

SENATE AMENDMENTS TO A-ENGROSSED SENATE BILL 270

By JOINT COMMITTEE ON WAYS AND MEANS

July 1

1 On page 1 of the printed A-engrossed bill, delete lines 4 through 16 and insert “36.155, 174.117,
2 184.631, 190.510, 190.520, 190.530, 190.540, 190.580, 190.590, 190.610, 192.501, 238.005, 238.200, 238.215,
3 238A.005, 243.107, 243.800, 243.820, 243.850, 243.910, 244.050, 270.100, 270.110, 273.155, 276.610,
4 276.612, 279A.025, 282.076, 284.540, 284.706, 286A.700, 287A.001, 291.055, 291.357, 291.375, 292.043,
5 292.044, 294.311, 297.250, 307.090, 307.095, 307.110, 307.112, 320.100, 329.810, 337.521, 340.310, 341.440,
6 342.443, 343.465, 343.961, 344.259, 344.753, 348.010, 348.205, 348.282, 348.283, 348.470, 348.603, 348.890,
7 348.900, 351.011, 351.015, 351.020, 351.047, 351.049, 351.052, 351.054, 351.062, 351.063, 351.065, 351.067,
8 351.070, 351.085, 351.094, 351.105, 351.110, 351.155, 351.165, 351.203, 351.205, 351.300, 351.310, 351.340,
9 351.509, 351.511, 351.516, 351.517, 351.518, 351.519, 351.521, 351.538, 351.539, 351.590, 351.626, 351.628,
10 351.638, 351.642, 351.643, 351.644, 351.646, 351.658, 351.692, 351.695, 351.697, 351.718, 351.735, 352.002,
11 352.006, 352.010, 352.012, 352.043, 352.046, 352.066, 352.068, 352.071, 352.074, 352.245, 352.360, 353.440,
12 354.090, 357.004, 358.575, 366.785, 401.922, 408.095, 408.506, 430.651, 442.830, 461.543, 468A.245,
13 471.580, 471.810, 526.215, 576.768, 659.850, 659.855, 659.860, 660.312, 660.358, 820.100, 820.110, 820.120,
14 820.130, 820.140, 820.150, 820.160 and 820.180 and section 3, chapter 797, Oregon Laws 2001, sections
15 13, 14, 15 and 17, chapter 761, Oregon Laws 2007, sections 5, 9, 22 and 24, chapter 904, Oregon Laws
16 2009, sections 8 and 11, chapter 615, Oregon Laws 2011, and section 14, chapter 36, Oregon Laws
17 2012; repealing ORS 352.035, 352.048, 352.049.”

18 On page 3, delete lines 2 through 30 and insert:

19 **“SECTION 3. (1) A governing board is established for each of the following public uni-**
20 **versities:**

21 **“(a) University of Oregon;**

22 **“(b) Portland State University;**

23 **“(c) Oregon State University, if the president of Oregon State University notifies the**
24 **Governor that the university will become a university with a governing board in the manner**
25 **set forth in section 168 or 168a of this 2013 Act;**

26 **“(d) Eastern Oregon University, if Eastern Oregon University becomes a university with**
27 **a governing board in the manner set forth in section 168a of this 2013 Act;**

28 **“(e) Oregon Institute of Technology, if Oregon Institute of Technology becomes a uni-**
29 **versity with a governing board in the manner set forth in section 168a of this 2013 Act;**

30 **“(f) Southern Oregon University, if Southern Oregon University becomes a university**
31 **with a governing board in the manner set forth in section 168a of this 2013 Act; and**

32 **“(g) Western Oregon University, if Western Oregon University becomes a university with**
33 **a governing board in the manner set forth in section 168a of this 2013 Act.**

34 **“(2)(a) The University of Oregon governing board shall be known as the Board of Trus-**
35 **tees of the University of Oregon.**

1 **“(b) The Portland State University governing board shall be known as the Board of**
2 **Trustees of Portland State University.**

3 **“(c) The Oregon State University governing board shall be known as the Board of Trus-**
4 **tees of Oregon State University, if the president of Oregon State University notifies the**
5 **Governor that the university will become a university with a governing board in the manner**
6 **set forth in section 168 or 168a of this 2013 Act.**

7 **“(d) The Eastern Oregon University governing board shall be known as the Board of**
8 **Trustees of Eastern Oregon University, if Eastern Oregon University becomes a university**
9 **with a governing board in the manner set forth in section 168a of this 2013 Act.**

10 **“(e) The Oregon Institute of Technology governing board shall be known as the Board**
11 **of Trustees of the Oregon Institute of Technology, if the Oregon Institute of Technology**
12 **becomes a university with a governing board in the manner set forth in section 168a of this**
13 **2013 Act.**

14 **“(f) The Southern Oregon University governing board shall be known as the Board of**
15 **Trustees of Southern Oregon University, if Southern Oregon University becomes a university**
16 **with a governing board in the manner set forth in section 168a of this 2013 Act.**

17 **“(g) The Western Oregon University governing board shall be known as the Board of**
18 **Trustees of Western Oregon University, if Western Oregon University becomes a university**
19 **with a governing board in the manner set forth in section 168a of this 2013 Act.**

20 **“NOTE:** Section 4 was deleted by amendment. Subsequent sections were not renumbered.”.

21 Delete lines 43 through 45.

22 On page 4, delete lines 1 through 24 and insert:

23 **“SECTION 6. (1) A governing board for a public university must be formed and main-**
24 **tained as provided in this section.**

25 **“(2)(a) Except as provided in subsection (3) of this section, the Governor shall appoint**
26 **all of the 11 to 15 members of the governing board, subject to confirmation by the Senate in**
27 **the manner provided in ORS 171.562 and 171.565.**

28 **“(b) The governing board must include one person who is a student enrolled at the uni-**
29 **versity. The student shall be a voting member of the board.**

30 **“(c) The governing board must include one person who is a member of the faculty of the**
31 **university and one person who is a member of the nonfaculty staff of the university. For**
32 **each appointment made under this paragraph, the Governor may appoint the person as ei-**
33 **ther a voting or nonvoting member of the governing board.**

34 **“(3) The president of the university shall be an ex officio nonvoting member of the gov-**
35 **erning board.**

36 **“(4)(a) Except as provided in paragraph (b) of this subsection, the term of office for each**
37 **appointed member of the governing board is four years.**

38 **“(b) The term of office of each student, faculty and nonfaculty staff member of the gov-**
39 **erning board is two years.**

40 **“(c) A member of the governing board may not be appointed to serve more than two**
41 **consecutive full terms.**

42 **“(d) The Governor may remove any appointed member of the governing board at any time**
43 **for cause, after notice and public hearing, but may not remove more than three members**
44 **within a period of four years, unless it is for corrupt conduct in office.**

45 **“(e) Vacancies shall be filled by appointment by the Governor for the remainder of the**

1 unexpired term.

2 “(5) The governing board shall select one of its members as chairperson and another as
3 vice chairperson for such terms and with duties and powers as the board considers necessary
4 for the performance of the functions of those offices. The governing board shall adopt bylaws
5 concerning how a quorum is constituted and when a quorum is necessary.

6 “(6) The governing board shall meet at least once quarterly, and may meet at the call
7 of the chairperson or a majority of the voting members of the board.”.

8 Delete lines 28 through 45.

9 On page 5, delete lines 1 through 15 and insert:

10 “SECTION 8. (1) A university with a governing board shall enter into an achievement
11 compact with the Oregon Education Investment Board for each fiscal year.

12 “(2) The governing board shall adopt a mission statement for the university, and shall
13 forward the statement to an office designated by the Higher Education Coordinating Com-
14 mission as being responsible for university coordination.

15 “(3) A university with a governing board shall submit any significant change in the
16 university’s academic programs to an office designated by the Higher Education Coordinating
17 Commission as being responsible for university coordination. The office shall establish a
18 process for reviewing the program change and submitting it to the Higher Education Coor-
19 dinating Commission for approval. The commission shall establish, by rule, what constitutes
20 a significant change to a university’s academic program. The commission shall further en-
21 sure that approved programs:

22 “(a) Are consistent with the mission statement of the university;

23 “(b) Do not unnecessarily duplicate academic programs offered by Oregon’s other public
24 universities;

25 “(c) Are not located in a geographic area that will cause undue hardship to Oregon’s
26 other public universities; and

27 “(d) Are allocated among Oregon’s public universities to maximize the achievement of
28 statewide needs and requirements.

29 “(4)(a) On or before April 1 of each even-numbered year, each university listed in ORS
30 352.002 must submit to an office designated by the Higher Education Coordinating Commis-
31 sion as being responsible for university coordination a funding request applicable to the
32 biennium beginning on July 1 of the following year. On or before May 1 of each even-
33 numbered year, the office shall consolidate the funding requests from public universities
34 listed in ORS 352.002 and submit the consolidated funding requests to the commission.

35 “(b) Pursuant to ORS 351.052, the Higher Education Coordinating Commission shall sub-
36 mit a funding request to the Governor on behalf of all public universities listed in ORS
37 352.002.

38 “(c) The Governor’s biennial budget submitted to the Legislative Assembly may include
39 funding requests from public universities, including universities with governing boards.

40 “(5) As part of a funding request submitted under subsection (4) of this section, a uni-
41 versity with a governing board may request, and appropriations may include, funding for
42 education and general operations, statewide public services, state-funded debt service, capital
43 improvements, deferred maintenance, special initiatives and investments. Any moneys ap-
44 propriated to pay debt service for state bonds must be held by the State Treasurer pursuant
45 to an agreement entered into by the State Treasurer and a university with a governing board

1 under section 15 (2) of this 2013 Act.

2 “(6) A public university listed in ORS 352.002 that wishes to request the issuance of state
3 bonds, including a university with a governing board that elects to remain eligible to receive
4 proceeds of state bonds under section 20 of this 2013 Act, must make a request to this effect
5 to an office designated by the Higher Education Coordinating Commission as being respon-
6 sible for university coordination. The office shall establish a process for reviewing the re-
7 quest to issue state bonds and submit the request to the commission. The commission shall
8 decide whether, and in what manner, to make a request for the issuance of state bonds to
9 the Legislative Assembly.

10 “(7)(a) Each public university listed in ORS 352.002, including universities with governing
11 boards, shall respond to a request for data from the Legislative Assembly or other state body
12 by submitting the requested information to an office designated by the Higher Education
13 Coordinating Commission as being responsible for university coordination. The office shall
14 consolidate the data received from public universities and provide the data to the commis-
15 sion. The commission shall be responsible for providing the data to the Legislative Assembly
16 or other requesting entity.

17 “(b) As used in this subsection, ‘data’ means any information that, as of the effective
18 date of this 2013 Act, is collected by an office designated by the Higher Education Coordi-
19 nating Commission as being responsible for university coordination from each university and
20 reported to the Legislative Assembly or any other state entity, including but not limited to
21 retention and graduation rates and demographic information on students.”.

22 On page 6, line 34, delete the first “and” and insert “, pledge or” and after “mortgages” insert
23 “, liens”.

24 On page 7, line 1, after “convey,” insert “mortgage, pledge or otherwise encumber,”.

25 In line 26, after “to” insert “tuition and”.

26 On page 8, line 2, after “maintenance,” insert “encumbrance,”.

27 In line 5, before “Real” insert “Unless the governing board has granted prior consent,”.

28 On page 9, delete lines 2 through 5 and insert:

29 “**SECTION 14a. (1) Notwithstanding sections 10, 11 and 169 of this 2013 Act, the amend-**
30 **ments to ORS 243.107 and 351.094 by sections 88 and 113 of this 2013 Act and the operative**
31 **date set forth in section 171 of this 2013 Act, a university with a governing board shall con-**
32 **tinue to participate with other public universities listed in ORS 352.002 in all shared admin-**
33 **istrative services relating to:**

34 “(a) Employee benefits, including but not limited to group insurance or deferred com-
35 pensation plans authorized by ORS 351.094;

36 “(b) Collective bargaining with any statewide bargaining unit that includes employees of
37 two or more public universities listed in ORS 352.002; and

38 “(c) Risk management, the purchase of insurance or the management of a self-insurance
39 program authorized by ORS 351.096 or section 11 of this 2013 Act.

40 “(2) The shared administrative services listed in subsection (1) of this section must be
41 done under the same terms, conditions, funding model and policy frameworks as those that
42 exist on the effective date of this 2013 Act until July 1, 2015. On and after July 1, 2015, public
43 universities listed in ORS 352.002 may choose to participate in shared services under an al-
44 ternative shared services model.

45 “(3) Two or more public universities listed in ORS 352.002, including universities with

1 governing boards, may participate in shared services not described in subsection (1) of this
2 section, including but not limited to shared services involving legal services and information
3 technology.

4 “(4) Pursuant to section 1 of this 2013 Act, and in order to ensure that the establishment
5 of universities with governing boards does not negatively impact public universities that do
6 not have governing boards, if a university with a governing board stops participating in a
7 service shared by two or more public universities listed in ORS 352.002, including but not
8 limited to the shared services listed in this section, and the withdrawal from the service has
9 a negative effect on the remaining public universities, the Higher Education Coordinating
10 Commission shall compensate universities suffering a negative impact through either re-
11 duction of appropriations made to the university with a governing board or any other method
12 found to be appropriate by the commission.

13 “(5) The office of the Chancellor of the Oregon University System shall coordinate public
14 university shared services described in this section until a new entity to coordinate shared
15 services is operational.

16 “**SECTION 15.** (1) All moneys collected or received by a university with a governing board,
17 placed to the credit of the governing board and remaining unexpended and unobligated on July 1,
18 2014, or the date that the board is established, whichever is later, and all moneys collected or re-
19 ceived by a university with a governing board after that date, may be:”.

20 On page 10, line 20, delete “university” and insert “public universities listed in ORS 352.002”.

21 In line 21, delete “\$2.4 million” and insert “\$6 million”.

22 On page 12, line 36, after “of” insert “ORS 271.390 and”.

23 On page 13, line 43, after the period delete the rest of the line and delete lines 44 and 45 and
24 insert “The university with a governing board shall pay the amounts specified in the schedule pro-
25 vided by the State Treasurer and the Oregon University System on or before the dates specified in
26 the schedule from the legally available revenue of the university and on a pari passu basis with the
27 payment of any revenue bonds of the university issued pursuant to section 21 of this 2013 Act.”.

28 On page 15, delete lines 12 through 45.

29 On page 16, delete lines 1 through 9 and insert:

30 “**SECTION 25.** ORS 351.011 is amended to read:

31 “351.011. (1) The Oregon University System is established as a public university system, con-
32 sisting of the office of the Chancellor of the Oregon University System[, *the public universities listed*
33 *in ORS 352.002 and any related offices, departments or activities.*] **and the following public univer-**
34 **sities, and any related offices, departments or activities:**

35 “(a) Oregon State University.

36 “(b) Oregon Institute of Technology.

37 “(c) Western Oregon University.

38 “(d) Southern Oregon University.

39 “(e) Eastern Oregon University.

40 “(2) The State Board of Higher Education, on behalf of the Oregon University System, shall
41 exercise and carry out all of the powers, rights and duties that are expressly conferred upon the
42 board or that are implied by law or incident to such powers, rights and duties.

43 “(3) The Oregon University System is an instrumentality of the state and a government entity
44 performing governmental functions and exercising governmental powers. Notwithstanding the status
45 of the Oregon University System as an instrumentality of the state, the Oregon University System

1 is not eligible to request or receive legal services from the Attorney General and the Department
2 of Justice pursuant to ORS chapter 180, except as otherwise expressly provided by law.

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

4 “(5) Subsections (1) to (4) of this section apply only to listed public universities that do
5 not become a university with a governing board under section 3, 168 or 168a of this 2013 Act.

6 “**SECTION 26.** A public university that becomes a university with a governing board un-
7 der section 168 or 168a of this 2013 Act is not considered to be a public university listed in
8 **ORS 351.011.**

9 “**NOTE:** Section 27 was deleted by amendment. Subsequent sections were not renumbered.”.

10 On page 21, delete lines 41 through 45.

11 On page 22, delete lines 1 through 25 and insert:

12 “**SECTION 37.** ORS 351.015 is amended to read:

13 “351.015. The Oregon University System shall be conducted under the control of a board of 15
14 directors, to be known as the State Board of Higher Education. Except as otherwise provided by
15 law, the board has sole authority to govern, set policy and otherwise manage the affairs of the
16 public universities listed in ORS [352.002] **351.011.** The board shall consist of:

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

19 “[2) *One member of the faculty at Oregon State University, Portland State University or University*
20 *of Oregon.*]

21 “[3) (2) [*One member*] **Two members** of the faculty at [*Eastern Oregon University, Oregon In-*
22 *stitute of Technology, Southern Oregon University or Western Oregon University*] **a public university**
23 **listed in ORS 351.011.**

24 “[4) (3) Eleven members of the general public who are not students or faculty members at the
25 time of appointment.

26 “**NOTE:** Sections 38 and 39 were deleted by amendment. Subsequent sections were not renu-
27 bered.”.

28 On page 23, line 5, after “all” insert “significant changes to”.

29 In line 6, delete “academic programs” and insert “changes”.

30 Delete lines 22 through 28 and insert:

31 “(2)(a) On or before April 1 of each even-numbered year, each public university listed in ORS
32 352.002 must submit to an office designated by the Higher Education Coordinating Commission as
33 being responsible for university coordination a funding request applicable to the biennium beginning
34 on July 1 of the following year; and

35 “(b) On or before May 1 of each even-numbered year, the office designated under paragraph (a)
36 of this subsection shall consolidate the funding requests from public universities listed in ORS
37 352.002 and submit the consolidated funding requests to the Higher Education Coordinating Com-
38 mission.”.

39 In line 36, after the period delete the rest of the line and delete lines 37 through 39.

40 On page 29, line 11, delete “to the board”.

41 In line 12, delete “board” and insert “Higher Education Coordinating Commission” and delete
42 “(2)(b)”.

43 On page 38, line 40, after “owed” insert “by the public universities listed in ORS 352.002”.

44 In line 41, delete “by the Oregon University System”.

45 On page 39, line 6, after “owed” insert “by the public universities listed in ORS 352.002” and

1 delete “by the uni-”.

2 In line 7, delete “versity” and delete “\$2.4 million” and insert “\$6 million”.

3 On page 51, after line 43, insert:

4 “**SECTION 106a.** ORS 190.510 is amended to read:

5 “190.510. As used in ORS 190.510 to 190.610, unless the context requires otherwise,[:]

6 “[*(1) ‘Board’ means the State Board of Higher Education established under ORS 351.015.*]

7 “[*(2) ‘city’ means any incorporated city or town.*]

8 “**SECTION 106b.** ORS 190.520 is amended to read:

9 “190.520. (1) [*The State Board of Higher Education*] **Portland State University** shall:

10 “(a) Annually estimate the population as of July 1 of each city and county within the state and
11 no later than December 15 of each year prepare a certificate of population showing the [*board’s*]
12 **university’s** estimate of the population of each city and county within the state as of July 1. The
13 [*board’s*] **university’s** estimate may be based upon statistical or other pertinent data or upon an
14 actual count. The certificate shall also indicate the results of any enumeration of cities or annexed
15 areas made after July 1.

16 “(b) Annually estimate the number of persons between the ages of 4 and 20 who resided in each
17 county as of October 25. The [*board*] **university** shall certify such estimate to the Superintendent
18 of Public Instruction and to the executive officer of the administrative office of each county, as de-
19 fined in ORS 328.001, by January 1 of each year.

20 “(c) Upon an official request from a city, county, political subdivision, public corporation or
21 state agency, cause to be conducted at the expense of the requesting party an actual count of the
22 population of the area specified in the request and prepare a certificate of population based upon
23 such count.

24 “(d) Upon the incorporation of a city, cause to be conducted at the expense of the city an actual
25 count of the population of the city. The [*board*] **university** shall prepare a certificate of population
26 based upon such count. If the election of officers of the newly incorporated city is held 40 days or
27 more before the end of the calendar quarter, the certificate shall be prepared before the end of the
28 calendar quarter. If the election is held less than 40 days before the end of the calendar quarter, the
29 certificate shall be prepared before the end of the calendar quarter next following the election.

30 “(2) All certificates prepared under this section shall be filed with the Portland State University
31 Population Research Center.

32 “**SECTION 106c.** ORS 190.530 is amended to read:

33 “190.530. Upon petition from a city, county, political subdivision, public corporation or state
34 agency for reconsideration, or upon its own motion, [*the State Board of Higher Education*] **Portland**
35 **State University** may revise its determination of the population of a city, county or other area.
36 Payment of funds to a city, county or other area under ORS 323.455, 366.785 to 366.820 or 471.810
37 shall be affected by a subsequent filing of a corrected certificate under this section in the manner
38 provided by ORS 190.620.

39 “**SECTION 106d.** ORS 190.540 is amended to read:

40 “190.540. (1) The population shown in the certificate of population [*of the State Board of Higher*
41 *Education*] filed pursuant to ORS 190.520 or 190.530 shall be the official population of the city,
42 county or other area covered by the certificate until a later certificate covering such city, county
43 or other area is filed by [*the board*] **Portland State University**.

44 “(2) After a certificate of population is filed pursuant to ORS 190.520 or 190.530, the population
45 of a city, county or other area as shown in the certificate shall be the official and exclusive basis

1 for determining per capita allocation and payment of funds to such city, county or other area under
2 ORS 366.785 to 366.820 and 471.810 until the filing by the [board] **university** of a later certificate
3 for such city, county or other area.

4 “**SECTION 106e.** ORS 190.580 is amended to read:

5 “190.580. [*The State Board of Higher Education*] **Portland State University** may adopt such
6 [*rules and regulations*] **standards** as it considers desirable and expedient in the conduct of its duties
7 under ORS 190.510 to 190.610.

8 “**SECTION 106f.** ORS 190.590 is amended to read:

9 “190.590. Any state agency, or officer thereof, and any city, or department, officer or employee
10 thereof, shall, upon request of [*the State Board of Higher Education*] **Portland State University**,
11 furnish such available information as may be required by the [board] **university** in securing accu-
12 rate data and information upon which to base its estimates. The [board] **university** may prescribe
13 the form for reporting such information.

14 “**SECTION 106g.** ORS 190.610 is amended to read:

15 “190.610. [*The State Board of Higher Education*] **Portland State University** shall establish a
16 program, [*at one or more of the public universities under its control,*] designed to perform the duties
17 imposed upon it by ORS 190.510 to 190.610.

18 “**SECTION 106h.** ORS 294.311 is amended to read:

19 “294.311. As used in ORS 294.305 to 294.565, unless the context requires otherwise:

20 “(1) ‘Accrual basis’ means the recording of the financial effects on a municipal corporation of
21 transactions and other events and circumstances that have cash consequences for the municipal
22 corporation in the periods in which those transactions, events and circumstances occur, rather than
23 only in the periods in which cash is received or paid by the municipal corporation.

24 “(2) ‘Activity’ means a specific and distinguishable service performed by one or more organiza-
25 tional components of a municipal corporation to accomplish a function for which the municipal
26 corporation is responsible.

27 “(3) ‘Appropriation’ means an authorization granted by the governing body to make expenditures
28 and to incur obligations for specific purposes. An appropriation is limited to a single fiscal year for
29 municipal corporations preparing annual budgets, or to the budget period for municipal corporations
30 preparing biennial budgets.

31 “(4) ‘Basis of accounting’ means the cash basis, the modified accrual basis or the accrual basis.

32 “(5) ‘Budget’ means a plan of financial operation embodying an estimate of expenditures for a
33 given period or purpose and the proposed means of financing the estimated expenditures.

34 “(6) ‘Budget document’ means the estimates of expenditures and budget resources as set forth
35 on the estimate sheets, tax levy and the financial summary.

36 “(7) ‘Budget period’ means, for municipal corporations with the power to levy a tax upon prop-
37 erty, the two-year period commencing on July 1 and closing on June 30 of the second calendar year
38 next following, and for all other municipal corporations, an accounting period of 24 months ending
39 on the last day of any month.

40 “(8) ‘Budget resources’ means resources to which recourse can be had to meet obligations and
41 expenditures during the fiscal year or budget period covered by the budget.

42 “(9) ‘Cash basis’ means a basis of accounting under which transactions are recognized only in
43 the period during which cash is received or disbursed.

44 “(10) ‘Current budget period’ means the budget period in progress.

45 “(11) ‘Current year’ means the fiscal year in progress.

1 “(12) ‘Encumbrance accounting’ means the method of accounting under which outstanding
2 encumbrances are recognized as reductions of appropriations and the related commitments are car-
3 ried in a reserve for encumbrances until liquidated, either by replacement with an actual liability
4 or by cancellation. This method of accounting may be used as a modification to the accrual basis
5 of accounting in accordance with generally accepted accounting principles.

6 “(13) ‘Encumbrances’ means obligations in the form of purchase orders, contracts or salary
7 commitments which are chargeable to an appropriation and for which a part of the appropriation
8 is reserved. Obligations cease to be encumbrances when paid or when the actual liability is set up.

9 “(14) ‘Ensuing budget period’ means the budget period following the current budget period.

10 “(15) ‘Ensuing year’ means the fiscal year following the current year.

11 “(16) ‘Expenditure’ means, if the accounts are kept on the accrual basis or the modified accrual
12 basis, decreases in net financial resources and may include encumbrances. If the accounts are kept
13 on the cash basis, the term covers only actual disbursement, the drawing of the check or warrant
14 for these purposes and not encumbrances, except that deferred employee compensation shall be in-
15 cluded as a personnel service expenditure where an approved deferred employee compensation plan
16 is in effect for a municipal corporation.

17 “(17) ‘Fiscal year’ means for municipal corporations with the power to impose ad valorem
18 property taxes, the fiscal year commencing on July 1 and closing on June 30, and for all other mu-
19 nicipal corporations, an accounting period of 12 months ending on the last day of any month.

20 “(18) ‘Fund balance’ means the excess of the assets of a fund over its liabilities and reserves
21 except in the case of funds subject to budgetary accounting where, prior to the end of a fiscal pe-
22 riod, it represents the excess of the fund’s assets and estimated revenues for the period over its li-
23 abilities, reserves and appropriations for the period.

24 “(19) ‘General county resources’ means resources from property taxes, state and federal shared
25 revenue, beginning balances available for expenditure and interest not required to be allocated to
26 specific programs or activities.

27 “(20) ‘Governing body’ means the city council, board of commissioners, board of directors,
28 county court or other managing board of a municipal corporation including a board managing a
29 municipally owned public utility or a dock commission.

30 “(21) ‘Grant’ means a donation or contribution of cash to a governmental unit by a third party.

31 “(22) ‘Intergovernmental entity’ means an entity created under ORS 190.010 (5). The term in-
32 cludes any council of governments created prior to the enactment of ORS 190.010 (5).

33 “(23) ‘Internal service fund’ means a fund properly authorized to finance, on a cost reimburse-
34 ment basis, goods or services provided by one organizational unit of a municipal corporation to
35 other organizational units of the municipal corporation.

36 “(24) ‘Liabilities’ means probable future sacrifices of economic benefits, arising from present
37 obligations of a municipal corporation to transfer assets or provide services to other entities in the
38 future as a result of past transactions or events. The term does not include encumbrances.

39 “(25)(a) ‘Modified accrual basis’ means the accrual basis of accounting adapted to the govern-
40 mental fund-type measurement focus. Under this basis of accounting, revenues and other financial
41 resource increments, such as bond proceeds, are recognized when they become susceptible to ac-
42 crual, that is, when they become both measurable and available to finance expenditures in the cur-
43 rent period.

44 “(b) As used in this subsection, ‘available’ means collectible in the current period or soon
45 enough thereafter to be used to pay liabilities of the current period. Under this basis of accounting,

1 expenditures are recognized when the fund liability is incurred except for:

2 “(A) Inventories of material and supplies that may be considered expenditures either when pur-
3 chased or when used; and

4 “(B) Prepaid insurance and similar items that may be considered expenditures either when paid
5 for or when consumed.

6 “(26) ‘Municipal corporation’ means any county, city, port, school district, union high school
7 district, community college district and all other public or quasi-public corporations including a
8 municipal utility or dock commission operated by a separate board or commission. ‘Municipal cor-
9 poration’ includes an intergovernmental entity or council of governments that proposes to impose
10 or imposes ad valorem property taxes.

11 “(27) ‘Net working capital’ means the sum of the cash, cash equivalents, investments, accounts
12 receivable expected to be converted to cash during the ensuing year or ensuing budget period, in-
13 ventories, supplies and prepaid expenses less current liabilities and, if encumbrance accounting is
14 adopted, reserve for encumbrances. The term is not applicable to the cash basis of accounting.

15 “(28) ‘Object’ means, as used in expenditure classification, articles purchased including, but not
16 limited to, land, buildings, equipment and vehicles, or services obtained including, but not limited
17 to, administrative services, clerical services, professional services, property services and travel, as
18 distinguished from the results obtained from expenditures.

19 “(29) ‘Object classification’ means a grouping of expenditures on the basis of goods or services
20 purchased, including, but not limited to, personnel services, materials, supplies and equipment.

21 “(30) ‘Operating taxes’ has the meaning given that term in ORS 310.055.

22 “(31) ‘Organizational unit’ means any administrative subdivision of a municipal corporation, es-
23 pecially one charged with carrying on one or more functions or activities.

24 “(32) ‘Population’ means the number of inhabitants of a municipal corporation according to
25 certified estimates of population made by [*the State Board of Higher Education*] **Portland State**
26 **University**.

27 “(33) ‘Program’ means a group of related activities aimed at accomplishing a major service or
28 function for which the municipality is responsible.

29 “(34) ‘Public utility’ means those public utility operations authorized by ORS chapter 225.

30 “(35) ‘Publish’ or ‘publication’ means any one or more of the following methods of giving notice
31 or making information or documents available to members of the general public:

32 “(a) Publication in one or more newspapers of general circulation within the jurisdictional
33 boundaries of the municipal corporation.

34 “(b) Posting through the United States Postal Service by first class mail, postage prepaid, to
35 each street address within the jurisdictional boundaries of the municipal corporation and to each
36 post office box and rural route number belonging to a resident within the jurisdictional boundaries
37 of the municipal corporation.

38 “(c) Hand delivery to each street address within the jurisdictional boundaries of the municipal
39 corporation.

40 “(36) ‘Receipts’ means cash received unless otherwise qualified.

41 “(37) ‘Reserve for encumbrances’ means a reserve representing the segregation of a portion of
42 a fund balance to provide for unliquidated encumbrances.

43 “(38) ‘Revenue’ means the gross receipts and receivables of a governmental unit derived from
44 taxes, licenses, fees and from all other sources, but excluding appropriations, allotments and return
45 of principal from investment of surplus funds.

1 “(39) ‘Special revenue fund’ means a fund properly authorized and used to finance particular
2 activities from the receipts of specific taxes or other revenues.

3 “**SECTION 106i.** ORS 366.785 is amended to read:

4 “366.785. As used in ORS 366.785 to 366.820, unless the context requires otherwise:

5 “(1) ‘Year’ means a calendar year.

6 “(2) ‘City’ means only cities of this state which are regularly operating as such through elected
7 governmental officers.

8 “(3) ‘Population’ means population as given in the latest determination of [*the State Board of*
9 *Higher Education*] **Portland State University**, except that for a city of more than 100,000 popu-
10 lation according to the latest such determination, the term means 74 percent of the number of popu-
11 lation given for the city in the determination for computation of its share for 1964, 78 percent for
12 computation of its share for 1965, 82 percent for 1966, 86 percent for 1967, 90 percent for 1968, 94
13 percent for 1969, 98 percent for 1970; and for 1971 and subsequent years computation shall be made
14 on the basis of full number of population.

15 “**SECTION 106j.** ORS 471.810 is amended to read:

16 “471.810. (1) At the end of each month, the Oregon Liquor Control Commission shall certify the
17 amount of moneys available for distribution in the Oregon Liquor Control Commission Account and,
18 after withholding such moneys as it may deem necessary to pay its outstanding obligations, shall
19 within 35 days of the month for which a distribution is made direct the State Treasurer to pay the
20 amounts due, upon warrants drawn by the Oregon Department of Administrative Services, as fol-
21 lows:

22 “(a) Fifty-six percent, or the amount remaining after the distribution under subsection (4) of this
23 section, credited to the General Fund available for general governmental purposes wherein it shall
24 be considered as revenue during the quarter immediately preceding receipt;

25 “(b) Twenty percent to the cities of the state in such shares as the population of each city bears
26 to the population of the cities of the state, as determined by [*the State Board of Higher Education*]
27 **Portland State University** last preceding such apportionment, under ORS 190.510 to 190.610;

28 “(c) Ten percent to counties in such shares as their respective populations bear to the total
29 population of the state, as estimated from time to time by [*the State Board of Higher Education*]
30 **Portland State University**; and

31 “(d) Fourteen percent to the cities of the state to be distributed as provided in ORS 221.770 and
32 this section.

33 “(2) The commission shall direct the Oregon Department of Administrative Services to transfer
34 50 percent of the revenues from the taxes imposed by ORS 473.030 and 473.035 to the Mental Health
35 Alcoholism and Drug Services Account in the General Fund to be paid monthly as provided in ORS
36 430.380.

37 “(3) If the amount of revenues received from the taxes imposed by ORS 473.030 for the preceding
38 month was reduced as a result of credits claimed under ORS 473.047, the commission shall compute
39 the difference between the amounts paid or transferred as described in subsections (1)(b), (c) and (d)
40 and (2) of this section and the amounts that would have been paid or transferred under subsections
41 (1)(b), (c) and (d) and (2) of this section if no credits had been claimed. The commission shall direct
42 the Oregon Department of Administrative Services to pay or transfer amounts equal to the differ-
43 ences computed for subsections (1)(b), (c) and (d) and (2) of this section from the General Fund to
44 the recipients or accounts described in subsections (1)(b), (c) and (d) and (2) of this section.

45 “(4) Notwithstanding subsection (1) of this section, no city or county shall receive for any fiscal

1 year an amount less than the amount distributed to the city or county in accordance with ORS
2 471.350 (1965 Replacement Part), 471.810, 473.190 and 473.210 (1965 Replacement Part) during the
3 1966-1967 fiscal year unless the city or county had a decline in population as shown by its census.
4 If the population declined, the per capita distribution to the city or county shall be not less than
5 the total per capita distribution during the 1966-1967 fiscal year. Any additional funds required to
6 maintain the level of distribution under this subsection shall be paid from funds credited under
7 subsection (1)(a) of this section.”.

8 On page 77, delete line 9 and insert:

9 “**SECTION 119.** ORS 270.100 is amended to read:

10 “270.100. (1)(a) Before offering for sale any real property or equitable interest therein owned by
11 the state, the state agency acting for the state in such transaction shall report its intent of sale or
12 transfer to the Oregon Department of Administrative Services. The department, or the agency spe-
13 cifically designated by the department, shall notify other state agencies authorized to own real
14 property of the intended sale or transfer to determine whether acquisition of the real property or
15 interest therein would be advantageous to another state agency.

16 “(b) The department shall give political subdivisions, as defined in ORS 271.005, the first op-
17 portunity after other state agencies to acquire, purchase, exchange or lease real property to be sold
18 or disposed of by the State of Oregon. The state agency responsible for selling or transferring the
19 property may require at the time of the sale or transfer that any state real property sold or trans-
20 ferred to a political subdivision, as defined in ORS 271.005, shall be for use for a public purpose or
21 benefit, and not be for resale to a private purchaser.

22 “(c) If property is not disposed of under paragraph (a) or (b) of this subsection, in accordance
23 with rules adopted by the department, the state agency desiring to sell or transfer the property shall
24 cause it to be appraised by one or more competent and experienced appraisers. Except as provided
25 in ORS 273.825, if such property has an appraised value exceeding \$5,000 it shall not be sold to any
26 private person except after notice calling for such proposals as set forth in ORS 270.130.

27 “(d) The department shall adopt rules to carry out the provisions of this section.

28 “(2) Before acquisition of any real property or interest therein by any state agency, except for
29 highway right of way acquired by the Department of Transportation and park properties acquired
30 by the State Parks and Recreation Department and property within the approved projected campus
31 boundaries for public universities of the Oregon University System **or public universities with**
32 **governing boards listed in section 3 of this 2013 Act**, the state agency shall report its intent of
33 acquisition to the Oregon Department of Administrative Services. The department shall notify other
34 state agencies owning land of the intended acquisition to determine whether another state agency
35 desires to sell or transfer property which would meet the needs of the purchasing agency. In ac-
36 cordance with rules adopted by the Oregon Department of Administrative Services, if no other state
37 agency desires to sell or transfer property which would meet the needs of the agency, the agency
38 may acquire the real property or interest therein, consistent with applicable provisions of law.

39 “(3) Before any terminal disposition of real property or an interest in real property, the state
40 agency acting for the state in the transaction must secure approval of the transaction from the
41 Oregon Department of Administrative Services.

42 “(4) Subsection (3) of this section does not apply to terminal disposition of the following real
43 property:

44 “(a) Property controlled by the State Department of Fish and Wildlife;

45 “(b) State forestlands controlled by the State Forestry Department;

1 “(c) Property controlled by the Department of Transportation;

2 “(d) Property controlled by the Department of State Lands;

3 “(e) Property controlled by the Oregon University System **or controlled by public universities**

4 **with governing boards listed in section 3 of this 2013 Act**;

5 “(f) Property controlled by the legislative or judicial branches of state government; and

6 “(g) Property controlled by the State Parks and Recreation Department.

7 “(5) Notwithstanding the provisions of subsection (4) of this section, prior approval by the

8 Oregon Department of Administrative Services is required for the terminal disposition of public land

9 for less than the fair market value of that land.

10 “(6) The provisions of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190, 273.416, 273.426 to

11 273.436, 273.551 and 308A.709 (1) to (4) do not apply to a home or farm acquired, sold, or both, by

12 the Department of Veterans’ Affairs under ORS 88.720, 406.050, 407.135, 407.145, 407.375 and

13 407.377.”.

14 After line 44, insert:

15 “**SECTION 120a.** ORS 273.155 is amended to read:

16 “273.155. The Department of State Lands, in carrying out its duties, may call upon all related

17 state and county agencies, including the Oregon University System, **public universities with gov-**

18 **erning boards listed in section 3 of this 2013 Act** and any state or county officers or Oregon

19 University System **or public university** employees through whom necessary information and aid

20 may be received. Such agencies, officers and employees shall cooperate with the department without

21 additional compensation.”.

22 On page 80, after line 11, insert:

23 “**SECTION 123a.** ORS 282.076 is amended to read:

24 “282.076. (1) An athletic department of any university under the jurisdiction of the State Board

25 of Higher Education **or an athletic department of a public university with a governing board**

26 **listed in section 3 of this 2013 Act** [*shall not be*] **is not** required to use state printing services

27 controlled by the Director of the Oregon Department of Administrative Services or the designee of

28 the director as required by ORS 282.020 (1).

29 “(2) A state agency that gives to the director prior written notice of its intent to use other

30 printing services [*shall not be*] **is not** required to use state printing services controlled by the di-

31 rector or the director’s designee as required by ORS 282.020 (1), if the agency can demonstrate that

32 these other printing services provide better value in the form of lower prices or better responsive-

33 ness than those services already provided by the Oregon Department of Administrative Services.

34 “**SECTION 123b.** ORS 284.540 is amended to read:

35 “284.540. (1) There is established the Governor’s Council on Oregon’s Economy.

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

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

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

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

40 “(d) The [*president of the State Board of Higher Education*] **chairperson of the Higher Educa-**

41 **tion Coordinating Commission**; and

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

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

44 “(a) Discuss and coordinate the activities of each entity described in subsection (2) of this sec-

45 tion that relate to economic development and improving the economy in Oregon; and

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

3 “**SECTION 123c.** ORS 284.706, as amended by sections 21 and 31, chapter 90, Oregon Laws 2012,
4 is amended to read:

5 “284.706. (1) There is created the Oregon Innovation Council consisting of the following voting
6 members:

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

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

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

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

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

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

18 “(g) The [*Chancellor of the Oregon University System*] **executive director of the Higher Edu-
19 cation Coordinating Commission.**

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

21 “[*i*] (h) The State Treasurer.

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

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

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

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

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

31 “(b) The [*president of the State Board of Higher Education*] **chairperson of the Higher Educa-
32 tion Coordinating Commission.**

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

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

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

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

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

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

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

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

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

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

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

17 “(13) All agencies of state government, as defined in ORS 174.111, are directed to assist the
18 council in the performance of its duties and, to the extent permitted by laws relating to
19 confidentiality, to furnish such information and advice as the members of the council consider nec-
20 essary to perform their duties.

21 “**SECTION 123d.** ORS 286A.700 is amended to read:

22 “286A.700. (1) As used in this section:

23 “(a) ‘Oregon Baccalaureate Bonds’ means bonds of the State of Oregon issued by the State
24 Treasurer at the request of the Oregon University System that are designated as baccalaureate
25 bonds.

26 “(b) ‘Post-secondary education’ means training and instruction provided by fully accredited
27 public universities or private institutions of higher learning, community colleges and post-high-
28 school career schools.

29 “(2) The Legislative Assembly encourages citizens of the State of Oregon to avail themselves
30 of post-secondary education opportunities.

31 “(3) The Legislative Assembly finds:

32 “(a) For the benefit of its citizens, the state supports a system of common schools, public uni-
33 versities and community colleges.

34 “(b) A post-secondary education advances a citizen’s ability to pursue life, liberty and happiness
35 through a wide range of employment opportunities.

36 “(c) A well-educated citizenry contributes to the economic well-being of the state and nation.

37 “(d) A well-trained and skilled citizenry enhances economic development of the state.

38 “(e) While students have just begun their education upon completion of a formal education, a
39 lifetime pursuit of learning contributes to a well-informed citizenry and to Oregon’s cherished qual-
40 ity of life.

41 “(f) Citizens educated in Oregon are more likely to pursue careers in Oregon.

42 “(g) It is in the interest of this state to encourage its citizens to plan and save for a post-
43 secondary education.

44 “(h) An Oregon Baccalaureate Bond program that provides citizens an opportunity to save for
45 a post-secondary education for their children, themselves or any citizen is in the social and eco-

1 nomic interest of the State of Oregon.

2 “(i) A systematic way to save for post-secondary education can assist all of Oregon’s higher
3 education, community college and career schools to better project enrollments, thereby permitting
4 the prudent allocation of scarce resources.

5 “(4) At the request of the [*Oregon University System*] **Higher Education Coordinating Com-**
6 **mission**, the State Treasurer may:

7 “(a) Issue bonds as Oregon Baccalaureate Bonds, to encourage investors to save for post-
8 secondary education opportunities.

9 “(b) Investigate and implement the means and procedures to facilitate the participation by the
10 broadest practical range of investors in the Oregon Baccalaureate Bond program. The means and
11 procedures may include, but are not limited to, adjustments in the denominations in which the bonds
12 are issued and the frequency with which the bonds are issued.

13 “(5) The purchase of an Oregon Baccalaureate Bond does not guarantee the purchaser, owner
14 or beneficiary of the bond admittance to a public university or private post-secondary institution.

15 “**SECTION 123e.** ORS 291.375, as amended by section 10, chapter 107, Oregon Laws 2012, is
16 amended to read:

17 “291.375. (1) Prior to the submission of any application for financial assistance or grants from
18 the United States or any agency of the United States by or on behalf of any agency of this state,
19 the application must be submitted for legislative review in the following manner:

20 “(a) If the application is to be submitted to the federal government when the Legislative As-
21 sembly is in session, the application shall be submitted to the Joint Committee on Ways and Means
22 for review.

23 “(b) If the application is to be submitted to the federal government when the Legislative As-
24 sembly is not in session, the application shall be submitted to the Emergency Board or to the Joint
25 Interim Committee on Ways and Means for review.

26 “(2) If the legislative agency authorized under subsection (1) of this section to review applica-
27 tions described therein approves the application, it may be submitted to the appropriate federal
28 agency. If the legislative agency disapproves of the application, it may not be submitted to any
29 federal agency unless it is or can be modified to meet the objections of the legislative agency.

30 “(3) Notwithstanding subsection (1) of this section, the Joint Committee on Ways and Means, the
31 Emergency Board or the Joint Interim Committee on Ways and Means may exempt any state agency
32 from the requirements of this section. Project grants for departmental research, organized activities
33 related to instruction, sponsored research or other sponsored programs carried on within the Oregon
34 University System **or the public universities with governing boards listed in section 3 of this**
35 **2013 Act**, for which no biennial expenditure limitations have been established, are exempt from the
36 requirements of this section.

37 “(4) The review required by this section is in addition to and not in lieu of the requirements of
38 ORS 293.550.”.

39 On page 87, after line 13, insert:

40 “**SECTION 133a.** ORS 320.100 is amended to read:

41 “320.100. (1) All moneys received from the taxes imposed under ORS 320.011 and 320.012, in-
42 cluding penalties, shall be paid by the Department of Revenue in the following manner:

43 “(a) Seventy-five percent (75%) of the moneys shall be credited, appropriated or remitted as
44 follows:

45 “(A) Forty-three and two-tenths percent (43.2%) thereof shall be credited to the General Fund

1 to be available for payment of general governmental expenses.

2 “(B) Nine and seven-tenths percent (9.7%) is continuously appropriated to pay the expenses of
3 state and local programs of the Oregon Youth Conservation Corps established under ORS 418.650
4 to 418.663.

5 “(C) Forty-seven and one-tenth percent (47.1%) thereof shall be remitted to the county treasur-
6 ers of the several counties of the state. Each county shall receive such share of the moneys as its
7 population, determined by [*the State Board of Higher Education*] **Portland State University**, bears
8 to the total population of the counties of the state, as determined by the census last preceding such
9 apportionment.

10 “(b) Twenty-five percent (25%) of the moneys shall be continuously appropriated to pay the ex-
11 penses of the state and local programs of the Oregon Youth Conservation Corps established under
12 ORS 418.650 to 418.663.

13 “(2) All revenues received under this section by the treasurers of the several counties shall be
14 placed in the general fund of each county to be expended by the county courts or the board of
15 county commissioners of the several counties for general governmental expenses.

16 “**SECTION 133b.** ORS 329.810 is amended to read:

17 “329.810. (1) After consulting with representatives of teachers, administrators, school boards,
18 schools of education, the Oregon University System, **the public universities with governing**
19 **boards listed in section 3 of this 2013 Act** and such others as it considers appropriate, the De-
20 partment of Education shall approve training for mentors and beginning teachers and administrators
21 in programs qualifying for grants-in-aid under ORS 329.788 to 329.820.

22 “(2) The training curriculum for mentors shall be based on research and knowledge of the needs
23 of beginning teachers and administrators.

24 “(3) Mentors shall be trained to build relationships of trust and mutual collaboration with be-
25 ginning teachers and administrators.

26 “(4) Mentors shall receive professional development before the school year begins and through-
27 out the school year.

28 “**SECTION 133c.** ORS 337.521 is amended to read:

29 “337.521. (1) The [*State Board of Higher Education*] **Higher Education Coordinating Commis-**
30 **sion** may work with publishers, recognized national organizations of publishers, representatives of
31 post-secondary education institutions, the system described in ORS 192.517 and other interested
32 parties to:

33 “(a) Develop unified, statewide guidelines consistent with ORS 337.511 to 337.524;

34 “(b) Administer ORS 337.511 to 337.524; and

35 “(c) Review guidelines annually and revise the guidelines as necessary due to changes in tech-
36 nology or other changes.

37 “(2) The guidelines may address the following:

38 “(a) The procedures and standards relating to the distribution of files and materials pursuant
39 to ORS 337.511 to 337.524;

40 “(b) Available electronic formats;

41 “(c) Procedures for granting exceptions when it is determined that a publisher is not able to
42 comply with the requirements of ORS 337.511 to 337.524 due to technical, economic or other prac-
43 tical impediments; and

44 “(d) Other matters deemed necessary or appropriate to carry out the purposes of ORS 337.511
45 to 337.524.

1 “(3) The [*State Board of Higher Education*] **Higher Education Coordinating Commission** shall
2 review the recommendations, published on or after July 1, 2007, of the Association of American
3 Publishers’ Alternative Formats Solutions Initiative, and determine whether the recommendations
4 should be incorporated into ORS 337.511 to 337.524.”.

5 On page 88, after line 5, insert:

6 “**SECTION 135a.** ORS 342.443 is amended to read:

7 “342.443. (1) The Education and Workforce Policy Advisor shall report biennially to the Legis-
8 lative Assembly longitudinal data on the number and percentage of:

9 “(a) Minority students enrolled in community colleges;

10 “(b) Minority students applying for admission to public universities listed in ORS 352.002;

11 “(c) Minority students accepted in public universities;

12 “(d) Minority students graduated from public universities;

13 “(e) Minority candidates seeking to enter public teacher education programs in this state;

14 “(f) Minority candidates admitted to public teacher education programs;

15 “(g) Minority candidates who have completed approved public teacher education programs;

16 “(h) Minority candidates receiving Oregon teaching licenses based on preparation in this state
17 and preparation in other states;

18 “(i) Minority teachers who are newly employed in the public schools in this state; and

19 “(j) Minority teachers already employed in the public schools.

20 “(2) The advisor also shall report comparisons of minorities’ and nonminorities’ scores on basic
21 skills, pedagogy and subject matter tests.

22 “(3) The Oregon University System, **the public universities with governing boards listed in**
23 **section 3 of this 2013 Act**, the Department of Education, the Teacher Standards and Practices
24 Commission, community colleges and school districts shall cooperate with the advisor in collecting
25 data and preparing the report.

26 “**SECTION 135b.** ORS 343.465 is amended to read:

27 “343.465. (1) It is the policy of this state to respect the unique nature of each child, family and
28 community with particular attention to cultural and linguistic diversity, and to support a system of
29 services for preschool children with disabilities and their families that:

30 “(a) Recognizes the importance of the child’s family, supports and builds on each family’s
31 strengths and respects family decision-making and input regarding service options and public policy.

32 “(b) Identifies, evaluates and refers services for preschool children with disabilities at the ear-
33 liest possible time.

34 “(c) Uses specialized services and all other community services and programs for children, in-
35 cluding community preschools, Head Start programs, community health clinics, family support pro-
36 grams and other child-oriented agencies.

37 “(d) Uses a variety of funding sources for preschool children with disabilities and their families,
38 including public and private funding, insurance and family resources.

39 “(e) Assists families in utilizing necessary services in the most cost-effective and efficient man-
40 ner possible by using a coordinated planning and implementation process.

41 “(f) Insures that all children and their families, regardless of disability, risk factors or cultural
42 or linguistic differences, are able to utilize services for which they would otherwise be qualified.

43 “(g) Encourages services and supports for preschool children with disabilities and their families
44 in their home communities and in settings with children without disabilities.

45 “(h) Recognizes the importance of developing and supporting well-trained and competent per-

1 sonnel to provide services to preschool children with disabilities, and their families.

2 “(i) Evaluates the system’s impact on the child and family, including child progress, service
3 quality, family satisfaction, transition into public schooling, longitudinal and cumulative reporting
4 over several biennia and interagency coordination at both the state and local level.

5 “(j) Reports information described in paragraph (i) of this subsection to the State Interagency
6 Coordinating Council, the Governor, the State Board of Education, **the public universities with
7 governing boards listed in section 3 of this 2013 Act** and the Legislative Assembly each biennium.

8 “(2) In carrying out the provisions of subsection (1) of this section, the Department of Education,
9 the Department of Human Services, **the public universities with governing boards listed in sec-
10 tion 3 of this 2013 Act** and the Oregon University System shall coordinate services to preschool
11 children with disabilities, or who are at risk of developing disabling conditions, and their families.
12 All program planning, standards for service, policies regarding services delivery and budget devel-
13 opment for services for preschool children with disabilities, and their families shall reflect the policy
14 outlined in subsection (1) of this section and elaborated through rules and agreements.”.

15 On page 90, after line 25, insert:

16 “**SECTION 138a.** ORS 351.049 is amended to read:

17 “351.049. The State Board of Higher Education shall forward all mission statements of the public
18 universities listed in ORS [352.002] **351.011** to the Higher Education Coordinating Commission for
19 approval.

20 “**SECTION 138b.** ORS 351.203 is amended to read:

21 “351.203. (1) The State Board of Higher Education **and the public universities with governing
22 boards listed in section 3 of this 2013 Act** shall cooperate with the [*Education and Workforce
23 Policy Advisor*] **Chief Education Officer of the Oregon Education Investment Board** in the de-
24 velopment of a state comprehensive education plan including post-secondary education and in review
25 of the board’s programs and budget. The board **and the public universities with governing boards
26 listed in section 3 of this 2013 Act** shall submit in timely fashion to the [*advisor such*] **Chief Ed-
27 ucation Officer** the data as is appropriate in a form prescribed by the [*advisor*] **officer**.

28 “(2) The board **and the public universities with governing boards listed in section 3 of this
29 2013 Act** shall cooperate with the mediation process administered by the Higher Education Coordi-
30 nating Commission pursuant to ORS 348.603 and, if a negotiated resolution cannot be reached by
31 mediation, comply with the decisions of the commission regarding proposed new post-secondary
32 programs and proposed new post-secondary locations, including those proposed by Oregon Health
33 and Science University in cooperation with the State Board of Higher Education under ORS
34 353.440.”.

35 On page 91, after line 23, insert:

36 “**SECTION 140a.** ORS 358.575 is amended to read:

37 “358.575. (1) The voting members of the Oregon Heritage Commission shall be representatives
38 of:

39 “(a) Heritage interests, including Indian tribes with federal recognition, that reflect the cultural
40 and geographic diversity of this state; and

41 “(b) Heritage interests reflected in community institutions, libraries, museums, architecture, ar-
42 chaeology and historic preservation.

43 “(2) The advisory members of the commission shall be:

44 “(a) One member designated by the Director of the Department of Land Conservation and De-
45 velopment;

1 “(b) One member designated by the Trustees of the State Library;

2 “(c) One member designated by the [*State Board of Higher Education*] **Higher Education Co-**

3 **ordinating Commission**;

4 “(d) One member designated by the Oregon Tourism Commission;

5 “(e) One member designated by the Superintendent of Public Instruction;

6 “(f) The Executive Director of the Oregon Historical Society or a designee of the executive di-

7 rector;

8 “(g) The State Archivist or a designee of the archivist;

9 “(h) The Coordinator of the State Historical Records Advisory Board or a designee of the co-

10 ordinator; and

11 “(i) The State Historic Preservation Officer or a designee of the officer.

12 “**SECTION 140b.** ORS 401.922 is amended to read:

13 “401.922. The Office of Emergency Management shall provide technical, clerical and other nec-

14 essary support services to the Seismic Safety Policy Advisory Commission. The Department of Con-

15 sumer and Business Services, the State Department of Geology and Mineral Industries, the

16 Department of Land Conservation and Development, the Department of Transportation, the Oregon

17 Health Authority, the Water Resources Department, **the public universities with governing**

18 **boards listed in section 3 of this 2013 Act** and the Oregon University System shall provide as-

19 sistance, as required, to the commission to enable it to meet its objectives.”.

20 On page 92, after line 8, insert:

21 “**SECTION 143a.** ORS 442.830 is amended to read:

22 “442.830. (1) There is established the Oregon Patient Safety Commission Board of Directors

23 consisting of 17 members, including the Public Health Officer and 16 directors who shall be ap-

24 pointed by the Governor and who shall be confirmed by the Senate in the manner prescribed in ORS

25 171.562 and 171.565.

26 “(2) Membership on the board shall reflect the diversity of facilities, providers, insurers, pur-

27 chasers and consumers that are involved in patient safety. Directors shall demonstrate interest,

28 knowledge or experience in the area of patient safety.

29 “(3) The membership of the board shall be as follows:

30 “(a) The Public Health Officer or the officer’s designee;

31 “(b) One faculty member, who is not involved in the direct delivery of health care, of the Oregon

32 University System, **a public university with a governing board listed in section 3 of this 2013**

33 **Act** or a private Oregon university;

34 “(c) Two representatives of group purchasers of health care, one of whom shall be employed by

35 a state or other governmental entity and neither of whom may provide direct health care services

36 or have an immediate family member who is involved in the delivery of health care;

37 “(d) Two representatives of health care consumers, neither of whom may provide direct health

38 care services or have an immediate family member who is involved in the delivery of health care;

39 “(e) Two representatives of health insurers, including a representative of a domestic not-for-

40 profit health care service contractor, a representative of a domestic insurance company licensed to

41 transact health insurance or a representative of a health maintenance organization;

42 “(f) One representative of a statewide or national labor organization;

43 “(g) Two physicians licensed under ORS chapter 677 who are in active practice;

44 “(h) Two hospital administrators or their designees;

45 “(i) One pharmacist licensed under ORS chapter 689;

1 “(j) One representative of an ambulatory surgical center or an outpatient renal dialysis facility;
2 “(k) One nurse licensed under ORS chapter 678 who is in active clinical practice; and
3 “(L) One nursing home administrator licensed under ORS chapter 678 or one nursing home di-
4 rector of nursing services.

5 “(4) The term of office of each director appointed by the Governor is four years. Before the ex-
6 piration of the term of a director, the Governor shall appoint a successor whose term begins on July
7 2 next following. A director is eligible for reappointment for an additional term. If there is a vacancy
8 for any cause, the Governor shall make an appointment to become effective immediately for the
9 unexpired term. The board shall nominate a slate of candidates whenever a vacancy occurs or is
10 announced and shall forward the recommended candidates to the Governor for consideration.

11 “(5) The board shall select one of its members as chairperson and another as vice chairperson
12 for the terms and with the duties and powers as the board considers necessary for performance of
13 the functions of those offices. The board shall adopt bylaws as necessary for the efficient and ef-
14 fective operation of the commission.

15 “(6) The Governor may remove any member of the board at any time at the pleasure of the
16 Governor, but not more than eight directors shall be removed within a period of four years, unless
17 it is for corrupt conduct in office. The board may remove a director as specified in the commission
18 bylaws.

19 “(7) The board may appoint subcommittees and advisory groups as needed to assist the board,
20 including but not limited to one or more consumer advisory groups and technical advisory groups.
21 The technical advisory groups shall include physicians, nurses and other licensed or certified pro-
22 fessionals with specialty knowledge and experience as necessary to assist the board.

23 “(8) No voting member of the board may be an employee of the commission.

24 “**SECTION 143b.** ORS 461.543 is amended to read:

25 “461.543. (1) Except as otherwise specified in subsection (5) of this section, the Sports Lottery
26 Account is continuously appropriated to and shall be used by the [*State Board of Higher*
27 *Education*] **Higher Education Coordinating Commission** to fund sports programs at public uni-
28 versities listed in ORS 352.002. Seventy percent of the revenues in the fund shall be used to fund
29 nonrevenue producing sports and 30 percent shall be used for revenue producing sports. Of the total
30 amount available in the fund, at least 50 percent shall be made available for women’s athletics.

31 “(2) The board shall allocate moneys in the Sports Lottery Account among the public universi-
32 ties, giving due consideration to:

33 “(a) The athletic conference to which the public university belongs and the relative costs of
34 competing in that conference.

35 “(b) The level of effort being made by the public university to generate funds and support from
36 private sources.

37 “(3) As used in subsections (1) to (3) of this section, ‘revenue producing sport’ is a sport that
38 produces net revenue over expenditures during a calendar year or if its season extends into two
39 calendar years, produces net revenue over expenditures during the season.

40 “(4) An amount equal to one percent of the moneys transferred to the Administrative Services
41 Economic Development Fund from the State Lottery Fund shall be allocated from the Administrative
42 Services Economic Development Fund to the Sports Lottery Account.

43 “(5) The amounts received by the Sports Lottery Account shall be allocated as follows:

44 “(a) Eighty-eight percent for the purposes specified in subsections (1) to (3) of this section, but
45 not to exceed \$8 million annually, adjusted annually pursuant to the Consumer Price Index, as de-

1 fined in ORS 327.006.

2 “(b) Twelve percent for the purpose of scholarships, to be distributed equally between scholar-
3 ships based on academic merit and scholarships based on need, as determined by rule of the board,
4 but not to exceed \$1,090,909 annually.

5 “(c) All additional money to the Oregon Student Access Commission for the Oregon Opportunity
6 Grant program under ORS 348.260.

7 “**SECTION 143c.** ORS 468A.245 is amended to read:

8 “468A.245. The Oregon Global Warming Commission shall develop an outreach strategy to edu-
9 cate Oregonians about the scientific aspects and economic impacts of global warming and to inform
10 Oregonians of ways to reduce greenhouse gas emissions and ways to prepare for the effects of global
11 warming. The commission, at a minimum, shall work with state and local governments, the State
12 Department of Energy, the Department of Education, the [*State Board of Higher Education*] **Higher**
13 **Education Coordinating Commission** and businesses to implement the outreach strategy.”.

14 On page 95, after line 19, insert:

15 “**SECTION 145a.** ORS 526.215 is amended to read:

16 “526.215. To aid in the economic development of the State of Oregon, the State Board of Higher
17 Education, **or if Oregon State University establishes a governing board, Oregon State Uni-**
18 **versity**, shall institute and carry on research and experimentation to develop the maximum yield
19 from the forestlands of Oregon, to obtain the fullest utilization of the forest resource, and to study
20 air and water pollution as it relates to the forest products industries.

21 “**SECTION 145b.** ORS 576.768 is amended to read:

22 “576.768. (1) The report submitted by the Oregon Wine Board under ORS 182.472 must include
23 a description of the long term strategic plan created by the board and a description of the progress
24 made in implementing the statewide strategic objectives of the board during the most recent
25 biennium.

26 “(2) Notwithstanding ORS 182.462:

27 “(a) The board shall prepare and submit annual plans and a budget recommended by the board
28 for promotion and for research during the next fiscal year.

29 “(b) The board shall adopt rules specifying the procedures, criteria and timelines for the prepa-
30 ration and approval of the annual plans and budget for promotion and for research.

31 “(c) The Director of the Oregon Business Development Department shall review the budget and
32 plans submitted under this section. In reviewing the annual plans and budget, the director shall
33 consider whether the information supplied by the board is factual and consistent with ORS 576.750
34 to 576.775 and the positive development of the Oregon wine grape growing and wine making indus-
35 tries. The director shall either approve the budget and plans prior to the commencement of the next
36 fiscal year or disapprove and return the budget and plans to the board with conditions necessary
37 for approval prior to the commencement of the next fiscal year. In reviewing the budget and plans,
38 the director may consult with and receive coordinated support from:

39 “(A) The State Department of Agriculture;

40 “(B) The Oregon Tourism Commission;

41 “(C) The Oregon University System, **or if Oregon State University establishes a governing**
42 **board, Oregon State University**;

43 “(D) The Department of Community Colleges and Workforce Development; and

44 “(E) The Oregon Liquor Control Commission.”.

45 On page 96, after line 33, insert:

1 “**SECTION 148a.** ORS 660.312 is amended to read:

2 “660.312. (1) The Governor shall be responsible for a coordinated and comprehensive response
3 to education and workforce issues. The Governor shall appoint an Education and Workforce Policy
4 Advisor, who serves at the pleasure of the Governor. The advisor shall, with the advice of such
5 advisory committees as may be appointed or assigned, advise the Governor on policy, planning and
6 coordination for education and workforce development in Oregon.

7 “(2) The duties of the advisor shall include:

8 “(a) Guiding the development of state-level policy related to education and workforce issues;

9 “(b) Providing general direction and serving as a liaison between state and local efforts in edu-
10 cation, training and workforce development;

11 “(c) Ensuring, through collaboration with the leadership of local workforce investment boards
12 and regional workforce committees, the alignment of statewide, local and regional strategic plans,
13 and the periodic reporting of performance in the implementation of such plans; and

14 “(d) Consulting with local workforce investment boards and regional workforce committees on
15 the development and implementation of a workforce performance measurement system.

16 “(3) In the performance of duties, the advisor shall collectively involve state agencies, including
17 but not limited to:

18 “(a) The Department of Education;

19 “(b) The Oregon University System;

20 “(c) The Oregon Business Development Department;

21 “(d) The Department of Community Colleges and Workforce Development;

22 “(e) The Employment Department;

23 “(f) The Department of Human Services;

24 “(g) The Bureau of Labor and Industries;

25 “(h) The Department of Corrections;

26 “(i) The Oregon Student Access Commission; [and]

27 “(j) The Teacher Standards and Practices Commission[.]; **and**

28 “**(k) The public universities with governing boards listed in section 3 of this 2013 Act.**

29 “(4) The advisor shall seek input from key interested parties to help guide policy development,
30 including but not limited to representatives of:

31 “(a) Businesses and industry organizations;

32 “(b) Labor and labor organizations;

33 “(c) Local education providers;

34 “(d) Local government;

35 “(e) Student, teacher, parent and faculty organizations;

36 “(f) Community-based organizations;

37 “(g) Public-private partnership organizations;

38 “(h) Independent nonprofit and proprietary post-secondary colleges and schools; and

39 “(i) Regional workforce committees, local workforce investment boards and regional investment
40 boards.

41 “(5) The advisor shall meet, on a regularly scheduled basis, with the local workforce investment
42 boards, regional workforce committees and such others as necessary to ensure that local interests
43 are represented. The advisor shall seek input, advice and feedback on policy issues affecting state,
44 regional and local education and workforce development from interested parties and other commit-
45 tees formed under ORS 660.306, 660.312 and 660.315.

1 “(6) Pursuant to ORS chapter 183, the advisor may adopt rules necessary to carry out the duties
2 of the advisor.”.

3 On page 100, after line 11, insert:

4 “**SECTION 154c.** Section 5, chapter 904, Oregon Laws 2009, is amended to read:

5 “**Sec. 5.** The [*State Board of Higher Education*] **Higher Education Coordinating Commission**
6 shall determine **by rule how** [*the capital renewal, code compliance and safety projects to be under-*
7 *taken with*] moneys made available under section 6 (1)(a), **chapter 904, Oregon Laws 2009, shall**
8 **be allocated to universities listed in ORS 352.002** [*of this 2009 Act on the basis of the board’s de-*
9 *termination of the most critical capital renewal, code compliance and safety needs. In determining the*
10 *capital renewal, code compliance and safety needs, the board shall give priority to projects that protect*
11 *the health and safety of occupants and maintain the structural integrity of facilities*].

12 “**SECTION 154d.** Section 9, chapter 904, Oregon Laws 2009, as amended by section 6, chapter
13 99, Oregon Laws 2010, and section 2, chapter 15, Oregon Laws 2011, is amended to read:

14 “**Sec. 9.** (1) Except as provided in subsection (3) of this section, the project approvals and ex-
15 penditure limitations in chapter 904, Oregon Laws 2009, and the expenditure limitations established
16 by the Emergency Board during the biennium beginning July 1, 2009, for capital construction or
17 acquisition projects of the Oregon University System, **of the public universities with governing**
18 **boards listed in section 3 of this 2013 Act** and of the Department of Community Colleges and
19 Workforce Development for community colleges, expire on June 30, 2015, unless otherwise noted or
20 unless changed by the Legislative Assembly.

21 “(2) The project approvals and expenditure limitations established by section 2 (5)(b), (e) and (i),
22 chapter 725, Oregon Laws 2003, and section 2 (3)(h), chapter 845, Oregon Laws 2001, for capital
23 construction or acquisition projects of the Oregon University System expire on June 30, 2011, unless
24 otherwise changed by the Legislative Assembly.

25 “(3) The project approvals and expenditure limitations in section 6 (4)(c), (k) and (L), (5)(c) and
26 (e) and (7)(k), chapter 904, Oregon Laws 2009, and the expenditure limitations established by the
27 Emergency Board during the biennium beginning July 1, 2009, for capital construction or acquisition
28 projects of the Oregon University System described in section 6 (4)(c), (k) and (L), (5)(c) and (e) and
29 (7)(k), chapter 904, Oregon Laws 2009, expire on June 30, 2015, unless otherwise noted or unless
30 changed by the Legislative Assembly.

31 “(4) The project approvals and expenditure limitations in section 6 (1)(a), (2)(b), (4)(b), (6)(a) and
32 (7)(b) and (c), chapter 904, Oregon Laws 2009, expire on June 30, 2015, unless provided otherwise.

33 “**SECTION 154e.** Section 8, chapter 615, Oregon Laws 2011, is amended to read:

34 “**Sec. 8.** The [*State Board of Higher Education*] **Higher Education Coordinating Commission**
35 shall determine **by rule how** [*the capital renewal, code compliance and safety projects to be under-*
36 *taken with*] moneys made available under section 9 (1)(a), **chapter 615, Oregon Laws 2011, shall**
37 **be allocated to universities listed in ORS 352.002** [*of this 2011 Act on the basis of the board’s de-*
38 *termination of the most critical capital renewal, code compliance and safety needs. In determining the*
39 *capital renewal, code compliance and safety needs, the board shall give priority to projects that protect*
40 *the health and safety of occupants and maintain the structural integrity of facilities. Capital renewal,*
41 *code compliance and safety projects do not include acquisition of buildings, structures or land*].

42 “**SECTION 154f.** Section 11, chapter 615, Oregon Laws 2011, is amended to read:

43 “**Sec. 11.** (1) The project approvals and expenditure limitations established in section 9 [*of this*
44 *2011 Act*], **chapter 615, Oregon Laws 2011**, and the expenditure limitations established by the
45 Emergency Board during the biennium beginning July 1, 2011, for capital construction or acquisition

1 projects of the Oregon University System **and public universities with governing boards listed**
2 **in section 3 of this 2013 Act** expire on June 30, 2017, unless otherwise noted or unless changed
3 by the Legislative Assembly.

4 “(2) The project approvals and expenditure limitations established by section 2 (6)(h), chapter
5 787, Oregon Laws 2005, and increased by the Emergency Board at its April 2006 meeting, for capital
6 construction or acquisition projects of the Oregon University System expire on June 30, 2013, unless
7 otherwise changed by the Legislative Assembly.

8 “(3) The project approvals and expenditure limitations established by section 2 (4)(g), (5)(g), 5(j),
9 (6)(k) and (6)(p), chapter 787, Oregon Laws 2005, for capital construction or acquisition projects of
10 the Oregon University System expire on June 30, 2013, unless otherwise changed by the Legislative
11 Assembly.

12 “(4) The project approvals and expenditure limitations established by section 2 (6)(e), chapter
13 761, Oregon Laws 2007, and increased by the Emergency Board at its September 2010 meeting, for
14 capital construction or acquisition projects of the Oregon University System expire on June 30,
15 2013, unless otherwise changed by the Legislative Assembly.

16 “(5) The project approvals and expenditure limitations established by the Emergency Board at
17 its September 2010 meeting for construction of student family housing at Western Oregon University
18 expire on June 30, 2017, unless otherwise changed by the Legislative Assembly.

19 “(6) The project approvals and expenditure limitations established by section 3 (1), (6) and (7),
20 chapter 787, Oregon Laws 2005, for capital construction or acquisition projects at Columbia Gorge
21 Community College, Klamath Community College and Southwestern Oregon Community College ex-
22 pire on June 30, 2012, unless otherwise changed by the Legislative Assembly.

23 “(7) The project approval and expenditure limitation established by section 16 [*of this 2011*
24 *Act*], **chapter 615, Oregon Laws 2011**, for Strand Agriculture Hall deferred maintenance at Oregon
25 State University expires on June 30, 2015, unless otherwise changed by the Legislative Assembly.”.

26 On page 104, after line 15, insert:

27 “**SECTION 162a.** ORS 354.090 is amended to read:

28 “354.090. The [*State Board of Higher Education*] **Oregon Institute of Technology** is declared
29 the managing agency of the FM radio station KTEC, licensed to the Oregon Institute of Technology,
30 and as such shall prescribe rules and regulations in conformity with the regulations and laws of the
31 United States Government relating to educational FM radio stations. By such rules and regulations
32 the [*State Board of Higher Education*] **Oregon Institute of Technology** shall make the facilities of
33 the radio station available in the training programs of the [*Oregon Institute of Technology*] **univer-**
34 **sity.**

35 “**SECTION 162b.** (1) **The amendments to ORS 354.090 by section 162a of this 2013 Act be-**
36 **come operative only if the Oregon Institute of Technology becomes a university with a gov-**
37 **erning board in the manner set forth in section 168a of this 2013 Act.**

38 “(2) **If the condition specified in subsection (1) of this section is met, the amendments**
39 **to ORS 354.090 by section 162a of this 2013 Act become operative on the date the Governor**
40 **appoints the members of the governing board under section 168a of this 2013 Act.**

41 “**SECTION 162c.** ORS 351.516 is amended to read:

42 “351.516. (1) There is established in the General Fund an account to be known as the Eastern
43 Oregon University Regional Agricultural, Health and Life Sciences Building Account. Funds in the
44 account shall be used to acquire or construct a new building for agriculture, health and life sciences
45 studies at Eastern Oregon University.

1 “(2) The account shall consist of proceeds from lottery bonds and federal and local government
2 funds made available to and funds donated to [*the Oregon University System*] **Eastern Oregon**
3 **University** for the purpose of the Eastern Oregon University Regional Agricultural, Health and Life
4 Sciences Building project described in subsection (1) of this section. Interest earned on moneys in
5 the account shall be credited to the account.

6 “(3) Moneys in the account are continuously appropriated to [*the Oregon University System*]
7 **Eastern Oregon University** for the purposes described in subsection (1) of this section. The ac-
8 count may not be credited with more than \$14,470,500 in interest, proceeds from lottery bonds, do-
9 nations and federal and local government funds for purposes of this subsection.

10 “**SECTION 162d.** (1) **The amendments to ORS 351.516 by section 162c of this 2013 Act be-**
11 **come operative only if Eastern Oregon University becomes a university with a governing**
12 **board in the manner set forth in section 168a of this 2013 Act.**

13 “(2) **If the condition specified in subsection (1) of this section is met, the amendments**
14 **to ORS 351.516 by section 162c of this 2013 Act become operative on the date the Governor**
15 **appoints the members of the governing board under section 168a of this 2013 Act.”.**

16 In line 17, after “62.720,” insert “321.185.”.

17 In line 21, delete “168b” and insert “168a”.

18 In line 28, delete “168b” and insert “168a”.

19 After line 29, insert:

20 “**SECTION 165a.** **Notwithstanding ORS 352.221 and 352.223 and section 16, chapter 761,**
21 **Oregon Laws 2007, section 7, chapter 2, Oregon Laws 2009, and section 18, chapter 904,**
22 **Oregon Laws 2009, if the Oregon Institute of Technology becomes a university with a gov-**
23 **erning board in the manner set forth in section 168a of this 2013 Act, any moneys provided**
24 **or transferred by law to the Oregon University System or State Board of Higher Education**
25 **for the benefit of or use by the Oregon Institute of Technology shall be provided directly to**
26 **the Oregon Institute of Technology.”.**

27 Delete lines 34 through 45 and delete pages 105 and 106.

28 On page 107, delete lines 1 through 15 and insert:

29 “**SECTION 166.** (1) **The Special Committee on University Governance and Operations is**
30 **established, consisting of 10 members appointed as follows:**

31 “(a) **The President of the Senate shall appoint four members from among members of the**
32 **Senate.**

33 “(b) **The Speaker of the House of Representatives shall appoint four members from**
34 **among members of the House of Representatives.**

35 “(c) **The Governor shall appoint two members who are members of the Oregon Education**
36 **Investment Board.**

37 “(2) **The special committee shall review, discuss and analyze:**

38 “(a) **Issues of administration within the state post-secondary education system with an**
39 **emphasis on four-year public universities; and**

40 “(b) **Coordination of operations, academic programs, shared services and other elements**
41 **of that system, after considering the recommendations of the Work Group on University**
42 **Shared Services established under section 166a of this 2013 Act.**

43 “(3) **The special committee may recommend legislation on the future relationship be-**
44 **tween Oregon’s institutions of post-secondary education.**

45 “(4) **The special committee shall evaluate options related to institutional governance as**

1 Oregon's public universities transition to new governing boards, with a focus on how best to
2 coordinate academic services among the universities in order to increase student access,
3 affordability and success in pursuit of the mission described in ORS 351.009. Options may
4 include the role of a chancellor or an academic leader, the composition of the interim State
5 Board of Higher Education between July 1, 2014, and June 30, 2015, or the composition and
6 authorities of a consortium board for universities that do not request institutional governing
7 boards.

8 “(5) With respect to university governance, any legislation recommended by the special
9 committee shall:

10 “(a) Take into consideration the unique mission associated with each of Oregon's seven
11 public universities and identify how these missions can best be accomplished and sustained
12 over the next 10 years; and

13 “(b) Ensure that the public missions of Oregon's public universities, including access and
14 affordability for residents of this state, are maintained and enhanced.

15 “(6) With respect to university operations, any legislation recommended by the special
16 committee shall define the operating arrangements between the institutions in order to en-
17 sure:

18 “(a) That all post-secondary institutions, including public universities listed in ORS
19 352.002 and Oregon's 17 community colleges, are able to achieve the goals and mission de-
20 scribed in ORS 351.006 and 351.009; and

21 “(b) The achievement of cost efficiencies, economies of scale, cost effectiveness, ac-
22 countability, administrative streamlining and the ability to provide the best quality education
23 possible for the amount of state moneys spent.

24 “(7)(a) Any shared services legislation recommended by the special committee must fur-
25 ther consider the recommended shared services model provided by the Work Group on Uni-
26 versity Shared Services under section 166a (11) of this 2013 Act.

27 “(b) The shared services subject to review by the special committee shall include, but are
28 not limited to, risk management, cash management, asset management, treasury services,
29 payroll, employee benefits, accounting, auditing, purchasing and contracting, information
30 technology and any other administrative function that might benefit from the sharing or
31 pooling of public university resources.

32 “(8) A majority of the members of the special committee constitutes a quorum for the
33 transaction of business.

34 “(9) Official action by the special committee requires the approval of a majority of the
35 members of the committee.

36 “(10) The special committee shall elect two of its members to serve as cochairpersons,
37 one of whom is from the Senate and one of whom is from the House of Representatives.

38 “(11) If there is a vacancy for any cause, the appointing authority shall make an ap-
39 pointment to become immediately effective.

40 “(12) The special committee shall meet at times and places specified by the call of the
41 cochairpersons or of a majority of the members of the committee.

42 “(13) The special committee may adopt rules necessary for the operation of the commit-
43 tee.

44 “(14)(a) The special committee shall convene and begin work no later than September 15,
45 2013.

1 “(b) The special committee shall submit interim recommendations to the Governor and
2 Legislative Assembly no later than January 15, 2014, for consideration during the 2014 regu-
3 lar legislative session.

4 “(c) The special committee shall continue to meet and submit final recommendations to
5 the Governor and Legislative Assembly, if necessary, no later than November 15, 2014, for
6 consideration during the 2015 regular legislative session.

7 “(15) The Legislative Administration Committee shall provide staff support to the special
8 committee.

9 “(16) Members of the special committee who are not members of the Legislative Assem-
10 bly are not entitled to compensation.

11 “(17) All agencies of state government, as defined in ORS 174.111, and public universities
12 listed in ORS 352.002 are directed to assist the special committee in the performance of its
13 duties and, to the extent permitted by laws relating to confidentiality, to furnish such in-
14 formation and advice as the members of the committee consider necessary to perform their
15 duties.

16 “(18) The special committee may accept contributions of funds and assistance from any
17 source, public or private, for the purposes of the consultation with national experts required
18 for the activities described in subsections (2) to (7) of this section.

19 “SECTION 166a. (1) The Work Group on University Shared Services is established, con-
20 sisting of the presidents of the seven public universities listed in ORS 352.002 or the
21 presidents’ designees.

22 “(2) The work group shall develop a shared services model that delivers efficient and ef-
23 fective administrative operations to participating post-secondary institutions in a manner
24 that focuses on quality, responsiveness and customer service and that seeks to achieve cost
25 savings, economies of scale, accountability, transparency and streamlining.

26 “(3) In developing a shared services model under subsection (2) of this section, the ser-
27 vices that the work group must consider include, but are not limited to, risk management,
28 cash management, asset management, treasury services, payroll, employee benefits, ac-
29 counting, auditing, purchasing and contracting, information technology and any other ad-
30 ministrative function that might benefit from the sharing or pooling of public university
31 resources.

32 “(4) In recommending how to achieve a shared services enterprise for the public univer-
33 sities listed in ORS 352.002, the work group shall:

34 “(a) Recommend an appropriate entity to facilitate the sharing of services among the
35 public universities listed in ORS 352.002 after universities with governing boards are estab-
36 lished;

37 “(b) Recommend how the shared services coordinating entity described in paragraph (a)
38 of this subsection will be managed;

39 “(c) Determine the financial impact that will be caused, both cumulatively and individ-
40 ually, for each university that establishes a governing board and leaves the Oregon Univer-
41 sity System;

42 “(d) Recommend a mechanism to mitigate or eliminate the negative financial impact
43 caused by universities establishing governing boards and leaving the Oregon University Sys-
44 tem, or require universities establishing governing boards and leaving the Oregon University
45 System to remain in each shared service. In determining this mechanism, the work group

1 must consider the appropriateness of assessments or reductions of appropriations; and

2 “(e) Identify services that should remain shared among public universities listed in ORS
3 352.002 after the establishment of universities with governing boards. In determining whether
4 a service should remain shared, the work group must consider the economies of scale
5 achieved by sharing the service, the benefit to the public in sharing the service and the
6 positive and negative financial impact on each public university if one or more universities
7 with governing boards either stops or continues to participate in the service.

8 “(5) The State Board of Higher Education and the office of the Chancellor of the Oregon
9 University System shall assist the work group in developing the work group’s recommen-
10 dations. The work group may seek and accept consulting or other technical assistance from
11 any source in preparing its recommendations.

12 “(6) A majority of the members of the work group constitutes a quorum for the trans-
13 action of business.

14 “(7) Official action by the work group requires the approval of a majority of the members
15 of the work group.

16 “(8) The work group shall elect one of its members to serve as chairperson.

17 “(9) The work group shall meet at times and places specified by the call of the chair-
18 person or of a majority of the members of the work group.

19 “(10) The work group may adopt rules necessary for the operation of the work group.

20 “(11)(a) The work group shall submit a first draft of its recommended shared services
21 model to the Special Committee on University Governance and Operations established in
22 section 166 of this 2013 Act no later than December 15, 2013.

23 “(b) The work group shall finalize and submit its recommended shared services model to
24 the special committee no later than September 15, 2014.

25 “(12) The Oregon University System shall provide staff support to the work group.

26 “(13) Members of the work group are not entitled to compensation.

27 “(14) All agencies of state government, as defined in ORS 174.111, are directed to assist
28 the work group in the performance of its duties and, to the extent permitted by laws relating
29 to confidentiality, to furnish such information and advice as the members of the work group
30 consider necessary to perform their duties.

31 “SECTION 167. Sections 166 and 166a of this 2013 Act are repealed on the date of the
32 convening of the 2016 regular session of the Legislative Assembly as specified in ORS
33 171.010.”.

34 In line 35, delete “168b” and insert “168a”.

35 Delete lines 36 through 45.

36 On page 108, delete lines 1 through 19 and insert:

37 “SECTION 168a. (1) If the president of Oregon State University notifies the Governor
38 between August 2, 2013, and January 1, 2014, that the university will become a university
39 with a governing board:

40 “(a) Within two weeks after receiving the notification, the Governor shall inform the
41 President of the Senate, the Speaker of the House of Representatives and the Legislative
42 Counsel of the notification; and

43 “(b) Not later than February 1, 2014, the Governor shall appoint all of the members of
44 the governing board in the manner set forth in section 6 of this 2013 Act.

45 “(2)(a) If the president of Eastern Oregon University, Oregon Institute of Technology,

1 Southern Oregon University or Western Oregon University determines that the university
2 should become a university with a governing board, the president shall notify the Governor
3 and the State Board of Higher Education of the university's intent. Notification under this
4 subsection must occur during the period beginning March 1, 2014, and ending June 1, 2015.

5 “(b) Within 45 days of receiving notification under this subsection from a university
6 president, the State Board of Higher Education shall decide whether or not to endorse the
7 university's decision. If the board endorses the request, the board shall immediately com-
8 municate any endorsement to the Governor.

9 “(b) Upon receiving notification that the State Board of Higher Education has endorsed
10 a university's decision to become a university with a governing board, the Governor shall:

11 “(A) Inform the President of the Senate, the Speaker of the House of Representatives
12 and the Legislative Counsel of that the university will become a university with a governing
13 board; and

14 “(B) Not later than six months after receiving the notification, appoint all of the mem-
15 bers of the governing board in the manner set forth in section 6 of this 2013 Act.

16 “(3) Notwithstanding section 169 of this 2013 Act, if Eastern Oregon University, Oregon
17 Institute of Technology, Southern Oregon University or Western Oregon University become
18 a university with a governing board under subsection (2) of this section, the president of that
19 university shall take over administrative responsibilities for the university from the State
20 Board of Higher Education on either July 1, 2015 or when the Governor appoints the mem-
21 bers of the governing board, whichever date comes later.”.

22 In line 20, delete “(1)”.

23 In line 22, delete “for the 2013-2014 academic year” and insert “through June 30, 2014”.

24 In line 23, after “to” insert “section 8 of this 2013 Act and”.

25 Delete lines 26 and 27.

26 On page 109, after line 34, insert:

27 “**SECTION 172a.** This 2013 Act is intended to preserve the autonomy of the universities
28 listed in ORS 352.002 whether they are governed by a university governing board or a uni-
29 versity consortium board.”.