C.500 to 279C.530, 279C.540, 279C.545,  
 2 279C.600 to 279C.625, 279C.650 to 279C.670 and 279C.800 to 279C.870, the State Board of Higher  
 3 Education **and the institutional board of a public university listed in section 2 of this 2013 Act**  
 4 may, in the management of all forestlands under [its] **each board's** control and supervision, sell the  
 5 forest products on such lands in the same manner as is provided in ORS 530.059, and for that pur-  
 6 pose [the] **each** board shall have the same powers with respect to experimental or research projects  
 7 in the field of forestland management or for forest product utilization on forestlands under its con-  
 8 trol as the State Forester has pursuant to the provisions of ORS 530.050 and 530.059.

9 **SECTION 39.** ORS 351.160 is amended to read:

10 351.160. (1)(a) The State Board of Higher Education may undertake the construction of any  
 11 building or structure for higher education when the board conservatively estimates that the Oregon  
 12 University System will have sufficient revenues to pay the operating costs and any indebtedness for  
 13 the building or structure.

14 **(b) The institutional board of a public university listed in section 2 of this 2013 Act may**  
 15 **undertake the construction of any building or structure for higher education when the board**  
 16 **conservatively estimates that the university will have sufficient revenues to pay the operat-**  
 17 **ing costs and any indebtedness for the building or structure.**

18 (2) For purposes of this section, "revenues" includes all funds available to [the] **each** board ex-  
 19 cept amounts appropriated by the Legislative Assembly from the General Fund. [The] **A** board may  
 20 enter into contracts for the acquisition, erection, improvement, repair, equipping and furnishing of  
 21 buildings and structures for dormitories, housing, boarding, off-street motor vehicle parking facilities  
 22 and other purposes for higher education pursuant to Article XI-F(1) of the Oregon Constitution, ORS  
 23 351.160 to 351.190, 351.350 to 351.460 and 351.505.

24 [(2)] (3) [The] **A** board may also undertake the acquisition or construction of those buildings and  
 25 structures that the Legislative Assembly has determined will benefit higher education institutions  
 26 or activities, and may enter into contracts with persons, firms or corporations for the acquisition,  
 27 erection, improvement, repair, equipping and furnishing of such buildings and structures pursuant  
 28 to Article XI-G of the Oregon Constitution and ORS 351.345.

29 **SECTION 40.** ORS 351.165 is amended to read:

30 351.165. No later than March 1 of each odd-numbered year, the State Board of Higher Education  
 31 **and the institutional board of a public university listed in section 2 of this 2013 Act** shall  
 32 submit a report to the Legislative Assembly concerning the status of all previously approved  
 33 [Oregon University System] capital construction projects that have not been completed or have been  
 34 completed within the preceding 24-month period. The report shall include the project title, funding  
 35 sources, the amount of the original appropriation or expenditure limitation, the amount of unex-  
 36 pected funds, the construction status and the anticipated completion date.

37 **SECTION 41.** ORS 351.170 is amended to read:

38 351.170. (1) The State Board of Higher Education **and the institutional board of a public**  
 39 **university listed in section 2 of this 2013 Act** may establish rates, charges and fees for use of  
 40 buildings, structures and projects under [its] control **of the board**. The rates and charges shall be  
 41 sufficient, in the judgment of the board and with other available revenues, as defined in ORS 351.160,  
 42 to pay the operating costs and any indebtedness for the buildings, structures and projects.

43 (2) [The] **Each** board shall charge and collect from each regular student a building fee at a rate  
 44 not to exceed \$45 for each regular term, for not less than three terms in each regular academic year,  
 45 and not to exceed \$67.50 if instruction is on a semester basis, or an equivalent rate of charge when

1 instruction is on a different basis. [The] **Each** board is authorized to maintain adequate accounts for  
2 bonds outstanding. The fee shall be in addition to tuition and other fees charged to students and  
3 shall be deposited in:

4 (a) **For the Oregon University System**, the appropriate subaccount of the account maintained  
5 in the Oregon University System Fund under ORS 351.460.

6 (b) **An account maintained by a university listed in section 2 of this 2013 Act.**

7 **SECTION 42.** ORS 351.205 is amended to read:

8 351.205. The State Board of Higher Education may allow interchange of members of the faculties  
9 of public universities listed in ORS [352.002] **351.011** with faculty members of comparable institutions  
10 of other states or countries for a period of one year. Such exchange service shall, for all purposes,  
11 be deemed continued service with the Oregon public university covered, with salary paid to the  
12 absent faculty member accordingly. Salary for the visiting faculty member shall not be paid by the  
13 Oregon public university covered.

14 **SECTION 43.** ORS 351.300 is amended to read:

15 351.300. The Legislative Assembly finds that in order to avoid unnecessary disruption at public  
16 universities listed in ORS 352.002 and in order to provide assurance that the public universities  
17 share in the benefits of any major reform in the Oregon tax system, it is necessary to stabilize  
18 funding for the [*Oregon University System*] **universities** over a longer period than is customary with  
19 biennial budgeting.

20 **SECTION 44.** ORS 351.310 is amended to read:

21 351.310. (1) The State Board of Higher Education shall control the use, distribution and dis-  
22 bursement of all funds, appropriations and taxes now or hereafter in possession, levied and collected,  
23 received or appropriated for the use, benefit, support and maintenance of the public universities  
24 listed in ORS [352.002] **351.011** and offices, departments and activities under the control of the board,  
25 including the authorization of individuals to sign vouchers for the disbursement of funds for the  
26 various public universities, offices, departments and activities.

27 (2) All moneys, except moneys appropriated from the State Treasury for expenditure within a  
28 specified period of time, heretofore or hereafter received by or on behalf of the board, or any public  
29 university or office, department or activity under the control of the board, that are not otherwise  
30 appropriated by law, hereby are appropriated continuously to the State Board of Higher Education  
31 for the purposes for which such moneys were donated, granted or received, in accordance with any  
32 applicable law governing the use of such moneys.

33 **SECTION 45.** ORS 351.340 is amended to read:

34 351.340. All sums of money provided by law for the support and maintenance of the public uni-  
35 versities listed in ORS [352.002] **351.011** and offices, departments and activities under the control  
36 of the State Board of Higher Education may be used for the payment of salaries of instructors and  
37 employees, current expenses, construction of additional buildings, purchase of lands, purchase of  
38 equipment, purchase of library books and periodicals, purchase of laboratory supplies and apparatus  
39 and making necessary repairs and, in general, for the payment of all such expenses connected with  
40 the management of the public universities and offices, departments and activities, as the board may  
41 from time to time determine. However, such moneys in the instruction budget of the board shall not  
42 be used to support hobby or recreation courses.

43 **SECTION 46.** ORS 351.509 is amended to read:

44 351.509. (1) There is established in the General Fund an account to be known as the Portland  
45 State University Center for Nanoscience and Nanotechnology Account. Funds in the account shall

1 be used for the acquisition and expansion of microscopy and materials characterization facilities at  
2 Portland State University related to a signature research center.

3 (2) The account shall consist of proceeds from lottery bonds made available to [*the Oregon*  
4 *University System*] **Portland State University** for the purpose of the Portland State University  
5 center for nanoscience and nanotechnology project described in subsection (1) of this section. In-  
6 terest earned on moneys in the account shall be credited to the account.

7 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]  
8 **Portland State University** for the center for nanoscience and nanotechnology project described in  
9 subsection (1) of this section. The account may not be credited with more than \$500,000 in interest  
10 and proceeds from lottery bonds.

11 **SECTION 47.** ORS 351.511 is amended to read:

12 351.511. (1) There is established in the General Fund an account to be known as the Portland  
13 State University Northwest Engineering Science Center Phase I Account. Funds in the account shall  
14 be used for acquisition or construction of an engineering science center at Portland State Univer-  
15 sity.

16 (2) The account shall consist of federal and local government funds made available to and funds  
17 donated to [*the Oregon University System*] **Portland State University** for the purpose of the  
18 Portland State University Northwest Engineering Science Center Phase I project described in sub-  
19 section (1) of this section. Interest earned on moneys in the account shall be credited to the ac-  
20 count.

21 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]  
22 **Portland State University** for the purposes described in subsection (1) of this section. The account  
23 may not be credited with more than \$26,500,000 in interest, donations and federal and local gov-  
24 ernment funds for purposes of this subsection.

25 **SECTION 48.** ORS 351.517 is amended to read:

26 351.517. (1) There is established in the General Fund an account to be known as the University  
27 of Oregon Education Building and Complex Account. Funds in the account shall be used for the  
28 acquisition, construction, remodeling, expansion and renovation of facilities for an education build-  
29 ing and complex at the University of Oregon.

30 (2) The account shall consist of federal and local government funds made available to and funds  
31 donated to the Oregon University System **or the University of Oregon** for the purpose of the ed-  
32 ucation building and complex project described in subsection (1) of this section. Interest earned on  
33 moneys in the account shall be credited to the account. The account may not be credited with more  
34 than \$19,400,000 in interest, donations and federal and local government funds for purposes of this  
35 subsection.

36 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**  
37 **behalf of the University of Oregon** and may be transferred to the account designated by ORS  
38 351.626 for the education building and complex project described in subsection (1) of this section.

39 **SECTION 49.** ORS 351.518 is amended to read:

40 351.518. (1) There is established in the General Fund an account to be known as the University  
41 of Oregon Gilbert Hall Account. Funds in the account shall be used for the acquisition, construction,  
42 remodeling, expansion and renovation of facilities for Gilbert Hall at the University of Oregon.

43 (2) The account shall consist of federal and local government funds made available to and funds  
44 donated to the Oregon University System **or the University of Oregon** for the purpose of the  
45 Gilbert Hall project described in subsection (1) of this section. Interest earned on moneys in the

1 account shall be credited to the account. The account may not be credited with more than  
2 \$3,300,000 in interest, donations and federal and local government funds for purposes of this sub-  
3 section.

4 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**  
5 **behalf of the University of Oregon** and may be transferred to the account designated by ORS  
6 351.626 for the Gilbert Hall project described in subsection (1) of this section.

7 **SECTION 50.** ORS 351.519 is amended to read:

8 351.519. (1) There is established in the General Fund an account to be known as the University  
9 of Oregon Integrative Science Complex Account. Funds in the account shall be used for the acqui-  
10 sition, construction, remodeling, expansion and renovation of facilities for an integrative science  
11 complex at the University of Oregon that includes a multiscale materials and devices laboratory and  
12 other facilities related to a signature research center.

13 (2) The account shall consist of proceeds from lottery bonds made available to the Oregon Uni-  
14 versity System **or the University of Oregon** for the purpose of the University of Oregon integrative  
15 science complex project described in subsection (1) of this section. Interest earned on moneys in the  
16 account shall be credited to the account.

17 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**  
18 **behalf of the University of Oregon** for the integrative science complex project described in sub-  
19 section (1) of this section. The account may not be credited with more than \$4,750,000 in interest  
20 and proceeds from lottery bonds.

21 **SECTION 51.** ORS 351.521 is amended to read:

22 351.521. (1) There is established in the General Fund an account to be known as the University  
23 of Oregon School of Music Account. Funds in the account shall be used for additions and alterations  
24 to the School of Music at the University of Oregon.

25 (2) The account shall consist of federal and local government funds made available to and funds  
26 donated to the Oregon University System **or the University of Oregon** for the purpose of the  
27 University of Oregon School of Music project described in subsection (1) of this section. Interest  
28 earned on moneys in the account shall be credited to the account.

29 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**  
30 **behalf of the University of Oregon** for that purpose. The account may not be credited with more  
31 than \$7,600,000 in interest, donations and federal and local government funds for purposes of this  
32 subsection.

33 **SECTION 52.** ORS 351.538 is amended to read:

34 351.538. (1) There is established in the General Fund an account to be known as the Museum  
35 of Art Project Account. Funds in the account shall be used for additions to and alterations of the  
36 Museum of Art at the University of Oregon.

37 (2) The account shall consist of federal and local government funds made available to and funds  
38 donated to the Oregon University System **or the University of Oregon** for the purposes of the  
39 Museum of Art project described in subsection (1) of this section. Interest earned on moneys in the  
40 account shall be credited to the account.

41 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**  
42 **behalf of the University of Oregon** for that purpose. The account may not be credited with more  
43 than \$6,360,000 in interest, donations and federal and local government funds for purposes of this  
44 subsection.

45 **SECTION 53.** ORS 351.539 is amended to read:



1       351.539. (1) There is established in the General Fund an account to be known as the Straub Hall  
2 Project Account. Funds in the account shall be used for the additions to and alterations of Straub  
3 Hall at the University of Oregon.

4       (2) The account shall consist of federal and local government funds made available to and funds  
5 donated to the Oregon University System **or the University of Oregon** for the purposes of the  
6 Straub Hall project described in subsection (1) of this section. Interest earned on moneys in the  
7 account shall be credited to the account.

8       (3) Moneys in the account are continuously appropriated to the Oregon University System **on**  
9 **behalf of the University of Oregon** for that purpose. The account may not be credited with more  
10 than \$1,166,000 in interest, donations and federal and local government funds for purposes of this  
11 subsection.

12       **SECTION 54.** ORS 351.590 is amended to read:

13       351.590. (1) An account in the Oregon University System Fund established by ORS 351.506 is  
14 designated for the purpose of receiving all revenue from incidental fees, optional fees, health ser-  
15 vices fees and all operating revenue from intercollegiate athletics, student unions and educational  
16 activities.

17       (2) Disbursements from the account designated by this section, including any interest credited  
18 to the account, may be made for necessary expenses for supplies, services and equipment associated  
19 with student activities including but not limited to recruiting, training and grant-in-aid to  
20 intercollegiate athletes.

21       (3) Income and interest derived from moneys in the account designated by this section are  
22 credited to the account. The State Board of Higher Education shall distribute annually the total  
23 interest earnings proportionately to each public university listed in ORS [352.002] **351.011** based on  
24 each university's average cash balance in the account.

25       **SECTION 55.** ORS 351.626 is amended to read:

26       351.626. An account in the Oregon University System Fund established by ORS 351.506 is des-  
27 ignated for the construction, remodeling, expansion and renovation of facilities within the Oregon  
28 University System **or any public university with an institutional board listed in section 2 of**  
29 **this 2013 Act**. Income and interest from moneys in the account are credited to the account.

30       **SECTION 56.** ORS 351.628 is amended to read:

31       351.628. (1) There is established in the General Fund an account to be known as the Higher  
32 Education Academic Modernization Account. Funds in the account shall be used at public universi-  
33 ties listed in ORS [352.002] **351.011** for academic modernization, capital repair, deferred maintenance  
34 and making facilities compliant with building and safety codes.

35       (2) The account shall consist of funds donated to the Oregon University System for the purposes  
36 described in subsection (1) of this section. The account may also consist of other funds available to  
37 the Oregon University System for the purposes described in subsection (1) of this section. The  
38 Oregon University System may not deposit any moneys into the account that were appropriated to  
39 the Department of Higher Education under chapter 725, Oregon Laws 2003. Interest earned on  
40 moneys in the account shall be credited to the account.

41       (3) Moneys in the account are continuously appropriated to the Oregon University System for  
42 the purposes described in subsection (1) of this section. The account may not be credited with more  
43 than \$1,000,000 in interest, donations and other funds.

44       **SECTION 57.** ORS 351.638 is amended to read:

45       351.638. (1) An account in the Oregon University System Fund established by ORS 351.506 is

1 designated for the purpose of attracting new, outstanding faculty members to the public universities  
 2 listed in ORS [352.002] **351.011**. This purpose includes payment of costs incurred in relocating new  
 3 faculty, retraining necessary teaching assistants for new faculty, acquisition of equipment such as  
 4 laboratory equipment and facilities to support research by new faculty, payment of other costs in-  
 5 curred in recruiting new faculty and payment of costs associated with committing salary supple-  
 6 ments to newly recruited faculty over a period of more than one year.

7 (2) The State Board of Higher Education shall seek funds from private sources for deposit to the  
 8 credit of the account designated by this section.

9 **SECTION 58.** ORS 351.642, as amended by section 7, chapter 106, Oregon Laws 2012, is  
 10 amended to read:

11 351.642. (1) As used in this section:

12 (a) "Active member of the Armed Forces of the United States" includes officers and enlisted  
 13 personnel of the Armed Forces of the United States who:

14 (A) Reside in this state while assigned to duty at any base, station, shore establishment or other  
 15 facility in this state;

16 (B) Reside in this state while serving as members of the crew of a ship that has an Oregon port  
 17 or shore establishment as its home port or permanent station; or

18 (C) Reside in another state or a foreign country and establish Oregon residency by filing Oregon  
 19 state income taxes no later than 12 months before leaving active duty.

20 (b) "Armed Forces of the United States" includes:

21 (A) The Army, Navy, Air Force, Marine Corps and Coast Guard of the United States;

22 (B) Reserve components of the Army, Navy, Air Force, Marine Corps and Coast Guard of the  
 23 United States; and

24 (C) The National Guard of the United States and the Oregon National Guard.

25 (c) "Dependent children" includes any children of an active member of the Armed Forces of the  
 26 United States, of an active member of the commissioned corps of the National Oceanic and Atmo-  
 27 spheric Administration or of a member of the Public Health Service of the United States Department  
 28 of Health and Human Services detailed by proper authority for duty with the Army or Navy of the  
 29 United States, who:

30 (A) Are under 18 years of age and not married, otherwise emancipated or self-supporting; or

31 (B) Are under 23 years of age, unmarried, enrolled in a full-time course of study in an institution  
 32 of higher learning and dependent on the member for over one-half of their support.

33 (2) Active members of the Armed Forces of the United States, active members of the commis-  
 34 sioned corps of the National Oceanic and Atmospheric Administration and members of the Public  
 35 Health Service of the United States Department of Health and Human Services detailed by proper  
 36 authority for duty with the Army or Navy of the United States, and their spouses and dependent  
 37 children, are considered residents of this state for the purpose of admission and for the purpose of  
 38 determining fees and tuition to be paid by such individuals while attending any public university  
 39 [*that is under the control of the State Board of Higher Education*] **listed in ORS 352.002**.

40 (3) The State Board of Higher Education **and the institutional board of a public university**  
 41 may contract with the Armed Forces of the United States to furnish educational service [*in the*  
 42 *public universities*] to active members of the Armed Forces of the United States.

43 (4) The State Board of Higher Education **and the institutional board** shall determine the  
 44 number of such students that should be accepted and shall make final decisions on admission of in-  
 45 dividual applicants.

1 (5) Students attending the public universities under contracts with the Armed Forces of the  
2 United States under this section shall pay fees and tuition customarily charged Oregon students.

3 (6) Payments made by the Armed Forces of the United States under such contracts shall be de-  
4 posited in a designated account [*in the Oregon University System Fund established by ORS 351.506*]  
5 in the same manner that fees and tuition payments for resident students are deposited and credited.

6 **SECTION 59.** ORS 351.643, as amended by section 8, chapter 106, Oregon Laws 2012, is  
7 amended to read:

8 351.643. (1) A student at a public university listed in ORS 352.002 who is a member of the mili-  
9 tary, a member of the commissioned corps of the National Oceanic and Atmospheric Administration  
10 or a member of the Public Health Service of the United States Department of Health and Human  
11 Services detailed by proper authority for duty with the Army or Navy of the United States and who  
12 is ordered to federal or state active duty for more than 30 consecutive days has the following rights:

13 (a) With regard to a course in which the student is enrolled and for which the student has paid  
14 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 course in  
17 accordance with the practice of the public university for completion of incomplete courses; or

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

20 (b) The right to a credit described in ORS 351.644 for all amounts paid for room, board, tuition  
21 and fees;

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

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

28 (2) If the student elects to withdraw from a course under subsection (1)(a)(A) of this section, the  
29 public 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 anno-  
32 tation on the student's record; or

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

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

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

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

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

43 (4) The State Board of Higher Education **and the institutional board of a public university**  
44 **listed in section 2 of this 2013 Act** shall adopt rules for the administration of this section.

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

- 1 (a) The Oregon National Guard or the National Guard of any other state or territory; or
- 2 (b) The reserves of the Army, Navy, Air Force, Marine Corps or Coast Guard of the United
- 3 States.

4 **SECTION 60.** ORS 351.644 is amended to read:

5 351.644. (1)(a) The amount of the credit specified in ORS 351.643 (1)(b) shall be based on:

- 6 (A) The amount of room and board paid by the student for a term that the student does not
- 7 complete because the student is ordered to active duty; and
- 8 (B) The amount of tuition and fees paid by the student for a course from which the student
- 9 withdraws.

10 (b) The amount of the credit shall be prorated based on the number of weeks remaining in the

11 term or course when the student withdraws.

12 (c) At the time a student withdraws from a course at a public university listed in ORS 352.002

13 or from the public university, the student must elect to claim the credit:

14 (A) As a credit toward tuition and fees or room and board if the student reenrolls at the public

15 university under ORS 351.643 (1)(c); or

16 (B) As a monetary payment.

17 (2) A student who elects to claim the credit by the method described in subsection (1)(c)(A) of

18 this section may change the method of claiming the credit to the method described in subsection

19 (1)(c)(B) of this section by giving notice to the public university from which the student withdraws.

20 (3) A student who elects to claim the credit by the method described in subsection (1)(c)(A) of

21 this section must use the credit or change the method of claiming the credit under subsection (2)

22 of this section within one year after release from active duty.

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

24 scribed in subsection (1)(c)(A) of this section may claim a monetary payment upon presenting evi-

25 dence to the public university that the student died while serving on active duty.

26 (5) The State Board of Higher Education **and the institutional board of a public university**

27 **listed in section 2 of this 2013 Act** shall adopt rules for the administration of this section, in-

28 cluding rules that determine the amount of credit and the method by which the credit is prorated.

29 **SECTION 61.** ORS 351.646 is amended to read:

30 351.646. A public university listed in ORS 352.002 shall give credit for education and training

31 obtained by a person while serving in the Armed Forces of the United States, as defined in ORS

32 351.642. The education and training for which credit may be given must meet the standards adopted

33 by the State Board of Higher Education **or institutional board** by rule.

34 **SECTION 62.** ORS 351.658 is amended to read:

35 351.658. (1) [*The State Board of Higher Education shall direct*] Each public university listed in

36 ORS 352.002 [*to*] **shall** waive tuition for any course audited by an Oregon resident 65 years of age

37 or older if:

38 (a) Space is available in the course for additional students to register after degree-seeking stu-

39 dents have registered;

40 (b) The department in which the course is being taught approves; and

41 (c) The auditing student is registered for eight credits or fewer per term.

42 (2) The public university may charge the student attending under subsection (1) of this section

43 fees associated with the course being audited.

44 (3) A public university may develop rules for implementation of this section, including rules re-

45 lating to registration, admission and fees.

1        **SECTION 63.** ORS 351.692 is amended to read:

2        351.692. (1) The State Board of Higher Education shall adopt policies that prescribe the re-  
3        quirements for a venture grant program and the requirements that a grant applicant must meet in  
4        order to receive grant moneys from a university venture development fund, including requirements:

5        [(1)] (a) That a grant recipient remain within this state for at least five years following the re-  
6        ceipt of a grant or repay the grant plus interest;

7        [(2)] (b) That each university that establishes a university venture development fund report  
8        amounts of tax credit certificates issued by the university and maintain records of income realized  
9        by the university as the result of grants made from the fund and records of amounts paid to the  
10       General Fund; and

11       [(3)] (c) Under which the Oregon University System is to maintain records and issue directions  
12       to universities that have established university venture development funds relating to when univer-  
13       sities must cease issuing certificates, in order to ensure that the total amount owed to the General  
14       Fund by the Oregon University System at any one time under ORS 351.697 (6) does not exceed \$6  
15       million.

16       **(2) The institutional board of a public university listed in section 2 of this 2013 Act shall  
17       adopt a policy that prescribes the requirements for a venture grant program and the re-  
18       quirements that a grant applicant must meet in order to receive grant moneys from the  
19       university venture development fund operated by the university, including requirements:**

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

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

25       **(c) That the university maintain records of income realized by the university as the re-  
26       sult of grants made from the fund and records of amounts paid to the General Fund.**

27       **SECTION 64.** ORS 351.695 is amended to read:

28       351.695. (1) A university within the Oregon University System may deposit moneys received for  
29       its university venture development fund in the Higher Education Donation Fund established under  
30       ORS 351.130.

31       (2) Notwithstanding ORS 351.697 (5), the State Treasurer, as payment for expenses, may deduct  
32       a fee pursuant to ORS 293.718 from a university venture development fund administered by a uni-  
33       versity [*within the Oregon University System*] **listed in ORS 352.002** or the Oregon Health and Sci-  
34       ence University.

35       (3) A university [*within the Oregon University System*] **listed in ORS 352.002** or the Oregon  
36       Health and Science University may direct that moneys credited to its university venture develop-  
37       ment fund be held and invested by the university's affiliated foundation. Any moneys held by an af-  
38       filiated foundation under this section or ORS 351.697 are not subject to the provisions of ORS  
39       chapter 293 or 295 and may not be considered public or state funds for any purpose. Moneys trans-  
40       ferred to an affiliated foundation under this section or ORS 351.697 may be used only as provided  
41       under ORS 351.692, 351.695, 351.697 and 353.445.

42       (4) At the request of a university within the Oregon University System, moneys in the Higher  
43       Education Donation Fund that were deposited by the university under this section may be trans-  
44       ferred to the university's affiliated foundation.

45       (5) A university [*within the Oregon University System*] **listed in ORS 352.002** or the Oregon

1 Health and Science University may retain or may elect to have its affiliated foundation retain some  
2 or all of the principal contributed to a university venture development fund for investment to per-  
3 petuate and increase the moneys available for expenditure. The balance of the fund and the earnings  
4 on that balance may be used as provided under ORS 351.692, 351.695, 351.697 and 353.445.

5 **SECTION 65.** ORS 351.697 is amended to read:

6 351.697. (1) Each university [*in the Oregon University System*] **listed in ORS 352.002** and Oregon  
7 Health and Science University may elect to establish a university venture development fund as  
8 provided in this section for the purpose of facilitating the commercialization of university research  
9 and development. A university shall direct that the university venture development fund be admin-  
10 istered, in whole or in part, by the university or by the university's affiliated foundation.

11 (2) The purposes of a university venture development fund are to provide:

12 (a) Capital for university entrepreneurial programs;

13 (b) Opportunities for students to gain experience in applying research to commercial activities;

14 (c) Proof-of-concept funding for transforming research and development concepts into commer-  
15 cially viable products and services;

16 (d) Entrepreneurial opportunities for persons interested in transforming research into viable  
17 commercial ventures that create jobs in this state; and

18 (e) Tax credits for contributors to university research commercialization activities.

19 (3) Each university that elects to establish a university venture development fund shall:

20 (a) Notify the Department of Revenue of the establishment of the fund;

21 (b) Either directly or through its affiliated foundation, solicit contributions to the fund and re-  
22 ceive, manage and disburse moneys contributed to the fund;

23 (c) Subject to ORS 315.521 (1), 351.692 [(3)] and 353.445 (3), issue tax credit certificates to con-  
24 tributors to the fund in the amount of the contributions;

25 (d) Establish a grant program that meets the requirements for a venture grant program under  
26 policies adopted by the State Board of Higher Education **or institutional board** under ORS 351.692  
27 or under policies adopted by the Oregon Health and Science University Board of Directors under  
28 ORS 353.445; and

29 (e) Subject to available moneys from the fund, provide qualified grant applicants with moneys  
30 for the purpose of facilitating the commercialization of university research and development.

31 (4) Except as provided in subsection (5) of this section, moneys in a university venture devel-  
32 opment fund shall be disbursed only as directed by a university.

33 (5) A university or its affiliated foundation may charge its customary administrative assessment  
34 to manage its university venture development fund in an amount not to exceed three percent of the  
35 fund's average balance during the fiscal year of the university or its affiliated foundation. The ad-  
36 ministrative assessment may be paid from the assets in the fund. Except as authorized by law, no  
37 other fees or indirect costs shall be charged against the university venture development fund or any  
38 associated grants or other disbursements from the fund.

39 (6) A university that has established a university venture development fund shall monitor the  
40 use of grants made from the fund and identify the income realized by the university as the result  
41 of the use of the grants. Income consists of cash realized from royalties, milestone and license fee  
42 payments and cash from the sale of equity. The university shall cause the transfer of 20 percent of  
43 the income realized from the grants to the General Fund, but not to exceed the amount of the tax  
44 credits issued by the university as a result of contributions to its university venture development  
45 fund. Immediately upon deposit of the transferred amount into the General Fund, the university may

1 issue new tax credits to equal the transferred amount.

2 (7) A university that has established a university venture development fund shall report annually  
3 to the Legislative Assembly or, if the Legislative Assembly is not in session, to the interim legisla-  
4 tive committees on revenue. The report shall be at the end of the fiscal year of the university or  
5 of its affiliated foundation and provide information for that fiscal year. The university shall include  
6 in the report the following information pertaining to its university venture development fund:

7 (a) The amount of donations received for the fund;

8 (b) The amount of income received from the fund;

9 (c) The amount of disbursements and grants paid from the fund;

10 (d) The amount of income and royalties received from disbursements from the fund; and

11 (e) The amount of moneys transferred from the fund to the General Fund.

12 **SECTION 66.** ORS 351.718 is amended to read:

13 351.718. (1) The members of the Higher Education Coordinating Commission must be residents  
14 of this state who are well informed on the principles of higher education.

15 (2) A member of the State Board of Higher Education, Oregon Health and Science University  
16 Board of Directors, **institutional board of a university listed in section 2 of this 2013 Act** or the  
17 governing board of a community college district may not serve as a member of the Higher Education  
18 Coordinating Commission.

19 **SECTION 67.** ORS 351.735, as amended by section 1, chapter 104, Oregon Laws 2012, is  
20 amended to read:

21 351.735. (1) The Higher Education Coordinating Commission shall advise the Oregon Education  
22 Investment Board on state goals and associated achievement compacts for the state post-secondary  
23 education system, including community colleges and public universities listed in ORS 352.002, and  
24 for the Oregon Student Access Commission.

25 (2) Under the direction and control of the Oregon Education Investment Board, the Higher Ed-  
26 ucation Coordinating Commission shall:

27 (a) Develop a strategic plan for achieving state higher education goals, identifying priority areas  
28 for attention and taking into consideration the contributions of this state's independent institutions  
29 and other organizations dedicated to helping Oregonians reach state goals. Goals should include, but  
30 need not be limited to:

31 (A) Increasing the educational attainment of the population;

32 (B) Increasing this state's global economic competitiveness and the quality of life of its citizens;

33 (C) Ensuring affordable access for qualified Oregon students at each college or public university;  
34 and

35 (D) Ensuring that public higher education in this state is provided in a cost-effective manner.

36 (b) Evaluate and recommend changes to statutory goals and missions described for community  
37 colleges in ORS 341.009 and for public universities in ORS 351.003 and 351.009 after receiving rec-  
38 ommendations from the appropriate governing board. The appropriate governing board shall have  
39 decision-making authority over program offerings to implement established goals and missions.

40 (c) Develop a finance model for higher education aligned with the goals in the system strategic  
41 plan, including:

42 (A) Recommended biennial appropriations to institutions, including a component specifically tied  
43 to institutional contributions to state educational priorities;

44 (B) Recommended limits regarding the setting of tuition rates at public universities listed in  
45 ORS 352.002 in accordance with criteria set by the State Board of Higher Education **or an insti-**

1 **tutional board**, with the goal of encouraging tuition affordability for students;

2 (C) Tuition rates set by each community college governing board for community colleges in this  
3 state;

4 (D) Recommended biennial appropriations for student financial aid; and

5 (E) Recommended biennial appropriations for any future statewide higher education initiatives.

6 (d) Each biennium, recommend to the Oregon Education Investment Board a consolidated higher  
7 education budget request consistent with the finance model, including appropriations for:

8 (A) Ongoing operations of the Oregon Student Access Commission;

9 (B) Ongoing operations for the Oregon University System;

10 (C) **Ongoing operations for all public universities listed in ORS 352.002;**

11 [(C)] (D) Ongoing operations for community colleges;

12 [(D)] (E) Needed new facilities or programs; and

13 [(E)] (F) Capital improvements.

14 (e) Coordinate with the Oregon Student Access Commission to maximize the effectiveness of  
15 student financial assistance programs, including the Oregon Opportunity Grant program under ORS  
16 348.260.

17 (f) Approve and authorize degrees for the Oregon University System.

18 (g) Authorize degrees to be offered in this state in accordance with ORS 348.594 to 348.615, and  
19 adopt any rules to implement that authority.

20 (3) In addition to the duties described in subsections (1) and (2) of this section, the Higher Ed-  
21 ucation Coordinating Commission shall:

22 (a) Develop and recommend policies to ensure or improve access to higher education by under-  
23 served populations.

24 (b) Recommend and encourage student success and completion initiatives.

25 (c) Develop and recommend policies to improve the coordination of the provision of educational  
26 services, including:

27 (A) Transfers and other movements throughout the higher education system;

28 (B) Accelerated college credit programs for high school students;

29 (C) Applied baccalaureate and other transfer degrees; and

30 (D) Reciprocity agreements with other states.

31 (d) Review research efforts among the public universities of this state to improve economic de-  
32 velopment in this state.

33 (e) Coordinate education initiatives with the State Workforce Investment Board, the Department  
34 of Community Colleges and Workforce Development, local workforce investment boards, the Oregon  
35 Health and Science University, **public universities with institutional boards** and independent in-  
36 stitutions of post-secondary education.

37 **SECTION 68.** ORS 351.735, as amended by sections 1 and 3, chapter 104, Oregon Laws 2012, is  
38 amended to read:

39 351.735. (1) The Higher Education Coordinating Commission shall advise the Oregon Education  
40 Investment Board on state goals and associated achievement compacts for the state post-secondary  
41 education system, including community colleges and public universities listed in ORS 352.002, and  
42 for the Oregon Student Access Commission.

43 (2) Under the direction and control of the Oregon Education Investment Board, the Higher Ed-  
44 ucation Coordinating Commission shall:

45 (a) Develop a strategic plan for achieving state higher education goals, identifying priority areas



1 for attention and taking into consideration the contributions of this state's independent institutions  
 2 and other organizations dedicated to helping Oregonians reach state goals. Goals should include, but  
 3 need not be limited to:

4 (A) Increasing the educational attainment of the population;

5 (B) Increasing this state's global economic competitiveness and the quality of life of its citizens;

6 (C) Ensuring affordable access for qualified Oregon students at each college or public university;

7 and

8 (D) Ensuring that public higher education in this state is provided in a cost-effective manner.

9 (b) Evaluate and recommend changes to statutory goals and missions described for community  
 10 colleges in ORS 341.009 and for public universities in ORS 351.003 and 351.009 after receiving rec-  
 11 ommendations from the appropriate governing board. The appropriate governing board shall have  
 12 decision-making authority over program offerings to implement established goals and missions.

13 (c) Develop a finance model for higher education aligned with the goals in the system strategic  
 14 plan, including:

15 (A) Recommended biennial appropriations to institutions, including a component specifically tied  
 16 to institutional contributions to state educational priorities;

17 (B) Recommended limits regarding the setting of tuition rates at public universities listed in  
 18 ORS 352.002 in accordance with criteria set by the State Board of Higher Education **or an insti-**  
 19 **tutional board**, with the goal of encouraging tuition affordability for students;

20 (C) Tuition rates set by each community college governing board for community colleges in this  
 21 state;

22 (D) Recommended biennial appropriations for student financial aid; and

23 (E) Recommended biennial appropriations for any future statewide higher education initiatives.

24 (d) Each biennium, recommend to the Oregon Education Investment Board a consolidated higher  
 25 education budget request consistent with the finance model, including appropriations for:

26 (A) Ongoing operations of the Oregon Student Access Commission;

27 (B) Ongoing operations for the Oregon University System;

28 **(C) Ongoing operations for all public universities listed in ORS 352.002;**

29 [(C)] **(D)** Ongoing operations for community colleges;

30 [(D)] **(E)** Needed new facilities or programs; and

31 [(E)] **(F)** Capital improvements.

32 (e) Coordinate with the Oregon Student Access Commission to maximize the effectiveness of  
 33 student financial assistance programs, including the Oregon Opportunity Grant program under ORS  
 34 348.260.

35 (f) Approve and authorize degrees for the Oregon University System.

36 (g) Authorize degrees to be offered in this state in accordance with ORS 348.594 to 348.615, and  
 37 adopt any rules to implement that authority.

38 (3) In addition to the duties described in subsections (1) and (2) of this section, the Higher Ed-  
 39 ucation Coordinating Commission shall:

40 (a) Develop and recommend policies to ensure or improve access to higher education by under-  
 41 served populations.

42 (b) Recommend and encourage student success and completion initiatives.

43 (c) Develop and recommend policies to improve the coordination of the provision of educational  
 44 services, including:

45 (A) Transfers and other movements throughout the higher education system;

1 (B) Accelerated college credit programs for high school students;

2 (C) Applied baccalaureate and other transfer degrees; and

3 (D) Reciprocity agreements with other states.

4 (d) Review research efforts among the public universities of this state to improve economic de-  
5 velopment in this state.

6 (e) Coordinate education initiatives with the State Workforce Investment Board, the Department  
7 of Community Colleges and Workforce Development, local workforce investment boards, the Oregon  
8 Health and Science University, **public universities with institutional boards** and independent in-  
9 stitutions of post-secondary education.

10 (f) Oversee the licensing of career schools under ORS 345.010 to 345.450.

11 **SECTION 69.** ORS 351.735, as amended by sections 1, 3 and 5, chapter 104, Oregon Laws 2012,  
12 is amended to read:

13 351.735. The Higher Education Coordinating Commission shall:

14 (1) Develop state goals and associated achievement compacts for the state post-secondary edu-  
15 cation system, including community colleges and public universities listed in ORS 352.002, and for  
16 the Oregon Student Access Commission.

17 (2) Develop a strategic plan for achieving state higher education goals, identifying priority areas  
18 for attention and taking into consideration the contributions of this state's independent institutions  
19 and other organizations dedicated to helping Oregonians reach state goals. Goals should include, but  
20 need not be limited to:

21 (a) Increasing the educational attainment of the population;

22 (b) Increasing this state's global economic competitiveness and the quality of life of its citizens;

23 (c) Ensuring affordable access for qualified Oregon students at each college or public university;  
24 and

25 (d) Ensuring that public higher education in this state is provided in a cost-effective manner.

26 (3) Evaluate and recommend changes to statutory goals and missions described for community  
27 colleges in ORS 341.009 and for public universities in ORS 351.003 and 351.009 after receiving rec-  
28 ommendations from the appropriate governing board. The appropriate governing board shall have  
29 decision-making authority over program offerings to implement established goals and missions.

30 (4) Develop a finance model for higher education aligned with the goals in the system strategic  
31 plan, including:

32 (a) Recommended biennial appropriations to institutions, including a component specifically tied  
33 to institutional contributions to state educational priorities;

34 (b) Recommended limits regarding the setting of tuition rates at public universities listed in ORS  
35 352.002 in accordance with criteria set by the State Board of Higher Education **or an institutional**  
36 **board**, with the goal of encouraging tuition affordability for students;

37 (c) Tuition rates set by each community college governing board for community colleges in this  
38 state;

39 (d) Recommended biennial appropriations for student financial aid; and

40 (e) Recommended biennial appropriations for any future statewide higher education initiatives.

41 (5) Each biennium, recommend to the Governor and the Legislative Assembly a consolidated  
42 higher education budget request consistent with the finance model, including appropriations for:

43 (a) Ongoing operations of the Oregon Student Access Commission;

44 (b) Ongoing operations for the Oregon University System;

45 (c) **Ongoing operations for all public universities listed in ORS 352.002;**

1 [(c)] (d) Ongoing operations for community colleges;

2 [(d)] (e) Needed new facilities or programs; and

3 [(e)] (f) Capital improvements.

4 (6) Coordinate with the Oregon Student Access Commission to maximize the effectiveness of  
5 student financial assistance programs, including the Oregon Opportunity Grant program under ORS  
6 348.260.

7 (7) Approve and authorize degrees for the Oregon University System.

8 (8) Authorize degrees to be offered in this state in accordance with ORS 348.594 to 348.615, and  
9 adopt any rules to implement that authority.

10 (9) Develop and recommend policies to ensure or improve access to higher education by under-  
11 served populations.

12 (10) Recommend and encourage student success and completion initiatives.

13 (11) Develop and recommend policies to improve the coordination of the provision of educational  
14 services, including:

15 (a) Transfers and other movements throughout the higher education system;

16 (b) Accelerated college credit programs for high school students;

17 (c) Applied baccalaureate and other transfer degrees; and

18 (d) Reciprocity agreements with other states.

19 (12) Review research efforts among the public universities of this state to improve economic  
20 development in this state.

21 (13) Coordinate education initiatives with the State Workforce Investment Board, the Depart-  
22 ment of Community Colleges and Workforce Development, local workforce investment boards, the  
23 Oregon Health and Science University, **public universities with institutional boards** and inde-  
24 pendent institutions of post-secondary education.

25 (14) Oversee the licensing of career schools under ORS 345.010 to 345.450.

26 **SECTION 70.** ORS 352.006 is amended to read:

27 352.006. [No] A political or sectarian test [*shall ever*] **may not** be allowed or applied in the ap-  
28 pointment of faculty and other employees of the Oregon University System **or a public university**  
29 **listed in ORS 352.002.**

30 **SECTION 71.** ORS 352.010 is amended to read:

31 352.010. (1) The president and professors constitute the faculty of each of the public universities  
32 listed in ORS 352.002 and as such have the immediate government and discipline of the public uni-  
33 versity and the students therein, except as otherwise provided by statute or action of the State  
34 Board of Higher Education **or institutional board.**

35 (2) The faculty may, subject to the supervision of **an institutional board or the State Board**  
36 **of Higher Education** [*the board*] under ORS 351.070, prescribe the course of study to be pursued in  
37 the public university and the textbooks to be used.

38 **SECTION 72.** ORS 352.012 is amended to read:

39 352.012. For the purpose of requesting a state or nationwide criminal records check under ORS  
40 181.534, [*the Oregon University System*] **a public university listed in ORS 352.002** may require the  
41 fingerprints of a person who:

42 (1)(a) Is employed or applying for employment by the **university or** Oregon University System;

43 or

44 (b) Provides services or seeks to provide services to the **university or** Oregon University Sys-  
45 tem as a contractor or volunteer; and

1 (2) Is, or will be, working or providing services in a position that is designated as a critical or  
 2 security-sensitive position. As used in this subsection, “critical or security-sensitive position” means  
 3 a position in which the person:

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

6 (b) Is providing information technology services and has control over, or access to, information  
 7 technology systems that would allow the person to harm the information technology systems or the  
 8 information contained in the systems;

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

12 (d) Has access to property where chemicals, hazardous materials and other items controlled by  
 13 state or federal laws or regulations are located;

14 (e) Has access to laboratories, nuclear facilities or utility plants to which access is restricted  
 15 in order to protect the health or safety of the public;

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

18 (g) Has access to personal information about employees or members of the public including So-  
 19 cial Security numbers, dates of birth, driver license numbers, medical information, personal financial  
 20 information or criminal background information.

21 **SECTION 73.** ORS 352.035 is amended to read:

22 352.035. The [*State Board of Higher Education*] **University of Oregon Board of Directors** may  
 23 open, establish, lay out and dedicate to the public use such streets through the lands situated within  
 24 the corporate limits of the City of Eugene, owned by or belonging to the University of Oregon, upon  
 25 such terms and conditions as may be agreed upon by the [*State Board of Higher Education*] **board**  
 26 and the common council of the City of Eugene. When such streets are so opened, laid out and es-  
 27 tablished, they hereby are declared to be dedicated to the public use and are further declared to be  
 28 public streets of the City of Eugene.

29 **SECTION 74.** ORS 352.043 is amended to read:

30 352.043. (1) There is created [*within the Oregon University System*] the University of Oregon  
 31 School of Law[. *The school shall*] **to** be administered by the University of Oregon.

32 (2) The University of Oregon School of Law shall:

33 (a) Prepare students for careers in the legal profession.

34 (b) Perform the duties required of the school under ORS 36.100 to 36.238.

35 (3) The president of the University of Oregon shall appoint the Dean of the University of Oregon  
 36 School of Law.

37 **SECTION 75.** ORS 352.046 is amended to read:

38 352.046. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the  
 39 Center for Brain, Biology and Machine[. *The center shall*] **to** be administered by the University of  
 40 Oregon.

41 (2) The purpose of the center is to promote interdisciplinary teaching and research in scientific  
 42 areas, including but not limited to brain structure, development and functions, genetics and  
 43 genomics, cognitive neuroscience, molecular biology, computational science, computing, magnetic  
 44 resonance imaging and optics.

45 (3) The [*Oregon University System*] **University of Oregon** may receive moneys from any public

1 or private source to support the Center for Brain, Biology and Machine created under subsections  
 2 (1) and (2) of this section. Gifts or grants received to support the center shall be deposited in an  
 3 appropriate fund at the University of Oregon [*by the Oregon University System*].

4 **SECTION 76.** ORS 352.048 is amended to read:

5 352.048. (1) There is created [*within the Oregon University System*] the Industrialized Housing  
 6 Development Program[. *The program shall*] **to** be administered in conjunction with the Center for  
 7 Housing Innovation at the University of Oregon.

8 (2) The purpose of the program is to provide assistance to industrialized housing manufacturers  
 9 to help them achieve demonstrated best practice by researching, evaluating and disseminating in-  
 10 formation on opportunities to improve design technology, including but not limited to:

- 11 (a) Methods to improve the affordability of housing;
- 12 (b) Better utilization of new products in industrialized housing;
- 13 (c) Improving the energy efficiency of industrialized housing; and
- 14 (d) Specialized training for workers and management.

15 **SECTION 77.** ORS 352.049 is amended to read:

16 352.049. (1) In fulfilling the purpose described in ORS 352.048, the Industrialized Housing De-  
 17 velopment Program shall:

- 18 (a) Emphasize client-directed problem solving with the planning and design of appropriate design  
 19 technologies;
- 20 (b) Provide or arrange for the provision of management assistance, specialized training for  
 21 workers and other consulting services;
- 22 (c) Supplement the design skills and expertise of program staff by developing relations with ex-  
 23 perts who may work in a consulting role;
- 24 (d) Research new and developing design technology in the United States and overseas with the  
 25 purpose of adapting proven technologies and management practices to Oregon conditions; and
- 26 (e) Disseminate research findings to all interested firms throughout the industrialized housing  
 27 industry.

28 (2) The Industrialized Housing Development Program shall establish a schedule of fees for the  
 29 services it provides. The program may establish a minimum level of service for which it does not  
 30 charge fees.

31 (3) The Industrialized Housing Development Program may hire individuals on a contract basis,  
 32 to provide either full-time or part-time staffing. However, employees of the program shall not be  
 33 considered tenured employees of the [*Oregon University System*] **University of Oregon**.

34 **SECTION 78.** ORS 352.051 is amended to read:

35 352.051. The [*State Board of Higher Education*] **University of Oregon Board of Directors** shall  
 36 adopt rules necessary to carry out the provisions of ORS 352.048 to 352.053.

37 **SECTION 79.** ORS 352.063 is amended to read:

38 352.063. [*The Oregon University System*] **Portland State University** may receive moneys from  
 39 any public or private source to support the Mark O. Hatfield School of Government, the Center for  
 40 Lakes and Reservoirs, the Graduate School of Social Work or the Institute of Portland Metropolitan  
 41 Studies created under ORS 352.066, 352.068, 352.071 and 352.074. Gifts and grants received to support  
 42 the Mark O. Hatfield School of Government, the Center for Lakes and Reservoirs, the Graduate  
 43 School of Social Work or the Institute of Portland Metropolitan Studies shall be credited to the  
 44 appropriate fund at Portland State University [*by the Oregon University System*].

45 **SECTION 80.** ORS 352.066 is amended to read:

1 352.066. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the  
 2 Mark O. Hatfield School of Government[. *The Mark O. Hatfield School of Government shall*], **to** be  
 3 administered by Portland State University. The president of Portland State University shall appoint  
 4 the director of the Mark O. Hatfield School of Government.

5 (2) The purposes of the Mark O. Hatfield School of Government are:

6 (a) To prepare students for careers in political service, public administration and the adminis-  
 7 tration of justice;

8 (b) To perform the duties required of the school under ORS 36.179, 183.502 and 390.240; and

9 (c) To assist the Criminal Justice Research and Policy Institute in carrying out the duties under  
 10 subsection (3) of this section.

11 (3) There is created within the Mark O. Hatfield School of Government the Criminal Justice  
 12 Research and Policy Institute. The institute may assist the Legislative Assembly and state and local  
 13 governments in developing policies to reduce crime and delinquency by:

14 (a) Providing the Legislative Assembly with objective, nonpartisan analyses of existing or pro-  
 15 posed state criminal justice policies, which analyses may not be inconsistent with state or federal  
 16 law or the Oregon or United States Constitution;

17 (b) Evaluating programs, including but not limited to programs dealing with public safety  
 18 professionalism, ethics in leadership and childhood development, funded directly or indirectly by the  
 19 State of Oregon that are intended to reduce criminal and delinquent behavior or to improve  
 20 professionalism in public safety careers;

21 (c) Managing reviews and evaluations relating to major long-term issues confronting the state  
 22 involving criminal and juvenile justice, public safety professionalism, ethics in leadership and early  
 23 childhood development programs;

24 (d) Initiating, sponsoring, conducting and publishing research on criminal and juvenile justice,  
 25 public safety professionalism, ethics in leadership and early childhood development that is peer re-  
 26 viewed and directly useful to policymakers;

27 (e) Organizing conferences on current state issues that bring together policymakers, public  
 28 agencies and leading academicians; and

29 (f) Seeking to strengthen the links among the Legislative Assembly, state and local governments,  
 30 the Oregon Criminal Justice Commission, the Department of Public Safety Standards and Training  
 31 and the academic community in the interest of more informed policymaking, the application of best  
 32 practices and more relevant academic research.

33 (4) The Governor, the Chief Justice of the Supreme Court, the President of the Senate, the  
 34 Speaker of the House of Representatives or the chairperson of a legislative committee with respon-  
 35 sibility over criminal or juvenile justice systems or childhood development programs may request the  
 36 assistance of the Criminal Justice Research and Policy Institute in evaluating criminal or juvenile  
 37 justice programs developed for, but not necessarily limited to, preventing delinquency, reducing  
 38 crime and improving professionalism in public safety careers.

39 (5) Agencies, departments and officers of state and local governments may assist the Criminal  
 40 Justice Research and Policy Institute in the performance of its functions and furnish information,  
 41 data and advice as requested by the institute.

42 **SECTION 81.** ORS 352.068 is amended to read:

43 352.068. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the  
 44 Center for Lakes and Reservoirs[. *The Center for Lakes and Reservoirs shall*], **to** be administered by  
 45 Portland State University.

1 (2) The purpose of the Center for Lakes and Reservoirs is to assist state and federal agencies  
2 in researching and mitigating nonindigenous, invasive aquatic species in this state and to work with  
3 communities in developing effective management of lakes and reservoirs.

4 **SECTION 82.** ORS 352.071 is amended to read:

5 352.071. (1) Pursuant to ORS 351.870, [*there is created within the Oregon University System*] the  
6 Graduate School of Social Work[. *The Graduate School of Social Work shall*] **is created, to** be ad-  
7 ministered by Portland State University.

8 (2) The purpose of the Graduate School of Social Work is to provide a center for specialized  
9 education and research in the social services for the betterment of communities in the Portland  
10 metropolitan area, the state and the Pacific Northwest.

11 **SECTION 83.** ORS 352.074 is amended to read:

12 352.074. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the  
13 Institute of Portland Metropolitan Studies[. *The Institute of Portland Metropolitan Studies shall*], **to**  
14 be administered by Portland State University.

15 (2) The purpose of the Institute of Portland Metropolitan Studies is to build partnerships be-  
16 tween Portland State University's urban studies programs and the surrounding communities of met-  
17 ropolitan Portland and to sponsor public service research.

18 **SECTION 84.** ORS 352.360 is amended to read:

19 352.360. (1) The State Board of Higher Education may enact such regulations as the board deems  
20 convenient or necessary to provide for the policing, control and regulation of traffic and parking  
21 of vehicles on the property of any public university listed in ORS [352.002] **351.011**. The regulations  
22 may provide for the registration of vehicles, the designation of parking areas and the assessment  
23 and collection of reasonable fees and charges for parking. The board may require that before a  
24 quarterly or yearly parking privilege for any vehicle is granted to any full-time or part-time student  
25 to use board property, the student must show that the vehicle is operated by a student holding a  
26 valid driver license, that the vehicle is currently registered and that the student driving the vehicle  
27 is insured under a motor vehicle liability insurance policy that meets the requirements described  
28 under ORS 806.080 or that the student or owner of the vehicle has provided the Department of  
29 Transportation with other satisfactory proof of compliance with the financial responsibility re-  
30 quirements of this state.

31 (2) The regulations enacted pursuant to subsection (1) of this section shall be enforced admin-  
32 istratively under procedures adopted by the board for each public university. Administrative and  
33 disciplinary sanctions may be imposed upon students, faculty and staff for violation of the regu-  
34 lations, including but not limited to, a reasonable monetary penalty which may be deducted from  
35 student deposits, and faculty or staff salaries or other funds in the possession of the public univer-  
36 sity. The board shall provide opportunity for hearing for the determination of controversies in con-  
37 nection with imposition of fines or penalties. The board may prescribe procedures for such hearings  
38 despite the provisions of ORS 183.413 to 183.470. Persons other than students, faculty or staff may  
39 voluntarily submit to the hearing procedures prescribed by the board, and shall be bound by the  
40 results of the hearing. The powers granted to the board by this section are supplemental to the ex-  
41 isting powers of the board with respect to the government of activities of students, faculty and staff  
42 and the control and management of property under its jurisdiction.

43 (3) The regulations enacted pursuant to subsection (1) of this section may also be enforced by  
44 the impoundment of vehicles, and a reasonable fee may be enacted for the cost of impoundment and  
45 storage, if any, prior to the release of the vehicles to their owners.

1 (4) All fees and charges for parking privileges and violations are deposited in a designated ac-  
 2 count in the Oregon University System Fund established by ORS 351.506 for the purpose of defraying  
 3 the costs of constructing bicycle racks and bicycle lanes and of traffic control, enforcement of traffic  
 4 and parking regulations and maintenance and operation of parking facilities and for the purpose of  
 5 acquiring and constructing additional parking facilities for vehicles at the various public universi-  
 6 ties and offices, departments and activities under the control of the board. Fees and charges may  
 7 also be credited to the account in the Oregon University System Fund designated by ORS 351.460.  
 8 Parking fees shall be established at levels no greater than those required to finance the con-  
 9 struction, operation and maintenance of parking facilities on the same campus of the public univer-  
 10 sity for which the parking is provided. Notwithstanding ORS 351.072, parking fees or changes in fees  
 11 shall be adopted by rule of the board subject to the procedure for rules adopted in ORS chapter 183.

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

16 (6) The board and any municipal corporation or any department, agency or political subdivision  
 17 of this state may enter into agreements or contracts with each other for the purpose of providing  
 18 a uniform system of enforcement of the rules and regulations of the board enacted pursuant to  
 19 subsection (1) of this section.

20 (7) In proceedings brought to enforce regulations enacted pursuant to subsection (1) of this  
 21 section, it shall be sufficient to charge the defendant by an unsworn written notice in accordance  
 22 with the provisions of ORS 221.333. In any case in which the defendant is not subject to and does  
 23 not voluntarily submit to the hearing procedures prescribed under subsection (2) of this section,  
 24 proceedings to enforce regulations enacted pursuant to subsection (1) of this section shall be  
 25 brought in the name of the board in a circuit court, a justice court or a city court for offenses  
 26 committed within the territorial jurisdiction of such court. Such courts shall have concurrent juris-  
 27 diction over offenses committed within their respective jurisdictions. All fines, penalties and court  
 28 costs recovered shall be paid to the clerk of the court involved and shall be disposed of as provided  
 29 in ORS 153.640 to 153.680.

30 **SECTION 85.** ORS 352.383 is amended to read:

31 352.383. (1) [*The State Board of Higher Education may,*] At the request of a public university  
 32 under its control, **the State Board of Higher Education or an institutional board may** authorize  
 33 the university to establish a police department and commission one or more employees as police  
 34 officers. A police department established under this section has all of the authority and immunity  
 35 of a municipal police department of this state.

36 (2) Police officers commissioned under this section:

37 (a) May enforce criminal laws and any administrative rules and policies adopted by the board  
 38 or the commissioning university; and

39 (b) Have all the authority and immunity of a peace officer or police officer of this state.

40 (3) When a university establishes a police department and commissions one or more employees  
 41 as police officers, the president of the university, in cooperation with the chief of the police de-  
 42 partment, shall establish a process by which the university will receive and respond to complaints  
 43 involving the policies of the police department and the conduct of the police officers.

44 (4) The board may:

45 (a) Enter into an agreement, or authorize a university under its control to enter into an agree-



1 ment, with a municipal corporation or any department, agency or political subdivision of this state  
2 for the provision of mutual aid by their respective police officers.

3 (b) Adopt rules to carry out the provisions of this section.

4 **SECTION 86.** ORS 352.385 is amended to read:

5 352.385. (1) [*The State Board of Higher Education may,*] At the request of a public university  
6 under its control, **the State Board of Higher Education or an institutional board may** authorize  
7 the university to commission one or more of its employees as special campus security officers. The  
8 total number of special campus security officers commissioned at the public universities [*in the*  
9 *Oregon University System*] **listed in ORS 352.002** may not exceed 50. Special campus security offi-  
10 cers shall have stop and frisk authority as set forth in ORS 131.605 to 131.625 and probable cause  
11 arrest authority and the accompanying immunities as set forth in ORS 133.310 and 133.315 when  
12 acting in the scope of their employment as defined by the State Board of Higher Education **or the**  
13 **institutional board**. Special campus security officers shall not be authorized to carry firearms as  
14 police officers and, except as provided in subsection (3) of this section, shall not be considered police  
15 officers for purposes of ORS 181.610, 238.005, 243.005 or 243.736.

16 (2) The Department of Public Safety Standards and Training shall train special campus security  
17 officers at the expense of the State Board of Higher Education **or the institutional board**.

18 (3) The State Board of Higher Education **or the institutional board of a public university**,  
19 acting by and through its special campus security officers, is a criminal justice agency for purposes  
20 of rules adopted pursuant to ORS 181.730 (3).

21 **SECTION 87.** ORS 21.007, as amended by section 8, chapter 48, Oregon Laws 2012, is amended  
22 to read:

23 21.007. It is the intent of the Legislative Assembly that funding be provided to the following  
24 entities by appropriations each biennium to fund programs, services and activities that were funded  
25 through court fees before the 2011-2013 biennium:

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

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

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

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

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

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

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

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

43 **SECTION 88.** ORS 30.264 is amended to read:

44 30.264. (1)(a) The State Board of Higher Education may authorize public universities listed in  
45 ORS [*352.002*] **351.011** to provide liability insurance coverage for students involved in off-campus

1 experiential activities, including, but not limited to, student teaching, internships, clinical experi-  
 2 ences, capstone projects and related activities.

3 **(b) The institutional board of a public university listed in section 2 of this 2013 Act may**  
 4 **authorize the university to provide liability insurance coverage for students involved in off-**  
 5 **campus experiential activities, including, but not limited to, student teaching, internships,**  
 6 **clinical experiences, capstone projects and related activities.**

7 (2) If commercial liability insurance coverage is not available to the public universities, students  
 8 participating in the activities described in subsection (1) of this section shall be considered to be  
 9 acting within the course and scope of state employment duties for purposes of ORS 30.260 to 30.300.

10 **SECTION 89.** ORS 30.864 is amended to read:

11 30.864. (1) Any person claiming to be aggrieved by the reckless disclosure of personally iden-  
 12 tifiable information from a student's education records as prohibited by rules of the State Board of  
 13 Education, [*or*] the State Board of Higher Education **or the institutional board of a public uni-**  
 14 **versity** may file a civil action in circuit court for equitable relief or, subject to the terms and con-  
 15 ditions of ORS 30.265 to 30.300, for damages, or both. The court may order such other relief as may  
 16 be appropriate.

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

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

21 **SECTION 90.** ORS 36.145 is amended to read:

22 36.145. The Dispute Resolution Account is established in the State Treasury, separate and dis-  
 23 tinct from the General Fund. All moneys received under ORS 36.150 shall be deposited to the credit  
 24 of the account. Notwithstanding the provisions of ORS 291.238, all moneys in the account are con-  
 25 tinuously appropriated to the [*Oregon University System*] **University of Oregon or Portland State**  
 26 **University** for the purposes for which the moneys were made available and shall be expended in  
 27 accordance with the terms and conditions upon which the moneys were made available.

28 **SECTION 91.** ORS 36.150 is amended to read:

29 36.150. [*The Oregon University System*] **Portland State University**, on behalf of the Mark O.  
 30 Hatfield School of Government and the **University of Oregon, on behalf of the** University of  
 31 Oregon School of Law, may accept and expend moneys from any public or private source, including  
 32 the federal government, made available for the purpose of encouraging, promoting or establishing  
 33 dispute resolution programs in Oregon or to facilitate and assist the schools in carrying out the  
 34 responsibilities of the schools under ORS 36.100 to 36.238 and 183.502. All moneys received by the  
 35 [*Oregon University System*] **University of Oregon and Portland State University** under this sec-  
 36 tion shall be deposited in the Dispute Resolution Account.

37 **SECTION 92.** ORS 36.155 is amended to read:

38 36.155. The Dean of the University of Oregon School of Law shall award grants for the purpose  
 39 of providing dispute resolution services in counties. Grants under this section shall be made from  
 40 funds [*appropriated*] **allocated** to the [*Oregon University System*] **University of Oregon** on behalf  
 41 of the University of Oregon School of Law for distribution under this section. The [*State Board of*  
 42 *Higher Education*] **University of Oregon Board of Directors** may adopt rules for the operation of  
 43 the grant program.

44 **SECTION 93.** ORS 184.631 is amended to read:

45 184.631. (1) The Department of Transportation shall establish a public-private partnership re-

1 search and development program.

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

6 (a) Individuals.

7 (b) Businesses.

8 (c) Nonprofit organizations.

9 (d) The State Board of Higher Education.

10 (e) **The institutional board of a public university listed in section 2 of this 2013 Act.**

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

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

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

18 **SECTION 94.** ORS 192.501 is amended to read:

19 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505  
20 unless the public interest requires disclosure in the particular instance:

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

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

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

38 (a) The arrested person's name, age, residence, employment, marital status and similar bi-  
39 ographical information;

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

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

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

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

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

45 (g) Such information as may be necessary to enlist public assistance in apprehending fugitives

1 from justice.

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

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

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

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

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

22 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and  
23 663.180.

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

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

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

32 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and  
33 564.100, regarding the habitat, location or population of any threatened species or endangered spe-  
34 cies.

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

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

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

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

45 (c) The mathematical and statistical formulas which would be used if the manipulated forms of

1 the original data were to be produced manually.

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

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

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

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

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

22 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS  
23 247.967.

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

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

28 (b) Credit reports;

29 (c) Project appraisals;

30 (d) Market studies and analyses;

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

32 (f) Commitment letters;

33 (g) Project pro forma statements;

34 (h) Project cost certifications and cost data;

35 (i) Audits;

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

37 (k) Tenant files relating to certification; and

38 (L) Housing assistance payment requests.

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

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

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

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

1 (23) Records or information that would reveal or otherwise identify security measures, or  
2 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to  
3 protect:

4 (a) An individual;

5 (b) Buildings or other property;

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

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

10 (24) Personal information held by or under the direction of officials of the Oregon Health and  
11 Science University, **a public university listed in ORS 352.002** or the Oregon University System  
12 about a person who has or who is interested in donating money or property to the **Oregon Health**  
13 **and Science** University, the system or a public university [*listed in ORS 352.002*], if the information  
14 is related to the family of the person, personal assets of the person or is incidental information not  
15 related to the donation.

16 (25) The home address, professional address and telephone number of a person who has or who  
17 is interested in donating money or property to the Oregon University System **or a public university**  
18 **listed in ORS 352.002**.

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

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

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

27 (29) The electronic mail address of a student who attends a public university listed in ORS  
28 352.002 or Oregon Health and Science University.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 (37) Any document or other information related to an audit of a public body, as defined in ORS  
4 174.109, that is in the custody of an auditor or audit organization operating under nationally re-  
5 cognized government auditing standards, until the auditor or audit organization issues a final audit  
6 report in accordance with those standards or the audit is abandoned. This exemption does not pro-  
7 hibit disclosure of a draft audit report that is provided to the audited entity for the entity's response  
8 to the audit findings.

9 **SECTION 95.** ORS 192.501, as amended by section 3, chapter 455, Oregon Laws 2005, section  
10 7, chapter 608, Oregon Laws 2007, section 2, chapter 687, Oregon Laws 2007, section 2, chapter 48,  
11 Oregon Laws 2008, section 3, chapter 57, Oregon Laws 2009, section 2, chapter 135, Oregon Laws  
12 2009, section 4, chapter 222, Oregon Laws 2009, section 2, chapter 769, Oregon Laws 2009, section  
13 15, chapter 9, Oregon Laws 2011, section 2, chapter 285, Oregon Laws 2011, and section 69, chapter  
14 637, Oregon Laws 2011, is amended to read:

15 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505  
16 unless the public interest requires disclosure in the particular instance:

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

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

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

34 (a) The arrested person's name, age, residence, employment, marital status and similar bi-  
35 ographical information;

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

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

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

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

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

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

43 (4) Test questions, scoring keys, and other data used to administer a licensing examination,  
44 employment, academic or other examination or testing procedure before the examination is given  
45 and if the examination is to be used again. Records establishing procedures for and instructing



1 persons administering, grading or evaluating an examination or testing procedure are included in  
2 this exemption, to the extent that disclosure would create a risk that the result might be affected.

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

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

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

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

18 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and  
19 663.180.

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

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

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

28 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and  
29 564.100, regarding the habitat, location or population of any threatened species or endangered spe-  
30 cies.

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

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

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

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

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

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

44 (17) Investigatory information relating to any complaint or charge filed under ORS chapter 654,  
45 until a final administrative determination is made or, if a citation is issued, until an employer re-

1 ceives notice of any citation.

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

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

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

18 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS  
19 247.967.

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

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

24 (b) Credit reports;

25 (c) Project appraisals;

26 (d) Market studies and analyses;

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

28 (f) Commitment letters;

29 (g) Project pro forma statements;

30 (h) Project cost certifications and cost data;

31 (i) Audits;

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

33 (k) Tenant files relating to certification; and

34 (L) Housing assistance payment requests.

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

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

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

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

42 (23) Records or information that would reveal or otherwise identify security measures, or  
43 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to  
44 protect:

45 (a) An individual;

- 1 (b) Buildings or other property;
- 2 (c) Information processing, communication or telecommunication systems, including the infor-  
3 mation contained in the systems; or
- 4 (d) Those operations of the Oregon State Lottery the security of which are subject to study and  
5 evaluation under ORS 461.180 (6).
- 6 (24) Personal information held by or under the direction of officials of the Oregon Health and  
7 Science University, **a public university listed in ORS 352.002** or the Oregon University System  
8 about a person who has or who is interested in donating money or property to the **Oregon Health**  
9 **and Science** University, the system or a public university [*listed in ORS 352.002*], if the information  
10 is related to the family of the person, personal assets of the person or is incidental information not  
11 related to the donation.
- 12 (25) The home address, professional address and telephone number of a person who has or who  
13 is interested in donating money or property to the Oregon University System **or a public university**  
14 **listed in ORS 352.002.**
- 15 (26) Records of the name and address of a person who files a report with or pays an assessment  
16 to a commodity commission established under ORS 576.051 to 576.455, the Oregon Beef Council  
17 created under ORS 577.210 or the Oregon Wheat Commission created under ORS 578.030.
- 18 (27) Information provided to, obtained by or used by a public body to authorize, originate, re-  
19 ceive or authenticate a transfer of funds, including but not limited to a credit card number, payment  
20 card expiration date, password, financial institution account number and financial institution routing  
21 number.
- 22 (28) Social Security numbers as provided in ORS 107.840.
- 23 (29) The electronic mail address of a student who attends a public university listed in ORS  
24 352.002 or Oregon Health and Science University.
- 25 (30) If requested by a public safety officer, as defined in ORS 181.610:
- 26 (a) The home address and home telephone number of the public safety officer contained in the  
27 voter registration records for the public safety officer.
- 28 (b) The home address and home telephone number of the public safety officer contained in re-  
29 cords of the Department of Public Safety Standards and Training.
- 30 (c) The name of the public safety officer contained in county real property assessment or taxa-  
31 tion records. This exemption:
- 32 (A) Applies only to the name of the public safety officer and any other owner of the property  
33 in connection with a specific property identified by the officer in a request for exemption from dis-  
34 closure;
- 35 (B) Applies only to records that may be made immediately available to the public upon request  
36 in person, by telephone or using the Internet;
- 37 (C) Applies until the public safety officer requests termination of the exemption;
- 38 (D) Does not apply to disclosure of records among public bodies as defined in ORS 174.109 for  
39 governmental purposes; and
- 40 (E) May not result in liability for the county if the name of the public safety officer is disclosed  
41 after a request for exemption from disclosure is made under this subsection.
- 42 (31) Unless the public records request is made by a financial institution, as defined in ORS  
43 706.008, consumer finance company licensed under ORS chapter 725, mortgage banker or mortgage  
44 broker licensed under ORS 86A.095 to 86A.198, or title company for business purposes, records de-  
45 scribed in paragraph (a) of this subsection, if the exemption from disclosure of the records is sought

1 by an individual described in paragraph (b) of this subsection using the procedure described in par-  
2 agraph (c) of this subsection:

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

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

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

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

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

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

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

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

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

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

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

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

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

39 (36) Any document or other information related to an audit of a public body, as defined in ORS  
40 174.109, that is in the custody of an auditor or audit organization operating under nationally re-  
41 cognized government auditing standards, until the auditor or audit organization issues a final audit  
42 report in accordance with those standards or the audit is abandoned. This exemption does not pro-  
43 hibit disclosure of a draft audit report that is provided to the audited entity for the entity's response  
44 to the audit findings.

45 **SECTION 96.** ORS 238.005, as amended by section 30, chapter 54, Oregon Laws 2012, is

1 amended to read:

2 238.005. For purposes of this chapter:

3 (1) "Active member" means a member who is presently employed by a participating public em-  
4 ployer in a qualifying position and who has completed the six-month period of service required by  
5 ORS 238.015.

6 (2) "Annuity" means payments for life derived from contributions made by a member as provided  
7 in this chapter.

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

9 (4) "Calendar year" means 12 calendar months commencing on January 1 and ending on De-  
10 cember 31 following.

11 (5) "Continuous service" means service not interrupted for more than five years, except that  
12 such continuous service shall be computed without regard to interruptions in the case of:

13 (a) An employee who had returned to the service of the employer as of January 1, 1945, and  
14 who remained in that employment until having established membership in the Public Employees  
15 Retirement System.

16 (b) An employee who was in the armed services on January 1, 1945, and returned to the service  
17 of the employer within one year of the date of being otherwise than dishonorably discharged and  
18 remained in that employment until having established membership in the Public Employees Retire-  
19 ment System.

20 (6) "Creditable service" means any period of time during which an active member is being paid  
21 a salary by a participating public employer and for which benefits under this chapter are funded by  
22 employer contributions and earnings on the fund. For purposes of computing years of "creditable  
23 service," full months and major fractions of a month shall be considered to be one-twelfth of a year  
24 and shall be added to all full years. "Creditable service" includes all retirement credit received by  
25 a member.

26 (7) "Earliest service retirement age" means the age attained by a member when the member  
27 could first make application for retirement under the provisions of ORS 238.280.

28 (8) "Employee" includes, in addition to employees, public officers, but does not include:

29 (a) Persons engaged as independent contractors.

30 (b) Seasonal, emergency or casual workers whose periods of employment with any public em-  
31 ployer or public employers do not total 600 hours in any calendar year.

32 (c) Persons, other than workers in the Oregon Industries for the Blind under ORS 346.190, pro-  
33 vided sheltered employment or made-work by a public employer in an employment or industries  
34 program maintained for the benefit of such persons.

35 (d) Persons employed and paid from federal funds received under a federal program intended  
36 primarily to alleviate unemployment. However, any such person shall be considered an "employee"  
37 if not otherwise excluded by paragraphs (a) to (c) of this subsection and the public employer elects  
38 to have the person so considered by an irrevocable written notice to the board.

39 (e) Persons who are employees of a railroad, as defined in ORS 824.020, and who, as such em-  
40 ployees, are included in a retirement plan under federal railroad retirement statutes. This paragraph  
41 shall be deemed to have been in effect since the inception of the system.

42 (9) "Final average salary" means whichever of the following is greater:

43 (a) The average salary per calendar year paid by one or more participating public employers to  
44 an employee who is an active member of the system in three of the calendar years of membership  
45 before the effective date of retirement of the employee, in which three years the employee was paid

1 the highest salary. The three calendar years in which the employee was paid the largest total salary  
2 may include calendar years in which the employee was employed for less than a full calendar year.  
3 If the number of calendar years of active membership before the effective date of retirement of the  
4 employee is three or fewer, the final average salary for the employee is the average salary per cal-  
5 endar year paid by one or more participating public employers to the employee in all of those years,  
6 without regard to whether the employee was employed for the full calendar year.

7 (b) One-third of the total salary paid by a participating public employer to an employee who is  
8 an active member of the system in the last 36 calendar months of active membership before the ef-  
9 fective date of retirement of the employee.

10 (10) "Firefighter" does not include a volunteer firefighter, but does include:

11 (a) The State Fire Marshal, the chief deputy fire marshal and deputy state fire marshals; and

12 (b) An employee of the State Forestry Department who is certified by the State Forester as a  
13 professional wildland firefighter and whose primary duties include the abatement of uncontrolled  
14 fires as described in ORS 477.064.

15 (11) "Fiscal year" means 12 calendar months commencing on July 1 and ending on June 30 fol-  
16 lowing.

17 (12) "Fund" means the Public Employees Retirement Fund.

18 (13) "Inactive member" means a member who is not employed in a qualifying position, whose  
19 membership has not been terminated in the manner described by ORS 238.095 and who is not retired  
20 for service or disability.

21 (14) "Institution of higher education" means a public university listed in ORS 352.002, the  
22 Oregon Health and Science University and a community college, as defined in ORS 341.005.

23 (15) "Member" means a person who has established membership in the system and whose mem-  
24 bership has not been terminated as described in ORS 238.095. "Member" includes active, inactive  
25 and retired members.

26 (16) "Member account" means the regular account and the variable account.

27 (17) "Normal retirement age" means:

28 (a) For a person who establishes membership in the system before January 1, 1996, as described  
29 in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or firefighter  
30 or 58 years of age if the employee retires at that age as other than a police officer or firefighter.

31 (b) For a person who establishes membership in the system on or after January 1, 1996, as de-  
32 scribed in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or  
33 firefighter or 60 years of age if the employee retires at that age as other than a police officer or  
34 firefighter.

35 (18) "Pension" means annual payments for life derived from contributions by one or more public  
36 employers.

37 (19) "Police officer" includes:

38 (a) Employees of institutions defined in ORS 421.005 as Department of Corrections institutions  
39 whose duties, as assigned by the Director of the Department of Corrections, include the custody of  
40 persons committed to the custody of or transferred to the Department of Corrections and employees  
41 of the Department of Corrections who were classified as police officers on or before July 27, 1989,  
42 whether or not such classification was authorized by law.

43 (b) Employees of the Department of State Police who are classified as police officers by the  
44 Superintendent of State Police.

45 (c) Employees of the Oregon Liquor Control Commission who are classified as liquor enforce-

1 ment inspectors by the administrator of the commission.

2 (d) Sheriffs and those deputy sheriffs or other employees of a sheriff whose duties, as classified  
3 by the sheriff, are the regular duties of police officers or corrections officers.

4 (e) Police chiefs and police personnel of a city who are classified as police officers by the  
5 council or other governing body of the city.

6 (f) Police officers who are commissioned by a university under ORS 352.383 and who are clas-  
7 sified as police officers by the university.

8 (g) Parole and probation officers employed by the Department of Corrections, parole and pro-  
9 bation officers who are transferred to county employment under ORS 423.549 and adult parole and  
10 probation officers, as defined in ORS 181.610, who are classified as police officers for the purposes  
11 of this chapter by the county governing body. If a county classifies adult parole and probation offi-  
12 cers as police officers for the purposes of this chapter, and the employees so classified are repres-  
13 ented by a labor organization, any proposal by the county to change that classification or to cease  
14 to classify adult parole and probation officers as police officers for the purposes of this chapter is  
15 a mandatory subject of bargaining.

16 (h) Police officers appointed under ORS 276.021 or 276.023.

17 (i) Employees of the Port of Portland who are classified as airport police by the Board of Com-  
18 missioners of the Port of Portland.

19 (j) Employees of the State Department of Agriculture who are classified as livestock police of-  
20 ficers by the Director of Agriculture.

21 (k) Employees of the Department of Public Safety Standards and Training who are classified by  
22 the department as other than secretarial or clerical personnel.

23 (L) Investigators of the Criminal Justice Division of the Department of Justice.

24 (m) Corrections officers as defined in ORS 181.610.

25 (n) Employees of the Oregon State Lottery Commission who are classified by the Director of the  
26 Oregon State Lottery as enforcement agents pursuant to ORS 461.110.

27 (o) The Director of the Department of Corrections.

28 (p) An employee who for seven consecutive years has been classified as a police officer as de-  
29 fined by this section, and who is employed or transferred by the Department of Corrections to fill  
30 a position designated by the Director of the Department of Corrections as being eligible for police  
31 officer status.

32 (q) An employee of the Department of Corrections classified as a police officer on or prior to  
33 July 27, 1989, whether or not that classification was authorized by law, as long as the employee  
34 remains in the position held on July 27, 1989. The initial classification of an employee under a sys-  
35 tem implemented pursuant to ORS 240.190 does not affect police officer status.

36 (r) Employees of a school district who are appointed and duly sworn members of a law  
37 enforcement agency of the district as provided in ORS 332.531 or otherwise employed full-time as  
38 police officers commissioned by the district.

39 (s) Employees at youth correction facilities and juvenile detention facilities under ORS 419A.050,  
40 419A.052 and 420.005 to 420.915 who are required to hold valid Oregon teaching licenses and who  
41 have supervisory, control or teaching responsibilities over juveniles committed to the custody of the  
42 Department of Corrections or the Oregon Youth Authority.

43 (t) Employees at youth correction facilities as defined in ORS 420.005 whose primary job de-  
44 scription involves the custody, control, treatment, investigation or supervision of juveniles placed  
45 in such facilities.

1 (u) Employees of the Oregon Youth Authority who are classified as juvenile parole and pro-  
2 bation officers.

3 (20) "Prior service credit" means credit provided under ORS 238.442 or under ORS 238.225 (2)  
4 to (6) (1999 Edition).

5 (21) "Public employer" means the state, one of its agencies, any city, county, or municipal or  
6 public corporation, any political subdivision of the state or any instrumentality thereof, or an agency  
7 created by one or more such governmental organizations to provide governmental services. For  
8 purposes of this chapter, such agency created by one or more governmental organizations is a gov-  
9 ernmental instrumentality and a legal entity with power to enter into contracts, hold property and  
10 sue and be sued.

11 (22) "Qualifying position" means one or more jobs with one or more participating public em-  
12 ployers in which an employee performs 600 or more hours of service in a calendar year, excluding  
13 any service in a job for which a participating public employer does not provide benefits under this  
14 chapter pursuant to an application made under ORS 238.035.

15 (23) "Regular account" means the account established for each active and inactive member un-  
16 der ORS 238.250.

17 (24) "Retired member" means a member who is retired for service or disability.

18 (25) "Retirement credit" means a period of time that is treated as creditable service for the  
19 purposes of this chapter.

20 (26)(a) "Salary" means the remuneration paid an employee in cash out of the funds of a public  
21 employer in return for services to the employer, plus the monetary value, as determined by the  
22 Public Employees Retirement Board, of whatever living quarters, board, lodging, fuel, laundry and  
23 other advantages the employer furnishes the employee in return for services.

24 (b) "Salary" includes but is not limited to:

25 (A) Payments of employee and employer money into a deferred compensation plan, which are  
26 deemed salary paid in each month of deferral;

27 (B) The amount of participation in a tax-sheltered or deferred annuity, which is deemed salary  
28 paid in each month of participation;

29 (C) Retroactive payments described in ORS 238.008; and

30 (D) Wages of a deceased member paid to a surviving spouse or dependent children under ORS  
31 652.190.

32 (c) "Salary" or "other advantages" does not include:

33 (A) Travel or any other expenses incidental to employer's business which is reimbursed by the  
34 employer;

35 (B) Payments for insurance coverage by an employer on behalf of employee or employee and  
36 dependents, for which the employee has no cash option;

37 (C) Payments made on account of an employee's death;

38 (D) Any lump sum payment for accumulated unused sick leave;

39 (E) Any accelerated payment of an employment contract for a future period or an advance  
40 against future wages;

41 (F) Any retirement incentive, retirement severance pay, retirement bonus or retirement  
42 gratuitous payment;

43 (G) Payments for periods of leave of absence after the date the employer and employee have  
44 agreed that no future services qualifying pursuant to ORS 238.015 (3) will be performed, except for  
45 sick leave and vacation;



1 (H) Payments for instructional services rendered to public universities [*of the Oregon University*  
 2 *System*] **listed in ORS 352.002** or the Oregon Health and Science University when such services are  
 3 in excess of full-time employment subject to this chapter. A person employed under a contract for  
 4 less than 12 months is subject to this subparagraph only for the months to which the contract per-  
 5 tains; or

6 (I) Payments made by an employer for insurance coverage provided to a domestic partner of an  
 7 employee.

8 (27) "School year" means the period beginning July 1 and ending June 30 next following.

9 (28) "System" means the Public Employees Retirement System.

10 (29) "Variable account" means the account established for a member who participates in the  
 11 Variable Annuity Account under ORS 238.260.

12 (30) "Vested" means being an active member of the system in each of five calendar years.

13 (31) "Volunteer firefighter" means a firefighter whose position normally requires less than 600  
 14 hours of service per year.

15 **SECTION 97.** ORS 238.200 is amended to read:

16 238.200. (1)(a) An active member of the Public Employees Retirement System shall contribute to  
 17 the Public Employees Retirement Fund and there shall be withheld from salary of the member six  
 18 percent of that salary as an employee contribution.

19 (b) Notwithstanding paragraph (a) of this subsection, an employee who is an active member of  
 20 the system on August 21, 1981, shall contribute to the fund and there shall be withheld from salary  
 21 of the member, as long as the employee continues to be an active member of the system, four percent  
 22 of that salary if the salary for a month is less than \$500, or five percent of that salary if the salary  
 23 for a month is \$500 or more and less than \$1,000. Notwithstanding subsection (2) of this section, for  
 24 the purpose of computing the percentage of salary to be withheld under this paragraph from a  
 25 member who is an employee of a school district or [*of the State Board of Higher Education*] **a public**  
 26 **university listed in ORS 352.002** whose salary is based on an annual agreement, the agreed annual  
 27 salary of the member shall be divided into 12 equal installments, and each installment shall be  
 28 considered as earned and paid in separate, consecutive months, commencing with the first month  
 29 that payment is actually made under the terms of the salary agreement.

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

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

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

44 **SECTION 98.** ORS 238.215 is amended to read:

45 238.215. Notwithstanding any other provision of this chapter:

1 (1) An employee, as defined in ORS 243.910 (2), who is an active member of the system and who  
 2 has elected, and not canceled that election, to be assisted by the State Board of Higher Education  
 3 **or institutional board of a public university** under ORS 243.920 (1), [shall] **may** not contribute to  
 4 the fund on any part of the annual salary of the employee in excess of \$4,800 at any time during  
 5 which the [State Board of Higher Education] **board** assists the employee under ORS 243.920 (1).

6 (2) The current service pension, whether for service or disability retirement, under this chapter  
 7 provided by the contributions of the employers of such employee shall be:

8 (a) If the State Board of Higher Education **or institutional board** is assisting such employee  
 9 under ORS 243.920 (1) at the time of retirement, a pension equal to the annuity provided by the  
 10 employee's accumulated contributions to the fund.

11 (b) If the [State Board of Higher Education] **board** is not assisting such employee under ORS  
 12 243.920 (1) at the time of retirement, but previously so assisted the employee:

13 (A) For service before the date the [State Board of Higher Education] **board** last ceased to assist  
 14 the employee, a pension equal to the annuity provided by the employee's accumulated contributions  
 15 to the fund before that date.

16 (B) For service on and after the date the [State Board of Higher Education] **board** last ceased  
 17 to so assist the employee, a pension computed as provided in ORS 238.300 (2), but if the employee  
 18 retires before reaching the normal retirement age, actuarially reduced and computed on the then  
 19 attained age. For the purpose of computing the pension under this subparagraph, only the number  
 20 of years of membership of the employee after the day before that date and only the salary of the  
 21 employee on which the employee contributes to the fund for those years shall be considered.

22 (3) Subsection (2) of this section does not apply to an employee, as defined in ORS 243.910 (2),  
 23 who is an active member of the system, who elected to be assisted by the State Board of Higher  
 24 Education **or institutional board** under ORS 243.920 (1) before January 1, 1968, who canceled that  
 25 election within the first 60 days of the calendar year 1968 as provided in ORS 243.940 (5) and who  
 26 does not thereafter elect to be assisted by the [State Board of Higher Education] **board** under ORS  
 27 243.920 (1).

28 (4) Subsection (2) of this section does not apply to an employee, as defined in ORS 243.910 (2),  
 29 who is an active member of the system and has been an active member of the system continuously  
 30 since any date before January 1, 1968; who elected to be assisted by the State Board of Higher Ed-  
 31 ucation **or institutional board** under ORS 243.920 (1) before January 1, 1968; and who cancels that  
 32 election in any calendar year after 1968, but before the calendar year in which the employee retires,  
 33 as provided in ORS 243.940 (5) and does not thereafter elect to be assisted by the [State Board of  
 34 Higher Education] **board** under ORS 243.920 (1). In this case the benefit, whether for service or  
 35 disability retirement, shall be computed as under ORS 238.300; however, for service during periods  
 36 in which the employee was assisted by the [State Board of Higher Education] **board** under ORS  
 37 243.920 (1), a year of membership as used in ORS 238.300 (2) shall be a portion of a year which is  
 38 represented by a fraction the numerator of which is \$4,800 and the denominator of which is the  
 39 salary earned by the employee in that year. However, in no case shall the fraction be greater than  
 40 one.

41 **SECTION 99.** ORS 238A.005, as amended by section 1, chapter 31, Oregon Laws 2012, is  
 42 amended to read:

43 238A.005. For the purposes of this chapter:

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

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

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

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

7 (a) Persons engaged as independent contractors;

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

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

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

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

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

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

17 (h) Employees of the Oregon University System **or a public university listed in ORS 352.002**  
18 who are actively participating in an optional retirement plan offered under ORS 243.800;

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

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

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

25 (L) Judges.

26 (5) "Firefighter" means:

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

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

31 (c) An employee of the State Forestry Department who is certified by the State Forester as a  
32 professional wildland firefighter and whose primary duties include the abatement of uncontrolled  
33 fires as described in ORS 477.064.

34 (6) "Fund" means the Public Employees Retirement Fund.

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

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

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

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

1 employment compensation laws.

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

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

7 (10) "Institution of higher education" means a public university listed in ORS 352.002, the  
8 Oregon Health and Science University or a community college, as defined in ORS 341.005.

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

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

14 (13) "Pension program" means the defined benefit pension program of the Oregon Public Service  
15 Retirement Plan established under ORS 238A.025.

16 (14) "Police officer" means a police officer as described in ORS 238.005.

17 (15) "Qualifying position" means one or more jobs with one or more participating public em-  
18 ployers in which an eligible employee performs 600 or more hours of service in a calendar year,  
19 excluding any service in a job for which benefits are not provided under the Oregon Public Service  
20 Retirement Plan pursuant to ORS 238A.070 (2).

21 (16) "Retired member" means a pension program member who is receiving a pension as provided  
22 in ORS 238A.180 to 238A.195.

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

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

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

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

34 (C) Any amount that is contributed to a cafeteria plan or qualified transportation fringe benefit  
35 plan by the employer at the election of the employee and that is not includable in the taxable in-  
36 come of the employee by reason of 26 U.S.C. 125 or 132(f)(4), as in effect on December 31, 2011.

37 (D) Any amount that is contributed to a cash or deferred arrangement by the employer at the  
38 election of the employee and that is not included in the taxable income of the employee by reason  
39 of 26 U.S.C. 402(e)(3), as in effect on December 31, 2011.

40 (E) Retroactive payments described in ORS 238.008.

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

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

1 (H) Wages of a deceased member paid to a surviving spouse or dependent children under ORS  
2 652.190.

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

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

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

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

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

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

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

14 (G) Payments for instructional services rendered to public universities [*of the Oregon University*  
15 *System*] **listed in ORS 352.002** or the Oregon Health and Science University when those services  
16 are in excess of full-time employment subject to this chapter. A person employed under a contract  
17 for less than 12 months is subject to this subparagraph only for the months covered by the contract.

18 (H) The amount of an employee contribution to the individual account program that is paid by  
19 the employer and is not deducted from the compensation of the employee, as provided under ORS  
20 238A.335 (1) and (2)(b).

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

26 (18) "System" means the Public Employees Retirement System.

27 **SECTION 100.** ORS 243.107 is amended to read:

28 243.107. A person employed by a public university listed in ORS 352.002 or the Oregon Health  
29 and Science University may be considered an eligible employee for participation in one of the group  
30 benefit plans described in ORS 243.135 if the State Board of Higher Education **or the institutional**  
31 **board of the public university**, or the Oregon Health and Science University Board of Directors  
32 for Oregon Health and Science University employees, determines that funds are available therefor  
33 and if:

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

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

39 **SECTION 101.** ORS 243.800 is amended to read:

40 243.800. (1) Notwithstanding any provision of ORS chapter 238 or 238A or ORS 243.910 to  
41 243.945, the State Board of Higher Education **and the institutional board of a public university**  
42 shall establish and administer an Optional Retirement Plan for administrative and academic em-  
43 ployees of the Oregon University System **or public university** who are eligible for membership in  
44 the Public Employees Retirement System. The Optional Retirement Plan must be a qualified plan  
45 under the Internal Revenue Code, capable of accepting funds transferred under subsection (7) of this

1 section without the transfer being treated as a taxable event under the Internal Revenue Code, and  
2 willing to accept those funds. Retirement and death benefits shall be provided under the plan by the  
3 purchase of annuity contracts, fixed or variable or a combination thereof, or by contracts for in-  
4 vestments in mutual funds.

5 (2) [*The State Board of Higher Education*] **Each board** shall select at least two life insurance  
6 companies providing fixed and variable annuities and at least two investment companies providing  
7 mutual funds, but not more than five companies in total, for the purpose of providing benefits under  
8 the Optional Retirement Plan. [*The State Board of Higher Education*] **Each board** shall establish  
9 selection criteria for the purpose of this subsection.

10 (3) An administrative or academic employee may make an irrevocable election to participate in  
11 the Optional Retirement Plan within six months after being employed. An election under this sub-  
12 section is effective on the first day of the month following six full months of employment.

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

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

17 (b) Continues to be assisted by the State Board of Higher Education **or institutional board**  
18 under ORS 243.920 if the employee is being so assisted.

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

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

31 (b) An administrative or academic employee who elects to participate in the Optional Retirement  
32 Plan, who has creditable service under ORS chapter 238 as defined by ORS 238.005 and who is  
33 vested shall be considered to be an inactive member by the Public Employees Retirement Board and  
34 shall retain all the rights, privileges and options under ORS chapter 238 unless the employee makes  
35 a written request to the Public Employees Retirement Board for a transfer of the amounts credited  
36 to the member account of the member to the Optional Retirement Plan. A request for a transfer  
37 must be made at the time the member elects to participate in the Optional Retirement Plan. Upon  
38 receiving the request, the Public Employees Retirement Board shall transfer all amounts credited  
39 to the member account of the member directly to the Optional Retirement Plan, and shall terminate  
40 all rights, privileges and options of the employee under ORS chapter 238.

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

1 (d) An administrative or academic employee who elects to participate in the Optional Retirement  
2 Plan, and who is a vested member of the pension program of the Oregon Public Service Retirement  
3 Plan as described in ORS 238A.115 on the date that the election becomes effective, shall be consid-  
4 ered an inactive member of the pension program by the Public Employees Retirement Board as of  
5 the effective date of the election. An employee who is subject to the provisions of this paragraph  
6 retains all the rights, privileges and options of an inactive member of the pension program. If the  
7 actuarial equivalent of the employee's benefit under the pension program at the time that the  
8 election becomes effective is \$5,000 or less, the employee may make a written request to the Public  
9 Employees Retirement Board for a transfer of the employee's interest under the pension program to  
10 the Optional Retirement Plan. The request must be made at the time the member elects to partic-  
11 ipate in the Optional Retirement Plan. Upon receiving the request, the Public Employees Retirement  
12 Board shall transfer the amount determined to be the actuarial equivalent of the employee's benefit  
13 under the pension program directly to the Optional Retirement Plan, and shall terminate the mem-  
14 bership of the employee in the pension program.

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

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

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

40 (8) An employee participating in the Optional Retirement Plan shall contribute monthly an  
41 amount equal to the percentage of the employee's salary that the employee would otherwise have  
42 contributed as an employee contribution to the Public Employees Retirement System if the employee  
43 had not elected to participate in the Optional Retirement Plan.

44 (9) The State Board of Higher Education **or institutional board** shall contribute monthly to the  
45 Optional Retirement Plan the percentage of salary of each employee participating in the plan equal

1 to the percentage of salary that would otherwise have been contributed as an employer contribution  
 2 on behalf of the employee to the Public Employees Retirement System, before any offset under ORS  
 3 238.229 (2), if the employee had not elected to participate in the Optional Retirement Plan.

4 (10) Both employee and employer contributions to an Optional Retirement Plan shall be remitted  
 5 directly to the companies that have issued annuity contracts to the participating employees or di-  
 6 rectly to the mutual funds.

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

12 **SECTION 102.** ORS 243.820 is amended to read:

13 243.820. (1) In order to obtain the advantages of 26 U.S.C. 403(b), or any equivalent provision  
 14 of federal law, an employer may agree with an employee who performs services for an educational  
 15 institution that:

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

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

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

27 (3) An employer may make nonelective employer contributions on behalf of an employee who  
 28 performs services for an educational institution as premiums for an annuity contract, or to a cus-  
 29 todial account for investment in the stock of regulated investment companies as defined in 26 U.S.C.  
 30 403(b)(7)(C), for the purpose of obtaining the advantages of 26 U.S.C. 403(b) or any equivalent pro-  
 31 vision of federal law. Employer contributions under this subsection are in addition to any employee  
 32 contributions under subsection (1) of this section.

33 (4) As used in this section:

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

37 (b) "Employer" means the State Board of Higher Education, any other state agency, a commu-  
 38 nity college district, a school district, **a public university listed in ORS 352.002**, the Oregon Health  
 39 and Science University or an education service district employing an individual who performs ser-  
 40 vices for an educational institution.

41 **SECTION 103.** ORS 243.850 is amended to read:

42 243.850. (1) An eligible football coach and the State Board of Higher Education **or the institu-**  
 43 **tional board of a public university** may enter into an agreement to provide that:

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



1 \$25 a month; and

2 (b) The [*State Board of Higher Education*] **board** will contribute monthly an amount equal to the  
3 stated amount determined under paragraph (a) of this subsection for the month to a designated  
4 qualified football coaches plan. The amount contributed by the employer shall not exceed the stated  
5 amount.

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

12 (3) For the purposes of this section:

13 (a) "Eligible football coach" means a staff member of [*the Oregon University System*] a **public**  
14 **university listed in ORS 352.002** who primarily coaches football as a full-time employee of a four-  
15 year university described in 26 U.S.C. 170(b)(1)(A)(ii).

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

17 **SECTION 104.** ORS 243.910 is amended to read:

18 243.910. As used in ORS 243.910 to 243.945:

19 (1) "Board" means the State Board of Higher Education for [*all*] public universities listed in ORS  
20 [*352.002*] **351.011, the institutional board of a public university listed in section 2 of this 2013**  
21 **Act** and for the Oregon Health and Science University, [*means*] the Oregon Health and Science  
22 University Board of Directors.

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

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

26 **SECTION 105.** ORS 244.050, as amended by sections 9 and 29, chapter 90, Oregon Laws 2012,  
27 is amended to read:

28 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon  
29 Government Ethics Commission a verified statement of economic interest as required under this  
30 chapter:

31 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the  
32 Bureau of Labor and Industries, district attorneys and members of the Legislative Assembly.

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

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

36 (d) The Deputy Attorney General.

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

39 (f) The Chancellor and Vice Chancellors of the Oregon University System and the president and  
40 vice presidents, or their administrative equivalents, in each public university listed in ORS 352.002.

41 (g) The following state officers:

42 (A) Adjutant General.

43 (B) Director of Agriculture.

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

45 (D) Water Resources Director.

- 1 (E) Director of Department of Environmental Quality.
- 2 (F) Director of Oregon Department of Administrative Services.
- 3 (G) State Fish and Wildlife Director.
- 4 (H) State Forester.
- 5 (I) State Geologist.
- 6 (J) Director of Human Services.
- 7 (K) Director of the Department of Consumer and Business Services.
- 8 (L) Director of the Department of State Lands.
- 9 (M) State Librarian.
- 10 (N) Administrator of Oregon Liquor Control Commission.
- 11 (O) Superintendent of State Police.
- 12 (P) Director of the Public Employees Retirement System.
- 13 (Q) Director of Department of Revenue.
- 14 (R) Director of Transportation.
- 15 (S) Public Utility Commissioner.
- 16 (T) Director of Veterans' Affairs.
- 17 (U) Executive director of Oregon Government Ethics Commission.
- 18 (V) Director of the State Department of Energy.
- 19 (W) Director and each assistant director of the Oregon State Lottery.
- 20 (X) Director of the Department of Corrections.
- 21 (Y) Director of the Oregon Department of Aviation.
- 22 (Z) Executive director of the Oregon Criminal Justice Commission.
- 23 (AA) Director of the Oregon Business Development Department.
- 24 (BB) Director of the Office of Emergency Management.
- 25 (CC) Director of the Employment Department.
- 26 (DD) Chief of staff for the Governor.
- 27 (EE) Administrator of the Office for Oregon Health Policy and Research.
- 28 (FF) Director of the Housing and Community Services Department.
- 29 (GG) State Court Administrator.
- 30 (HH) Director of the Department of Land Conservation and Development.
- 31 (II) Board chairperson of the Land Use Board of Appeals.
- 32 (JJ) State Marine Director.
- 33 (KK) Executive director of the Oregon Racing Commission.
- 34 (LL) State Parks and Recreation Director.
- 35 (MM) Public defense services executive director.
- 36 (NN) Chairperson of the Public Employees' Benefit Board.
- 37 (OO) Director of the Department of Public Safety Standards and Training.
- 38 (PP) Chairperson of the Oregon Student Access Commission.
- 39 (QQ) Executive director of the Oregon Watershed Enhancement Board.
- 40 (RR) Director of the Oregon Youth Authority.
- 41 (SS) Director of the Oregon Health Authority.
- 42 (TT) Deputy Superintendent of Public Instruction.
- 43 (h) Any assistant in the Governor's office other than personal secretaries and clerical personnel.
- 44 (i) Every elected city or county official.
- 45 (j) Every member of a city or county planning, zoning or development commission.

- 1 (k) The chief executive officer of a city or county who performs the duties of manager or prin-  
 2 cipal administrator of the city or county.
- 3 (L) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
- 4 (m) Every member of a governing body of a metropolitan service district and the executive of-  
 5 ficer thereof.
- 6 (n) Each member of the board of directors of the State Accident Insurance Fund Corporation.
- 7 (o) The chief administrative officer and the financial officer of each common and union high  
 8 school district, education service district and community college district.
- 9 (p) Every member of the following state boards and commissions:
- 10 (A) Board of Geologic and Mineral Industries.
- 11 (B) Oregon Business Development Commission.
- 12 (C) State Board of Education.
- 13 (D) Environmental Quality Commission.
- 14 (E) Fish and Wildlife Commission of the State of Oregon.
- 15 (F) State Board of Forestry.
- 16 (G) Oregon Government Ethics Commission.
- 17 (H) Oregon Health Policy Board.
- 18 (I) State Board of Higher Education.
- 19 (J) Oregon Investment Council.
- 20 (K) Land Conservation and Development Commission.
- 21 (L) Oregon Liquor Control Commission.
- 22 (M) Oregon Short Term Fund Board.
- 23 (N) State Marine Board.
- 24 (O) Mass transit district boards.
- 25 (P) Energy Facility Siting Council.
- 26 (Q) Board of Commissioners of the Port of Portland.
- 27 (R) Employment Relations Board.
- 28 (S) Public Employees Retirement Board.
- 29 (T) Oregon Racing Commission.
- 30 (U) Oregon Transportation Commission.
- 31 (V) Wage and Hour Commission.
- 32 (W) Water Resources Commission.
- 33 (X) Workers' Compensation Board.
- 34 (Y) Oregon Facilities Authority.
- 35 (Z) Oregon State Lottery Commission.
- 36 (AA) Pacific Northwest Electric Power and Conservation Planning Council.
- 37 (BB) Columbia River Gorge Commission.
- 38 (CC) Oregon Health and Science University Board of Directors.
- 39 (DD) Capitol Planning Commission.
- 40 (EE) Higher Education Coordinating Commission.
- 41 (q) The following officers of the State Treasurer:
- 42 (A) Deputy State Treasurer.
- 43 (B) Chief of staff for the office of the State Treasurer.
- 44 (C) Director of the Investment Division.
- 45 (r) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725

1 or 777.915 to 777.953.

2 (s) Every member of the board of directors of an authority created under ORS 441.525 to 441.595.

3 **(t) Institutional board of a public university listed in section 2 of this 2013 Act.**

4 (2) By April 15 next after the date an appointment takes effect, every appointed public official  
5 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-  
6 ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070  
7 and 244.090.

8 (3) By April 15 next after the filing deadline for the primary election, each candidate described  
9 in subsection (1) of this section shall file with the commission a statement of economic interest as  
10 required under ORS 244.060, 244.070 and 244.090.

11 (4) Within 30 days after the filing deadline for the general election, each candidate described in  
12 subsection (1) of this section who was not a candidate in the preceding primary election, or who  
13 was nominated for public office described in subsection (1) of this section at the preceding primary  
14 election by write-in votes, shall file with the commission a statement of economic interest as re-  
15 quired under ORS 244.060, 244.070 and 244.090.

16 (5) Subsections (1) to (4) of this section apply only to persons who are incumbent, elected or  
17 appointed public officials as of April 15 and to persons who are candidates on April 15. Subsections  
18 (1) to (4) of this section also apply to persons who do not become candidates until 30 days after the  
19 filing deadline for the statewide general election.

20 (6) If a statement required to be filed under this section has not been received by the commis-  
21 sion within five days after the date the statement is due, the commission shall notify the public of-  
22 ficial or candidate and give the public official or candidate not less than 15 days to comply with the  
23 requirements of this section. If the public official or candidate fails to comply by the date set by the  
24 commission, the commission may impose a civil penalty as provided in ORS 244.350.

25 **SECTION 106.** ORS 270.100 is amended to read:

26 270.100. (1)(a) Before offering for sale any real property or equitable interest therein owned by  
27 the state, the state agency acting for the state in such transaction shall report its intent of sale or  
28 transfer to the Oregon Department of Administrative Services. The department, or the agency spe-  
29 cifically designated by the department, shall notify other state agencies authorized to own real  
30 property of the intended sale or transfer to determine whether acquisition of the real property or  
31 interest therein would be advantageous to another state agency.

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

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

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

44 (2) Before acquisition of any real property or interest therein by any state agency, except for  
45 highway right of way acquired by the Department of Transportation and park properties acquired

1 by the State Parks and Recreation Department and property within the approved projected campus  
 2 boundaries for public universities [*of the Oregon University System*] **listed in ORS 352.002**, the state  
 3 agency shall report its intent of acquisition to the Oregon Department of Administrative Services.  
 4 The department shall notify other state agencies owning land of the intended acquisition to deter-  
 5 mine whether another state agency desires to sell or transfer property which would meet the needs  
 6 of the purchasing agency. In accordance with rules adopted by the Oregon Department of Adminis-  
 7 trative Services, if no other state agency desires to sell or transfer property which would meet the  
 8 needs of the agency, the agency may acquire the real property or interest therein, consistent with  
 9 applicable provisions of law.

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

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

15 (a) Property controlled by the State Department of Fish and Wildlife;

16 (b) State forestlands controlled by the State Forestry Department;

17 (c) Property controlled by the Department of Transportation;

18 (d) Property controlled by the Department of State Lands;

19 (e) Property controlled by the Oregon University System **or a public university listed in ORS**  
 20 **352.002**;

21 (f) Property controlled by the legislative or judicial branches of state government; and

22 (g) Property controlled by the State Parks and Recreation Department.

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

26 (6) The provisions of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190, 273.416, 273.426 to  
 27 273.436, 273.551 and 308A.709 (1) to (4) do not apply to a home or farm acquired, sold, or both, by  
 28 the Department of Veterans' Affairs under ORS 88.720, 406.050, 407.135, 407.145, 407.375 and 407.377.

29 **SECTION 107.** ORS 270.110 is amended to read:

30 270.110. (1) Except as provided in subsection (2) of this section, whenever the state or any  
 31 agency thereof possesses or controls real property not needed for public use, or whenever the public  
 32 interest may be furthered, the state or its agency may sell, exchange, convey or lease for any period  
 33 not exceeding 99 years all or any part of its interest in the property to or with the state or any  
 34 political subdivision of the state or the United States or any agency thereof or private individual  
 35 or corporation. Except where the state is exchanging real property, the consideration for the  
 36 transfer or lease may be cash or real property, or both.

37 (2) If the ownership, right or title of the state to any real property set apart by deed, will or  
 38 otherwise for a burial ground or cemetery, or for the purpose of interring the remains of deceased  
 39 persons, is limited or qualified or the use of such real property is restricted, whether by dedication  
 40 or otherwise, the state or its agency may, after first declaring by resolution that such real property  
 41 is not needed for public use, or that the sale, exchange, conveyance or lease thereof will further the  
 42 public interest, file a complaint in the circuit court for the county in which such real property is  
 43 located against all persons claiming any right, title or interest in such real property, whether the  
 44 interest be contingent, conditional or otherwise, for authority to sell, exchange, convey or lease all  
 45 or any part of such real property. The resolution is prima facie evidence that such real property is

1 not needed for public use, or that the sale, exchange, conveyance or lease will further the public  
 2 interest. The action shall be commenced and prosecuted to final determination in the same manner  
 3 as an action not triable by right to a jury. The complaint shall contain a description of such real  
 4 property, a statement of the nature of the restrictions, qualifications or limitations, and a statement  
 5 that the defendants claim some interest therein. The court shall make such judgment as it shall  
 6 deem proper, taking into consideration the limitations, qualifications or restrictions, the resolution  
 7 and all other matters pertinent thereto. Neither costs nor disbursements may be recovered against  
 8 any defendant.

9 (3) The authority to lease property granted by this section includes authority to lease property  
 10 not owned or controlled by the state at the time of entering into the lease. Such lease shall be  
 11 conditioned upon the subsequent acquisition of the interest covered by the lease.

12 (4) Any lease of state real property exceeding five years must be approved in advance by the  
 13 Oregon Department of Administrative Services, except for leases:

14 (a) Negotiated by the Oregon Department of Aviation;

15 (b) Of state forestlands;

16 (c) Of property controlled by the Department of State Lands, Department of Transportation,  
 17 [or] Oregon University System **or a public university listed in ORS 352.002**; or

18 (d) Of property controlled by the legislative or judicial branches of state government.

19 **SECTION 108.** ORS 276.610 is amended to read:

20 276.610. There is established a fund in the State Treasury to be known as the State Building  
 21 Fund which shall be used for the construction, alteration and repair of buildings required for use  
 22 of institutions and activities under the jurisdiction of the Department of Corrections, the Depart-  
 23 ment of Human Services, the Oregon Health Authority, **the institutional board of a public uni-**  
 24 **versity listed in section 2 of this 2013 Act** or the State Board of Education and the State Board  
 25 of Higher Education and for the furnishing and equipping of buildings so constructed, altered or  
 26 repaired.

27 **SECTION 109.** ORS 276.612 is amended to read:

28 276.612. The Department of Corrections, the Department of Human Services, the Oregon Health  
 29 Authority and the State Board of Education each shall determine the buildings to be constructed,  
 30 altered, repaired, furnished and equipped for the use of institutions and activities under their re-  
 31 spective jurisdictions. The State Board of Higher Education **or institutional board** shall determine  
 32 the buildings to be constructed, altered, repaired, furnished and equipped for the use of public uni-  
 33 versities or offices, departments or activities under its jurisdiction.

34 **SECTION 110.** ORS 279A.025 is amended to read:

35 279A.025. (1) Except as provided in subsections (2) to (4) of this section, the Public Contracting  
 36 Code applies to all public contracting.

37 (2) The Public Contracting Code does not apply to:

38 (a) Contracts between a contracting agency and:

39 (A) Another contracting agency;

40 (B) The Oregon Health and Science University;

41 (C) The Oregon State Bar;

42 (D) A governmental body of another state;

43 (E) The federal government;

44 (F) An American Indian tribe or an agency of an American Indian tribe;

45 (G) A nation, or a governmental body in a nation, other than the United States; or

- 1 (H) An intergovernmental entity formed between or among:
- 2 (i) Governmental bodies of this or another state;
- 3 (ii) The federal government;
- 4 (iii) An American Indian tribe or an agency of an American Indian tribe;
- 5 (iv) A nation other than the United States; or
- 6 (v) A governmental body in a nation other than the United States;
- 7 (b) Agreements authorized by ORS chapter 190 or by a statute, charter provision, ordinance or
- 8 other authority for establishing agreements between or among governmental bodies or agencies or
- 9 tribal governing bodies or agencies;
- 10 (c) Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and
- 11 414.145 for purposes of source selection;
- 12 (d) Grants;
- 13 (e) Contracts for professional or expert witnesses or consultants to provide services or testimony
- 14 relating to existing or potential litigation or legal matters in which a public body is or may become
- 15 interested;
- 16 (f) Acquisitions or disposals of real property or interest in real property;
- 17 (g) Sole-source expenditures when rates are set by law or ordinance for purposes of source se-
- 18 lection;
- 19 (h) Contracts for the procurement or distribution of textbooks;
- 20 (i) Procurements by a contracting agency from an Oregon Corrections Enterprises program;
- 21 (j) The procurement, transportation or distribution of distilled liquor, as defined in ORS 471.001,
- 22 or the appointment of agents under ORS 471.750 by the Oregon Liquor Control Commission;
- 23 (k) Contracts entered into under ORS chapter 180 between the Attorney General and private
- 24 counsel or special legal assistants;
- 25 (L) Contracts for the sale of timber from lands owned or managed by the State Board of Forestry
- 26 and the State Forestry Department;
- 27 (m) Contracts for forest protection or forest related activities, as described in ORS 477.406, by
- 28 the State Forester or the State Board of Forestry;
- 29 (n) Sponsorship agreements entered into by the State Parks and Recreation Director in accord-
- 30 ance with ORS 565.080 (4);
- 31 (o) Contracts entered into by the Housing and Community Services Department in exercising the
- 32 department's duties prescribed in ORS chapters 456 and 458, except that the department's public
- 33 contracting for goods and services is subject to ORS chapter 279B;
- 34 (p) Contracts entered into by the State Treasurer in exercising the powers of that office pre-
- 35 scribed in ORS chapters 178, 286A, 287A, 289, 293, 294 and 295, including but not limited to invest-
- 36 ment contracts and agreements, banking services, clearing house services and collateralization
- 37 agreements, bond documents, certificates of participation and other debt repayment agreements, and
- 38 any associated contracts, agreements and documents, regardless of whether the obligations that the
- 39 contracts, agreements or documents establish are general, special or limited, except that the State
- 40 Treasurer's public contracting for goods and services is subject to ORS chapter 279B;
- 41 (q) Contracts, agreements or other documents entered into, issued or established in connection
- 42 with:
- 43 (A) The issuance of obligations, as defined in ORS 286A.100 and 287A.310, of a public body;
- 44 (B) The making of program loans and similar extensions or advances of funds, aid or assistance
- 45 by a public body to a public or private body for the purpose of carrying out, promoting or sustaining

1 activities or programs authorized by law; or

2 (C) The investment of funds by a public body as authorized by law, and other financial trans-  
3 actions of a public body that by their character cannot practically be established under the com-  
4 petitive contractor selection procedures of ORS 279B.050 to 279B.085;

5 (r) Contracts for employee benefit plans as provided in ORS 243.105 (1), 243.125 (4), 243.221,  
6 243.275, 243.291, 243.303 and 243.565;

7 (s) Contracts for employee benefit plans as provided in ORS 243.860 to 243.886; or

8 (t) Any other public contracting of a public body specifically exempted from the code by another  
9 provision of law.

10 (3) The Public Contracting Code does not apply to the contracting activities of:

11 (a) The Oregon State Lottery Commission;

12 (b) [*The Oregon University System and member*] Public universities **listed in ORS 352.002**, except  
13 as provided in ORS 351.086;

14 (c) The legislative department;

15 (d) The judicial department;

16 (e) Semi-independent state agencies listed in ORS 182.454, except as provided in ORS 279.835 to  
17 279.855 and 279A.250 to 279A.290;

18 (f) Oregon Corrections Enterprises;

19 (g) The Oregon Film and Video Office, except as provided in ORS 279A.100 and 279A.250 to  
20 279A.290;

21 (h) The Travel Information Council, except as provided in ORS 279A.250 to 279A.290;

22 (i) The Oregon 529 College Savings Network and the Oregon 529 College Savings Board;

23 (j) The Oregon Innovation Council;

24 (k) The Oregon Utility Notification Center; or

25 (L) Any other public body specifically exempted from the code by another provision of law.

26 (4) ORS 279A.200 to 279A.225 and 279B.050 to 279B.085 do not apply to contracts made with  
27 qualified nonprofit agencies providing employment opportunities for individuals with disabilities un-  
28 der ORS 279.835 to 279.855.

29 **SECTION 111.** ORS 282.076 is amended to read:

30 282.076. (1) An athletic department of [*any university under the jurisdiction of the State Board*  
31 *of Higher Education shall not be*] **a public university listed in ORS 352.002 is not** required to use  
32 state printing services controlled by the Director of the Oregon Department of Administrative Ser-  
33 vices or the designee of the director as required by ORS 282.020 (1).

34 (2) A state agency that gives to the director prior written notice of its intent to use other  
35 printing services shall not be required to use state printing services controlled by the director or  
36 the director's designee as required by ORS 282.020 (1), if the agency can demonstrate that these  
37 other printing services provide better value in the form of lower prices or better responsiveness  
38 than those services already provided by the Oregon Department of Administrative Services.

39 **SECTION 112.** ORS 283.143 is amended to read:

40 283.143. (1) To encourage utilization of statewide integrated videoconferencing and statewide  
41 online access services, the Oregon Department of Administrative Services shall, in addition to any  
42 other charge or assessment for providing telecommunications services to state agencies, impose  
43 upon each agency and public corporation a surcharge, in an amount established by the department.  
44 All surcharge moneys collected shall be deposited in the Oregon Department of Administrative  
45 Services Operating Fund, and may be expended only for state agency and public corporation tele-



1 communication and videoconferencing activities, under such terms and conditions as the department  
2 may prescribe.

3 (2) Notwithstanding subsection (1) of this section, the Oregon Department of Administrative  
4 Services [*shall*] **may** not impose the surcharge established by this section on the Oregon University  
5 System, **a public university listed in ORS 352.002** or the Oregon Health and Science University.  
6 The Oregon Department of Administrative Services shall enter into an agreement with the Oregon  
7 University System, **the institutional board of a public university** and the Oregon Health and  
8 Science University on the amounts to be paid [*by the Oregon University System and the Oregon*  
9 *Health and Science University*] to the Oregon Department of Administrative Services in lieu of the  
10 surcharge provided for in this section.

11 **SECTION 113.** ORS 283.310 is amended to read:

12 283.310. (1) The Oregon Department of Administrative Services shall control and regulate the  
13 acquisition, operation, use, maintenance and disposal of and access to motor vehicles used for:

14 (a) State business by state agencies of this state; or

15 (b) Official public business by a unit of local government or a state agency of another state, by a  
16 an agency created by an interstate compact between this state and another state or states, by a  
17 United States governmental agency, or by an American Indian tribe or an agency of an American  
18 Indian tribe, pursuant to an intergovernmental agreement between the agency or agencies and the  
19 department, entered into in accordance with ORS chapter 190, for the provision of motor pool ve-  
20 hicles, supplies and services, or any of them.

21 (2) The state agency on whose behalf a motor vehicle is used must state in writing in advance  
22 of such use that the particular activity for which the vehicle is to be used advances the lawful  
23 policies of the agency.

24 (3) The State Board of Higher Education may not authorize or allow the use of any motor ve-  
25 hicle to transport students to an event or activity not directly related to an officially sanctioned  
26 program, as established under ORS 351.277, of a public university [*listed in ORS 352.002*] **in the**  
27 **Oregon University System.**

28 (4) The State Board of Higher Education, in conjunction with the Oregon Department of Ad-  
29 ministrative Services, shall establish by rule vehicle operation standards and training to promote  
30 safe vehicular travel practices in the conduct of all travel by employees, students and official vol-  
31 unteers at all public universities in the Oregon University System.

32 **SECTION 114.** ORS 291.055 is amended to read:

33 291.055. (1) Notwithstanding any other law that grants to a state agency the authority to es-  
34 tablish fees, all new state agency fees or fee increases adopted during the period beginning on the  
35 date of adjournment sine die of a regular session of the Legislative Assembly and ending on the date  
36 of adjournment sine die of the next regular session of the Legislative Assembly:

37 (a) Are not effective for agencies in the executive department of government unless approved  
38 in writing by the Director of the Oregon Department of Administrative Services;

39 (b) Are not effective for agencies in the judicial department of government unless approved in  
40 writing by the Chief Justice of the Supreme Court;

41 (c) Are not effective for agencies in the legislative department of government unless approved  
42 in writing by the President of the Senate and the Speaker of the House of Representatives;

43 (d) Shall be reported by the state agency to the Oregon Department of Administrative Services  
44 within 10 days of their adoption; and

45 (e) Are rescinded on adjournment sine die of the next regular session of the Legislative Assem-

1 bly as described in this subsection, unless otherwise authorized by enabling legislation setting forth  
2 the approved fees.

3 (2) This section does not apply to:

4 (a) Any tuition or fees charged by [*the State Board of Higher Education and the public universi-*  
5 *ties*] **a public university** listed in ORS 352.002.

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 115.** ORS 291.357 is amended to read:

7 291.357. (1) As used in this section, "general governmental purposes" means:

8 (a) Those activities defined as governmental activities under the accounting standards  
9 promulgated by the Governmental Accounting Standards Board of the Financial Accounting Foun-  
10 dation that are in effect on August 10, 2001; and

11 (b) Post-secondary educational activities that are partially funded by student tuition and fees.

12 (2) Each biennium, state governmental appropriations for general governmental purposes shall  
13 be no greater than eight percent of projected personal income in Oregon for the same biennium.  
14 Projected personal income shall be based on the United States Department of Commerce projections  
15 used by the Oregon Department of Administrative Services in the last forecast given to the Legis-  
16 lative Assembly before adjournment sine die of the odd-numbered year regular session on which the  
17 printed, adopted budget is based.

18 (3) For purposes of this section, the following are considered to be appropriations:

19 (a) An authorization, given by law, to expend moneys in a biennium;

20 (b) A limitation, imposed by law, on the expenditure in a biennium of moneys that are contin-  
21 uously appropriated; and

22 (c) An estimate of amounts of moneys that are continuously appropriated that will be spent in  
23 a biennium without limitation.

24 (4) The following appropriations are not subject to the limitation on appropriations contained  
25 in this section:

26 (a) Appropriations for the construction or acquisition of assets that are financed by state bonds,  
27 certificates of participation or other forms of borrowing.

28 (b) Appropriations of moneys received directly or indirectly from the federal government.

29 (c) Appropriations for fee remission programs of [*the Oregon University System*] **public univer-**  
30 **sities listed in ORS 352.002.**

31 (d) Appropriations of moneys voluntarily donated to a state agency.

32 (e) Appropriations of moneys from revenue increases or new revenue sources if the increases  
33 or sources result from approval of a measure by the people at an election held on or after August  
34 10, 2001.

35 (f) Appropriations to fund new programs or to increase funding for existing programs if the need  
36 for new or increased funding results from approval of a measure by the people at an election held  
37 on or after August 10, 2001.

38 (5) The limitation on appropriations established by this section may be exceeded for a biennium  
39 if the Governor declares an emergency and three-fifths of the members serving in each house of the  
40 Legislative Assembly affirmatively vote to exceed the limitation for the biennium.

41 **SECTION 116.** ORS 291.375, as amended by section 10, chapter 107, Oregon Laws 2012, is  
42 amended to read:

43 291.375. (1) Prior to the submission of any application for financial assistance or grants from the  
44 United States or any agency of the United States by or on behalf of any agency of this state, the  
45 application must be submitted for legislative review in the following manner:

1 (a) If the application is to be submitted to the federal government when the Legislative Assem-  
2 bly is in session, the application shall be submitted to the Joint Committee on Ways and Means for  
3 review.

4 (b) If the application is to be submitted to the federal government when the Legislative Assem-  
5 bly is not in session, the application shall be submitted to the Emergency Board or to the Joint In-  
6 terim Committee on Ways and Means for review.

7 (2) If the legislative agency authorized under subsection (1) of this section to review applications  
8 described therein approves the application, it may be submitted to the appropriate federal agency.  
9 If the legislative agency disapproves of the application, it may not be submitted to any federal  
10 agency unless it is or can be modified to meet the objections of the legislative agency.

11 (3) Notwithstanding subsection (1) of this section, the Joint Committee on Ways and Means, the  
12 Emergency Board or the Joint Interim Committee on Ways and Means may exempt any state agency  
13 from the requirements of this section. Project grants for departmental research, organized activities  
14 related to instruction, sponsored research or other sponsored programs carried on within [*the*  
15 *Oregon University System*] **a public university listed in ORS 352.002**, for which no biennial ex-  
16 penditure limitations have been established, are exempt from the requirements of this section.

17 (4) The review required by this section is in addition to and not in lieu of the requirements of  
18 ORS 293.550.

19 **SECTION 117.** ORS 292.043 is amended to read:

20 292.043. (1) As used in this section:

21 (a) "Foundation" means:

22 (A) A tax exempt organization designated by a rule adopted by a state agency; or

23 (B) A tax exempt organization designated by the State Board of Higher Education **or the in-**  
24 **stitutional board of a public university** to solicit contributions for the support of a public uni-  
25 versity listed in ORS 352.002.

26 (b) "Salary and wages" has the meaning given that term in ORS 292.014.

27 (2) Any state official authorized to disburse funds in payment of salaries or wages of the officers  
28 and employees of a state agency, or of the officers, teachers, instructors and other employees of [*the*  
29 *Oregon University System*] **a public university listed in ORS 352.002**, is authorized, upon written  
30 request of the individual, to deduct each month from the salary or wages of the individual the  
31 amount of money designated by the individual for payment to a foundation.

32 (3) The individual may withdraw the authorization at any time if the individual so notifies such  
33 officer in writing.

34 (4) The moneys so deducted shall be paid over promptly to the foundation designated by the  
35 individual. Subject to any rules prescribed by a state agency, [*or*] the State Board of Higher Edu-  
36 cation **or the institutional board of the public university**, the state official authorized to disburse  
37 the funds in payment of salaries and wages may prescribe any procedures necessary to carry out  
38 this section.

39 **SECTION 118.** ORS 292.044 is amended to read:

40 292.044. (1) As used in this section:

41 (a) "Employee" means officers, faculty, teachers, instructors and other employees of [*the Oregon*  
42 *University System as described*] **a public university listed in ORS 352.002**.

43 (b) "Nonprofit organization" means an organization described in section 501(c)(3) of the Internal  
44 Revenue Code that is exempt from income tax under section 501(a) of the Internal Revenue Code.

45 (2)(a) The Chancellor of the Oregon University System or a designee of the chancellor may ap-

1 prove a written request made by a public university or office, department or activity under the ju-  
 2 risdiction of the State Board of Higher Education, in which an employee of the public university or  
 3 office, department or activity may designate an amount from the salary or wages of the employee  
 4 for payment to a qualifying nonprofit organization. A request made to the chancellor under this  
 5 section must identify the nonprofit organization to whom payments would be made.

6 **(b) The institutional board of a public university listed in section 2 of this 2013 Act may**  
 7 **approve a written request made by the university or office, department or activity under the**  
 8 **board's jurisdiction, in which an employee of the university or office, department or activity**  
 9 **may designate an amount from the salary or wages of the employee for payment to a quali-**  
 10 **ifying nonprofit organization. A request made under this section must identify the nonprofit**  
 11 **organization to whom payments would be made.**

12 (3) Upon written approval [*of the chancellor or of a designee of the chancellor*] and a written re-  
 13 quest of an employee of the public university or office, department or activity to which the approval  
 14 applies, the state official within the Oregon University System **or public university listed in sec-**  
 15 **tion 2 of this 2013 Act** authorized to disburse funds in payment of salaries or wages shall deduct  
 16 from the salary or wages of the employee the amount of money designated by the employee for  
 17 payment to the nonprofit organization.

18 (4) The moneys deducted from the salaries or wages under subsection (3) of this section shall  
 19 be paid over promptly to the nonprofit organization.

20 (5) The [*Chancellor of the*] Oregon University System [*or a designee of the chancellor*] **and the**  
 21 **institutional board of a public university** shall prescribe procedures for determining whether an  
 22 organization qualifies as a nonprofit organization under this section.

23 **SECTION 119.** ORS 307.095 is amended to read:

24 307.095. (1) Any portion of state property that is used during the tax year for parking on a  
 25 rental or fee basis to private individuals is subject to ad valorem taxation.

26 (2) The real market value of such portion shall be computed by determining that percentage  
 27 which the total of receipts from private use bears to the total of receipts from all use of the prop-  
 28 erty. The assessed value of such portion shall be computed as provided in ORS 308.146. However,  
 29 receipts from any use by a state officer or employee in the performance of the official duties of the  
 30 state officer or employee shall not be considered as receipts from private use in computing the  
 31 portion subject to ad valorem taxation.

32 (3) This section and ORS 276.592 do not apply to state property that is used by [*the Oregon*  
 33 *University System*] **a public university listed in ORS 352.002** or the Oregon Health and Science  
 34 University solely to provide parking for employees, students or visitors.

35 **SECTION 120.** ORS 307.110 is amended to read:

36 307.110. (1) Except as provided in ORS 307.120, all real and personal property of this state or  
 37 any institution or department thereof or of any county or city, town or other municipal corporation  
 38 or political subdivision of this state, held under a lease or other interest or estate less than a fee  
 39 simple, by any person whose real property, if any, is taxable, except employees of the state,  
 40 municipality or political subdivision as an incident to such employment, shall be subject to assess-  
 41 ment and taxation for the assessed or specially assessed value thereof uniformly with real property  
 42 of nonexempt ownerships.

43 (2) Each leased or rented premises not exempt under ORS 307.120 and subject to assessment and  
 44 taxation under this section which is located on property used as an airport and owned by and  
 45 serving a municipality or port shall be separately assessed and taxed.

1 (3) Nothing contained in this section shall be construed as subjecting to assessment and taxation  
2 any publicly owned property described in subsection (1) of this section that is:

3 (a) Leased for student housing by a school or college to students attending such a school or  
4 college.

5 (b) Leased to or rented by persons, other than sublessees or subrenters, for agricultural or  
6 grazing purposes and for other than a cash rental or a percentage of the crop.

7 (c) Utilized by persons under a land use permit issued by the Department of Transportation for  
8 which the department's use restrictions are such that only an administrative processing fee is able  
9 to be charged.

10 (d) County fairgrounds and the buildings thereon, in a county holding annual county fairs,  
11 managed by the county fair board under ORS 565.230, if utilized, in addition to county fair use, for  
12 any of the purposes described in ORS 565.230 (2), or for horse stalls or storage for recreational ve-  
13 hicles or farm machinery or equipment.

14 (e) The properties and grounds managed and operated by the State Parks and Recreation Di-  
15 rector under ORS 565.080, if utilized, in addition to the purpose of holding the Oregon State Fair,  
16 for horse stalls or for storage for recreational vehicles or farm machinery or equipment.

17 (f) State property that is used by [*the Oregon University System*] **a public university listed in**  
18 **ORS 352.002** or the Oregon Health and Science University to provide parking for employees, stu-  
19 dents or visitors.

20 (g) Property of a housing authority created under ORS chapter 456 which is leased or rented to  
21 persons of lower income for housing pursuant to the public and governmental purposes of the  
22 housing authority. For purposes of this paragraph, "persons of lower income" has the meaning given  
23 the phrase under ORS 456.055.

24 (h) Property of a health district if:

25 (A) The property is leased or rented for the purpose of providing facilities for health care  
26 practitioners practicing within the county; and

27 (B) The county is a frontier rural practice county under rules adopted by the Office of Rural  
28 Health.

29 (4) Property determined to be an eligible project for tax exemption under ORS 285C.600 to  
30 285C.626 and 307.123 that was acquired with revenue bonds issued under ORS 285B.320 to 285B.371  
31 and that is leased by this state, any institution or department thereof or any county, city, town or  
32 other municipal corporation or political subdivision of this state to an eligible applicant shall be  
33 assessed and taxed in accordance with ORS 307.123. The property's continued eligibility for taxation  
34 and assessment under ORS 307.123 is not affected:

35 (a) If the eligible applicant retires the bonds prior to the original dates of maturity; or

36 (b) If any applicable lease or financial agreement is terminated prior to the original date of ex-  
37 piration.

38 (5) The provisions of law for liens and the payment and collection of taxes levied against real  
39 property of nonexempt ownerships shall apply to all real property subject to the provisions of this  
40 section. Taxes remaining unpaid upon the termination of a lease or other interest or estate less than  
41 a fee simple, shall remain a lien against the real or personal property.

42 (6) If the state enters into a lease of property with, or grants an interest or other estate less  
43 than a fee simple in property to, a person whose real property, if any, is taxable, then within 30 days  
44 after the date of the lease, or within 30 days after the date the interest or estate less than a fee  
45 simple is created, the state shall file a copy of the lease or other instrument creating or evidencing

1 the interest or estate with the county assessor. This section applies notwithstanding that the prop-  
 2 erty may otherwise be entitled to an exemption under this section, ORS 307.120 or as otherwise  
 3 provided by law.

4 **SECTION 121.** ORS 340.310, as amended by section 10, chapter 104, Oregon Laws 2012, is  
 5 amended to read:

6 340.310. (1) The Higher Education Coordinating Commission shall develop statewide standards  
 7 for dual credit programs to be implemented by public high schools, community colleges and [*state*  
 8 *institutions of higher education within the Oregon University System*] **public universities listed in**  
 9 **ORS 352.002.** The standards must establish the manner by which:

10 (a) A student may, upon completion of a course, earn course credit both for high school and for  
 11 a community college or [*state institution of higher education within the Oregon University System*]  
 12 **public university**; and

13 (b) Teachers of courses that are part of a dual credit program will work together to determine  
 14 the quality of the program and to ensure the alignment of the content, objectives and outcomes of  
 15 individual courses.

16 (2) Each public high school, community college and [*state institution of higher education within*  
 17 *the Oregon University System*] **public university** that provides a dual credit program must implement  
 18 the statewide standards developed under subsection (1) of this section.

19 (3) Each school district, community college and [*state institution of higher education within the*  
 20 *Oregon University System*] **public university** that provides a dual credit program shall submit an  
 21 annual report to the Higher Education Coordinating Commission on the academic performance of  
 22 students enrolled in a dual credit program. The Higher Education Coordinating Commission shall  
 23 establish the required contents of the report, which must provide sufficient information to allow the  
 24 commission to determine the quality of the dual credit program.

25 **SECTION 122.** ORS 341.440 is amended to read:

26 341.440. (1) A community college district may contract with another community college district,  
 27 common or union high school district, education service district, [*the Oregon University System*]  
 28 **public university listed in ORS 352.002**, the Oregon Health and Science University, with a private  
 29 educational institution accredited by the Northwest Association of Schools and Colleges or its suc-  
 30 cessor or a career school as defined in ORS 345.010 to obtain educational services for students en-  
 31 rolled in the community college of the district. However, the educational services so obtained must  
 32 meet the standards for educational services provided by the college and the contract price to the  
 33 college for such services must not exceed the costs which would otherwise be incurred by the col-  
 34 lege to provide its students the same or similar services.

35 (2) Educational services for which a district operating a community college may contract include  
 36 services offered by correspondence and services offered electronically or through telecommuni-  
 37 cations if such services are accredited by a nationally recognized accrediting association.

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

41 **SECTION 123.** ORS 343.961 is amended to read:

42 343.961. (1) As used in this section:

43 (a) "Day treatment program" means a public or private program that provides treatment of  
 44 children with a mental illness, an emotional disturbance or another mental health issue.

45 (b) "Eligible day treatment program" means a day treatment program with which the Oregon

1 Health Authority contracts for long term care or treatment. “Eligible day treatment program” does  
2 not include residential treatment programs or programs that provide care or treatment to juveniles  
3 who are in detention facilities.

4 (c) “Eligible residential treatment program” means a residential treatment program with which  
5 the Oregon Health Authority, the Department of Human Services or the Oregon Youth Authority  
6 contracts for long term care or treatment. “Eligible residential treatment program” does not include  
7 psychiatric day treatment programs or programs that provide care or treatment to juveniles who  
8 are in detention facilities.

9 (d) “Residential treatment program” means a public or private residential program that provides  
10 treatment of children with a mental illness, an emotional disturbance or another mental health issue.

11 (e) “Student” means a child who is placed in an eligible day treatment program or eligible res-  
12 idential treatment program by a public or private entity or by the child’s parent.

13 (2) The Department of Education shall be responsible for payment of the costs of education of  
14 students in eligible day treatment programs and eligible residential treatment programs by con-  
15 tracting with the school district in which the eligible day treatment program or eligible residential  
16 treatment program is located. The costs of education do not include transportation, care, treatment  
17 or medical expenses.

18 (3)(a) The school district in which an eligible day treatment program or eligible residential  
19 treatment program is located is responsible for providing the education of a student, including the  
20 identification, location and evaluation of the student for the purpose of determining the student’s  
21 eligibility to receive special education and related services.

22 (b) A school district that is responsible for providing an education under this subsection may  
23 provide the education:

24 (A) Directly or through another school district or an education service district; and

25 (B) In the facilities of an eligible day treatment program or eligible residential treatment pro-  
26 gram, the facilities of a school district or the facilities of an education service district.

27 (c) When a student is no longer in an eligible day treatment program or eligible residential  
28 treatment program, the responsibilities imposed by this subsection terminate and become the re-  
29 sponsibilities of the school district where the student is a resident, as determined under ORS 339.133  
30 and 339.134.

31 (4) A school district may request the Department of Education to combine several eligible day  
32 treatment programs or eligible residential treatment programs into one contract with another school  
33 district or an education service district.

34 (5) The Oregon Health Authority, the Department of Human Services or the Oregon Youth Au-  
35 thority shall give the school district providing the education at an eligible day treatment program  
36 or an eligible residential treatment program 14 days’ notice, to the extent practicable, before a  
37 student is dismissed from the program.

38 (6) The Department of Education may make advances to school districts responsible for provid-  
39 ing an education to students under this section from funds appropriated for that purpose based on  
40 the estimated agreed cost of educating the students per school year. Advances equal to 25 percent  
41 of the estimated cost may be made on September 1, December 1 and March 1 of the current year.  
42 The balance may be paid whenever the full determination of cost is made.

43 (7) School districts that provide the education described in this section on a year-round plan  
44 may apply for 25 percent of the funds appropriated for that purpose on July 1, October 1, January  
45 1, and 15 percent on April 1. The balance may be paid whenever the full determination of cost is



1 made.

2 (8) In addition to the payment methods described in this section, the Department of Education  
3 may:

4 (a) Negotiate interagency agreements to pay for the cost of education in day treatment programs  
5 and residential treatment programs operated under the auspices of the State Board of Higher Edu-  
6 cation **or an institutional board of a public university**; and

7 (b) Negotiate intergovernmental agreements to pay for the cost of education in day treatment  
8 programs and residential treatment programs operated under the auspices of the Oregon Health and  
9 Science University Board of Directors.

10 **SECTION 124.** ORS 344.259 is amended to read:

11 344.259. (1) The State Board of Education shall coordinate continuing education in lower divi-  
12 sion, developmental, adult self-improvement, professional and technical education for agencies under  
13 its regulatory authority. The State Board of Higher Education shall coordinate continuing education  
14 in upper division and graduate education for public universities under its jurisdiction.

15 (2) When significantly adverse impact is alleged by one or more of the agencies listed in this  
16 subsection, the affected parties jointly shall provide for written agreements. These agreements shall  
17 allocate responsibility for planning and providing continuing education or off-campus instruction in  
18 specific areas or by specific types. The agencies are:

19 (a) The State Board of Education.

20 (b) The State Board of Higher Education.

21 (c) Community college districts.

22 (d) Independent colleges.

23 (e) Proprietary schools.

24 **(f) The institutional board of a public university listed in section 2 of this 2013 Act.**

25 (3) In the event the affected parties fail to reach a written agreement within 120 days following  
26 receipt of written notice of the allegation, either party may request the Education and Workforce  
27 Policy Advisor to review and to recommend resolution.

28 (4) Nothing in this section prohibits the offering of upper division or graduate programs within  
29 30 miles of the campus of [*the Oregon University System university*] **a public university listed in**  
30 **ORS 352.002** offering the program, or the offering of lower division programs within 30 miles of the  
31 campus offering the program in areas outside a community college district. Such programs are en-  
32 titled to the same college credit and financial support as programs offered on the campus of the  
33 university.

34 **SECTION 125.** 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, [*the Oregon University System*] **public universities listed in ORS 352.002**  
 5 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 126.** ORS 353.440 is amended to read:

15 353.440. The Legislative Assembly finds that:

16 (1) Public universities [*in the Oregon University System*] **listed in ORS 352.002** and other edu-  
 17 cational sectors have academic programs that are related to or integrated with the programs of  
 18 Oregon Health and Science University.

19 (2) It is in the best interest of the state that a coordinated approach be taken to these related  
 20 and integrated academic programs.

21 (3) In order to best ensure the continued harmony of such academic programs, the Oregon  
 22 Health and Science University and [*the Oregon University System*] **public universities** shall coordi-  
 23 nate such programs and shall advise each other of the following proposed changes to such academic  
 24 programs:

25 (a) Creation or significant revision, such as a merger or closure, of degree programs;

26 (b) Creation or significant revision, such as a merger or closure, of schools; and

27 (c) Creation or significant revision of major academic policies.

28 (4) The Oregon Health and Science University and the Higher Education Coordinating Com-  
 29 mission shall coordinate and advise each other of the following types of proposed changes to their  
 30 related or integrated academic programs:

31 (a) Coordination of strategic plans for achieving higher education goals;

32 (b) Seeking advice and input from each other on modifications to statutory educational missions;

33 (c) Working to develop a statewide educational data system;

34 (d) Collaborating as necessary on the creation of any new degree programs; and

35 (e) Notifying each other and commenting on tuition rate changes.

36 (5) In order to further the coordination described by this section, Oregon Health and Science  
 37 University officers shall maintain a role in the appropriate committees of the State Board of Higher  
 38 Education, the Higher Education Coordinating Commission and the Oregon University System.

39 **SECTION 127.** ORS 357.004 is amended to read:

40 357.004. As used in ORS 357.001 to 357.200, unless the context requires otherwise:

41 (1) "Depository library" means a library that is designated as such under ORS 357.095.

42 (2)(a) "Issuing agency" means state government, as that term is defined in ORS 174.111.

43 (b) "Issuing agency" does not include the State Board of Higher Education, or any public uni-  
 44 versity or office, department or activity under the control of the board, **or the institutional board**  
 45 **of a public university listed in section 2 of this 2013 Act.**

1 (3)(a) "Public document" means informational matter produced for public distribution or access  
 2 regardless of format, medium, source or copyright, originating in or produced with the imprint of,  
 3 by the authority of or at the total or partial expense of any state agency. "Public document" in-  
 4 cludes informational matter produced on computer diskettes, CD-ROMs, computer tapes, the Internet  
 5 or in other electronic formats.

6 (b) "Public document" does not include:

7 (A) Correspondence, forms, interoffice or intraoffice memoranda;

8 (B) Legislative bills;

9 (C) Oregon Revised Statutes or any edition thereof; or

10 (D) Reports and publications of the Oregon Supreme Court, the Oregon Court of Appeals and  
 11 the Oregon Tax Court.

12 **SECTION 128.** ORS 408.095 is amended to read:

13 408.095. (1) As used in this section, "community college" has the meaning given that term in  
 14 ORS 341.005.

15 (2) There is created in the Department of Veterans' Affairs the Campus Veterans' Service Offi-  
 16 cers Program.

17 (3) The purpose of the program is to provide educational outreach to veterans to help ensure  
 18 that they obtain maximum state and federal benefits.

19 (4) The department shall appoint a sufficient number of campus veterans' service officers to en-  
 20 sure that each Oregon community college and each public university [*in the Oregon University Sys-*  
 21 *tem, as described*] **listed** in ORS 352.002[,] is provided veterans' services.

22 (5) Each community college and public university [*in the Oregon University System*] shall provide  
 23 office space that may be used for the provision of veterans' services.

24 (6) The department may adopt rules to implement the Campus Veterans' Service Officers Pro-  
 25 gram.

26 **SECTION 129.** ORS 408.506 is amended to read:

27 408.506. The Department of Human Services, the Department of Transportation, the Housing and  
 28 Community Services Department, the Employment Department, the Department of Justice, the Ju-  
 29 dicial Department, the Oregon University System, **the institutional board of a public university**  
 30 **listed in section 2 of this 2013 Act**, the Bureau of Labor and Industries, the Department of Com-  
 31 munity Colleges and Workforce Development and the Department of Veterans' Affairs shall partner  
 32 with the Oregon Military Department to provide reintegration services for veterans throughout this  
 33 state through regional strategies.

34 **SECTION 130.** ORS 430.651 is amended to read:

35 430.651. (1) If the Oregon Health Authority uses a formula for allocating to counties moneys,  
 36 and if the formula includes population as a factor in determining the amount of each allocation, the  
 37 authority shall calculate the formula annually using the most current population data that is avail-  
 38 able.

39 (2) The authority shall use as the source of the population data required by subsection (1) of this  
 40 section the primary population research center that is part of [*the Oregon University System*]  
 41 **Portland State University**.

42 **SECTION 131.** ORS 471.580 is amended to read:

43 471.580. (1) As used in this section:

44 (a) "Alcohol equivalence" means the amount of ethanol that would be expected to be present in  
 45 a beverage based on the standard drink measurement used by the Centers for Disease Control and

1 Prevention.

2 (b) "Education provider" means:

3 (A) A community college, as defined in ORS 341.005, offering a food or beverage career program  
4 approved by the State Board of Education;

5 (B) A career school, as defined in ORS 345.010, offering a food or beverage career program ap-  
6 proved by the Oregon Student Assistance Commission or the State Board of Education;

7 (C) An institution of higher education listed in ORS 352.002 offering a food or beverage career  
8 program approved by the State Board of Higher Education **or institutional board**; or

9 (D) A private and independent institution of higher education, as defined in ORS 352.720, offer-  
10 ing a food or beverage career program that qualifies for payment under ORS 352.740.

11 (c) "Food or beverage career program" means a course of study designed to qualify a person for  
12 a career in the food service industry or alcoholic beverage industry, including but not limited to a  
13 course of study in culinary arts, viticulture, winemaking, enology, brewing or restaurant manage-  
14 ment.

15 (2) The charging or payment of tuition or a special fee for enrollment in a class that is part of  
16 a food or beverage career program or in a workshop or seminar concerning matters related to food  
17 or beverage industry workforce training, offered by an education provider, that includes the con-  
18 sumption of alcoholic beverages for educational purposes, is not a sale or purchase of, or other ex-  
19 change of consideration for, alcoholic beverages.

20 (3) Notwithstanding ORS 471.130, 471.406, 471.410 and 471.475, an education provider may serve  
21 alcoholic beverages to a person who is 18, 19 or 20 years of age and may allow the person to possess  
22 and consume alcoholic beverages on a licensed or unlicensed premises that the education provider  
23 uses for educational purposes if:

24 (a) The person is enrolled as a student in a required or elective class that is part of a food or  
25 beverage career program offered by the education provider;

26 (b) The alcoholic beverages are served to, and possessed and consumed by, the person for edu-  
27 cational purposes as part of the class curriculum or a workshop or seminar concerning food or  
28 beverage workforce training;

29 (c) The service, possession and consumption of the alcoholic beverages are supervised by a fac-  
30 ulty or staff member of the education provider who is 21 years of age or older;

31 (d) The person does not purchase the alcoholic beverages; and

32 (e) The amount served to the person for consumption purposes during any two-hour class,  
33 workshop or seminar period does not exceed two ounces of alcohol equivalence.

34 (4) Notwithstanding ORS 471.130 or 471.410, a person may serve alcoholic beverages to another  
35 person who is 18, 19 or 20 years of age on premises that an education provider uses for educational  
36 purposes if:

37 (a) The person served is enrolled as a student in a required or elective class that is part of a  
38 food or beverage career program offered by the education provider;

39 (b) The alcoholic beverages are served to, and consumed by, the person for educational purposes  
40 as part of the class curriculum or, with the approval of the education provider, as part of a work-  
41 shop or seminar concerning food or beverage workforce training;

42 (c) The service and consumption of the alcoholic beverages are supervised by a faculty or staff  
43 member of the education provider who is 21 years of age or older;

44 (d) The person served does not purchase the alcoholic beverages; and

45 (e) The amount served to the person for consumption purposes during any two-hour class period

1 does not exceed two ounces of alcohol equivalence.

2 (5) Notwithstanding ORS 471.130 or 471.410 or the prohibitions in ORS 471.430, a person who is  
3 18, 19 or 20 years of age may possess and consume alcoholic beverages on a licensed or unlicensed  
4 premises that an education provider uses for educational purposes if:

5 (a) The person is enrolled as a student in a required or elective class that is part of a food or  
6 beverage career program offered by the education provider;

7 (b) The person possesses and consumes the alcoholic beverages for educational purposes as part  
8 of the class curriculum or, with the approval of the education provider, as part of a workshop or  
9 seminar concerning food or beverage workforce training;

10 (c) The person possesses and consumes the alcoholic beverages under the supervision of a fac-  
11 ulty or staff member of the education provider who is 21 years of age or older;

12 (d) The person does not purchase the alcoholic beverages; and

13 (e) The amount consumed by the person during any two-hour class, workshop or seminar period  
14 does not exceed two ounces of alcohol equivalence.

15 (6) Notwithstanding ORS 471.410, a person who exercises control over private real property may  
16 allow a person who is 18, 19 or 20 years of age to remain on the property after the person who is  
17 18, 19 or 20 years of age consumes an alcoholic beverage on the property in accordance with this  
18 section.

19 (7) Subsections (3) to (5) of this section do not affect the ability of an education provider, a  
20 licensee or a permittee to make alcoholic beverages available to a person 21 years of age or older  
21 in accordance with this chapter or the ability of a person 21 years of age or older to possess or  
22 consume alcoholic beverages in accordance with this chapter.

23 **SECTION 132.** ORS 471.580, as amended by section 44, chapter 104, Oregon Laws 2012, is  
24 amended to read:

25 471.580. (1) As used in this section:

26 (a) "Alcohol equivalence" means the amount of ethanol that would be expected to be present in  
27 a beverage based on the standard drink measurement used by the Centers for Disease Control and  
28 Prevention.

29 (b) "Education provider" means:

30 (A) A community college, as defined in ORS 341.005, offering a food or beverage career program  
31 approved by the State Board of Education;

32 (B) A career school, as defined in ORS 345.010, offering a food or beverage career program ap-  
33 proved by the Oregon Student Assistance Commission or the Higher Education Coordinating Com-  
34 mission;

35 (C) An institution of higher education listed in ORS 352.002 offering a food or beverage career  
36 program approved by the State Board of Higher Education **or institutional board**; or

37 (D) A private and independent institution of higher education, as defined in ORS 352.720, offer-  
38 ing a food or beverage career program that qualifies for payment under ORS 352.740.

39 (c) "Food or beverage career program" means a course of study designed to qualify a person for  
40 a career in the food service industry or alcoholic beverage industry, including but not limited to a  
41 course of study in culinary arts, viticulture, winemaking, enology, brewing or restaurant manage-  
42 ment.

43 (2) The charging or payment of tuition or a special fee for enrollment in a class that is part of  
44 a food or beverage career program or in a workshop or seminar concerning matters related to food  
45 or beverage industry workforce training, offered by an education provider, that includes the con-

1 sumption of alcoholic beverages for educational purposes, is not a sale or purchase of, or other ex-  
2 change of consideration for, alcoholic beverages.

3 (3) Notwithstanding ORS 471.130, 471.406, 471.410 and 471.475, an education provider may serve  
4 alcoholic beverages to a person who is 18, 19 or 20 years of age and may allow the person to possess  
5 and consume alcoholic beverages on a licensed or unlicensed premises that the education provider  
6 uses for educational purposes if:

7 (a) The person is enrolled as a student in a required or elective class that is part of a food or  
8 beverage career program offered by the education provider;

9 (b) The alcoholic beverages are served to, and possessed and consumed by, the person for edu-  
10 cational purposes as part of the class curriculum or a workshop or seminar concerning food or  
11 beverage workforce training;

12 (c) The service, possession and consumption of the alcoholic beverages are supervised by a fac-  
13 ulty or staff member of the education provider who is 21 years of age or older;

14 (d) The person does not purchase the alcoholic beverages; and

15 (e) The amount served to the person for consumption purposes during any two-hour class,  
16 workshop or seminar period does not exceed two ounces of alcohol equivalence.

17 (4) Notwithstanding ORS 471.130 or 471.410, a person may serve alcoholic beverages to another  
18 person who is 18, 19 or 20 years of age on premises that an education provider uses for educational  
19 purposes if:

20 (a) The person served is enrolled as a student in a required or elective class that is part of a  
21 food or beverage career program offered by the education provider;

22 (b) The alcoholic beverages are served to, and consumed by, the person for educational purposes  
23 as part of the class curriculum or, with the approval of the education provider, as part of a work-  
24 shop or seminar concerning food or beverage workforce training;

25 (c) The service and consumption of the alcoholic beverages are supervised by a faculty or staff  
26 member of the education provider who is 21 years of age or older;

27 (d) The person served does not purchase the alcoholic beverages; and

28 (e) The amount served to the person for consumption purposes during any two-hour class period  
29 does not exceed two ounces of alcohol equivalence.

30 (5) Notwithstanding ORS 471.130 or 471.410 or the prohibitions in ORS 471.430, a person who is  
31 18, 19 or 20 years of age may possess and consume alcoholic beverages on a licensed or unlicensed  
32 premises that an education provider uses for educational purposes if:

33 (a) The person is enrolled as a student in a required or elective class that is part of a food or  
34 beverage career program offered by the education provider;

35 (b) The person possesses and consumes the alcoholic beverages for educational purposes as part  
36 of the class curriculum or, with the approval of the education provider, as part of a workshop or  
37 seminar concerning food or beverage workforce training;

38 (c) The person possesses and consumes the alcoholic beverages under the supervision of a fac-  
39 ulty or staff member of the education provider who is 21 years of age or older;

40 (d) The person does not purchase the alcoholic beverages; and

41 (e) The amount consumed by the person during any two-hour class, workshop or seminar period  
42 does not exceed two ounces of alcohol equivalence.

43 (6) Notwithstanding ORS 471.410, a person who exercises control over private real property may  
44 allow a person who is 18, 19 or 20 years of age to remain on the property after the person who is  
45 18, 19 or 20 years of age consumes an alcoholic beverage on the property in accordance with this

1 section.

2 (7) Subsections (3) to (5) of this section do not affect the ability of an education provider, a  
3 licensee or a permittee to make alcoholic beverages available to a person 21 years of age or older  
4 in accordance with this chapter or the ability of a person 21 years of age or older to possess or  
5 consume alcoholic beverages in accordance with this chapter.

6 **SECTION 133.** ORS 659.850 is amended to read:

7 659.850. (1) As used in this section, “discrimination” means any act that unreasonably differen-  
8 tiates treatment, intended or unintended, or any act that is fair in form but discriminatory in oper-  
9 ation, either of which is based on race, color, religion, sex, sexual orientation, national origin,  
10 marital status, age or disability. “Discrimination” does not include enforcement of an otherwise  
11 valid dress code or policy, as long as the code or policy provides, on a case-by-case basis, for rea-  
12 sonable accommodation of an individual based on the health and safety needs of the individual.

13 (2) A person may not be subjected to discrimination in any public elementary, secondary or  
14 community college education program or service, school or interschool activity or in any higher  
15 education program or service, school or interschool activity where the program, service, school or  
16 activity is financed in whole or in part by moneys appropriated by the Legislative Assembly.

17 (3) The State Board of Education, **the institutional board of a public university listed in**  
18 **section 2 of this 2013 Act** and the State Board of Higher Education shall establish rules necessary  
19 to ensure compliance with subsection (2) of this section in the manner required by ORS chapter 183.

20 **SECTION 134.** ORS 659.855 is amended to read:

21 659.855. (1) Any public elementary or secondary school determined by the Superintendent of  
22 Public Instruction or any community college determined by the Commissioner for Community Col-  
23 lege Services to be in noncompliance with provisions of ORS 659.850 and this section shall be sub-  
24 ject to appropriate sanctions, which may include withholding of all or part of state funding, as  
25 established by rule of the State Board of Education.

26 (2) Any public university listed in ORS [352.002] **351.011** determined by the Chancellor of the  
27 Oregon University System to be in noncompliance with provisions of ORS 659.850 and this section  
28 shall be subject to appropriate sanctions, which may include withholding of all or part of state  
29 funding, as established by rule of the State Board of Higher Education.

30 (3) **Any public university listed in section 2 of this 2013 Act determined by the institu-**  
31 **tional board of the university to be in noncompliance with the provisions of ORS 659.850 and**  
32 **this section shall be subject to appropriate sanctions, which may include withholding of all**  
33 **or part of state funding, as established by rule of the institutional board.**

34 [(3)] (4) Any public charter school determined by the sponsor of the school or the superintendent  
35 to be in noncompliance with the provisions of ORS 659.850 and this section shall be subject to ap-  
36 propriate sanctions, which may include the withholding of all or part of state funding by the sponsor  
37 or superintendent, as established by rule of the State Board of Education.

38 **SECTION 135.** ORS 659.860 is amended to read:

39 659.860. (1) Any person claiming to be aggrieved by unlawful discrimination as prohibited by  
40 ORS 659.850 may file a civil action in circuit court for equitable relief or, subject to the terms and  
41 conditions of ORS 30.265 to 30.300, damages, or both. The court may order such other relief as may  
42 be appropriate. Damages shall be \$200 or actual damages, whichever is greater.

43 (2) The action authorized by this section shall be filed within one year of the filing of a griev-  
44 ance.

45 (3) [No action shall] **An action may not** be filed unless, within 180 days of the alleged dis-

1 crimination, a grievance has been filed with the school district board, public charter school gov-  
 2 erning body, community college board of education, **institutional board of a public university** or  
 3 State Board of Higher Education.

4 (4) [No action may] **An action may not** be filed until 90 days after filing a grievance unless only  
 5 injunctive relief is sought pursuant to ORCP 79. The right to temporary or preliminary injunctive  
 6 relief shall be independent of the right to pursue any administrative remedy available to  
 7 complainants pursuant to ORS 659.850.

8 (5) [No action may] **An action may not** be filed if the school district board, public charter  
 9 school governing body, community college board of education, **institutional board of a public**  
 10 **university** or State Board of Higher Education has obtained a conciliation agreement with the  
 11 person filing the grievance or if a final determination of a grievance has been made except as pro-  
 12 vided in ORS 183.480.

13 (6) Notwithstanding the filing of a grievance, pursuant to subsection (3) of this section, any  
 14 person seeking to maintain an action under this section shall also file a notice of claim within 180  
 15 days of the alleged discrimination as required by ORS 30.275.

16 (7) The court shall award reasonable attorney fees to a prevailing plaintiff in any action under  
 17 this section. The court may award reasonable attorney fees and expert witness fees incurred by a  
 18 defendant who prevails in the action if the court determines that the plaintiff had no objectively  
 19 reasonable basis for asserting a claim or no objectively reasonable basis for appealing an adverse  
 20 decision of a trial court.

21 (8) Nothing in this section is intended to reduce the obligations of the education agencies under  
 22 this section and ORS 659.850 and 659.855.

23 **SECTION 136.** ORS 660.358 is amended to read:

24 660.358. (1) The State Workforce Investment Board, in consultation with the Governor, the Ed-  
 25 ucation and Workforce Policy Advisor and other parties deemed appropriate by the board and after  
 26 consideration of the clean energy and energy efficiency policies of this state, shall develop a plan  
 27 for a green jobs growth initiative to promote the development of emerging technologies and inno-  
 28 vations that lead to, create or sustain family wage green jobs.

29 (2) The plan for the initiative developed by the board shall:

30 (a) Identify industries that are high demand green industries based on current and projected  
 31 creation of family wage green jobs and the potential for career pathways created for such jobs.

32 (b) Use the needs of identified high demand green industries as the basis for the planning of  
 33 workforce development activities that promote the development of emerging green technologies and  
 34 innovations. These activities include, but are not limited to, such efforts undertaken by community  
 35 colleges, [the] public universities [of the Oregon University System] **listed in ORS 352.002**, designated  
 36 signature research centers, registered apprenticeship programs and other private sector training  
 37 programs.

38 (c) Leverage and align existing public workforce development programs and other public and  
 39 private resources to the goal of recruiting, supporting, educating and training of targeted popu-  
 40 lations of workers.

41 (d) Require the board to work collaboratively with stakeholders from business, labor and low  
 42 income advocacy groups in the regional economy to develop and implement the initiative.

43 (e) Link adult basic and remedial education programs with job training for skills necessary for  
 44 green jobs.

45 (f) Require the board to collaborate with employers and labor organizations to identify skills and



1 competencies necessary for green job career pathways.

2 (g) Ensure that support services are integrated with education and training for green jobs and  
3 that such services are provided by organizations with direct access to and experience with targeted  
4 populations.

5 (h) Include an analysis of occupations in the forest products industry to:

6 (A) Determine key growth factors and employment projections for green jobs in the forest pro-  
7 ducts industry; and

8 (B) Define the educational and skill standards required for current and emerging green occupa-  
9 tions in the forest products industry.

10 (3) Based on the analysis conducted under subsection (2)(h) of this section, the State Workforce  
11 Investment Board, in consultation with the Education and Workforce Policy Advisor, shall identify  
12 those forest products industries to be classified as high-demand green industries, taking into con-  
13 sideration current and future job creation and the strategic importance of the development of high-  
14 demand green forest products industry jobs to the development and growth of the state's green  
15 economy.

16 (4) As used in this section, "forest products industry" includes, but is not limited to, businesses  
17 that grow, manage, harvest, transport or process forest, wood and paper products.

18 **SECTION 137.** ORS 820.100 is amended to read:

19 820.100. (1) The State Board of Education shall adopt and enforce such reasonable standards  
20 relating to school bus and school activity vehicle construction and school bus and school activity  
21 vehicle equipment as the board deems necessary for safe and economical operation, except that the  
22 board may not authorize the use of school buses manufactured before April 1, 1977.

23 (2) The State Board of Higher Education **and the institutional board of a public university**  
24 **listed in section 2 of this 2013 Act** may adopt and enforce separate rules of the type described  
25 under this section for school buses and school activity vehicles that are under the board's jurisdic-  
26 tion, except that the board may not authorize the use of school buses manufactured before April 1,  
27 1977.

28 (3) The State Board of Education shall adopt and enforce standards for school bus stop arms  
29 authorized by ORS 820.105.

30 (4) Rules adopted under this section:

31 (a) Must be consistent with requirements established by statute or by rule adopted under stat-  
32 utory authority that relate to the same subject.

33 (b) Shall be consistent with minimum uniform national standards, if such standards exist.

34 (c) May include different requirements for different classes or types of school buses or school  
35 activity vehicles.

36 (d) May include any exemptions determined appropriate under ORS 820.150.

37 **SECTION 138.** ORS 820.110 is amended to read:

38 820.110. (1) The State Board of Education shall adopt and enforce rules to establish requirements  
39 of operation, qualifications or special training of drivers and special accident reports for school  
40 buses and school activity vehicles.

41 (2) The State Board of Higher Education **and the institutional board of a public university**  
42 may adopt and enforce separate rules of the type described under this section for school buses and  
43 school activity vehicles that are under its jurisdiction.

44 (3) The rules adopted under this section:

45 (a) Are subject to ORS 820.190 and 820.200 and to any other statute or regulation relating to

1 the operation of vehicles, qualifications of drivers and accident reports.

2 (b) Must be consistent with requirements established by statute or by rule adopted under stat-  
3 utory authority that relate to the same subject.

4 (c) May include different requirements for different classes or types of school buses or school  
5 activity vehicles.

6 (d) May include any exemptions determined appropriate under ORS 820.150.

7 (4) If the Department of Transportation suspends, cancels or revokes any driving privileges of  
8 a person who holds a school bus endorsement under ORS 807.035 (5), the Department of Transpor-  
9 tation shall notify the Department of Education of the suspension, cancellation or revocation.

10 **SECTION 139.** ORS 820.120 is amended to read:

11 820.120. (1) The State Board of Education shall adopt and enforce rules to provide for the in-  
12 spection of school buses and school activity vehicles to assure that the vehicles are in compliance  
13 with requirements under rules established under ORS 820.100 and 820.110, as applicable, and that  
14 the vehicles are safe for operation. The rules may include intervals of inspections.

15 (2) The State Board of Higher Education **and the institutional board of a public university**  
16 may adopt and enforce separate rules of the type described under this section for school buses and  
17 school activity vehicles that are under its jurisdiction.

18 (3) The rules adopted under this section:

19 (a) Are subject to any other statute or regulation relating to the safety of vehicles for operation  
20 and the inspection of vehicles.

21 (b) May include different requirements for different classes or types of school buses or school  
22 activity vehicles.

23 (c) May include any exemptions determined appropriate under ORS 820.150.

24 **SECTION 140.** ORS 820.130 is amended to read:

25 820.130. The Department of Transportation shall issue registration for a school bus when noti-  
26 fied that the vehicle conforms to applicable rules under ORS 820.100 to 820.120 and that the vehicle  
27 is safe for operation on the highways. Notification required by this section shall be from:

28 (1) The State Board of Education or its authorized representative regarding vehicles under its  
29 regulatory authority.

30 (2) The State Board of Higher Education or its authorized representative regarding vehicles  
31 under its jurisdiction.

32 **(3) The institutional board of a public university listed in section 2 of this 2013 Act or its**  
33 **authorized representative regarding vehicles under its jurisdiction.**

34 **SECTION 141.** ORS 820.150 is amended to read:

35 820.150. (1) The State Board of Education, by rule, may establish classes or types of vehicles  
36 that are not considered school buses or school activity vehicles for purposes of the Oregon Vehicle  
37 Code or classes of school buses or school activity vehicles that are not subject to regulation under  
38 the Oregon Vehicle Code either partially or completely.

39 (2) The State Board of Higher Education **and the institutional board of a public university**  
40 may adopt separate rules of the type described under this section for vehicles that are under its  
41 jurisdiction.

42 (3) Rules adopted under this section are subject to the following:

43 (a) Any exemption, either partial or total, established under this section may be based upon  
44 passenger capacity, on limited use or on any other basis the State Board of Education, **the insti-**  
45 **tutional board** or the State Board of Higher Education considers appropriate.

1 (b) [No] **An** exemption, either partial or total, [shall] **may not** be established under this section  
2 for any vehicle that is marked with or displays the words “school bus.”

3 (c) Any vehicle determined not to be a school bus under this section is not a school bus within  
4 the definition established under ORS 801.460. Partial exemptions established for vehicles under this  
5 section may include removal of the vehicle from any provisions relating to school buses under the  
6 vehicle code.

7 (d) Any vehicle determined not to be a school activity vehicle under this section is not a school  
8 activity vehicle within the definition established under ORS 801.455. Partial exemptions established  
9 for vehicles under this section may include removal of the vehicle from any provisions relating to  
10 school activity vehicles under the vehicle code.

11 (e) In considering any rules under this section, the boards shall consider the need to assure  
12 student safety.

13 **SECTION 142.** Section 14, chapter 36, Oregon Laws 2012, is amended to read:

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

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

17 (b) “Education entity” means:

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

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

20 (C) A community college district or community college service district operated under ORS  
21 chapter 341;

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

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

24 (F) The health professions and graduate science programs of the Oregon Health and Science  
25 University operated under ORS chapter 353.

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

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

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

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

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

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

33 **(F) For a public university listed in section 2 of this 2013 Act, the institutional board of**  
34 **the university.**

35 [(F)] **(G)** For the Oregon Health and Science University, the Oregon Health and Science Uni-  
36 versity Board of Directors.

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

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

43 (c) The board shall specify a process for adoption and a timeline for submission of achievement  
44 compacts for education entities identified in subsection (1)(b)(D) to (F) of this section.

45 (d) The board shall provide to each school district a number quantifying the district’s estimated

1 level of funding for the next fiscal year compared to the determination of funding needed to ensure  
2 that the state's system of kindergarten through grade 12 public education meets the quality goals  
3 specified under ORS 327.506.

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

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

6 (A) A description of goals for outcomes that are consistent with the educational goals identified  
7 in ORS 329.015, the findings described in ORS 351.003 and the mission of education provided in ORS  
8 351.009.

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

11 (i) Completion rates for:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5 **SECTION 143.** Section 13, chapter 761, Oregon Laws 2007, as amended by section 5, chapter  
6 2, Oregon Laws 2009, section 93, chapter 762, Oregon Laws 2009, and section 32, chapter 2, Oregon  
7 Laws 2011, is amended to read:

8 **Sec. 13.** (1) There is established in the General Fund an account to be known as the Portland  
9 State University Science Research and Teaching Center and Hazardous Waste Facility Account.  
10 Funds in the account shall be used for the acquisition, construction, remodeling, expansion and  
11 renovation of facilities for a Science Research and Teaching Center and Hazardous Waste Facility  
12 Phase I at Portland State University.

13 (2) The account shall consist of proceeds from certificates of participation, grant funds, gift  
14 funds, proceeds of legal settlements, federal and local government funds made available to and funds  
15 donated to [*the Oregon University System*] **Portland State University** for the purpose of the center  
16 and facility project described in subsection (1) of this section. Interest earned on moneys in the ac-  
17 count shall be credited to the account. The account may not be credited with more than \$7,000,000  
18 for purposes of this subsection.

19 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]  
20 **Portland State University** and may be transferred to the account designated by [*ORS 351.626*] **the**  
21 **university** for the center and facility project described in subsection (1) of this section.

22 **SECTION 144.** Section 14, chapter 761, Oregon Laws 2007, as amended by section 94, chapter  
23 762, Oregon Laws 2009, and section 33, chapter 2, Oregon Laws 2011, is amended to read:

24 **Sec. 14.** (1) There is established in the General Fund an account to be known as the University  
25 of Oregon Integrative Science Complex, Phase 2 Account. Funds in the account shall be used for the  
26 acquisition, construction, remodeling, expansion and renovation of facilities for an Interactive Sci-  
27 ence Complex, Phase 2 at the University of Oregon.

28 (2) The account shall consist of grant funds, gift funds, federal and local government funds made  
29 available to and funds donated to the [*Oregon University System*] **University of Oregon** for the  
30 purpose of the Interactive Science Complex, Phase 2 project described in subsection (1) of this sec-  
31 tion. Interest earned on moneys in the account shall be credited to the account. The account may  
32 not be credited with more than \$30,000,000 for purposes of this subsection.

33 (3) Moneys in the account are continuously appropriated to the [*Oregon University System*]  
34 **University of Oregon** and may be transferred to the account designated by [*ORS 351.626*] **the**  
35 **university** for the Interactive Science Complex, Phase 2 project described in subsection (1) of this  
36 section.

37 **SECTION 145.** Section 15, chapter 761, Oregon Laws 2007, as amended by section 95, chapter  
38 762, Oregon Laws 2009, and section 34, chapter 2, Oregon Laws 2011, is amended to read:

39 **Sec. 15.** (1) There is established in the General Fund an account to be known as the University  
40 of Oregon Hayward Field Account. Funds in the account shall be used for the purposes described  
41 in Article XI-G of the Oregon Constitution at Hayward Field at the University of Oregon.

42 (2) The account shall consist of funds received from not-for-profit organizations, grant funds, gift  
43 funds, federal and local government funds made available to and funds donated to the [*Oregon Uni-*  
44 *versity System*] **University of Oregon** for the purpose of the Hayward Field project described in  
45 subsection (1) of this section. Interest earned on moneys in the account shall be credited to the ac-

1 count. The account may not be credited with more than \$2,500,000 for purposes of this subsection.

2 (3) Moneys in the account are continuously appropriated to the [*Oregon University System*]  
3 **University of Oregon** and may be transferred to the account designated by [*ORS 351.626*] **the**  
4 **university** for the purposes described in subsection (1) of this section.

5 **SECTION 146.** Section 17, chapter 761, Oregon Laws 2007, as amended by section 97, chapter  
6 762, Oregon Laws 2009, and section 36, chapter 2, Oregon Laws 2011, is amended to read:

7 **Sec. 17.** (1) There is established in the General Fund an account to be known as the Portland  
8 State University Science PCAT Redevelopment Account. Funds in the account shall be used for the  
9 acquisition, construction, remodeling, expansion and renovation of facilities on the current site of  
10 the Portland Center for Advanced Technology at Portland State University.

11 (2) The account shall consist of grant funds, gift funds, proceeds of legal settlements, federal and  
12 local government funds made available to and funds donated to [*the Oregon University System*]  
13 **Portland State University** for the purpose of the project described in subsection (1) of this section.  
14 Interest earned on moneys in the account shall be credited to the account. The account may not be  
15 credited with more than \$10,000,000 for purposes of this subsection.

16 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]  
17 **Portland State University** and may be transferred to the account designated by [*ORS 351.626*] **the**  
18 **university** for the project described in subsection (1) of this section.

19 **SECTION 147.** Section 22, chapter 904, Oregon Laws 2009, as amended by section 50, chapter  
20 2, Oregon Laws 2011, and section 46, chapter 9, Oregon Laws 2011, is amended to read:

21 **Sec. 22.** (1) There is established in the General Fund an account to be known as the Portland  
22 State University Science Research and Teaching Center/Hazardous Waste Facility Phase 2 Project  
23 Account. Funds in the account shall be used for the acquisition, construction, remodeling, expansion  
24 and renovation of facilities for a facility project at [*Oregon*] **Portland** State University.

25 (2) The account shall consist of proceeds from grant funds, gift funds and federal and local  
26 government funds made available to [*the Oregon University System*] **Portland State University** for  
27 the purpose of the facility project described in subsection (1) of this section. Interest earned on  
28 moneys in the account shall be credited to the account. The account may not be credited with more  
29 than \$2,500,000 for purposes of this subsection.

30 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]  
31 **Portland State University** and may be transferred to the account designated by [*ORS 351.626*] **the**  
32 **university** for the facility project described in subsection (1) of this section.

33 **SECTION 148.** Section 24, chapter 904, Oregon Laws 2009, as amended by section 52, chapter  
34 2, Oregon Laws 2011, and section 48, chapter 9, Oregon Laws 2011, is amended to read:

35 **Sec. 24.** (1) There is established in the General Fund an account to be known as the University  
36 of Oregon Allen Hall Expansion and Remodel Project Account. Funds in the account shall be used  
37 for the acquisition, construction, remodeling, expansion and renovation of facilities for a facility  
38 project at the University of Oregon.

39 (2) The account shall consist of proceeds from grant funds and gift funds made available to and  
40 funds donated to the [*Oregon University System*] **University of Oregon** for the purpose of the fa-  
41 cility project described in subsection (1) of this section. Interest earned on moneys in the account  
42 shall be credited to the account. The account may not be credited with more than \$7,500,000 for  
43 purposes of this subsection.

44 (3) Moneys in the account are continuously appropriated to the [*Oregon University System*]  
45 **University of Oregon** and may be transferred to the account designated by [*ORS 351.626*] **the**

1 **university** for the facility project described in subsection (1) of this section.

2 **SECTION 149.** Section 3, chapter 797, Oregon Laws 2001, is amended to read:

3 **Sec. 3.** Subject to available funding, if a building evaluated under section 2 (4), **chapter 797,**  
4 **Oregon Laws 2001,** [of this 2001 Act] is found by a board to pose an undue risk to life safety during  
5 a seismic event, the State Board of Higher Education, **institutional board of a public university,**  
6 local school district board, community college board or education service district board, as appro-  
7 priate, shall develop a plan for seismic rehabilitation of the building or for other actions to reduce  
8 the risk. For a board that is subject to ORS 291.224, the board's plan to rehabilitate or take other  
9 action to reduce the seismic risk of a building must be included in the capital construction program  
10 of the board. A board that is subject to ORS 291.224 shall rank the relative benefit of projects to  
11 reduce seismic risk in comparison with other life safety and code requirement projects. Subject to  
12 availability of funding, all seismic rehabilitations or other actions to reduce seismic risk must be  
13 completed before January 1, 2032. If the building is listed on a national or state register of historic  
14 places or properties or is designated as a landmark by local ordinance, the plan for seismic reha-  
15 bilitation or other action shall be developed in a manner that gives consideration to preserving the  
16 character of the building.

17 **SECTION 150.** (1) **The State Board of Higher Education shall continue to have jurisdiction**  
18 **over the operations of a university listed in section 2 of this 2013 Act for the 2013-2014 aca-**  
19 **ademic year. However, the institutional board of the university shall propose funding requests**  
20 **pursuant to ORS 351.052, as amended by section 26 of this 2013 Act, and shall prepare budg-**  
21 **ets, in cooperation with the State Board of Higher Education, for the biennium beginning**  
22 **July 1, 2013.**

23 (2) **The president of a university listed in section 2 of this 2013 Act shall assume re-**  
24 **sponsibilities for administration of the university under the provisions of this 2013 Act on**  
25 **July 1, 2014.**

26 **SECTION 151.** All unexpended moneys, including but not limited to General Fund approp-  
27 riations, gifts, bequests, other funds, assessments, liability and worker's compensation re-  
28 serves and premiums that are appropriated to, held, managed or invested by or on behalf of  
29 or otherwise available to a university listed in section 2 of this 2013 Act, or its president, on  
30 July 1, 2014, are appropriated and transferred to the university.

31 **SECTION 152.** The rights and obligations of the State Board of Higher Education legally  
32 incurred under contracts, leases and business transactions executed, entered into or begun  
33 before July 1, 2014, pertaining to a university listed in section 2 of this 2013 Act are trans-  
34 ferred to the institutional board of the university. For the purpose of succession to these  
35 rights and obligations, the institutional board is considered to be a continuation of the State  
36 Board of Higher Education and not a new authority, and the institutional board must exer-  
37 cise such rights and fulfill such obligations as if they had not been transferred.

38 **SECTION 153.** Sections 1 to 11 of this 2013 Act and the amendments to statutes by  
39 sections 12 to 149 of this 2013 Act become operative on July 1, 2014.

40 **SECTION 154.** The State Board of Higher Education and the institutional board of a  
41 university listed in section 2 of this 2013 Act may take any action before the operative date  
42 specified in section 153 of this 2013 Act that is necessary for the State Board of Higher Ed-  
43 ucation and the institutional board to exercise, on and after the operative date specified in  
44 section 153 of this 2013 Act, all of the duties, functions and powers conferred on the State  
45 Board of Higher Education and institutional board by sections 1 to 11 of this 2013 Act and

1 the amendments to statutes by sections 12 to 149 of this 2013 Act.

2 SECTION 155. This 2013 Act being necessary for the immediate preservation of the public  
3 peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect  
4 on its passage.

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