

Senate Bill 278

Sponsored by Senator BEYER (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes Portland State University as independent public university, governed by university board of directors.

Directs Portland State University Board of Directors to set enrollment fees and tuition, purchase and manage property, develop contract policies and set personnel rules.

Removes sunset for Oregon Education Investment Board.

Becomes operative July 1, 2014.

Declares emergency, effective on passage.

A BILL FOR AN ACT

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Relating to higher education; creating new provisions; amending ORS 21.007, 30.264, 30.864, 36.145, 36.150, 131.594, 182.122, 182.415, 183.635, 184.475, 184.477, 184.631, 192.501, 205.450, 205.455, 238.005, 238.200, 238.215, 238A.005, 240.185, 243.105, 243.107, 243.778, 243.800, 243.820, 243.850, 243.910, 243.945, 244.050, 270.100, 270.110, 273.785, 276.227, 276.229, 276.610, 276.612, 279A.025, 282.076, 283.143, 283.310, 284.633, 284.701, 284.735, 285B.168, 285B.174, 286A.615, 291.038, 291.055, 291.229, 292.043, 292.044, 307.095, 307.110, 310.155, 326.543, 326.587, 329.822, 329.840, 332.114, 332.155, 336.057, 337.500, 337.511, 338.005, 338.115, 339.885, 340.005, 340.310, 341.430, 341.440, 342.144, 342.147, 342.360, 342.390, 342.443, 344.259, 344.557, 344.753, 348.005, 348.010, 348.180, 348.205, 348.270, 348.282, 348.394, 348.470, 348.597, 348.890, 348.900, 348.910, 351.015, 351.047, 351.052, 351.065, 351.067, 351.165, 351.170, 351.296, 351.473, 351.476, 351.509, 351.511, 351.642, 351.643, 351.644, 351.646, 351.649, 351.656, 351.658, 351.695, 351.697, 351.700, 351.704, 351.708, 351.718, 351.735, 351.810, 351.820, 351.840, 352.002, 352.006, 352.008, 352.012, 352.015, 352.021, 352.063, 352.066, 352.068, 352.071, 352.074, 352.360, 352.370, 352.375, 352.380, 352.385, 353.440, 353.600, 353.603, 357.004, 357.203, 408.095, 419B.005, 431.690, 433.090, 461.543, 471.580, 541.932, 634.660, 659.850, 659.855, 659.860, 660.315, 660.358, 679.020, 696.182, 743.550, 759.445, 815.080, 820.100, 820.110, 820.120, 820.130 and 820.150 and section 3, chapter 797, Oregon Laws 2001, sections 13 and 17, chapter 761, Oregon Laws 2007, section 22, chapter 904, Oregon Laws 2009, and section 14, chapter 36, Oregon Laws 2012; repealing section 10, chapter 519, Oregon Laws 2011; and declaring an emergency.

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

SECTION 1. (1) Portland State University is established as a public university and shall exercise and carry out all of the powers, rights and duties that are expressly conferred upon the university that are implied by law or incident to such powers, rights and duties.

(2) The university is an instrumentality of state government, performing governmental functions and exercising governmental powers. The university is independent, has statewide purposes and is without territorial boundaries. The university is a state institution of higher education, but is not an agency, department or division of the state, a unit of local or mu-

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

1 municipal government or part of the executive branch.

2 (3) The university shall be governed by the Portland State University Board of Directors.

3 (4) The board may exercise authority over matters of university concern to the fullest
4 extent allowed by Constitutions and laws of the United States and this state.

5 **SECTION 2.** (1) The Portland State University Board of Directors shall consist of 15
6 members as follows:

7 (a) Eight members appointed by the Governor and confirmed by the Senate in the man-
8 ner prescribed in ORS 171.562 and 171.565, including:

9 (A) One student enrolled at the university; and

10 (B) One faculty member of the university.

11 (b) One member who is a nonstudent member of the State Board of Higher Education,
12 appointed by the State Board of Higher Education.

13 (c) Five members appointed by the Portland State University Board of Directors, includ-
14 ing one member who is a member of the university foundation's board of directors.

15 (d) The president of Portland State University, who shall be a nonvoting member.

16 (e) The Portland State University Board of Directors may appoint other nonvoting
17 members as it deems necessary in the best interests of the university.

18 (2)(a) Except for the president of the university, the term of office of each nonstudent
19 member is four years. The term of office of the student member is two years.

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

23 (c) If there is a vacancy for any cause, the appointing authority shall make an appoint-
24 ment to become effective for the remainder of the unexpired term. For members appointed
25 by the Governor, the board shall nominate a slate of candidates whenever a vacancy occurs
26 or is announced and shall forward the names of the recommended candidates to the Gover-
27 nor for consideration.

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

31 (3) Except as provided in subsection (1) of this section, a voting member may not be an
32 employee of the university, the Oregon University System or the State of Oregon.

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

38 (5) The board shall meet at least once every three months on the university's campus.
39 Board members may participate in the meeting electronically as provided in ORS 192.610 to
40 192.690. Each board shall meet at such other times and places specified by the chairperson
41 or by a majority of the members of that board.

42 (6) An appointing authority may remove any member appointed by the authority at any
43 time for cause, after notice and public hearing.

44 **SECTION 3.** Notwithstanding the terms of office specified in section 2 of this 2013 Act,
45 of the members first appointed to the Portland State University Board of Directors, other

1 than the president of the university:

2 (1) Four members appointed by the Governor, including the student member, and three
 3 members appointed by the board shall serve for terms ending June 30, 2015; and

4 (2) The following shall serve for terms ending June 30, 2017:

5 (a) Four members appointed by the Governor, including the faculty member;

6 (b) Two members appointed by the board, including the member of the university
 7 foundation's board of directors; and

8 (c) The member appointed by the State Board of Higher Education.

9 **SECTION 4.** The Governor and the State Board of Higher Education shall appoint mem-
 10 bers to the Portland State University Board of Directors as described in section 2 of this 2013
 11 Act no later than July 15, 2014. These board members shall appoint the board members de-
 12 scribed in section 2 (1)(c) of this 2013 Act no later than 60 days after confirmation of the
 13 gubernatorial appointees by the Senate.

14 **SECTION 5.** The Portland State University Board of Directors may:

15 (1) Control and provide for, subject to the conditions of this section, the custody and
 16 occupation of the grounds, buildings, books, papers and documents belonging to Portland
 17 State University.

18 (2) Manage, control and apply all property of any nature given to or appropriated for the
 19 use, support or benefit of the university, according to the terms and conditions of such gift
 20 or appropriation. Moneys received under this section shall be deposited in an account desig-
 21 nated by Portland State University. Interest earned by the account shall be credited to the
 22 account.

23 (3) Design, acquire, erect, improve, repair, maintain, lease, renovate, demolish, equip,
 24 furnish and dispose of buildings, structures and lands necessary for carrying out the powers,
 25 rights and duties of the board.

26 (4) Acquire, receive, hold, control, convey, sell, manage, operate, lease, lend, license,
 27 improve and develop any and all property, real or personal:

28 (a) Given to the university by private donors, whether such gifts are made to the uni-
 29 versity, the State Board of Higher Education or to the State of Oregon; or

30 (b) Acquired by any other method or from any source for the benefit of the university,
 31 except for any structure, equipment or asset encumbered by a certificate of participation.

32 (5) Exercise the power of eminent domain for the condemnation of property of any kind
 33 and all water rights, easements and appurtenances thereto that the university considers
 34 necessary for carrying out the powers, rights and duties of the board.

35 (6) Take and hold mortgages on real and personal property acquired by way of gift or
 36 arising out of transactions entered into in accordance with the powers, rights and duties of
 37 the board.

38 (7) Institute, maintain and participate in suits and actions and other judicial proceedings,
 39 in the name of the State of Oregon, for the foreclosure of mortgages described in subsection
 40 (6) of this section or for the purpose of carrying into effect any and all of the powers, rights
 41 and duties of the board. Except as otherwise provided by ORS 30.260 to 30.300, the board has
 42 the authority to defend and indemnify its employees, officers and agents when they are act-
 43 ing in good faith within the course and scope of their duties for public purposes.

44 (8) Acquire, receive, hold, control, sell, manage, operate, lease, license or lend any goods,
 45 supplies, materials, equipment, services and information technology for the use, support or

1 benefit of the university.

2 (9) With the approval of the State Treasurer, request that the Oregon Department of
 3 Administrative Services enter into financing agreements in accordance with ORS 283.085 to
 4 283.092 on behalf of the university. Portland State University shall be considered a state
 5 agency for purposes of ORS 286A.730 to 286A.750.

6 (10) Own, control and operate Oregon University System motor vehicles for use by the
 7 university. The board shall establish requirements governing the use and operation of uni-
 8 versity motor vehicles.

9 (11) Hire or retain attorneys for the provision of legal services, including but not limited
 10 to general advice, representation in litigation and representation in appellate matters. The
 11 board shall reimburse the State Treasurer for legal fees incurred in connection with bor-
 12 rowings done at the request of the board.

13 (12) Request that the Chancellor of the Oregon University System seek issuance by the
 14 State Treasurer of bonds for the support or benefit of the university.

15 (13) Purchase any insurance, operate a self-insurance program, enter into an agreement
 16 with the Oregon University System or otherwise arrange for the equivalent of insurance
 17 coverage of any nature.

18 (14) Acquire, purchase, manage, develop, license or dispose of intellectual property of any
 19 kind.

20 (15) Exercise any other power, duty or responsibility necessary or convenient to matters
 21 of university concern.

22 **SECTION 6.** (1) In consultation with the State Board of Higher Education and the
 23 Chancellor of the Oregon University System, the Portland State University Board of Direc-
 24 tors shall appoint a president of Portland State University.

25 (2) The president of the university is the president of the faculty and is the chief execu-
 26 tive officer of the university. The president of the university has authority to direct the af-
 27 fairs and operation of the university, subject to the policies and direction of the Portland
 28 State University Board of Directors.

29 (3) The Portland State University Board of Directors may delegate to the president any
 30 of the powers, duties or functions granted to the board.

31 **SECTION 7.** The president and professors of Portland State University constitute the
 32 faculty of the university and have the immediate government and discipline of the university
 33 and the students therein. The faculty may, subject to the supervision of the Portland State
 34 University Board of Directors, prescribe the course of study to be pursued at the university
 35 and the textbooks to be used.

36 **SECTION 8.** (1) The Portland State University Board of Directors shall set enrollment
 37 fees for Portland State University. Enrollment fees include tuition for education and ser-
 38 vices and any other charges found by the board to be necessary to carry out the educational
 39 program of the university.

40 (2) The board shall establish enrollment fees for the university. The process of estab-
 41 lishing the fees must provide for participation of enrolled students and the recognized stu-
 42 dent government of the university.

43 (3) The university may offer fee remissions to its students, including remissions offered
 44 on the basis of need, from any authorized source of revenue. Moneys appropriated from the
 45 General Fund may not be used to fund fee remissions to students of the university.

1 **SECTION 9. (1) The Portland State University Board of Directors shall implement a**
2 **personnel system for Portland State University and may engage in collective bargaining with**
3 **the employees and shall have payroll authority.**

4 **(2)(a) The board shall establish competitive procedures for the purchasing, procurement**
5 **and contracting of goods, services and information technology for the benefit of the univer-**
6 **sity. The board may also establish exemptions from the competitive procedures when ap-**
7 **propriate.**

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

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

18 **(3) The board may:**

19 **(a) Appoint and employ a president, as provided in section 6 of this 2013 Act, and other**
20 **officers and prescribe their compensation and tenure of office or employment.**

21 **(b) Demand and receive the interest described in ORS 352.510 and all sums due and ac-**
22 **cruing for admission and tuition, and apply the interest and sums accruing for admission and**
23 **tuition, or so much thereof as is necessary, to the payment of the compensation under par-**
24 **agraph (a) of this subsection and other current expenses.**

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

32 **(d) Upon recommendation of the recognized student government, collect optional fees for**
33 **student activities other than those described in paragraph (c) of this subsection or section**
34 **8 of this 2013 Act as authorized by the president. The payment of such fees is optional for**
35 **the student and is not a prerequisite of enrollment.**

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

39 **(f) Prescribe the qualifications for admission.**

40 **(g) Contract to provide health services to students at student health centers.**

41 **(h) Provide health services at student health centers to any of the following:**

42 **(A) Dependents of students.**

43 **(B) Staff.**

44 **(C) Faculty.**

45 **(4) The board shall:**

1 (a) Supervise the general course of instruction at the university, and the research, ex-
2 tension, educational and other activities.

3 (b) Adopt rules and bylaws for university governance, including governance of the fac-
4 ulty, teachers, students and employees.

5 (c) Maintain cultural and physical development services and facilities for the university
6 and may, in connection with the services and facilities, cooperate and enter into agreements
7 with any person or governmental agency.

8 (d) Provide health services at student health centers to students.

9 (e) Prescribe and collect charges.

10 (f) Adopt rules relating to the creation, use, custody and disclosure, including access, of
11 student education records that are consistent with the requirements of applicable state and
12 federal law. Whenever a student has attained 18 years of age or is attending the university,
13 the permission or consent required of and the rights accorded to a parent of the student
14 regarding education records shall thereafter be required of and accorded only to the student.

15 (g) Provide opportunities for part-time students to obtain complete undergraduate de-
16 grees at unconventional times, which include but are not limited to early morning and noon
17 hours, evenings and weekends. In administering these degree programs, the university may
18 use any educational facility available for the use of the university.

19 **SECTION 10.** (1) The Portland State University Board of Directors may purchase such
20 real property as the board, in its sole discretion, deems necessary for the present or future
21 development of Portland State University. The board may enter into contracts of purchase
22 or agreements that the board deems necessary in carrying out this authorization.

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

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

31 (4) Legal title to all real property acquired by the university shall be taken and held in
32 the name of the State of Oregon. Legal title to all real property conveyed to the university
33 is deemed to be conveyed to and vested in the State of Oregon. Authorized conveyances of
34 all real property, other than university lands, acquired by or vested in the State of Oregon
35 for the use or benefit of the university shall be executed in the name of the State of Oregon
36 by the president of the university or the chairperson of the board.

37 (5) The university shall have custody and control of and shall care for all real property
38 used for university purposes. Management, maintenance and preservation of all real prop-
39 erty used for university purposes is the responsibility of the university.

40 **SECTION 11.** (1) Portland State University shall develop contract policies that support
41 openness, impartiality and competition in the awarding of contracts in accordance with ORS
42 279A.015.

43 (2) The university shall also develop contract policies that are designed to encourage af-
44 firmative action, recycling, inclusion of art in public buildings, the purchase of goods and
45 services from individuals with disabilities, the protection of workers through the payment

1 of prevailing wages as determined by the Bureau of Labor and Industries, the provision of
 2 workers' compensation insurance to workers on contracts and the participation of emerging
 3 small businesses and businesses owned by women and minorities.

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

7 **SECTION 12.** (1) As used in this section:

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

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

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

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

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

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

23 (2) The Portland State University Board of Directors shall further the policy of this state
 24 to encourage and assist individuals with disabilities in achieving maximum personal inde-
 25 pendence through useful and productive gainful employment by ensuring an expanded and
 26 constant market for sheltered workshop and activity center products and services, thereby
 27 enhancing the dignity of individuals with disabilities and their capacity for self-support and
 28 minimizing their dependence on welfare and need for costly institutionalization.

29 (3) It is the duty of Portland State University to:

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

34 (b) Revise such prices from time to time in accordance with changing cost factors;

35 (c) Make such rules regarding specifications, time of delivery and other relevant matters
 36 of procedure as shall be necessary; and

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

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

44 (5) If the university intends to procure any product or service on the procurement list,
 45 the university shall procure such product or service at the price established by the university

1 from a qualified nonprofit agency for individuals with disabilities, provided the product or
 2 service is of the appropriate specifications and is available at the location and within the
 3 period required by the university.

4 (6) It is the intent of the Legislative Assembly that there be close cooperation among the
 5 board, the university and qualified nonprofit agencies for individuals with disabilities. The
 6 university, on behalf of the board, is authorized to enter into such contractual agreements,
 7 cooperative working relationships or other arrangements as may be necessary for effective
 8 coordination and efficient realization of the objectives of this section.

9 **SECTION 13.** (1) Except as otherwise provided in sections 1 to 18 of this 2013 Act and
 10 ORS chapters 351 and 352, the provisions of ORS chapters 182, 240, 270, 273, 276, 278, 279A,
 11 279B, 279C, 282, 283, 291 and 292 and ORS 180.060, 180.160, 180.210, 180.220, 180.225 and 180.230
 12 do not apply to Portland State University.

13 (2) Notwithstanding subsection (1) of this section, the provisions of ORS 182.100, 182.109,
 14 240.167, 276.073 to 276.090, 279A.065 (2), 279B.055 (3), 279C.380 (1)(a) and (3), 279C.600 to
 15 279C.625, 279C.800, 279C.810, 279C.825, 279C.830, 279C.835, 279C.840, 279C.845, 279C.850, 279C.855,
 16 279C.860, 279C.865, 279C.870, 283.085 to 283.092, 291.200, 291.201 to 291.222, 291.223, 291.224 (2)
 17 and (6), 291.226, 291.272 to 291.278, 291.322 to 291.334, 291.405, 291.407, 291.445, 292.043 and
 18 292.044 apply to Portland State University.

19 (3) Notwithstanding subsection (1) of this section, ORS 273.413 to 273.456 apply to any
 20 structure, equipment or asset owned by Portland State University that is encumbered by a
 21 certificate of participation.

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

23 (a) The provisions of ORS chapters 35, 190, 192, 244 and 297 and ORS 30.260 to 30.460,
 24 184.480, 184.483, 184.486, 184.488, 200.005 to 200.025, 200.045 to 200.090, 200.100 to 200.120, 200.160
 25 to 200.200, 236.605 to 236.640, 243.650 to 243.782, 243.800, 243.820, 243.830, 243.850, 243.910 to
 26 243.945, 307.090 and 307.112 apply to Portland State University under the same terms as they
 27 apply to other public bodies other than the State of Oregon.

28 (b) The provisions of ORS chapter 286A and ORS 293.115, 293.117, 293.130, 293.169, 293.171,
 29 293.205 to 293.225, 293.250, 293.265 to 293.280, 293.285, 293.295, 293.321, 293.353, 293.375, 293.406,
 30 293.465 to 293.485, 293.490, 293.495, 293.525, 293.701 to 293.820, 293.875, 293.880 and 293.990 apply
 31 to Portland State University under the same terms as they apply to state agencies with
 32 moneys held by the State Treasurer.

33 (5) Notwithstanding subsections (1) and (6) of this section, Portland State University and
 34 its agents and employees remain subject to all statutes and administrative rules of this state
 35 that create rights, benefits or protections in favor of military veterans, service members and
 36 families of service members to the same extent as an agency of this state would be subject
 37 to such statutes and administrative rules.

38 (6) In carrying out the duties, functions and powers imposed by law upon Portland State
 39 University, the Portland State University Board of Directors may contract with any public
 40 agency for the performance of such duties, functions and powers as the board considers ap-
 41 propriate.

42 **SECTION 14.** The Portland State University Board of Directors may, in its discretion,
 43 accept financial assistance and grants, either in the form of money or labor, from the United
 44 States or any of its agencies, subject to the terms and conditions thereof, regardless of any
 45 laws of this state in conflict with the regulations of the federal government with respect

1 thereto, and may also accept from others any donation, grant of land, gift of money or other
 2 valuable gift or thing, for any of the purposes described in Article XI-F(1) and Article XI-G
 3 of the Oregon Constitution, ORS 351.160 to 351.190, 351.345 to 351.460, 351.500 and 351.505.
 4 Unless enjoined by the terms or conditions of any such gift or grant, the board may convert
 5 the same, or any of them, into money, through sale or disposal thereof.

6 **SECTION 15.** (1) The Portland State University Board of Directors is not required to seek
 7 expenditure limitation approval from the Legislative Assembly to spend any available mon-
 8 eys, including but not limited to moneys from enrollment fees, tuition or other revenues
 9 collected.

10 (2) The board shall adopt a budget on a regular schedule.

11 **SECTION 16.** Portland State University shall conduct independent audits if the audits are
 12 considered advisable by the university. Subject to ORS 297.250, the audits are at the exclusive
 13 discretion and control of the university. The audits are subject to disclosure pursuant to ORS
 14 192.410 to 192.505.

15 **SECTION 17.** The Portland State University Board of Directors may open, establish, lay
 16 out and dedicate to the public use such streets through the lands situated within the corpo-
 17 rate limits of the City of Portland, owned by or belonging to Portland State University, upon
 18 such terms and conditions as may be agreed upon by the board and the common council of
 19 the City of Portland. When such streets are so opened, laid out and established, they hereby
 20 are declared to be dedicated to the public use and are further declared to be public streets
 21 of the City of Portland.

22 **SECTION 18.** (1) The Portland State University Board of Directors shall provide group
 23 insurance to employees of Portland State University through the Public Employees' Benefit
 24 Board or may elect to provide alternative group health and welfare insurance benefit plans
 25 to employees of the university if the same level of benefits is available at a lower cost than
 26 through the Public Employees' Benefit Board.

27 (2) For the purposes of ORS 243.555 to 243.575, if the Portland State University Board of
 28 Directors chooses not to provide the benefit plans offered through the Public Employees'
 29 Benefit Board, the Portland State University Board of Directors may have the authority
 30 granted to the Public Employees' Benefit Board under ORS 243.555 to 243.575 for the admin-
 31 istration of an appropriate expense reimbursement plan.

32 (3) The Portland State University Board of Directors shall offer one or more deferred
 33 compensation plans to employees of the university. The university shall, at the discretion
 34 of the board, choose whether to offer its employees the state deferred compensation plan
 35 established under ORS 243.401 to 243.507 or another deferred compensation plan that the
 36 board elects to make available to the employees of the university.

37 **SECTION 19.** As used in sections 19 to 29 of this 2013 Act:

38 (1) "Former university" means Portland State University in the university's former sta-
 39 tus as a university within the Oregon University System.

40 (2) "University" means Portland State University.

41 (3) "Board" means the Portland State University Board of Directors.

42 **SECTION 20.** (1) Pursuant to the provisions of ORS 236.605 to 236.640, and except as
 43 otherwise expressly provided in sections 1 to 18 of this 2013 Act, all persons employed by
 44 Portland State University on July 1, 2014, shall continue their employment with the univer-
 45 sity and shall retain any seniority, contractual rights or tenure granted prior to July 1, 2014.

1 (2) Nothing in sections 1 to 18 of this 2013 Act shall affect the representation rights of
2 collective bargaining organizations that represent university employees. Nothing in sections
3 1 to 18 of this 2013 Act shall affect any term or condition of any collective bargaining
4 agreement in effect on July 1, 2014.

5 **SECTION 21.** All of the duties, functions and powers of the former university are trans-
6 ferred to the university as if the university were a continuation of the former university and
7 not a new authority.

8 **SECTION 22.** (1) All records and property of the former university shall be considered
9 the records and property of Portland State University.

10 (2) There are transferred to the Portland State University Board of Directors title to and
11 possession of all the supplies, materials, equipment, records, books, papers and facilities of
12 the State Board of Higher Education pertaining to the former university.

13 (3) Title to real property acquired prior to July 1, 2014, utilized by the former university
14 or held or managed by the State of Oregon for the benefit of the former university shall be
15 continuously held in the name of the State of Oregon, except that Portland State University
16 has the exclusive care, custody and control of such real property and facilities.

17 (4) Portland State University may sell, convey or lease such property, or any interest
18 therein, as the Portland State University Board of Directors deems in the best interest of
19 the university as provided in section 10 of this 2013 Act.

20 **SECTION 23.** All unexpended moneys, including but not limited to General Fund appro-
21 priations, gifts, bequests, other funds, assessments, liability and worker's compensation re-
22 serves and premiums that are appropriated to, held, managed or invested by or on behalf of
23 or otherwise available to the former university or its president, for the purposes of any of
24 its duties, functions or powers transferred to Portland State University, are appropriated and
25 transferred to the university.

26 **SECTION 24.** (1) Any action, suit, proceeding, prosecution or other business or matter
27 undertaken or commenced before the operative date of section 21 of this 2013 Act by the
28 former university, with respect to the duties, functions or powers transferred to Portland
29 State University by section 21 of this 2013 Act and still pending on the operative date of
30 section 21 of this 2013 Act may be conducted and completed by the university in the same
31 manner, under the same terms and conditions and with the same effect as though under-
32 taken, conducted or completed by the former university before the transfer.

33 (2) The transfer of duties, functions and powers to the Portland State University Board
34 of Directors under section 21 of this 2013 Act does not affect any action, suit, proceeding or
35 prosecution involving or with respect to such duties, functions and powers begun before and
36 pending at the time of the transfer, except that the Portland State University Board of Di-
37 rectors shall be substituted for the State Board of Higher Education in any such action, suit,
38 proceeding or prosecution.

39 (3) Any action, suit, proceeding, prosecution or other business or matter undertaken or
40 commenced before the operative date of section 21 of this 2013 Act by a state officer or
41 agency, with respect to the duties, functions or powers transferred to the university and still
42 pending on the operative date of section 21 of this 2013 Act, may be conducted and completed
43 by the university in the same manner, under the same terms and conditions and with the
44 same effect as though undertaken, conducted or completed by the former university before
45 the transfer.

1 **SECTION 25.** Nothing in sections 1 to 18 of this 2013 Act relieves any person of any ob-
2 ligation with respect to a tax, fee, fine or other charge, interest, penalty, forfeiture or other
3 liability, duty or obligation.

4 **SECTION 26.** Portland State University is considered to be a continuation of the former
5 university with respect to its duties, functions and powers, and not a new authority for the
6 purpose of succession to all rights and obligations of the former university as constituted
7 at the time of such assignment or transfer, except as otherwise provided in sections 1 to 18
8 of this 2013 Act, with the same force and effect as if such duties, functions and powers had
9 not been assigned or transferred.

10 **SECTION 27.** (1) Whenever, in any law or resolution of the Legislative Assembly or in
11 any rule, document, record or proceeding authorized thereby, reference is made to the for-
12 mer university, or an employee of the former university, whose duties, functions or powers
13 are assigned or transferred by sections 1 to 18 of this 2013 Act, except as otherwise provided
14 by sections 1 to 18 of this 2013 Act, such reference is considered to describe Portland State
15 University or an employee of the university that, by sections 1 to 18 of this 2013 Act, is
16 charged with carrying out such duties, functions and powers.

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

20 (3) Notwithstanding the transfer of duties, functions and powers by sections 1 to 18 of
21 this 2013 Act, the lawfully adopted rules of the State Board of Higher Education pertaining
22 to the former university in effect on the operative date of section 21 of this 2013 Act continue
23 in effect until lawfully superseded or repealed by the Portland State University Board of Di-
24 rectors. References in rules of the State Board of Higher Education to the state board or
25 an officer or employee of the state board are considered to be references to the Portland
26 State University Board of Directors.

27 **SECTION 28.** The rights and obligations of the State Board of Higher Education legally
28 incurred under contracts, leases and business transactions executed, entered into or begun
29 before the operative date of section 21 of this 2013 Act pertaining to the former university
30 are transferred to the Portland State University Board of Directors. For the purpose of
31 succession to these rights and obligations, the Portland State University Board of Directors
32 is considered to be a continuation of the State Board of Higher Education and not a new
33 authority, and the Portland State University Board of Directors must exercise such rights
34 and fulfill such obligations as if they had not been transferred.

35 **SECTION 29.** For the purpose of administering and enforcing the duties, functions and
36 powers transferred by section 21 of this 2013 Act and for the payment of the expenses law-
37 fully incurred by the State Board of Higher Education with respect to the administration and
38 enforcement of such duties, functions and powers pertaining to the former university, the
39 Portland State University Board of Directors may expend the moneys that are authorized to
40 be expended by the State Board of Higher Education for administering and enforcing the
41 duties, functions and powers transferred by section 21 of this 2013 Act and that are unex-
42 pended on the operative date of section 21 of this 2013 Act. Subject to section 18 of this 2013
43 Act, the Portland State University Board of Directors shall assume and pay all outstanding
44 obligations lawfully incurred by the State Board of Higher Education pertaining to the for-
45 mer university before the operative date of section 21 of this 2013 Act that are properly

1 **charged against amounts authorized by this section to be expended by the Portland State**
 2 **University Board of Directors.**

3 **SECTION 30.** Section 14, chapter 36, Oregon Laws 2012, is amended to read:

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

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

7 (b) “Education entity” means:

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

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

10 (C) A community college district or community college service district operated under ORS
 11 chapter 341;

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

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

14 **(F) Portland State University; and**

15 *[(F)]* **(G)** The health professions and graduate science programs of the Oregon Health and Sci-
 16 ence University operated under ORS chapter 353.

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

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

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

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

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

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

24 **(F) For Portland State University, the Portland State University Board of Directors.**

25 *[(F)]* **(G)** For the Oregon Health and Science University, the Oregon Health and Science Uni-
 26 versity Board of Directors.

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

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

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

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

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

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

41 (A) A description of goals for outcomes that are consistent with the educational goals identified
 42 in ORS 329.015, the findings described in ORS 351.003 and the mission of education provided in ORS
 43 351.009.

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

- 1 (i) Completion rates for:
- 2 (I) Critical stages of learning and programs of study;
- 3 (II) The attainment of diplomas, certificates and degrees; and
- 4 (III) Achieving the high school and post-secondary education goals established in ORS 351.009
- 5 and a projection of the progress needed to achieve those goals by 2025;
- 6 (ii) Validations of the quality of knowledge and skills acquired by students of the education en-
- 7 tity; and
- 8 (iii) The relevance of the knowledge and skills acquired by the students of the education entity
- 9 and the means by which those skills and knowledge will contribute to the workforce, the economy
- 10 and society as described in state policy.
- 11 (C) Other information suggested by the governing body of an education entity and approved by
- 12 the board.
- 13 (c) Notwithstanding the terms described in paragraph (b) of this subsection, for an achievement
- 14 compact entered into by an education entity identified in subsection [(1)(b)(F)] (1)(b)(G) of this sec-
- 15 tion, the terms of the achievement compact shall be limited to the enrollment of, and attainment of
- 16 degrees by, Oregon residents in programs for which the state provides funding.
- 17 (4)(a) The governing body of each education entity shall identify a target number and percentage
- 18 of students for achievement of the outcomes, measures of progress and goals specified in the
- 19 achievement compact for the fiscal year.
- 20 (b) The governing body of each education entity shall provide a target number and percentage
- 21 of students for the aggregate of all disadvantaged subgroups, as defined by federal law or specified
- 22 by rules adopted by the board. The target number and percentage of students must reflect the edu-
- 23 cation entity's goals of improving education outcomes for disadvantaged student groups and closing
- 24 any student achievement gaps between disadvantaged student groups and other student groups.
- 25 (5) As part of the process of entering into an achievement compact, the governing body of an
- 26 education entity shall ensure that open communications are provided to parents, students, teachers
- 27 or faculty, employees, exclusive bargaining representatives and community representatives for the
- 28 purposes of explaining and discussing the outcomes, measures of progress, goals and targets speci-
- 29 fied in the achievement compact for the fiscal year. The open communications must be provided
- 30 during each education entity's public budget process.
- 31 (6) The board shall specify the format of the achievement compacts and provide model achieve-
- 32 ment compacts to the governing body of each education entity.
- 33 (7) The board may adopt a timeline and method for governing bodies of education entities to
- 34 provide the board with a report at the end of a fiscal year that describes the achievements made
- 35 by the education entities during the fiscal year. The report:
- 36 (a) Must include disaggregated data for each disadvantaged student group specified by the
- 37 board; and
- 38 (b) May state achievements in numbers and percentages and in relation to the outcomes, meas-
- 39 ures of progress, goals and targets specified in the achievement compact for the fiscal year.
- 40 **SECTION 31.** ORS 348.005 is amended to read:
- 41 348.005. (1) The Legislative Assembly finds that:
- 42 (a) The State of Oregon can achieve its full economic and social potential only if all Oregonians
- 43 have the opportunity to contribute to the full extent of their capabilities and only when financial
- 44 barriers to their educational goals are removed;
- 45 (b) All Oregonians who meet the appropriate admissions requirements should be able to attend

1 any community college, public university listed in ORS 352.002, **Portland State University** or any
 2 independent not-for-profit institution of post-secondary education, regardless of individual economic
 3 or social circumstances;

4 (c) The interests of this state are best served when public subsidies supporting college students
 5 are distributed fairly, equitably and consciously to ensure maximum access and choice for all
 6 Oregonians at the least cost to the taxpayers;

7 (d) Need-based student financial aid is an effective, efficient and essential means of assisting
 8 Oregonians who are unable to afford the full cost of higher education;

9 (e) Student financial aid allows Oregonians with limited resources to select academic programs
 10 based on their interests, aptitudes and career goals;

11 (f) Student financial aid encourages and permits capable and promising Oregonians to persist in
 12 their education and training within this state; and

13 (g) By assisting Oregonians in this manner, student financial aid contributes to the quality of
 14 life of each Oregonian and to the social, cultural and economic well-being of all Oregonians.

15 (2) It is the intention of the Legislative Assembly to establish financial assistance programs to
 16 enable qualified Oregonians who need student aid to obtain post-secondary education in Oregon's
 17 community colleges, public universities or independent not-for-profit institutions of post-secondary
 18 education.

19 **SECTION 32.** ORS 348.010 is amended to read:

20 348.010. (1) An account in the Oregon University System Fund established under ORS 351.506
 21 is designated for the purpose of granting student loans under the terms established by the National
 22 Defense Education Act of 1958, as amended, under the terms of the Health Professions Educational
 23 Assistance Act of 1963, as amended, and under the terms of the Nurses Training Act of 1964, as
 24 amended.

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

26 (a) All moneys made available to the State Board of Higher Education or **Portland State Uni-**
 27 **versity** for student loan purposes by state appropriations and by the federal government under
 28 terms of the National Defense Education Act of 1958, as amended, under the terms of the Health
 29 Professions Educational Assistance Act of 1963, as amended, and under the terms of the Nurses
 30 Training Act of 1964, as amended;

31 (b) Repayments of loans identified in paragraph (a) of this subsection;

32 (c) Interest earned on student loans identified in paragraph (a) of this subsection; and

33 (d) Earnings from investments of the account.

34 (3) The repayment in whole or part of any student loan made under terms of the National De-
 35 fense Education Act of 1958, as amended, under the terms of the Health Professions Educational
 36 Assistance Act of 1963, as amended, and under the terms of the Nurses Training Act of 1964, as
 37 amended, shall be made pursuant to the provisions of the applicable federal statutes and repayment
 38 to the account designated under this section shall be made in accordance with applicable federal
 39 statutes.

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

42 **SECTION 33.** ORS 348.180 is amended to read:

43 348.180. As used in this section and ORS 348.186, 348.205, 348.230, 348.250, 348.260 and 348.285:

44 (1) "Cost of education" includes but is not limited to, tuition, fees and living expenses.

45 (2) "Eligible post-secondary institution" means:

1 (a) A public university listed in ORS 352.002 **or Portland State University**;

2 (b) A community college operated under ORS chapter 341;

3 (c) The Oregon Health and Science University; or

4 (d) An Oregon-based, generally accredited, not-for-profit institution of higher education.

5 (3) "Qualified student" means any resident student who plans to attend an eligible post-
6 secondary institution and who:

7 (a) Has not achieved a baccalaureate or higher degree from any post-secondary institution;

8 (b) Is enrolled in an eligible program as defined by rule of the Oregon Student Access Commis-
9 sion; and

10 (c) Is making satisfactory academic progress as defined by rule of the commission.

11 **SECTION 34.** ORS 348.205 is amended to read:

12 348.205. (1) The Oregon Opportunity Grant program is established within the Oregon Student
13 Access Commission.

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

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

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

20 (b) For a student attending a public university under the direction of the State Board of Higher
21 Education, the average cost of education of attending a public university under the direction of the
22 board;

23 **(c) For a student attending Portland State University, the average cost of education of**
24 **attending the university;**

25 [(c)] **(d)** For a student attending a two-year Oregon-based, generally accredited, not-for-profit
26 institution of higher education, the average cost of education of attending a community college in
27 this state; and

28 [(d)] **(e)** For a student attending the Oregon Health and Science University or a four-year
29 Oregon-based, generally accredited, not-for-profit institution of higher education, the average cost
30 of education of attending an institution under the direction of the board.

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

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

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

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

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

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

43 (d) The student share for a student who attends an eligible post-secondary institution that is not
44 a community college may not exceed the sum of the amount that the commission determines a stu-
45 dent may receive as loans plus the amount a student may earn based on the number of hours of

1 work reasonably expected from the student under paragraph (a) of this subsection.

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

4 (6) The commission shall determine the amount of the federal share based on how much the
5 student or the student's family is expected to receive from the federal government as grants, loans,
6 tax credits or other student assistance.

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

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

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

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

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

23 **SECTION 35.** ORS 348.270 is amended to read:

24 348.270. (1) In addition to any other scholarships provided by law, the commission shall award
25 scholarships in any public university listed in ORS 352.002, **in Portland State University**, in the
26 Oregon Health and Science University, in any community college operated under ORS chapter 341,
27 or in any Oregon-based regionally accredited independent institution, to any student applying for
28 enrollment or who is enrolled therein, who is:

29 (a) The natural child, adopted child or stepchild of any public safety officer who, in the line of
30 duty, was killed or so disabled, as determined by the commission, that the income of the public
31 safety officer is less than that earned by public safety officers performing duties comparable to those
32 performed at the highest rank or grade attained by the public safety officer; or

33 (b) A current foster child or former foster child who enrolls in an institution of higher education
34 as an undergraduate student not later than three years from the date the student was removed from
35 the care of the Department of Human Services, the date the student graduated from high school or
36 the date the student received the equivalent of a high school diploma, whichever date is earliest.

37 (2) Scholarships awarded under this section to students who are dependents of public safety of-
38 ficers or who are current foster children or former foster children shall equal the amount of tuition
39 and all fees levied by the institution against the recipient of the scholarship. However, scholarships
40 awarded to students who attend independent institutions shall not exceed the amount of tuition and
41 all fees levied by the University of Oregon.

42 (3) If the student who is the dependent of a deceased public safety officer continues to remain
43 enrolled in a public university [*listed in ORS 352.002*] or a community college or an independent
44 institution within the State of Oregon, the student shall be entitled to renewal of the scholarship
45 until the student has received the equivalent of four years of undergraduate education and four

1 years of post-graduate education.

2 (4) If the student who is a current foster child or former foster child or who is the dependent
3 of a public safety officer with a disability continues to remain enrolled in a public university [*listed*
4 *in ORS 352.002*] or a community college or an independent institution within the State of Oregon,
5 the student shall be entitled to renewal of the scholarship until the student has received the equiv-
6 alent of four years of undergraduate education.

7 (5) The commission may require proof of the student's relationship to a public safety officer de-
8 scribed in subsection (1) of this section or proof that the student is a current foster child or former
9 foster child.

10 (6) As used in this section:

11 (a) "Former foster child" means an individual who, for a total of 12 or more months while be-
12 tween the ages of 16 and 21, was a ward of the court pursuant to ORS 419B.100 (1)(b) to (e) and in
13 the legal custody of the Department of Human Services for out-of-home placement.

14 (b) "Public safety officer" means:

15 (A) A firefighter or police officer as those terms are defined in ORS 237.610.

16 (B) A member of the Oregon State Police.

17 (C) A police officer commissioned by a university under ORS 352.383.

18 (D) An authorized tribal police officer as defined in section 1, chapter 644, Oregon Laws 2011.

19 **SECTION 36.** ORS 348.270, as amended by section 51, chapter 644, Oregon Laws 2011, is
20 amended to read:

21 348.270. (1) In addition to any other scholarships provided by law, the commission shall award
22 scholarships in any public university listed in ORS 352.002, **in Portland State University**, in the
23 Oregon Health and Science University, in any community college operated under ORS chapter 341,
24 or in any Oregon-based regionally accredited independent institution, to any student applying for
25 enrollment or who is enrolled therein, who is:

26 (a) The natural child, adopted child or stepchild of any public safety officer who, in the line of
27 duty, was killed or so disabled, as determined by the commission, that the income of the public
28 safety officer is less than that earned by public safety officers performing duties comparable to those
29 performed at the highest rank or grade attained by the public safety officer; or

30 (b) A current foster child or former foster child who enrolls in an institution of higher education
31 as an undergraduate student not later than three years from the date the student was removed from
32 the care of the Department of Human Services, the date the student graduated from high school or
33 the date the student received the equivalent of a high school diploma, whichever date is earliest.

34 (2) Scholarships awarded under this section to students who are dependents of public safety of-
35 ficers or who are current foster children or former foster children shall equal the amount of tuition
36 and all fees levied by the institution against the recipient of the scholarship. However, scholarships
37 awarded to students who attend independent institutions shall not exceed the amount of tuition and
38 all fees levied by the University of Oregon.

39 (3) If the student who is the dependent of a deceased public safety officer continues to remain
40 enrolled in a public university [*listed in ORS 352.002*] or a community college or an independent
41 institution within the State of Oregon, the student shall be entitled to renewal of the scholarship
42 until the student has received the equivalent of four years of undergraduate education and four
43 years of post-graduate education.

44 (4) If the student who is a current foster child or former foster child or who is the dependent
45 of a public safety officer with a disability continues to remain enrolled in a public university [*listed*

1 in ORS 352.002] or a community college or an independent institution within the State of Oregon,
 2 the student shall be entitled to renewal of the scholarship until the student has received the equiv-
 3 alent of four years of undergraduate education.

4 (5) The commission may require proof of the student’s relationship to a public safety officer de-
 5 scribed in subsection (1) of this section or proof that the student is a current foster child or former
 6 foster child.

7 (6) As used in this section:

8 (a) “Former foster child” means an individual who, for a total of 12 or more months while be-
 9 tween the ages of 16 and 21, was a ward of the court pursuant to ORS 419B.100 (1)(b) to (e) and in
 10 the legal custody of the Department of Human Services for out-of-home placement.

11 (b) “Public safety officer” means:

12 (A) A firefighter or police officer as those terms are defined in ORS 237.610.

13 (B) A member of the Oregon State Police.

14 (C) A police officer commissioned by a university under ORS 352.383.

15 **SECTION 37.** ORS 348.282 is amended to read:

16 348.282. As used in this section and ORS 348.283:

17 (1) “Armed Forces of the United States” means:

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

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

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

22 (2) “Public post-secondary institution” means:

23 (a) A public university under the direction of the State Board of Higher Education **or Portland**
 24 **State University**; and

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

26 (3) “Veteran” has the meaning given that term in ORS 408.225.

27 **SECTION 38.** ORS 348.394 is amended to read:

28 348.394. As used in ORS 348.394 to 348.406:

29 (1) “Eligible post-secondary institution” means:

30 (a) A public university listed in ORS 352.002;

31 **(b) Portland State University;**

32 *[(b)]* (c) A community college as defined in ORS 341.005; or

33 *[(c)]* (d) A generally accredited, not-for-profit institution of higher education.

34 (2) “Participant” means a student who receives a grant under ORS 348.401.

35 **SECTION 39.** ORS 348.470 is amended to read:

36 348.470. The Legislative Assembly finds and declares that:

37 (1) It is the policy of this state to encourage cooperation *[(between)]* **among** the Oregon Univer-
 38 sity System, **Portland State University** and community colleges on issues affecting students who
 39 transfer *[(between the two)]* **among the** segments; and

40 (2) All unnecessary obstacles that restrict student transfer opportunities *[(between the two)]*
 41 **among the** segments shall be eliminated.

42 **SECTION 40.** ORS 348.597 is amended to read:

43 348.597. (1) Except as provided in subsection (2) of this section, ORS 348.594 to 348.615 apply to
 44 all schools that operate in this state.

45 (2) ORS 348.594 to 348.615 do not apply to:

- 1 (a) An Oregon community college;
 2 (b) A public university listed in ORS 352.002;
 3 (c) The Oregon Health and Science University;

4 **(d) Portland State University;**

5 [(d)] (e) A school, or a separately accredited campus of a school, if the school:

6 (A) Is a nonprofit school that is exempt from federal income tax under section 501(c)(3) of the
 7 Internal Revenue Code;

8 (B) Conferred degrees in this state under the same control for at least five consecutive years;
 9 and

10 (C) Is accredited by a regional accrediting association or its national successor;

11 [(e)] (f) A school that, on July 14, 2005, was a school that met the criteria and followed proce-
 12 dures to obtain a religious exemption adopted by rule by the Oregon Student Access Commission
 13 and that offered only degrees with approved titles in theology or religious occupations; or

14 [(f)] (g) A school that is exempt from ORS 348.594 to 348.615 under ORS 348.604.

15 (3) The Higher Education Coordinating Commission shall issue a separate license to issue de-
 16 grees to each school that meets the requirements for exemption from evaluation by the office set
 17 forth in subsection [(2)(d)] (2)(e) of this section. The license shall remain in effect if the school
 18 continues to meet the requirements of subsection [(2)(d)] (2)(e) of this section.

19 **SECTION 41.** ORS 348.890 is amended to read:

20 348.890. (1) The Higher Education Coordinating Commission shall provide policy direction to
 21 implement regional partnership proposals and any other joint program or activity approved by the
 22 State Board of Education, [and] the State Board of Higher Education **and the Portland State**
 23 **University Board of Directors.**

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

29 **SECTION 42.** ORS 348.900 is amended to read:

30 348.900. (1) The Employment Department, in consultation with health care industry employers,
 31 shall perform a statewide and regional needs assessment for health care occupations to identify
 32 emerging occupations and occupations for which there is high demand or a shortage of workers. The
 33 assessment shall be performed as necessary on a periodic basis, as determined by the department,
 34 in consultation with industry employers. To perform the needs assessment, the department may
 35 consider any reliable data sources available to the department.

36 (2) Based on the needs assessment, the Higher Education Coordinating Commission shall inform
 37 the community colleges, public universities listed in ORS 352.002, **Portland State University,**
 38 **Oregon Health and Science University** and health care industry employers of the identified state-
 39 wide needs and invite the development of health care education programs that are responsive to
 40 those needs.

41 (3) When approving health care education programs, the State Board of Education, the State
 42 Board of Higher Education, **the Portland State University Board of Directors** and the Oregon
 43 Health and Science University Board of Directors shall use the statewide needs assessment to
 44 evaluate whether a program fulfills statewide needs. If a board determines there is a statewide need,
 45 the board shall facilitate the:

1 (a) Coordination of new health care education programs and existing health care education
2 programs that are similar to the new health care education programs to address the statewide need;
3 and

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

7 (4) In the development and approval of health care education programs, community colleges,
8 public universities, Oregon Health and Science University, the State Board of Education, the State
9 Board of Higher Education, **the Portland State University Board of Directors** and the Oregon
10 Health and Science University Board of Directors shall consider issues related to statewide access,
11 student transferability between programs, course articulation and common student learning out-
12 comes for health care education programs. The community colleges, public universities, **Portland**
13 **State University**, Oregon Health and Science University and boards shall continue to provide and
14 improve upon an effective articulation and transfer framework for students in Oregon's post-
15 secondary sectors.

16 **SECTION 43.** ORS 348.910 is amended to read:

17 348.910. (1) As used in this section, "applied baccalaureate degree" means a bachelor's degree
18 designed to incorporate applied associate courses and degrees with additional coursework empha-
19 sizing higher-order thinking skills and advanced technical knowledge and skills.

20 (2) The Higher Education Coordinating Commission shall develop a plan for offering applied
21 baccalaureate degree programs at community colleges and public universities listed in ORS 352.002
22 **and Portland State University**. The commission shall consider the following types of programs for
23 the purpose of offering some of these types and the possibility of combinations of these types:

24 (a) A career ladder program that requires a substantial number of upper level courses in the
25 same technical area of study as the student's applied associate degree;

26 (b) An inverse program that reverses the traditional curriculum sequence by adding general
27 education courses in the student's third and fourth years to the associate degree courses taken in
28 the student's first and second years;

29 (c) A management ladder program that combines associate degree requirements with applied
30 management skills coursework; and

31 (d) A work experience program that combines general education and technical coursework with
32 direct, supervised work experience in a relevant field.

33 (3) The plan must include the following elements:

34 (a) The method by which the applied baccalaureate degree programs will be created, including
35 any necessary accreditation by the relevant accrediting agency;

36 (b) The criteria for approving the degree and course options offered by public universities [*listed*
37 *in ORS 352.002*] and community colleges;

38 (c) The articulation agreements between community colleges and public universities [*listed in*
39 *ORS 352.002*] necessary to ensure that the applied baccalaureate degree programs are as widely
40 available as possible;

41 (d) The resources required to implement the applied baccalaureate degree program;

42 (e) The timeline necessary to implement the applied baccalaureate degree program; and

43 (f) A recommendation as to whether community colleges should be allowed to offer applied
44 baccalaureate degrees.

45 **SECTION 44.** ORS 351.015 is amended to read:

1 351.015. The Oregon University System shall be conducted under the control of a board of 15
 2 directors, to be known as the State Board of Higher Education. Except as otherwise provided by
 3 law, the board has sole authority to govern, set policy and otherwise manage the affairs of the
 4 public universities listed in ORS 352.002. The board shall consist of:

5 (1) Two students who at the time of their appointment to the board are attending different public
 6 universities listed in ORS 352.002.

7 (2) One member of the faculty at Oregon State University[, *Portland State University*] or **the**
 8 University of Oregon.

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

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

13 **SECTION 45.** ORS 351.047 is amended to read:

14 351.047. The State Board of Higher Education shall:

15 (1) Review all mission statements of the public universities listed in ORS 352.002 **and Portland**
 16 **State University**; and

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

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

20 (b) Do not unnecessarily duplicate academic programs offered by other public universities listed
 21 in ORS 352.002 **or by Portland State University**; and

22 (c) Are allocated among the public universities in the Oregon University System **and Portland**
 23 **State University** to maximize the achievement of statewide needs and requirements.

24 **SECTION 46.** ORS 351.052, as amended by section 7, chapter 104, Oregon Laws 2012, is
 25 amended to read:

26 351.052. (1) For the purposes of this section, "performance compact" means:

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

31 (b) **An agreement between Portland State University and the State Board of Higher Ed-**
 32 **ucation to achieve certain performance targets in order to enhance the success of students**
 33 **in exchange for consideration of the appropriations sought in a funding request submitted**
 34 **by the State Board of Higher Education to the Oregon Department of Administrative Ser-**
 35 **vices.**

36 (2) **Before a date set by the State Board of Higher Education, the Portland State Uni-**
 37 **versity Board of Directors shall submit to the State Board of Higher Education a perform-**
 38 **ance compact and funding request for the biennium beginning on July 1 of the following year.**

39 [(2)] (3) On or before September 1 of each even-numbered year, the State Board of Higher Edu-
 40 cation shall submit the funding [*request*] **requests for Portland State University and the Oregon**
 41 **University System** and performance [*compact*] **compacts for the Oregon University System and**
 42 **Portland State University** to the Oregon Department of Administrative Services for the Oregon
 43 University System.

44 [(3)] (4) The Governor's biennial budget submitted to the Legislative Assembly may include the
 45 State Board of Higher Education's funding request submitted to the Oregon Department of Admin-

1 istrative Services for the Oregon University System **and Portland State University**. Any funding
 2 request approved by the Legislative Assembly must specify that the moneys be appropriated to the
 3 Oregon Department of Administrative Services for allocation to the Oregon University System **and**
 4 **Portland State University**.

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

7 [(5)] (6) The State Board of Higher Education shall, by rule, establish a framework for the de-
 8 velopment of a performance compact that must accompany the funding request to the Oregon De-
 9 partment of Administrative Services. The framework must address, among other issues, the issue of
 10 tuition affordability for students.

11 **SECTION 47.** ORS 351.065 is amended to read:

12 351.065. (1) The State Board of Higher Education may, for each public university or office, de-
 13 partment or activity under its control, **and the Portland State University Board of Directors**
 14 **may for Portland State University**, adopt rules and specific orders by or through the president
 15 of each public university governing access to personnel records of the public university or office,
 16 department or activity that are less than 25 years old.

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

23 (3) [No] A rule or order promulgated pursuant to this section [shall] **may not** deny to a faculty
 24 member full access to the member's personnel file or records kept by the board or [its public uni-
 25 versities or offices, departments or activities] **the public university**, except as provided in subsections
 26 (7) and (8) of this section.

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

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

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

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

42 (8)(a) Confidential letters and other information submitted to or solicited after July 1, 1975, by
 43 the board or its public universities, offices, departments or activities prior to the employment of a
 44 prospective faculty member are exempt from the provisions of this section. However, if the member
 45 is employed by the board or its public universities, offices, departments or activities, the confidential

1 preemployment materials shall be placed in the three authorized files. If a faculty member requests
 2 access to the member's files, the anonymity of the contributor of confidential preemployment letters
 3 and other preemployment information shall be protected. The full text shall be made available, ex-
 4 cept that portions of the text that would serve to identify the contributor shall be excised and re-
 5 tained in a file other than the three designated in subsection (4) of this section.

6 **(b) Confidential letters and other information submitted to or solicited by Portland State**
 7 **University after July 1, 2014, and prior to the employment of a prospective faculty member**
 8 **are exempt from the provisions of this paragraph. However, if the member is employed by**
 9 **the university, the confidential preemployment materials shall be placed in the three au-**
 10 **thorized files. If a faculty member requests access to the member's files, the anonymity of**
 11 **the contributor of confidential preemployment letters and other preemployment information**
 12 **shall be protected. The full text shall be made available, except that portions of the text that**
 13 **would serve to identify the contributor shall be excised and retained in a file other than the**
 14 **three designated in subsection (4) of this section.**

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

19 (10) **Portland State University and**, after July 1, 1975, the board and its public universities,
 20 offices, departments or activities, when evaluating its employed faculty members, may not solicit or
 21 accept letters, documents or other materials, given orally or in written form, from individuals or
 22 groups who wish their identity kept anonymous or the information they provide kept confidential.

23 (11) [No] A rule or order promulgated pursuant to this section [limits] **does not limit** the au-
 24 thority of **Portland State University or** the public universities, offices, departments or activities
 25 under the control of the [board] **State Board of Higher Education** to prepare, without identifica-
 26 tion of individual persons who have not consented thereto, statistical or demographic reports from
 27 personnel records.

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

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

36 **SECTION 48.** ORS 351.067 is amended to read:

37 351.067. (1) **The State Board of Higher Education**, in carrying out its authority under ORS
 38 351.070, [the State Board of Higher Education] **and the Portland State University Board of Di-**
 39 **rectors** may authorize receipt of compensation for any officer or employee [of the Oregon University
 40 System] from private or public resources, including, but not limited to, income from:

41 (a) Consulting;

42 (b) Appearances and speeches;

43 (c) Intellectual property conceived, reduced to practice or originated and therefore owned within
 44 the Oregon University System **or Portland State University**;

45 (d) Providing services or other valuable consideration for a private corporation, individual, or

1 entity, whether paid in cash or in-kind, stock or other equity interest, or anything of value regard-
 2 less of whether there is a licensing agreement between the Oregon University System **or Portland**
 3 **State University** and the private entity; and

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

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

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

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

21 **SECTION 49.** ORS 351.165 is amended to read:

22 351.165. (1) No later than March 1 of each odd-numbered year[,]:

23 (a) The State Board of Higher Education shall submit a report to the Legislative Assembly
 24 concerning the status of all previously approved Oregon University System capital construction
 25 projects that have not been completed or have been completed within the preceding 24-month period.

26 (b) **The Portland State University Board of Directors shall submit a report to the Legis-**
 27 **lative Assembly concerning the status of all previously approved capital construction**
 28 **projects that have not been completed or have been completed within the preceding 24-month**
 29 **period.**

30 (2) The report **described in this section** shall include the project title, funding sources, the
 31 amount of the original appropriation or expenditure limitation, the amount of unexpected funds, the
 32 construction status and the anticipated completion date.

33 **SECTION 50.** ORS 351.170 is amended to read:

34 351.170. (1) The State Board of Higher Education **and the Portland State University Board**
 35 **of Directors** may establish rates, charges and fees for use of buildings, structures and projects un-
 36 der [*its*] control **of the board**. The rates and charges shall be sufficient, in the judgment of the board
 37 and with other available revenues, as defined in ORS 351.160, to pay the operating costs and any
 38 indebtedness for the buildings, structures and projects.

39 (2) [*The*] **Each** board shall charge and collect from each regular student a building fee at a rate
 40 not to exceed \$45 for each regular term, for not less than three terms in each regular academic year,
 41 and not to exceed \$67.50 if instruction is on a semester basis, or an equivalent rate of charge when
 42 instruction is on a different basis. [*The*] **Each** board is authorized to maintain adequate accounts for
 43 bonds outstanding. The fee shall be in addition to tuition and other fees charged to students and
 44 shall be deposited [*in*]:

45 (a) **For the Oregon University System, in** the appropriate subaccount of the account main-

1 tained in the Oregon University System Fund under ORS 351.460.

2 **(b) For Portland State University, in an account maintained by the university.**

3 **SECTION 51.** ORS 351.296 is amended to read:

4 351.296. (1) As used in this section, “state institution of higher learning” means:

5 (a) A state institution of higher education listed in ORS 352.002;

6 (b) A community college operated under ORS chapter 341; [or]

7 (c) Oregon Health and Science University[.]; **or**

8 **(d) Portland State University.**

9 (2) A state institution of higher learning shall allow members and agents of the Armed Forces
10 of the United States to recruit on a public campus and shall set rules and standards for such
11 recruitment that are the same as for all other employment recruitment activities allowed on the
12 campus.

13 **SECTION 52.** (1) **The Portland State University Board of Directors may request the**
14 **Chancellor of the Oregon University System to issue higher education revenue bonds as**
15 **provided in ORS 351.473 to 351.485 to provide funds for the purposes of Article XI-F(1) and**
16 **Article XI-G of the Oregon Constitution.**

17 **(2) The Portland State University Board of Directors shall designate a fund for the pur-**
18 **poses described in ORS 351.476 (1).**

19 **SECTION 53.** ORS 351.473 is amended to read:

20 351.473. As used in ORS 351.473 to 351.485:

21 (1) “Bond-related costs” means:

22 (a) The costs and expenses of issuing, administering and maintaining higher education revenue
23 bonds including, but not limited to, the costs of:

24 (A) Paying or redeeming higher education revenue bonds.

25 (B) Paying amounts due in connection with credit enhancement devices or agreements for ex-
26 change of interest rates.

27 (C) Paying the fees, administrative costs and expenses of the State Treasurer, **Portland State**
28 **University** and the Oregon University System, including the costs of consultants or advisers re-
29 tained by the State Treasurer or the Chancellor of the Oregon University System, for the higher
30 education revenue bonds.

31 (b) The costs of funding reserves for the higher education revenue bonds.

32 (c) Capitalized interest for the higher education revenue bonds.

33 (d) Rebates or penalties due to the United States in connection with the higher education re-
34 venue bonds.

35 (e) Any other costs or expenses that the State Treasurer or the chancellor determines are nec-
36 essary or desirable in connection with issuing and maintaining the higher education revenue bonds.

37 (2) “Higher education revenue bonds” means revenue bonds issued pursuant to ORS 351.476.

38 (3) “Higher education revenues” includes:

39 (a) Tuition, fees and charges imposed or collected by the Oregon University System, [or] by one
40 of the public universities in the system **or by Portland State University**; and

41 (b) Moneys appropriated, allocated or otherwise made available to the Oregon University Sys-
42 tem, [or] to one of [its] **the** universities[,] **in the system or to Portland State University** by the
43 Legislative Assembly, if those moneys are lawfully available to pay the bond-related costs of higher
44 education revenue bonds.

45 **SECTION 54.** ORS 351.476 is amended to read:

1 351.476. (1) At the request of the Chancellor of the Oregon University System, the State Treas-
 2 urer may issue, as provided in ORS chapter 286A, higher education revenue bonds from time to time,
 3 the net proceeds of which must be used to:

4 (a) Finance projects that the State Board of Higher Education determines will assist the Oregon
 5 University System in carrying out its statutory powers;

6 **(b) Finance projects that the Portland State University Board of Directors determines**
 7 **will assist Portland State University in carrying out its statutory powers;**

8 [(b)] (c) Refund bonds issued for the projects; and

9 [(c)] (d) Pay bond-related costs.

10 (2)(a) Before pledging all or a portion of higher education revenues, pursuant to ORS 286A.102,
 11 to secure higher education revenue bonds, higher education credit enhancement devices or agree-
 12 ments for exchange of interest rates related to such revenue bonds or credit enhancement devices,
 13 the chancellor shall reserve sufficient funds each biennium to satisfy any payment or reserve re-
 14 quirements relating to:

15 (A) General obligation bonds or certificates of participation issued for the benefit of the Oregon
 16 University System **or Portland State University**;

17 (B) Credit enhancement devices or agreements for exchange of interest rates entered into in
 18 connection with obligations related to general obligation bonds or certificates of participation issued
 19 for the benefit of the Oregon University System **or Portland State University**; and

20 (C) Loans to the Oregon University System **or Portland State University** funded by state
 21 general obligation bonds.

22 (b) Pursuant to ORS 286A.010, the Oregon University System **and Portland State University**
 23 shall provide cash flow projections and other information requested by the State Treasurer to de-
 24 termine the sufficiency of higher education revenues to satisfy the requirements of paragraph (a) of
 25 this subsection and any proposed revenue bonds.

26 (c) For purposes of the issuance of bonds and ORS chapter 286A, the Oregon University System
 27 **and Portland State University** shall be considered [a] related [agency] **agencies** as defined in ORS
 28 286A.001 (9).

29 (d) The chancellor shall identify the specific higher education revenues that will be pledged to
 30 secure each series of higher education revenue bonds and specify the status of the lien of each
 31 pledge.

32 (3) The chancellor may enter into covenants, pursuant to ORS 286A.025 (4)(c), on behalf of the
 33 State of Oregon for the benefit of holders of higher education revenue bonds, providers of credit
 34 enhancement for higher education revenue bonds and counterparties to agreements for exchange of
 35 interest rates to:

36 (a) Adjust the rates, charges or fees that produce higher education revenues so that higher ed-
 37 ucation revenues equal or exceed specified levels during specified periods.

38 (b) Create only those pledges or liens on higher education revenues that are permitted by the
 39 covenants authorized by this section.

40 (c) Budget and apply higher education revenues, or otherwise allow higher education revenues
 41 to be applied, in amounts that, when added to other moneys lawfully available for the purpose, will
 42 be sufficient:

43 (A) To pay in full and when due the principal, interest and premium on outstanding higher ed-
 44 ucation revenue bonds;

45 (B) To pay amounts due in connection with agreements for exchange of interest rates and credit

1 enhancement devices for higher education revenue bonds; and

2 (C) To maintain the balance required by covenants in any debt service reserves established for
3 the higher education revenue bonds.

4 (4) The chancellor shall operate the properties of the Oregon University System **and Portland**
5 **State University** in compliance with the higher education revenue bond covenants until all higher
6 education revenue bonds are paid or defeased.

7 (5) Higher education revenue bonds are not a general obligation of the State of Oregon, and
8 neither the full faith and credit nor the taxing power of the State of Oregon may be pledged to se-
9 cure or pay the higher education revenue bonds.

10 (6) The State Treasurer, **Portland State University** and the Oregon University System do not
11 have an obligation to pay bond-related costs except as provided in ORS 351.473 to 351.485. A holder
12 of higher education revenue bonds issued under this section does not have the right to compel the
13 exercise of the taxing power of the State of Oregon to pay bond-related costs.

14 (7) As long as any higher education revenue bonds issued under this section are outstanding,
15 covenants related to the higher education revenue bonds are deemed to be contracts between the
16 State of Oregon and holders of the higher education revenue bonds. The State of Oregon may not
17 give force or effect to a statute or initiative or referendum measure approved by the electors of this
18 state if doing so would unconstitutionally impair existing covenants made with the holders of exist-
19 ing higher education revenue bonds or would unconstitutionally impair other obligations or agree-
20 ments regarding the security of higher education revenue bonds to which the moneys deposited in
21 the accounts established by ORS 351.479, 351.482 and 351.485 are pledged and assigned.

22 (8) The principal, interest and any premium and any issuance costs on a financing agreement
23 under ORS 283.085 to 283.092, any general obligation bond, any revenue bond and any related credit
24 enhancement device or interest rate exchange agreement shall be paid from the sources specified in
25 the laws and documents authorizing the financing agreement, bond, credit enhancement device or
26 interest rate exchange agreement. The Oregon University System **and Portland State University**
27 shall pay any other expenses and liabilities, including but not limited to legal expenses, costs of
28 settling claims, judgments, federal arbitrage rebates and penalties and expenses arising from an in-
29 quiry, audit or other action by a federal or state regulatory body, unless the expense or liability
30 results solely from the negligence or willful misconduct of a state agency.

31 (9) Pursuant to ORS chapter 180, on behalf of the State Treasurer or any other state agency,
32 the Attorney General shall appear, commence, prosecute or defend any action, suit, matter, cause
33 or proceeding arising from any financing agreement under ORS 283.085 to 283.092, any bond issued
34 for the benefit of the Oregon University System **or Portland State University** and any related
35 credit enhancement device or interest rate exchange agreement.

36 **SECTION 55.** ORS 351.509 is amended to read:

37 351.509. (1) There is established in the General Fund an account to be known as the Portland
38 State University Center for Nanoscience and Nanotechnology Account. Funds in the account shall
39 be used for the acquisition and expansion of microscopy and materials characterization facilities at
40 Portland State University related to a signature research center.

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

45 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]

1 **Portland State University** for the center for nanoscience and nanotechnology project described in
2 subsection (1) of this section. The account may not be credited with more than \$500,000 in interest
3 and proceeds from lottery bonds.

4 **SECTION 56.** ORS 351.511 is amended to read:

5 351.511. (1) There is established in the General Fund an account to be known as the Portland
6 State University Northwest Engineering Science Center Phase I Account. Funds in the account shall
7 be used for acquisition or construction of an engineering science center at Portland State Univer-
8 sity.

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

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

18 **SECTION 57.** ORS 351.642, as amended by section 7, chapter 106, Oregon Laws 2012, is
19 amended to read:

20 351.642. (1) As used in this section:

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

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

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

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

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

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

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

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

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

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

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

42 (2) Active members of the Armed Forces of the United States, active members of the commis-
43 sioned corps of the National Oceanic and Atmospheric Administration and members of the Public
44 Health Service of the United States Department of Health and Human Services detailed by proper
45 authority for duty with the Army or Navy of the United States, and their spouses and dependent

1 children, are considered residents of this state for the purpose of admission and for the purpose of
2 determining fees and tuition to be paid by such individuals while attending any public university
3 that is under the control of the State Board of Higher Education **or Portland State University**.

4 (3) The State Board of Higher Education **and the Portland State University Board of Direc-**
5 **tors** may contract with the Armed Forces of the United States to furnish educational service in the
6 public universities to active members of the Armed Forces of the United States.

7 (4) The State Board of Higher Education **and the Portland State University Board of Direc-**
8 **tors** shall determine the number of such students that should be accepted and shall make final de-
9 cisions on admission of individual applicants.

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

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

15 **SECTION 58.** ORS 351.643, as amended by section 8, chapter 106, Oregon Laws 2012, is
16 amended to read:

17 351.643. (1) A student at a public university listed in ORS 352.002 **or at Portland State Uni-**
18 **versity** who is a member of the military, a member of the commissioned corps of the National
19 Oceanic and Atmospheric Administration or a member of the Public Health Service of the United
20 States Department of Health and Human Services detailed by proper authority for duty with the
21 Army or Navy of the United States and who is ordered to federal or state active duty for more than
22 30 consecutive days has the following rights:

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

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

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

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

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

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

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

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

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

41 (b) Give the student a failing grade or a grade of incomplete or make any other negative anno-
42 tation on the student's record; or

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

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

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

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

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

8 (4) The State Board of Higher Education **and the Portland State University Board of Direc-**
9 **tors** shall adopt rules for the administration of this section.

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

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

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

14 **SECTION 59.** ORS 351.644 is amended to read:

15 351.644. (1)(a) The amount of the credit specified in ORS 351.643 (1)(b) shall be based on:

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

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

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

22 (c) At the time a student withdraws from a course at a public university listed in ORS 352.002
23 **or at Portland State University**, or from the public university, the student must elect to claim the
24 credit:

25 (A) As a credit toward tuition and fees or room and board if the student reenrolls at the public
26 university under ORS 351.643 (1)(c); or

27 (B) As a monetary payment.

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

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

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

37 (5) The State Board of Higher Education **and the Portland State University Board of Direc-**
38 **tors** shall adopt rules for the administration of this section, including rules that determine the
39 amount of credit and the method by which the credit is prorated.

40 **SECTION 60.** ORS 351.646 is amended to read:

41 351.646. A public university listed in ORS 352.002 **and Portland State University** shall give
42 credit for education and training obtained by a person while serving in the Armed Forces of the
43 United States, as defined in ORS 351.642. The education and training for which credit may be given
44 must meet the standards adopted **by rule** by the State Board of Higher Education [*by rule*] **or the**
45 **Portland State University Board of Directors.**

1 **SECTION 61.** ORS 351.649 is amended to read:

2 351.649. (1) For the purposes of this section:

3 (a) “Public institution of higher education” means:

4 (A) A community college;

5 (B) A public university listed in ORS 352.002; *[and]*

6 (C) **Portland State University; and**

7 [(C)] (D) The Oregon Health and Science University.

8 (b) “School-sponsored media” means materials that are prepared, substantially written, published
9 or broadcast by student journalists, that are distributed or generally made available, either free of
10 charge or for a fee, to members of the student body and that are prepared under the direction of a
11 student media adviser. “School-sponsored media” does not include media intended for distribution
12 or transmission solely in the classrooms in which they are produced.

13 (c) “Student journalist” means a student who gathers, compiles, writes, edits, photographs, re-
14 cords or prepares information for dissemination in school-sponsored media.

15 (d) “Student media adviser” means a person who is employed, appointed or designated by a
16 public institution of higher education to supervise, or provide instruction relating to, school-
17 sponsored media.

18 (2) Student journalists are responsible for determining the news, opinion, feature and advertising
19 content of school-sponsored media. This subsection does not prevent a student media adviser from
20 teaching professional standards of English and journalism to the student journalists.

21 (3) Nothing in this section may be interpreted to authorize expression by students that:

22 (a) Is libelous or slanderous;

23 (b) Constitutes an unwarranted invasion of privacy;

24 (c) Violates federal or state statutes, rules or regulations or state common law; or

25 (d) So incites students as to create a clear and present danger of:

26 (A) The commission of unlawful acts on or off school premises;

27 (B) The violation of school policies; or

28 (C) The material and substantial disruption of the orderly operation of the school. A school of-
29 ficial must base a forecast of material and substantial disruption on specific facts, including past
30 experience in the school and current events influencing student behavior, and not on undifferen-
31 tiated fear or apprehension.

32 (4) Any student enrolled in a public institution of higher education may commence a civil action
33 to obtain damages under this subsection and appropriate injunctive or declaratory relief as deter-
34 mined by a court for a violation of subsection (2) of this section, the First Amendment to the United
35 States Constitution or section 8, Article I of the Oregon Constitution. Upon a motion, a court may
36 award \$100 in damages and injunctive and declaratory relief to a prevailing plaintiff in a civil action
37 brought under this subsection.

38 **SECTION 62.** ORS 351.656 is amended to read:

39 351.656. (1) As used in this section:

40 (a) “Child” means a child, adopted child or stepchild of a service member.

41 (b) “Eligible post-secondary institution” means:

42 (A) A public university listed in ORS 352.002 **or Portland State University; and**

43 (B) The Oregon Health and Science University.

44 (c) “Qualified student” means a child, a spouse or an unremarried surviving spouse of a service
45 member.

1 (d) "Service member" means a person who:

2 (A) As a member of the Armed Forces of the United States, died on active duty;

3 (B) As a member of the Armed Forces of the United States, died as a result of a military service
4 connected disability; or

5 (C) Is 100 percent disabled as the result of a military service connected disability, as certified
6 by the United States Department of Veterans Affairs or any branch of the Armed Forces of the
7 United States.

8 (2) Subject to subsections (3) to (6) of this section, an eligible post-secondary institution shall
9 waive tuition for a qualified student for courses that may lead to a baccalaureate degree or a
10 master's degree. A qualified student who received a tuition waiver for a baccalaureate degree may
11 also qualify for a tuition waiver for a master's degree.

12 (3)(a) The maximum waiver granted under this section shall be as follows:

13 (A) For a baccalaureate degree, the total number of credit hours that equals four years of full-
14 time attendance at an eligible post-secondary institution.

15 (B) For a master's degree, the total number of credit hours that equals two years of full-time
16 attendance at an eligible post-secondary institution.

17 (b) Notwithstanding paragraph (a) of this subsection, a waiver may not exceed the total number
18 of credit hours the qualified student needs to graduate with a baccalaureate degree or a master's
19 degree.

20 (4) A waiver may be granted under this section only for credit hours for courses that are offered
21 by an eligible post-secondary institution and are available for enrollment regardless of whether the
22 qualified student attends the course and pays tuition.

23 (5) A qualified student may receive a waiver under this section if the student:

24 (a) At the time of application for a waiver, is considered a resident of this state for the purpose
25 of determining tuition to be paid at an eligible post-secondary institution; and

26 (b) Has been admitted to an eligible post-secondary institution for a baccalaureate degree pro-
27 gram or has been admitted to a master's degree program at an eligible post-secondary institution.

28 (6)(a) A child who applies for a waiver under this section must be 23 years of age or younger
29 at the time the child applies for a waiver.

30 (b) Notwithstanding paragraph (a) of this subsection, a child who is older than 23 years of age
31 is eligible for a waiver for a master's degree if the child:

32 (A) Applied for and received a waiver for a baccalaureate degree when the child was 23 years
33 of age or younger; and

34 (B) Applied for a waiver for a master's degree within 12 months of receiving a baccalaureate
35 degree.

36 **SECTION 63.** ORS 351.658 is amended to read:

37 351.658. (1) The State Board of Higher Education shall direct each public university listed in
38 ORS 352.002, **and the Portland State University Board of Directors shall direct Portland State**
39 **University**, to waive tuition for any course audited by an Oregon resident 65 years of age or older
40 if:

41 (a) Space is available in the course for additional students to register after degree-seeking stu-
42 dents have registered;

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

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

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

1 fees associated with the course being audited.

2 (3) A public university may develop rules for implementation of this section, including rules re-
3 lating to registration, admission and fees.

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

5 351.695. (1) A university [*within the Oregon University System*] **listed in ORS 352.002** may de-
6 posit moneys received for its university venture development fund in the Higher Education Donation
7 Fund established under ORS 351.130.

8 (2) Notwithstanding ORS 351.697 (5), the State Treasurer, as payment for expenses, may deduct
9 a fee pursuant to ORS 293.718 from a university venture development fund administered by a uni-
10 versity within the Oregon University System, **Portland State University** or the Oregon Health and
11 Science University.

12 (3) A university within the Oregon University System, **Portland State University** or the
13 Oregon Health and Science University may direct that moneys credited to its university venture
14 development fund be held and invested by the university's affiliated foundation. Any moneys held
15 by an affiliated foundation under this section or ORS 351.697 are not subject to the provisions of
16 ORS chapter 293 or 295 and may not be considered public or state funds for any purpose. Moneys
17 transferred to an affiliated foundation under this section or ORS 351.697 may be used only as pro-
18 vided under ORS 351.692, 351.695, 351.697 and 353.445.

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

22 (5) A university within the Oregon University System, **Portland State University** or the
23 Oregon Health and Science University may retain or may elect to have its affiliated foundation re-
24 tain some or all of the principal contributed to a university venture development fund for investment
25 to perpetuate and increase the moneys available for expenditure. The balance of the fund and the
26 earnings on that balance may be used as provided under ORS 351.692, 351.695, 351.697 and 353.445.

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

28 351.697. (1) Each university in the Oregon University System, **Portland State University** and
29 Oregon Health and Science University may elect to establish a university venture development fund
30 as provided in this section for the purpose of facilitating the commercialization of university re-
31 search and development. A university shall direct that the university venture development fund be
32 administered, in whole or in part, by the university or by the university's affiliated foundation.

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

34 (a) Capital for university entrepreneurial programs;

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

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

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

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

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

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

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

45 (c) Subject to ORS 315.521 (1), 351.692 (3) and 353.445 (3), issue tax credit certificates to con-

1 tributors to the fund in the amount of the contributions;

2 (d) Establish a grant program that meets the requirements for a venture grant program under
3 policies adopted by:

4 (A) The State Board of Higher Education under ORS 351.692 [*or under policies adopted by*];

5 (B) **The Portland State University Board of Directors; or**

6 (C) The Oregon Health and Science University Board of Directors under ORS 353.445; and

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

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

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

17 (6) A university that has established a university venture development fund shall monitor the
18 use of grants made from the fund and identify the income realized by the university as the result
19 of the use of the grants. Income consists of cash realized from royalties, milestone and license fee
20 payments and cash from the sale of equity. The university shall cause the transfer of 20 percent of
21 the income realized from the grants to the General Fund, but not to exceed the amount of the tax
22 credits issued by the university as a result of contributions to its university venture development
23 fund. Immediately upon deposit of the transferred amount into the General Fund, the university may
24 issue new tax credits to equal the transferred amount.

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

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

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

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

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

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

35 **SECTION 66.** ORS 351.700 is amended to read:

36 351.700. As used in ORS 351.704 and 351.708, "public institution of higher education" means:

37 (1) A community college; or

38 (2) A public university listed in ORS 352.002 **or Portland State University.**

39 **SECTION 67.** ORS 351.704 is amended to read:

40 351.704. (1) Subject to ORS 351.094 and any group health and welfare insurance benefit plan
41 developed under ORS 351.094, **or any group health and welfare insurance benefit plan developed**
42 **by Portland State University**, a part-time faculty member at a public institution of higher educa-
43 tion is eligible for the same health care benefits as full-time faculty members if the part-time faculty
44 member is eligible for membership in the Public Employees Retirement System or another plan au-
45 thorized under ORS chapter 238 or 238A by teaching either at a single public institution of higher

1 education or in aggregate at multiple public institutions of higher education during the prior year.

2 (2) A part-time faculty member at a public institution of higher education shall pay all insurance
3 premiums for health care benefits unless otherwise provided for by the policy of the institution or
4 by collective bargaining at the institution.

5 **SECTION 68.** ORS 351.708 is amended to read:

6 351.708. The State Board of Education, [and] the State Board of Higher Education **and the**
7 **Portland State University Board of Directors** shall establish baselines and conduct annual re-
8 views of each public institution of higher education with respect to the employment of full-time
9 faculty and of faculty working less than full-time. Each public institution of higher education shall
10 provide the necessary data for the board's report prior to September 1 of each year. The boards
11 shall report the results of the reviews to the Legislative Assembly and the Governor's office prior
12 to October 1 of each year. The reviews shall include:

13 (1) Examination of data related to the ratio of courses taught by the following faculty catego-
14 ries:

15 (a) Full-time faculty;

16 (b) Part-time faculty; and

17 (c) Graduate assistants;

18 (2) The pay differential for the faculty categories; and

19 (3) The health care and other benefits provided for each faculty category.

20 **SECTION 69.** ORS 351.718 is amended to read:

21 351.718. (1) The members of the Higher Education Coordinating Commission must be residents
22 of this state who are well informed on the principles of higher education.

23 (2) A member of the State Board of Higher Education, Oregon Health and Science University
24 Board of Directors, **Portland State University Board of Directors** or the governing board of a
25 community college district may not serve as a member of the Higher Education Coordinating Com-
26 mission.

27 **SECTION 70.** ORS 351.735, as amended by section 1, chapter 104, Oregon Laws 2012, is
28 amended to read:

29 351.735. (1) The Higher Education Coordinating Commission shall advise the Oregon Education
30 Investment Board on state goals and associated achievement compacts for the state post-secondary
31 education system, including community colleges, [and] public universities listed in ORS 352.002 **and**
32 **Portland State University**, and for the Oregon Student Access Commission.

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

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

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

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

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

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

44 (b) Evaluate and recommend changes to statutory goals and missions described for community
45 colleges in ORS 341.009 and for public universities in ORS 351.003 and 351.009 after receiving rec-

1 ommendations from the appropriate governing board. The appropriate governing board shall have
2 decision-making authority over program offerings to implement established goals and missions.

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

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

7 (B) Recommended limits regarding the setting of tuition rates at public universities listed in
8 ORS 352.002 **and at Portland State University** in accordance with criteria set by the State Board
9 of Higher Education **or the Portland State University Board of Directors**, with the goal of en-
10 couraging tuition affordability for students;

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

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

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

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

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

18 (B) Ongoing operations for the Oregon University System **and Portland State University**;

19 (C) Ongoing operations for community colleges;

20 (D) Needed new facilities or programs; and

21 (E) Capital improvements.

22 (e) Coordinate with the Oregon Student Access Commission to maximize the effectiveness of
23 student financial assistance programs, including the Oregon Opportunity Grant program under ORS
24 348.260.

25 (f) Approve and authorize degrees for the Oregon University System **and for Portland State**
26 **University**.

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

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

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

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

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

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

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

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

39 (D) Reciprocity agreements with other states.

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

42 (e) Coordinate education initiatives with the State Workforce Investment Board, the Department
43 of Community Colleges and Workforce Development, local workforce investment boards, the Oregon
44 Health and Science University and independent institutions of post-secondary education.

45 **SECTION 71.** ORS 351.735, as amended by sections 1 and 3, chapter 104, Oregon Laws 2012, is

1 amended to read:

2 351.735. (1) The Higher Education Coordinating Commission shall advise the Oregon Education
3 Investment Board on state goals and associated achievement compacts for the state post-secondary
4 education system, including community colleges, [and] public universities listed in ORS 352.002 **and**
5 **Portland State University**, and for the Oregon Student Access Commission.

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

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

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

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

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

15 and

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

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

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

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

25 (B) Recommended limits regarding the setting of tuition rates at public universities listed in
26 ORS 352.002 **and at Portland State University** in accordance with criteria set by the State Board
27 of Higher Education **or the Portland State University Board of Directors**, with the goal of en-
28 couraging tuition affordability for students;

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

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

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

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

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

36 (B) Ongoing operations for the Oregon University System **and Portland State University**;

37 (C) Ongoing operations for community colleges;

38 (D) Needed new facilities or programs; and

39 (E) Capital improvements.

40 (e) Coordinate with the Oregon Student Access Commission to maximize the effectiveness of
41 student financial assistance programs, including the Oregon Opportunity Grant program under ORS
42 348.260.

43 (f) Approve and authorize degrees for the Oregon University System **and for Portland State**
44 **University**.

45 (g) Authorize degrees to be offered in this state in accordance with ORS 348.594 to 348.615, and

1 adopt any rules to implement that authority.

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

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

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

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

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

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

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

12 (D) Reciprocity agreements with other states.

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

15 (e) Coordinate education initiatives with the State Workforce Investment Board, the Department
16 of Community Colleges and Workforce Development, local workforce investment boards, the Oregon
17 Health and Science University and independent institutions of post-secondary education.

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

19 **SECTION 72.** ORS 351.735, as amended by sections 1, 3 and 5, chapter 104, Oregon Laws 2012,
20 is amended to read:

21 351.735. The Higher Education Coordinating Commission shall:

22 (1) Develop state goals and associated achievement compacts for the state post-secondary edu-
23 cation system, including community colleges, [and] public universities listed in ORS 352.002 **and**
24 **Portland State University**, and for the Oregon Student Access Commission.

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

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

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

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

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

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

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

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

42 (b) Recommended limits regarding the setting of tuition rates at public universities listed in ORS
43 352.002 **and at Portland State University** in accordance with criteria set by the State Board of
44 Higher Education **or the Portland State University Board of Directors**, with the goal of en-
45 couraging tuition affordability for students;

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

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

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

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

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

8 (b) Ongoing operations for the Oregon University System **and Portland State University**;

9 (c) Ongoing operations for community colleges;

10 (d) Needed new facilities or programs; and

11 (e) Capital improvements.

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

15 (7) Approve and authorize degrees for the Oregon University System **and for Portland State**
16 **University**.

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

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

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

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

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

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

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

27 (d) Reciprocity agreements with other states.

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

30 (13) Coordinate education initiatives with the State Workforce Investment Board, the Depart-
31 ment of Community Colleges and Workforce Development, local workforce investment boards, the
32 Oregon Health and Science University and independent institutions of post-secondary education.

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

34 **SECTION 73.** ORS 351.810 is amended to read:

35 351.810. The State Board of Higher Education, **Portland State University**, the Oregon Health
36 and Science University and the Oregon members of the Western Interstate Commission for Higher
37 Education are authorized to take any action necessary to achieving the ends of the Western Re-
38 gional Higher Education Compact.

39 **SECTION 74.** ORS 351.820 is amended to read:

40 351.820. (1) Prior to June 1 of each even-numbered year the Oregon members of the Western
41 Interstate Commission for Higher Education shall determine the quotas of Oregon students for whom
42 various kinds of educational service should be purchased in out-of-state institutions during the next
43 biennium and shall recommend to the State Board of Higher Education, **the Portland State Uni-**
44 **versity Board of Directors** and the Oregon Health and Science University Board of Directors the
45 amount to be included in its biennial budget to cover the cost of such educational service for stu-

1 dents enrolled in their respective institutions.

2 (2) The State Board of Higher Education, **the Portland State University Board of Directors**
3 and the Oregon Health and Science University Board of Directors shall negotiate contracts with the
4 Western Interstate Commission for Higher Education for educational service of the kind and amount
5 indicated by the quotas determined under subsection (1) of this section. *[The]* **Each** board shall make
6 payments required by such contracts out of the money appropriated to it for that purpose.

7 (3) The State Board of Higher Education may also contract with higher education institutions,
8 or others, which are not members of the Western Interstate Commission for Higher Education, to
9 furnish educational services to students who are residents of the State of Oregon in those areas of
10 higher education where the educational institutions of the State of Oregon are unable to provide the
11 desired professional educational opportunities.

12 **SECTION 75.** ORS 351.840 is amended to read:

13 351.840. (1) The State Board of Higher Education, **the Portland State University Board of**
14 **Directors** and the Oregon Health and Science University Board of Directors may contract with the
15 Western Interstate Commission for Higher Education to furnish educational service in their respec-
16 tive Oregon public universities to out-of-state students.

17 (2) The State Board of Higher Education, **the Portland State University Board of Directors**
18 and the Oregon Health and Science University Board of Directors shall determine the number of
19 out-of-state students that should be accepted into their respective universities, and shall make final
20 decisions on admission of individual applicants.

21 (3)(a) Payments made by the commission under such contracts shall be deposited in and credited
22 to a designated account in the Oregon University System Fund established by ORS 351.506 for stu-
23 dents enrolled in public universities under the jurisdiction of the State Board of Higher Education
24 in the same manner that fees and tuition payments for resident students are deposited and credited.
25 The estimated amount of the payments must be considered by the board in making its biennial
26 budgetary requests.

27 (b) Payments made by the commission under such contracts must be deposited with the Oregon
28 Health and Science University for students who enroll in *[that]* **the** university under the terms of
29 such contracts.

30 (c) **Payments made by the commission under such contracts for students who enroll at**
31 **Portland State University must be deposited with the university under the terms of such**
32 **contracts.**

33 **SECTION 76.** ORS 352.002 is amended to read:

34 352.002. The Oregon University System established in ORS 351.011 consists of the following
35 public universities under the jurisdiction of the State Board of Higher Education:

36 (1) University of Oregon.

37 (2) Oregon State University.

38 *[(3) Portland State University.]*

39 *[(4)]* (3) Oregon Institute of Technology.

40 *[(5)]* (4) Western Oregon University.

41 *[(6)]* (5) Southern Oregon University.

42 *[(7)]* (6) Eastern Oregon University.

43 **SECTION 77.** ORS 352.006 is amended to read:

44 352.006. *[No]* A political or sectarian test *[shall ever]* **may not** be allowed or applied in the ap-
45 pointment of faculty and other employees of the Oregon University System **or Portland State**

1 **University.**

2 **SECTION 78.** ORS 352.008 is amended to read:

3 352.008. In consultation with the Oregon Health Authority and the Alcohol and Drug Policy
4 Commission, each public university listed in ORS 352.002 **and Portland State University** shall
5 adopt a comprehensive alcohol and drug abuse policy and implementation plan.

6 **SECTION 79.** ORS 352.012 is amended to read:

7 352.012. For the purpose of requesting a state or nationwide criminal records check under ORS
8 181.534, the Oregon University System **and Portland State University** may require the fingerprints
9 of a person who:

10 (1)(a) Is employed or applying for employment by the Oregon University System **or Portland**
11 **State University**; or

12 (b) Provides services or seeks to provide services to the Oregon University System **or Portland**
13 **State University** as a contractor or volunteer; and

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

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

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

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

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

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

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

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

34 **SECTION 80.** ORS 352.015 is amended to read:

35 352.015. (1) Each public university listed in ORS 352.002 **and Portland State University** shall
36 convene a physical access committee to identify barriers to access by persons with disabilities on
37 the campus of each public university. The committee shall include, but not be limited to:

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

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

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

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

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

44 (2) The physical access committee shall present its findings and recommendations to the ad-
45 ministration of the public university listing access needs and priorities for meeting those needs.

1 These findings and recommendations shall identify the barriers to access that prevent persons with
2 disabilities from meaningfully utilizing campus facilities related to instruction, academic support,
3 assembly and residence life.

4 (3) In preparing funding requests for each biennium, each public university shall include
5 amounts for capital improvement that will be applied to the substantial reduction and eventual
6 elimination of barriers to access by persons with disabilities as identified by the physical access
7 committee.

8 (4) Nothing in this section and ORS 185.155 and 341.937 requires a public university to under-
9 take projects for accessibility that are not otherwise required unless such projects are funded spe-
10 cifically by the Legislative Assembly.

11 **SECTION 81.** ORS 352.021 is amended to read:

12 352.021. (1) As used in this section, "internment camp" means a relocation center to which
13 persons were ordered evacuated by Presidential Executive Order 9066, signed on February 19, 1942.

14 (2) A person who meets the requirements of subsection (4) of this section may request a public
15 university listed in ORS 352.002 **or Portland State University** to award the person an honorary
16 post-secondary degree.

17 (3) A representative of a deceased person who meets the requirements of subsection (4) of this
18 section may request a public university to award an honorary post-secondary degree on behalf of the
19 deceased person.

20 (4) Notwithstanding the requirements for a post-secondary degree established by a public uni-
21 versity or by the State Board of Higher Education, a public university that receives a request under
22 subsection (2) or (3) of this section may award an honorary post-secondary degree to a person, or
23 on behalf of a deceased person, who:

24 (a) Was a student at the public university in 1942; and

25 (b) Did not graduate from the public university because the person was ordered to an internment
26 camp.

27 **SECTION 82.** ORS 352.063 is amended to read:

28 352.063. [*The Oregon University System*] **Portland State University** may receive moneys from
29 any public or private source to support the Mark O. Hatfield School of Government, the Center for
30 Lakes and Reservoirs, the Graduate School of Social Work or the Institute of Portland Metropolitan
31 Studies created under ORS 352.066, 352.068, 352.071 and 352.074. Gifts and grants received to support
32 the Mark O. Hatfield School of Government, the Center for Lakes and Reservoirs, the Graduate
33 School of Social Work or the Institute of Portland Metropolitan Studies shall be credited to the
34 appropriate fund at Portland State University [*by the Oregon University System*].

35 **SECTION 83.** ORS 352.066 is amended to read:

36 352.066. (1) Pursuant to ORS 351.870, [*there is created within the Oregon University System*] the
37 Mark O. Hatfield School of Government **is created**. The Mark O. Hatfield School of Government
38 shall be administered by Portland State University. The president of Portland State University shall
39 appoint the director of the Mark O. Hatfield School of Government.

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

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

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

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

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

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

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

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

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

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

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

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

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

32 **SECTION 84.** ORS 352.068 is amended to read:

33 352.068. (1) Pursuant to ORS 351.870, *[there is created within the Oregon University System]* the
 34 Center for Lakes and Reservoirs **is created**. The Center for Lakes and Reservoirs shall be admin-
 35 istered by Portland State University.

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

39 **SECTION 85.** ORS 352.071 is amended to read:

40 352.071. (1) Pursuant to ORS 351.870, *[there is created within the Oregon University System]* the
 41 Graduate School of Social Work **is created**. The Graduate School of Social Work shall be adminis-
 42 tered by Portland State University.

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

1 **SECTION 86.** ORS 352.074 is amended to read:

2 352.074. (1) Pursuant to ORS 351.870, *[there is created within the Oregon University System]* the
3 Institute of Portland Metropolitan Studies **is created**. The Institute of Portland Metropolitan Studies
4 shall be administered by Portland State University.

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

8 **SECTION 87.** ORS 352.360 is amended to read:

9 352.360. (1) The State Board of Higher Education **and the Portland State University Board**
10 **of Directors** may enact such regulations as *[the]* **each** board deems convenient or necessary to
11 provide for the policing, control and regulation of traffic and parking of vehicles on the property
12 of any public university listed in ORS 352.002 **or of Portland State University**. The regulations
13 may provide for the registration of vehicles, the designation of parking areas and the assessment
14 and collection of reasonable fees and charges for parking. The board may require that before a
15 quarterly or yearly parking privilege for any vehicle is granted to any full-time or part-time student
16 to use board property, the student must show that the vehicle is operated by a student holding a
17 valid driver license, that the vehicle is currently registered and that the student driving the vehicle
18 is insured under a motor vehicle liability insurance policy that meets the requirements described
19 under ORS 806.080 or that the student or owner of the vehicle has provided the Department of
20 Transportation with other satisfactory proof of compliance with the financial responsibility re-
21 quirements of this state.

22 (2) The regulations enacted pursuant to subsection (1) of this section shall be enforced admin-
23 istratively under procedures adopted by *[the]* **each** board *[for each public university]*. Administrative
24 and disciplinary sanctions may be imposed upon students, faculty and staff for violation of the reg-
25 ulations, including but not limited to, a reasonable monetary penalty which may be deducted from
26 student deposits, and faculty or staff salaries or other funds in the possession of the public univer-
27 sity. *[The]* **Each** board shall provide opportunity for hearing for the determination of controversies
28 in connection with imposition of fines or penalties. *[The]* **Each** board may prescribe procedures for
29 such hearings despite the provisions of ORS 183.413 to 183.470. Persons other than students, faculty
30 or staff may voluntarily submit to the hearing procedures prescribed by the board, and shall be
31 bound by the results of the hearing. The powers granted to the board by this section are supple-
32 mental to the existing powers of the board with respect to the government of activities of students,
33 faculty and staff and the control and management of property under its jurisdiction.

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

37 (4) All fees and charges for parking privileges and violations are deposited in a designated ac-
38 count in the Oregon University System Fund established by ORS 351.506 **or an account designated**
39 **by Portland State University** for the purpose of defraying the costs of constructing bicycle racks
40 and bicycle lanes and of traffic control, enforcement of traffic and parking regulations and mainte-
41 nance and operation of parking facilities and for the purpose of acquiring and constructing addi-
42 tional parking facilities for vehicles at the various public universities and offices, departments and
43 activities under the control of the board. Fees and charges may also be credited to the account in
44 the Oregon University System Fund designated by ORS 351.460 **or an account designated by**
45 **Portland State University**. Parking fees shall be established at levels no greater than those re-

1 quired to finance the construction, operation and maintenance of parking facilities on the same
 2 campus of the public university for which the parking is provided. Notwithstanding ORS 351.072,
 3 parking fees or changes in fees shall be adopted by rule of the board subject to the procedure for
 4 rules adopted in ORS chapter 183.

5 (5) Every peace officer may enforce the regulations made by the board under subsection (1) of
 6 this section. *[The]* **Each** board, for the purpose of enforcing its rules and regulations governing
 7 traffic control, may appoint peace officers who have the same authority as other peace officers as
 8 defined in ORS 133.005.

9 (6) *[The]* **Each** board and any municipal corporation or any department, agency or political
 10 subdivision of this state may enter into agreements or contracts with each other for the purpose of
 11 providing a uniform system of enforcement of the rules and regulations of the board enacted pursu-
 12 ant to subsection (1) of this section.

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

23 **SECTION 88.** ORS 352.370 is amended to read:

24 352.370. (1) As used in this section, "school of higher education" means:

25 (a) Any public university listed in ORS 352.002.

26 (b) Any community college as defined in ORS 341.005.

27 (c) **Portland State University.**

28 (2) *[No]* **A** student *[shall]* **may not** be refused admission to a school of higher education or be
 29 expelled from such a school for the sole reason that, because of religious beliefs, the student is un-
 30 able to attend classes on a particular day.

31 (3) Any student in a school of higher education who, because of religious beliefs, is unable to
 32 attend classes on a particular day shall be excused on that day from any examination, study re-
 33 quirement or work requirement. However, at the student's own expense the student shall make up
 34 the examination, study requirement or work requirement missed because of the absence.

35 **SECTION 89.** ORS 352.375 is amended to read:

36 352.375. (1) A public university listed in ORS 352.002, **Portland State University** or a commu-
 37 nity college shall charge an enrolled student who is not a resident of this state and who is attending
 38 classes as an undergraduate on a public university or community college campus in this state tuition
 39 and fees no greater than the resident rate plus 50 percent of the difference between the resident rate
 40 and the nonresident rate if the student served in the Armed Forces of the United States and was
 41 relieved or discharged from that service under honorable conditions.

42 (2) *[Every]* **Each** public university *[listed in ORS 352.002]* and community college in this state
 43 shall participate to the fullest extent allowed in the federal educational assistance programs under
 44 the Supplemental Appropriations Act of 2008 (P.L. 110-252) so as to reduce the overall tuition rate
 45 for students eligible for tuition rate reduction under subsection (1) of this section to the resident

1 tuition rate.

2 (3) A person who served in the Armed Forces of the United States and who receives federal
3 tuition benefits in excess of the tuition and fees the person is charged under subsection (1) of this
4 section at a public university [*listed in ORS 352.002*] or a community college where the person is
5 enrolled shall pay tuition and fees equal to the federal tuition benefits received.

6 (4) Distance education and self-support courses as identified by each public university [*listed in*
7 *ORS 352.002*] and community college are exempt from the tuition reduction provisions of this sec-
8 tion.

9 (5) If a nonresident student otherwise eligible for tuition benefits under this section is receiving
10 federal vocational rehabilitation education benefits, that student shall pay full nonresident tuition
11 and fees charged by a public university [*listed in ORS 352.002*] or a community college.

12 **SECTION 90.** ORS 352.380 is amended to read:

13 352.380. (1) As used in this section, “minority” means:

14 (a) A person having origins in any of the black racial groups of Africa but who is not Hispanic;

15 (b) A person of Hispanic culture or origin;

16 (c) A person having origins in any of the original peoples of the Far East, Southeast Asia, the
17 Indian subcontinent or the Pacific Islands; or

18 (d) An American Indian or Alaskan Native having origins in any of the original peoples of North
19 America.

20 (2) Each public university listed in ORS 352.002 **and Portland State University** shall:

21 (a) Consider and maintain affirmative action plans and goals when reductions in faculty and staff
22 are required as a result of:

23 (A) Reductions in revenue that necessitate discontinuance of its educational program at its an-
24 ticipated level;

25 (B) Elimination of classes due to decreased student enrollment; or

26 (C) Reduction in courses due to administrative decisions.

27 (b) Interview one or more qualified minority applicants when hiring a head coach or athletic
28 director, unless the public university was unable to identify a qualified minority applicant who was
29 willing to interview for the position. It is an affirmative defense to a claim of a violation of this
30 paragraph that the public university, in good faith, was unable to identify a qualified minority ap-
31 plicant who was willing to interview for the position.

32 **SECTION 91.** ORS 352.380, as amended by section 3, chapter 780, Oregon Laws 2009, and sec-
33 tion 248, chapter 637, Oregon Laws 2011, is amended to read:

34 352.380. Each public university listed in ORS 352.002 **and Portland State University** shall
35 consider and maintain affirmative action plans and goals when reductions in faculty and staff are
36 required as a result of:

37 (1) Reductions in revenue that necessitate discontinuance of its educational program at its an-
38 ticipated level;

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

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

41 **SECTION 92.** ORS 352.385 is amended to read:

42 352.385. (1)(a) The State Board of Higher Education may, at the request of a public university
43 under its control, authorize the university to commission one or more of its employees as special
44 campus security officers.

45 **(b) The Portland State University Board of Directors may commission one or more of its**

1 **employees as special campus security officers.**

2 (2) The total number of special campus security officers commissioned at [*the public universities*
3 *in the Oregon University System*] **a public university under this section** may not exceed 50. Spe-
4 cial campus security officers shall have stop and frisk authority as set forth in ORS 131.605 to
5 131.625 and probable cause arrest authority and the accompanying immunities as set forth in ORS
6 133.310 and 133.315 when acting in the scope of their employment as defined by the State Board of
7 Higher Education **or the Portland State University Board of Directors**. Special campus security
8 officers [*shall*] **may** not be authorized to carry firearms as police officers and, except as provided
9 in subsection (3) of this section, [*shall*] **may** not be considered police officers for purposes of ORS
10 181.610, 238.005, 243.005 or 243.736.

11 [(2)] (3) The Department of Public Safety Standards and Training shall train special campus se-
12 curity officers at the expense of:

13 (a) The State Board of Higher Education **for officers for a public university listed in ORS**
14 **352.002.**

15 (b) **The Portland State University Board of Directors for officers for Portland State**
16 **University.**

17 [(3)] (4) The State Board of Higher Education **and Portland State University Board of Di-**
18 **rectors**, acting by and through [*its*] special campus security officers, [*is a criminal justice agency*]
19 **are criminal justice agencies** for purposes of rules adopted pursuant to ORS 181.730 (3).

20 **SECTION 93.** ORS 21.007, as amended by section 8, chapter 48, Oregon Laws 2012, is amended
21 to read:

22 21.007. It is the intent of the Legislative Assembly that funding be provided to the following
23 entities by appropriations each biennium to fund programs, services and activities that were funded
24 through court fees before the 2011-2013 biennium:

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

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

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

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

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

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

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

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

42 **SECTION 94.** ORS 30.264 is amended to read:

43 30.264. (1)(a) The State Board of Higher Education may authorize public universities listed in
44 ORS 352.002 to provide liability insurance coverage for students involved in off-campus experiential
45 activities, including, but not limited to, student teaching, internships, clinical experiences, capstone

1 projects and related activities.

2 **(b) The Portland State University Board of Directors may authorize Portland State Uni-**
 3 **versity to provide liability insurance coverage for students involved in off-campus**
 4 **experiential activities, including, but not limited to, student teaching, internships, clinical**
 5 **experiences, capstone projects and related activities.**

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

9 **SECTION 95.** ORS 30.864 is amended to read:

10 30.864. (1) Any person claiming to be aggrieved by the reckless disclosure of personally iden-
 11 tifiable information from a student's education records as prohibited by rules of the State Board of
 12 Education, [*or*] the State Board of Higher Education **or the Portland State University Board of**
 13 **Directors** may file a civil action in circuit court for equitable relief or, subject to the terms and
 14 conditions of ORS 30.265 to 30.300, for damages, or both. The court may order such other relief as
 15 may be appropriate.

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

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

20 **SECTION 96.** ORS 36.145 is amended to read:

21 36.145. The Dispute Resolution Account is established in the State Treasury, separate and dis-
 22 tinct from the General Fund. All moneys received under ORS 36.150 shall be deposited to the credit
 23 of the account. Notwithstanding the provisions of ORS 291.238, all moneys in the account are con-
 24 tinuously appropriated to the Oregon University System **or Portland State University** for the
 25 purposes for which the moneys were made available and shall be expended in accordance with the
 26 terms and conditions upon which the moneys were made available.

27 **SECTION 97.** ORS 36.150 is amended to read:

28 36.150. [*The Oregon University System*] **Portland State University**, on behalf of the Mark O.
 29 Hatfield School of Government, and the **Oregon University System, on behalf of the** University
 30 of Oregon School of Law, may accept and expend moneys from any public or private source, in-
 31 cluding the federal government, made available for the purpose of encouraging, promoting or estab-
 32 lishing dispute resolution programs in Oregon or to facilitate and assist the schools in carrying out
 33 the responsibilities of the schools under ORS 36.100 to 36.238 and 183.502. All moneys received by
 34 the Oregon University System **and Portland State University** under this section shall be deposited
 35 in the Dispute Resolution Account.

36 **SECTION 98.** ORS 131.594 is amended to read:

37 131.594. (1) After the seizing agency distributes property under ORS 131.588, and when the
 38 seizing agency is not the state, the seizing agency shall dispose of and distribute property as follows:

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

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

44 (c) After costs have been paid and distributions under paragraph (b) of this subsection have been
 45 made, the seizing agency shall distribute the rest of the property to the general fund of the political

1 subdivision that operates the seizing agency.

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

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

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

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

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

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

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

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

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

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

19 (c) Retain the property.

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

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

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

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

32 **SECTION 99.** ORS 182.122 is amended to read:

33 182.122. (1) As used in this section:

34 (a) "Executive department" has the meaning given that term in ORS 174.112.

35 (b) "Information systems" means computers, hardware, software, storage media, networks, oper-
36 ational procedures and processes used in the collection, processing, storage, sharing or distribution
37 of information within, or with any access beyond ordinary public access to, the state's shared com-
38 puting and network infrastructure.

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

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

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

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

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

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

10 (5) In collaboration with agencies, the Oregon Department of Administrative Services shall de-
11 velop and implement policies for responding to events that damage or threaten the availability, in-
12 tegrity or confidentiality of information systems or the information stored in information systems,
13 whether those systems are within, interoperable with or outside the state's shared computing and
14 network infrastructure. In the policies, the department shall prescribe actions reasonably necessary
15 to:

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

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

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

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

23 (e) Communicate and share information with agencies, using preexisting incident response ca-
24 pabilities.

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

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

38 (8)(a) Agencies are responsible for the security of computers, hardware, software, storage media,
39 networks, operational procedures and processes used in the collection, processing, storage, sharing
40 or distribution of information outside the state's shared computing and network infrastructure fol-
41 lowing information security standards, policies and procedures established by the Oregon Depart-
42 ment of Administrative Services and developed collaboratively with agencies. Agencies may
43 establish plans, standards and measures that are more stringent than the standards established by
44 the department to address specific agency needs if those plans, standards and measures do not
45 contradict or contravene the state information systems security plan. Independent agency security

1 plans shall be developed within the framework of the state information systems security plan.

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

5 (9) This section does not apply to:

6 (a) Research and student computer systems used by or in conjunction with the State Board of
7 Higher Education, [or] any public university listed in ORS 352.002 **or Portland State University**;
8 and

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

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

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

15 **SECTION 100.** ORS 182.415 is amended to read:

16 182.415. As used in ORS 182.415 to 182.435 unless the context requires otherwise:

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

22 (2) "Housing" includes single and multiple family dwellings, apartments, and manufactured
23 dwellings and manufactured dwelling pads, available on a monthly tenancy but does not include
24 guard stations maintained by the State Forestry Department or dormitory facilities at any state in-
25 stitution, [or] at any public university listed in ORS 352.002 **or at Portland State University**.

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

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

30 **SECTION 101.** ORS 183.635 is amended to read:

31 183.635. (1) Except as provided in this section, all agencies must use administrative law judges
32 assigned from the Office of Administrative Hearings established under ORS 183.605 to conduct con-
33 tested case hearings, without regard to whether those hearings are subject to the procedural re-
34 quirements for contested case hearings.

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

36 (a) Attorney General.

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

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

39 (d) Department of Corrections.

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

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

43 (g) Department of Revenue.

44 (h) Department of State Police.

45 (i) Employment Appeals Board.

- 1 (j) Employment Relations Board.
- 2 (k) Energy Facility Siting Council.
- 3 (L) Fair Dismissal Appeals Board.
- 4 (m) Governor.
- 5 (n) Land Conservation and Development Commission.
- 6 (o) Land Use Board of Appeals.
- 7 (p) Local government boundary commissions created pursuant to ORS 199.430.
- 8 (q) Oregon University System and public universities listed in ORS 352.002.
- 9 (r) Oregon Youth Authority.
- 10 (s) Psychiatric Security Review Board.
- 11 **(t) Portland State University.**
- 12 [(t)] **(u)** The Oregon Health Authority for hearings conducted under ORS 161.315 to 161.351.
- 13 [(u)] **(v)** Public Utility Commission.
- 14 [(v)] **(w)** State Accident Insurance Fund Corporation.
- 15 [(w)] **(x)** State Apprenticeship and Training Council.
- 16 [(x)] **(y)** State Board of Parole and Post-Prison Supervision.
- 17 [(y)] **(z)** State Land Board.
- 18 [(z)] **(aa)** State Treasurer.
- 19 [(aa)] **(bb)** Wage and Hour Commission.

20 (3) The Workers' Compensation Board is exempt from using administrative law judges assigned
 21 from the office for any hearing conducted by the board under ORS chapters 147, 654 and 656. Except
 22 as specifically provided in this subsection, the Department of Consumer and Business Services must
 23 use administrative law judges assigned from the office only for contested cases arising out of the
 24 department's powers and duties under:

- 25 (a) ORS 86A.095 to 86A.198, 86A.990 and 86A.992 and ORS chapter 59;
- 26 (b) ORS chapter 455;
- 27 (c) ORS chapter 674;
- 28 (d) ORS chapters 706 to 716;
- 29 (e) ORS chapter 717;
- 30 (f) ORS chapters 723, 725 and 726; and
- 31 (g) ORS chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748 and 750.

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

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

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

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

42 **SECTION 102.** ORS 184.475 is amended to read:

43 184.475. (1) The purposes of information technology portfolio-based management are to:

- 44 (a) Ensure that state agencies link their information technology investments with business plans;
- 45 (b) Facilitate risk assessment of information technology projects and investments;

1 (c) Ensure that state agencies justify information technology investments on the basis of sound
2 business cases;

3 (d) Ensure that state agencies facilitate development and review of information technology per-
4 formance related to business operations;

5 (e) Identify projects that can cross agency and program lines to leverage resources; and

6 (f) Assist in state government-wide planning for common, shared information technology
7 infrastructure.

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

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

21 (4) The department shall ensure that state agencies implement portfolio-based management of
22 information technology resources in accordance with this section and with rules adopted by the
23 Director of the Oregon Department of Administrative Services.

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

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

29 **SECTION 103.** ORS 184.477 is amended to read:

30 184.477. (1) The purpose of enterprise management is to create a plan and implement a state
31 government-wide approach for managing distributed information technology assets to minimize total
32 ownership costs from acquisition through retirement, while realizing maximum benefits for trans-
33 acting the state's business and delivering services to its citizens.

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

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

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

44 (5) This section does not apply to competitive research grants and contracts at public universi-
45 ties listed in ORS 352.002 **or at Portland State University**.

SECTION 104. ORS 184.631 is amended to read:

184.631. (1) The Department of Transportation shall establish a public-private partnership research and development program.

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

(a) Individuals.

(b) Businesses.

(c) Nonprofit organizations.

(d) The State Board of Higher Education.

(e) The Portland State University Board of Directors.

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

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

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

SECTION 105. ORS 192.501 is amended to read:

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

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

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

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

(a) The arrested person's name, age, residence, employment, marital status and similar biographical information;

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

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

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

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

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

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

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

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

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

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

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

24 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and
25 663.180.

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

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

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

34 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and
35 564.100, regarding the habitat, location or population of any threatened species or endangered spe-
36 cies.

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

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

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

45 (b) Analyses, compilations and other manipulated forms of the original data produced by use of

1 the program; or

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

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

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

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

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

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

24 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS
25 247.967.

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

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

30 (b) Credit reports;

31 (c) Project appraisals;

32 (d) Market studies and analyses;

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

34 (f) Commitment letters;

35 (g) Project pro forma statements;

36 (h) Project cost certifications and cost data;

37 (i) Audits;

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

39 (k) Tenant files relating to certification; and

40 (L) Housing assistance payment requests.

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

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

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

45 (c) Disrupt, interfere with or gain unauthorized access to public funds or to information pro-

1 censing, communication or telecommunication systems, including the information contained in the
2 systems, that are used or operated by a public body.

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

6 (a) An individual;

7 (b) Buildings or other property;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

45 (B) Applies only to records that may be made immediately available to the public upon request

1 in person, by telephone or using the Internet;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 in ORS 181.662 or 181.878.

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

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

10 **SECTION 106.** ORS 192.501, as amended by section 3, chapter 455, Oregon Laws 2005, section
11 7, chapter 608, Oregon Laws 2007, section 2, chapter 687, Oregon Laws 2007, section 2, chapter 48,
12 Oregon Laws 2008, section 3, chapter 57, Oregon Laws 2009, section 2, chapter 135, Oregon Laws
13 2009, section 4, chapter 222, Oregon Laws 2009, section 2, chapter 769, Oregon Laws 2009, section
14 15, chapter 9, Oregon Laws 2011, section 2, chapter 285, Oregon Laws 2011, and section 69, chapter
15 637, Oregon Laws 2011, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

44 (4) Test questions, scoring keys, and other data used to administer a licensing examination,
45 employment, academic or other examination or testing procedure before the examination is given

1 and if the examination is to be used again. Records establishing procedures for and instructing
2 persons administering, grading or evaluating an examination or testing procedure are included in
3 this exemption, to the extent that disclosure would create a risk that the result might be affected.

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

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

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

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

19 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and
20 663.180.

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

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

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

29 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and
30 564.100, regarding the habitat, location or population of any threatened species or endangered spe-
31 cies.

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

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

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

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

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

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

45 (17) Investigatory information relating to any complaint or charge filed under ORS chapter 654,

1 until a final administrative determination is made or, if a citation is issued, until an employer re-
2 ceives notice of any citation.

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

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

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

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

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

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

25 (b) Credit reports;

26 (c) Project appraisals;

27 (d) Market studies and analyses;

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

29 (f) Commitment letters;

30 (g) Project pro forma statements;

31 (h) Project cost certifications and cost data;

32 (i) Audits;

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

34 (k) Tenant files relating to certification; and

35 (L) Housing assistance payment requests.

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

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

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

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

43 (23) Records or information that would reveal or otherwise identify security measures, or
44 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to
45 protect:

- 1 (a) An individual;
- 2 (b) Buildings or other property;
- 3 (c) Information processing, communication or telecommunication systems, including the infor-
- 4 mation contained in the systems; or
- 5 (d) Those operations of the Oregon State Lottery the security of which are subject to study and
- 6 evaluation under ORS 461.180 (6).
- 7 (24) Personal information held by or under the direction of officials of the Oregon Health and
- 8 Science University, **Portland State University** or the Oregon University System about a person
- 9 who has or who is interested in donating money or property to the university[,] **or** the system [*or*
- 10 *a public university listed in ORS 352.002*], if the information is related to the family of the person,
- 11 personal assets of the person or is incidental information not related to the donation.
- 12 (25) The home address, professional address and telephone number of a person who has or who
- 13 is interested in donating money or property to the Oregon University System **or to Portland State**
- 14 **University**.
- 15 (26) Records of the name and address of a person who files a report with or pays an assessment
- 16 to a commodity commission established under ORS 576.051 to 576.455, the Oregon Beef Council
- 17 created under ORS 577.210 or the Oregon Wheat Commission created under ORS 578.030.
- 18 (27) Information provided to, obtained by or used by a public body to authorize, originate, re-
- 19 ceive or authenticate a transfer of funds, including but not limited to a credit card number, payment
- 20 card expiration date, password, financial institution account number and financial institution routing
- 21 number.
- 22 (28) Social Security numbers as provided in ORS 107.840.
- 23 (29) The electronic mail address of a student who attends a public university listed in ORS
- 24 352.002, **Portland State University** or Oregon Health and Science University.
- 25 (30) If requested by a public safety officer, as defined in ORS 181.610:
- 26 (a) The home address and home telephone number of the public safety officer contained in the
- 27 voter registration records for the public safety officer.
- 28 (b) The home address and home telephone number of the public safety officer contained in re-
- 29 cords of the Department of Public Safety Standards and Training.
- 30 (c) The name of the public safety officer contained in county real property assessment or taxa-
- 31 tion records. This exemption:
- 32 (A) Applies only to the name of the public safety officer and any other owner of the property
- 33 in connection with a specific property identified by the officer in a request for exemption from dis-
- 34 closure;
- 35 (B) Applies only to records that may be made immediately available to the public upon request
- 36 in person, by telephone or using the Internet;
- 37 (C) Applies until the public safety officer requests termination of the exemption;
- 38 (D) Does not apply to disclosure of records among public bodies as defined in ORS 174.109 for
- 39 governmental purposes; and
- 40 (E) May not result in liability for the county if the name of the public safety officer is disclosed
- 41 after a request for exemption from disclosure is made under this subsection.
- 42 (31) Unless the public records request is made by a financial institution, as defined in ORS
- 43 706.008, consumer finance company licensed under ORS chapter 725, mortgage banker or mortgage
- 44 broker licensed under ORS 86A.095 to 86A.198, or title company for business purposes, records de-
- 45 scribed in paragraph (a) of this subsection, if the exemption from disclosure of the records is sought

1 by an individual described in paragraph (b) of this subsection using the procedure described in par-
2 agraph (c) of this subsection:

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

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

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

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

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

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

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

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

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

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

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

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

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

39 (36) Any document or other information related to an audit of a public body, as defined in ORS
40 174.109, that is in the custody of an auditor or audit organization operating under nationally re-
41 cognized government auditing standards, until the auditor or audit organization issues a final audit
42 report in accordance with those standards or the audit is abandoned. This exemption does not pro-
43 hibit disclosure of a draft audit report that is provided to the audited entity for the entity's response
44 to the audit findings.

45 **SECTION 107.** ORS 205.450 is amended to read:

1 205.450. As used in ORS 205.450 to 205.470:

2 (1) "Encumbrance" means a claim, lien, charge or liability attached to and binding property.

3 (2) "Encumbrance claimant" means a person who purportedly benefits from the filing of an
4 encumbrance.

5 (3) "Federal official or employee" has the meaning given the term "employee of the
6 government" in the Federal Tort Claims Act (28 U.S.C. 2671).

7 (4) "Filing" includes filing or recording.

8 (5) "Invalid claim of encumbrance" means a claim of encumbrance that is not a valid claim of
9 encumbrance.

10 (6) "Property" includes, but is not limited to, real and personal property.

11 (7) "State or local official or employee" means an appointed or elected official, employee or
12 agent of:

13 (a) A branch of government of this state or a state agency, board, commission or department
14 of a branch of government of this state;

15 (b) A public university listed in ORS 352.002 **or Portland State University**;

16 (c) A community college or local school district in this state;

17 (d) A city, county or other political subdivision in this state; or

18 (e) A public corporation in this state.

19 (8) "Valid claim of encumbrance" is an encumbrance that:

20 (a) Is an encumbrance authorized by statute;

21 (b) Is a consensual encumbrance recognized under the laws of this state; or

22 (c) Is an equitable, constructive or other encumbrance imposed by a court of competent juris-
23 diction.

24 **SECTION 108.** ORS 205.455 is amended to read:

25 205.455. (1) [No] A person or county [shall] **may not** accept for filing an invalid claim of
26 encumbrance.

27 (2) [No] A person or county [shall] **may not** accept for filing a claim of encumbrance against
28 the property of a federal official or employee or a state or local official or employee based on the
29 performance or nonperformance of the official duties of the official or employee unless accompanied
30 by an order from a court of competent jurisdiction authorizing the filing of the encumbrance.

31 (3) A claim of encumbrance against the property of a federal official or employee or a state or
32 local official or employee based on the performance or nonperformance of the official duties of the
33 official or employee that is not accompanied by an order from a court of competent jurisdiction is
34 an invalid claim of encumbrance and has no legal effect.

35 (4) If an invalid claim of encumbrance against the property of a federal official or employee or
36 against the property of a state or local official or employee is accepted for filing, the filing officer
37 shall accept for filing a notice of invalid encumbrance signed and submitted by:

38 (a) The assistant United States attorney representing the federal agency of which the individual
39 is an official or employee;

40 (b) The assistant attorney general representing the state official, employee or agent, or the state
41 agency, board, commission, department or public university listed in ORS 352.002 **or Portland State**
42 **University** of which the individual is an official, employee or agent; or

43 (c) The attorney representing the community college or local school district, political subdivi-
44 sion or public corporation of which the individual is an official, employee or agent.

45 (5) A notice of invalid encumbrance shall be in substantially the following form:

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NOTICE OF INVALID ENCUMBRANCE
FILED AGAINST

_____ (Insert name)
(ORS 205.455)

_____ IS A _____
(Name) (Title)

NOTICE is hereby given that the document entitled _____, purporting to create an obligation against or an interest in the real or personal property of the person named above, filed and/or signed by _____ (insert name), and filed or recorded in book/reel/volume No. _____ on page _____ or document/fee/file/ instrument/microfilm No. _____ in the _____ (insert name of office where document was filed or recorded), is an invalid claim of encumbrance under ORS 205.450 and 205.455.

No order from a court of competent jurisdiction authorizing the filing of such encumbrance accompanied the filing and, pursuant to ORS 205.455, the encumbrance has no legal effect and is invalid.

A copy of this Notice of Invalid Encumbrance has been mailed this day by depositing a true copy of the notice in the United States mail, addressed to _____ (name and address of encumbrance claimant), the last-known address of _____ (insert name of encumbrance claimant).

DATED this ____ day of _____, ____.

Attorney for _____

SUBSCRIBED AND SWORN to before me this ____ day of _____, ____.

NOTARY PUBLIC FOR OREGON
My commission expires: _____

(6) A copy of the notice of invalid encumbrance filed under this section shall be posted at the county courthouse and mailed by the attorney to the encumbrance claimant at the encumbrance claimant's last-known address, if available.

(7) No person or county shall be liable under this section for accepting for filing an invalid claim of encumbrance or for accepting for filing a notice of invalid encumbrance.

(8) Filing a notice of invalid encumbrance under this section shall clear title to all property that is affected by the claim of encumbrance that is the subject of the notice of invalid encumbrance from all claims, liens, charges or liabilities attached to the property under the claim of encumbrance.

SECTION 109. ORS 238.005, as amended by section 30, chapter 54, Oregon Laws 2012, is amended to read:

238.005. For purposes of this chapter:

(1) "Active member" means a member who is presently employed by a participating public employer in a qualifying position and who has completed the six-month period of service required by

1 ORS 238.015.

2 (2) "Annuity" means payments for life derived from contributions made by a member as provided
3 in this chapter.

4 (3) "Board" means the Public Employees Retirement Board.

5 (4) "Calendar year" means 12 calendar months commencing on January 1 and ending on De-
6 cember 31 following.

7 (5) "Continuous service" means service not interrupted for more than five years, except that
8 such continuous service shall be computed without regard to interruptions in the case of:

9 (a) An employee who had returned to the service of the employer as of January 1, 1945, and
10 who remained in that employment until having established membership in the Public Employees
11 Retirement System.

12 (b) An employee who was in the armed services on January 1, 1945, and returned to the service
13 of the employer within one year of the date of being otherwise than dishonorably discharged and
14 remained in that employment until having established membership in the Public Employees Retire-
15 ment System.

16 (6) "Creditable service" means any period of time during which an active member is being paid
17 a salary by a participating public employer and for which benefits under this chapter are funded by
18 employer contributions and earnings on the fund. For purposes of computing years of "creditable
19 service," full months and major fractions of a month shall be considered to be one-twelfth of a year
20 and shall be added to all full years. "Creditable service" includes all retirement credit received by
21 a member.

22 (7) "Earliest service retirement age" means the age attained by a member when the member
23 could first make application for retirement under the provisions of ORS 238.280.

24 (8) "Employee" includes, in addition to employees, public officers, but does not include:

25 (a) Persons engaged as independent contractors.

26 (b) Seasonal, emergency or casual workers whose periods of employment with any public em-
27 ployer or public employers do not total 600 hours in any calendar year.

28 (c) Persons, other than workers in the Oregon Industries for the Blind under ORS 346.190, pro-
29 vided sheltered employment or made-work by a public employer in an employment or industries
30 program maintained for the benefit of such persons.

31 (d) Persons employed and paid from federal funds received under a federal program intended
32 primarily to alleviate unemployment. However, any such person shall be considered an "employee"
33 if not otherwise excluded by paragraphs (a) to (c) of this subsection and the public employer elects
34 to have the person so considered by an irrevocable written notice to the board.

35 (e) Persons who are employees of a railroad, as defined in ORS 824.020, and who, as such em-
36 ployees, are included in a retirement plan under federal railroad retirement statutes. This paragraph
37 shall be deemed to have been in effect since the inception of the system.

38 (9) "Final average salary" means whichever of the following is greater:

39 (a) The average salary per calendar year paid by one or more participating public employers to
40 an employee who is an active member of the system in three of the calendar years of membership
41 before the effective date of retirement of the employee, in which three years the employee was paid
42 the highest salary. The three calendar years in which the employee was paid the largest total salary
43 may include calendar years in which the employee was employed for less than a full calendar year.
44 If the number of calendar years of active membership before the effective date of retirement of the
45 employee is three or fewer, the final average salary for the employee is the average salary per cal-

1 endar year paid by one or more participating public employers to the employee in all of those years,
2 without regard to whether the employee was employed for the full calendar year.

3 (b) One-third of the total salary paid by a participating public employer to an employee who is
4 an active member of the system in the last 36 calendar months of active membership before the ef-
5 fective date of retirement of the employee.

6 (10) "Firefighter" does not include a volunteer firefighter, but does include:

7 (a) The State Fire Marshal, the chief deputy fire marshal and deputy state fire marshals; and

8 (b) An employee of the State Forestry Department who is certified by the State Forester as a
9 professional wildland firefighter and whose primary duties include the abatement of uncontrolled
10 fires as described in ORS 477.064.

11 (11) "Fiscal year" means 12 calendar months commencing on July 1 and ending on June 30 fol-
12 lowing.

13 (12) "Fund" means the Public Employees Retirement Fund.

14 (13) "Inactive member" means a member who is not employed in a qualifying position, whose
15 membership has not been terminated in the manner described by ORS 238.095 and who is not retired
16 for service or disability.

17 (14) "Institution of higher education" means a public university listed in ORS 352.002, **Portland**
18 **State University**, the Oregon Health and Science University and a community college, as defined
19 in ORS 341.005.

20 (15) "Member" means a person who has established membership in the system and whose mem-
21 bership has not been terminated as described in ORS 238.095. "Member" includes active, inactive
22 and retired members.

23 (16) "Member account" means the regular account and the variable account.

24 (17) "Normal retirement age" means:

25 (a) For a person who establishes membership in the system before January 1, 1996, as described
26 in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or firefighter
27 or 58 years of age if the employee retires at that age as other than a police officer or firefighter.

28 (b) For a person who establishes membership in the system on or after January 1, 1996, as de-
29 scribed in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or
30 firefighter or 60 years of age if the employee retires at that age as other than a police officer or
31 firefighter.

32 (18) "Pension" means annual payments for life derived from contributions by one or more public
33 employers.

34 (19) "Police officer" includes:

35 (a) Employees of institutions defined in ORS 421.005 as Department of Corrections institutions
36 whose duties, as assigned by the Director of the Department of Corrections, include the custody of
37 persons committed to the custody of or transferred to the Department of Corrections and employees
38 of the Department of Corrections who were classified as police officers on or before July 27, 1989,
39 whether or not such classification was authorized by law.

40 (b) Employees of the Department of State Police who are classified as police officers by the
41 Superintendent of State Police.

42 (c) Employees of the Oregon Liquor Control Commission who are classified as liquor enforce-
43 ment inspectors by the administrator of the commission.

44 (d) Sheriffs and those deputy sheriffs or other employees of a sheriff whose duties, as classified
45 by the sheriff, are the regular duties of police officers or corrections officers.

1 (e) Police chiefs and police personnel of a city who are classified as police officers by the
2 council or other governing body of the city.

3 (f) Police officers who are commissioned by a university under ORS 352.383 and who are clas-
4 sified as police officers by the university.

5 (g) Parole and probation officers employed by the Department of Corrections, parole and pro-
6 bation officers who are transferred to county employment under ORS 423.549 and adult parole and
7 probation officers, as defined in ORS 181.610, who are classified as police officers for the purposes
8 of this chapter by the county governing body. If a county classifies adult parole and probation offi-
9 cers as police officers for the purposes of this chapter, and the employees so classified are repres-
10 ented by a labor organization, any proposal by the county to change that classification or to cease
11 to classify adult parole and probation officers as police officers for the purposes of this chapter is
12 a mandatory subject of bargaining.

13 (h) Police officers appointed under ORS 276.021 or 276.023.

14 (i) Employees of the Port of Portland who are classified as airport police by the Board of Com-
15 missioners of the Port of Portland.

16 (j) Employees of the State Department of Agriculture who are classified as livestock police of-
17 ficers by the Director of Agriculture.

18 (k) Employees of the Department of Public Safety Standards and Training who are classified by
19 the department as other than secretarial or clerical personnel.

20 (L) Investigators of the Criminal Justice Division of the Department of Justice.

21 (m) Corrections officers as defined in ORS 181.610.

22 (n) Employees of the Oregon State Lottery Commission who are classified by the Director of the
23 Oregon State Lottery as enforcement agents pursuant to ORS 461.110.

24 (o) The Director of the Department of Corrections.

25 (p) An employee who for seven consecutive years has been classified as a police officer as de-
26 fined by this section, and who is employed or transferred by the Department of Corrections to fill
27 a position designated by the Director of the Department of Corrections as being eligible for police
28 officer status.

29 (q) An employee of the Department of Corrections classified as a police officer on or prior to
30 July 27, 1989, whether or not that classification was authorized by law, as long as the employee
31 remains in the position held on July 27, 1989. The initial classification of an employee under a sys-
32 tem implemented pursuant to ORS 240.190 does not affect police officer status.

33 (r) Employees of a school district who are appointed and duly sworn members of a law
34 enforcement agency of the district as provided in ORS 332.531 or otherwise employed full-time as
35 police officers commissioned by the district.

36 (s) Employees at youth correction facilities and juvenile detention facilities under ORS 419A.050,
37 419A.052 and 420.005 to 420.915 who are required to hold valid Oregon teaching licenses and who
38 have supervisory, control or teaching responsibilities over juveniles committed to the custody of the
39 Department of Corrections or the Oregon Youth Authority.

40 (t) Employees at youth correction facilities as defined in ORS 420.005 whose primary job de-
41 scription involves the custody, control, treatment, investigation or supervision of juveniles placed
42 in such facilities.

43 (u) Employees of the Oregon Youth Authority who are classified as juvenile parole and pro-
44 bation officers.

45 (20) "Prior service credit" means credit provided under ORS 238.442 or under ORS 238.225 (2)

1 to (6) (1999 Edition).

2 (21) "Public employer" means the state, one of its agencies, any city, county, or municipal or
3 public corporation, any political subdivision of the state or any instrumentality thereof, or an agency
4 created by one or more such governmental organizations to provide governmental services. For
5 purposes of this chapter, such agency created by one or more governmental organizations is a gov-
6 ernmental instrumentality and a legal entity with power to enter into contracts, hold property and
7 sue and be sued.

8 (22) "Qualifying position" means one or more jobs with one or more participating public em-
9 ployers in which an employee performs 600 or more hours of service in a calendar year, excluding
10 any service in a job for which a participating public employer does not provide benefits under this
11 chapter pursuant to an application made under ORS 238.035.

12 (23) "Regular account" means the account established for each active and inactive member un-
13 der ORS 238.250.

14 (24) "Retired member" means a member who is retired for service or disability.

15 (25) "Retirement credit" means a period of time that is treated as creditable service for the
16 purposes of this chapter.

17 (26)(a) "Salary" means the remuneration paid an employee in cash out of the funds of a public
18 employer in return for services to the employer, plus the monetary value, as determined by the
19 Public Employees Retirement Board, of whatever living quarters, board, lodging, fuel, laundry and
20 other advantages the employer furnishes the employee in return for services.

21 (b) "Salary" includes but is not limited to:

22 (A) Payments of employee and employer money into a deferred compensation plan, which are
23 deemed salary paid in each month of deferral;

24 (B) The amount of participation in a tax-sheltered or deferred annuity, which is deemed salary
25 paid in each month of participation;

26 (C) Retroactive payments described in ORS 238.008; and

27 (D) Wages of a deceased member paid to a surviving spouse or dependent children under ORS
28 652.190.

29 (c) "Salary" or "other advantages" does not include:

30 (A) Travel or any other expenses incidental to employer's business which is reimbursed by the
31 employer;

32 (B) Payments for insurance coverage by an employer on behalf of employee or employee and
33 dependents, for which the employee has no cash option;

34 (C) Payments made on account of an employee's death;

35 (D) Any lump sum payment for accumulated unused sick leave;

36 (E) Any accelerated payment of an employment contract for a future period or an advance
37 against future wages;

38 (F) Any retirement incentive, retirement severance pay, retirement bonus or retirement
39 gratuitous payment;

40 (G) Payments for periods of leave of absence after the date the employer and employee have
41 agreed that no future services qualifying pursuant to ORS 238.015 (3) will be performed, except for
42 sick leave and vacation;

43 (H) Payments for instructional services rendered to public universities [*of the Oregon University*
44 *System*] **listed in ORS 352.002, Portland State University** or the Oregon Health and Science Uni-
45 versity when such services are in excess of full-time employment subject to this chapter. A person

1 employed under a contract for less than 12 months is subject to this subparagraph only for the
2 months to which the contract pertains; or

3 (I) Payments made by an employer for insurance coverage provided to a domestic partner of an
4 employee.

5 (27) "School year" means the period beginning July 1 and ending June 30 next following.

6 (28) "System" means the Public Employees Retirement System.

7 (29) "Variable account" means the account established for a member who participates in the
8 Variable Annuity Account under ORS 238.260.

9 (30) "Vested" means being an active member of the system in each of five calendar years.

10 (31) "Volunteer firefighter" means a firefighter whose position normally requires less than 600
11 hours of service per year.

12 **SECTION 110.** ORS 238.200 is amended to read:

13 238.200. (1)(a) An active member of the Public Employees Retirement System shall contribute to
14 the Public Employees Retirement Fund and there shall be withheld from salary of the member six
15 percent of that salary as an employee contribution.

16 (b) Notwithstanding paragraph (a) of this subsection, an employee who is an active member of
17 the system on August 21, 1981, shall contribute to the fund and there shall be withheld from salary
18 of the member, as long as the employee continues to be an active member of the system, four percent
19 of that salary if the salary for a month is less than \$500, or five percent of that salary if the salary
20 for a month is \$500 or more and less than \$1,000.

21 (c) Notwithstanding subsection (2) of this section, for the purpose of computing the percentage
22 of salary to be withheld under this paragraph from a member who is an employee of a school
23 district, **of Portland State University** or of the State Board of Higher Education whose salary is
24 based on an annual agreement, the agreed annual salary of the member shall be divided into 12
25 equal installments, and each installment shall be considered as earned and paid in separate, con-
26 secutive months, commencing with the first month that payment is actually made under the terms
27 of the salary agreement.

28 (2) The contributions of each member as provided in subsection (1) of this section shall be de-
29 ducted by the employer from each payroll and transmitted by the employer to the Public Employees
30 Retirement Board, which shall cause them to be credited to the member account of the member.
31 Salary shall be considered earned in the month in which it is paid. The date inscribed on the pay-
32 check or warrant shall be considered as the pay date, regardless of when the salary is actually de-
33 livered to the member.

34 (3) An active member who is concurrently employed by more than one participating public em-
35 ployer, and who is a member of or entitled to membership in the system, shall make contributions
36 to the fund on the basis of salary paid by each employer.

37 (4) Notwithstanding subsections (1) to (3) of this section, a member of the system, or a partic-
38 ipating employer acting on behalf of the member pursuant to ORS 238.205, is not permitted or re-
39 quired to make employee contributions to the fund for service performed on or after January 1, 2004.
40 This subsection does not affect any contribution for the purpose of unit purchases under ORS
41 238.440 or amounts paid for acquisition of creditable service under ORS 238.105 to 238.175.

42 **SECTION 111.** ORS 238.215 is amended to read:

43 238.215. Notwithstanding any other provision of this chapter:

44 (1) An employee, as defined in ORS 243.910 (2), who is an active member of the system and who
45 has elected, and not canceled that election, to be assisted by the State Board of Higher Education

1 **or the Portland State University Board of Directors** under ORS 243.920 (1), [shall] **may** not
 2 contribute to the fund on any part of the annual salary of the employee in excess of \$4,800 at any
 3 time during which the [State Board of Higher Education] **board** assists the employee under ORS
 4 243.920 (1).

5 (2) The current service pension, whether for service or disability retirement, under this chapter
 6 provided by the contributions of the employers of such employee shall be:

7 (a) If the State Board of Higher Education **or the Portland State University Board of Di-**
 8 **rectors** is assisting such employee under ORS 243.920 (1) at the time of retirement, a pension equal
 9 to the annuity provided by the employee's accumulated contributions to the fund.

10 (b) If the [State Board of Higher Education] **board** is not assisting such employee under ORS
 11 243.920 (1) at the time of retirement, but previously so assisted the employee:

12 (A) For service before the date the [State Board of Higher Education] **board** last ceased to assist
 13 the employee, a pension equal to the annuity provided by the employee's accumulated contributions
 14 to the fund before that date.

15 (B) For service on and after the date the [State Board of Higher Education] **board** last ceased
 16 to so assist the employee, a pension computed as provided in ORS 238.300 (2), but if the employee
 17 retires before reaching the normal retirement age, actuarially reduced and computed on the then
 18 attained age. For the purpose of computing the pension under this subparagraph, only the number
 19 of years of membership of the employee after the day before that date and only the salary of the
 20 employee on which the employee contributes to the fund for those years shall be considered.

21 (3) Subsection (2) of this section does not apply to an employee, as defined in ORS 243.910 (2),
 22 who is an active member of the system, who elected to be assisted by the State Board of Higher
 23 Education **or the Portland State University Board of Directors** under ORS 243.920 (1) before
 24 January 1, 1968, who canceled that election within the first 60 days of the calendar year 1968 as
 25 provided in ORS 243.940 (5) and who does not thereafter elect to be assisted by the [State Board of
 26 Higher Education] **board** under ORS 243.920 (1).

27 (4) Subsection (2) of this section does not apply to an employee, as defined in ORS 243.910 (2),
 28 who is an active member of the system and has been an active member of the system continuously
 29 since any date before January 1, 1968; who elected to be assisted by the State Board of Higher Ed-
 30 ucation **or the Portland State University Board of Directors** under ORS 243.920 (1) before Jan-
 31 uary 1, 1968; and who cancels that election in any calendar year after 1968, but before the calendar
 32 year in which the employee retires, as provided in ORS 243.940 (5) and does not thereafter elect to
 33 be assisted by the [State Board of Higher Education] **board** under ORS 243.920 (1). In this case the
 34 benefit, whether for service or disability retirement, shall be computed as under ORS 238.300; how-
 35 ever, for service during periods in which the employee was assisted by the [State Board of Higher
 36 Education] **board** under ORS 243.920 (1), a year of membership as used in ORS 238.300 (2) shall be
 37 a portion of a year which is represented by a fraction the numerator of which is \$4,800 and the
 38 denominator of which is the salary earned by the employee in that year. However, in no case shall
 39 the fraction be greater than one.

40 **SECTION 112.** ORS 238A.005, as amended by section 1, chapter 31, Oregon Laws 2012, is
 41 amended to read:

42 238A.005. For the purposes of this chapter:

43 (1) "Active member" means a member of the pension program or the individual account program
 44 of the Oregon Public Service Retirement Plan who is actively employed in a qualifying position.

45 (2) "Actuarial equivalent" means a payment or series of payments having the same value as the

1 payment or series of payments replaced, computed on the basis of interest rate and mortality as-
2 sumptions adopted by the board.

3 (3) "Board" means the Public Employees Retirement Board.

4 (4) "Eligible employee" means a person who performs services for a participating public em-
5 ployer, including elected officials other than judges. "Eligible employee" does not include:

6 (a) Persons engaged as independent contractors;

7 (b) Aliens working under a training or educational visa;

8 (c) Persons, other than workers in the Industries for the Blind Program under ORS 346.190,
9 provided sheltered employment or make-work by a public employer;

10 (d) Persons categorized by a participating public employer as student employees;

11 (e) Any person who is an inmate of a state institution;

12 (f) Employees of foreign trade offices of the Oregon Business Development Department who live
13 and perform services in foreign countries under the provisions of ORS 285A.075 (1)(g);

14 (g) An employee actively participating in an alternative retirement program established under
15 ORS 353.250 or an optional retirement plan established under ORS 341.551;

16 (h) Employees of the Oregon University System who are actively participating in an optional
17 retirement plan offered under ORS 243.800;

18 (i) Any employee who belongs to a class of employees that was not eligible on August 28, 2003,
19 for membership in the system under the provisions of ORS chapter 238 or other law;

20 (j) Any person who belongs to a class of employees who are not eligible to become members of
21 the Oregon Public Service Retirement Plan under the provisions of ORS 238A.070 (2);

22 (k) Any person who is retired under ORS 238A.100 to 238A.245 or ORS chapter 238 and who
23 continues to receive retirement benefits while employed; and

24 (L) Judges.

25 (5) "Firefighter" means:

26 (a) A person employed by a local government, as defined in ORS 174.116, whose primary job
27 duties include the fighting of fires;

28 (b) The State Fire Marshal, the chief deputy state fire marshal and deputy state fire marshals;
29 and

30 (c) An employee of the State Forestry Department who is certified by the State Forester as a
31 professional wildland firefighter and whose primary duties include the abatement of uncontrolled
32 fires as described in ORS 477.064.

33 (6) "Fund" means the Public Employees Retirement Fund.

34 (7)(a) "Hour of service" means:

35 (A) An hour for which an eligible employee is directly or indirectly paid or entitled to payment
36 by a participating public employer for performance of duties in a qualifying position; and

37 (B) An hour of vacation, holiday, illness, incapacity, jury duty, military duty or authorized leave
38 during which an employee does not perform duties but for which the employee is directly or indi-
39 rectly paid or entitled to payment by a participating public employer for services in a qualifying
40 position, as long as the hour is within the number of hours regularly scheduled for the performance
41 of duties during the period of vacation, holiday, illness, incapacity, jury duty, military duty or au-
42 thorized leave.

43 (b) "Hour of service" does not include any hour for which payment is made or due under a plan
44 maintained solely for the purpose of complying with applicable workers' compensation laws or un-
45 employment compensation laws.

1 (8) "Inactive member" means a member of the pension program or the individual account pro-
2 gram of the Oregon Public Service Retirement Plan whose membership has not been terminated, who
3 is not a retired member and who is not employed in a qualifying position.

4 (9) "Individual account program" means the defined contribution individual account program of
5 the Oregon Public Service Retirement Plan established under ORS 238A.025.

6 (10) "Institution of higher education" means a public university listed in ORS 352.002, **Portland**
7 **State University**, the Oregon Health and Science University or a community college, as defined in
8 ORS 341.005.

9 (11) "Member" means an eligible employee who has established membership in the pension pro-
10 gram or the individual account program of the Oregon Public Service Retirement Plan and whose
11 membership has not been terminated under ORS 238A.110 or 238A.310.

12 (12) "Participating public employer" means a public employer as defined in ORS 238.005 that
13 provides retirement benefits for employees of the public employer under the system.

14 (13) "Pension program" means the defined benefit pension program of the Oregon Public Service
15 Retirement Plan established under ORS 238A.025.

16 (14) "Police officer" means a police officer as described in ORS 238.005.

17 (15) "Qualifying position" means one or more jobs with one or more participating public em-
18 ployers in which an eligible employee performs 600 or more hours of service in a calendar year,
19 excluding any service in a job for which benefits are not provided under the Oregon Public Service
20 Retirement Plan pursuant to ORS 238A.070 (2).

21 (16) "Retired member" means a pension program member who is receiving a pension as provided
22 in ORS 238A.180 to 238A.195.

23 (17)(a) "Salary" means the remuneration paid to an active member in return for services to the
24 participating public employer, including remuneration in the form of living quarters, board or other
25 items of value, to the extent the remuneration is includable in the employee's taxable income under
26 Oregon law. Salary includes the additional amounts specified in paragraph (b) of this subsection,
27 but does not include the amounts specified in paragraph (c) of this subsection, regardless of whether
28 those amounts are includable in taxable income.

29 (b) "Salary" includes the following amounts:

30 (A) Payments of employee and employer money into a deferred compensation plan that are made
31 at the election of the employee.

32 (B) Contributions to a tax-sheltered or deferred annuity that are made at the election of the
33 employee.

34 (C) Any amount that is contributed to a cafeteria plan or qualified transportation fringe benefit
35 plan by the employer at the election of the employee and that is not includable in the taxable in-
36 come of the employee by reason of 26 U.S.C. 125 or 132(f)(4), as in effect on December 31, 2011.

37 (D) Any amount that is contributed to a cash or deferred arrangement by the employer at the
38 election of the employee and that is not included in the taxable income of the employee by reason
39 of 26 U.S.C. 402(e)(3), as in effect on December 31, 2011.

40 (E) Retroactive payments described in ORS 238.008.

41 (F) The amount of an employee contribution to the individual account program that is paid by
42 the employer and deducted from the compensation of the employee, as provided under ORS 238A.335
43 (1) and (2)(a).

44 (G) The amount of an employee contribution to the individual account program that is not paid
45 by the employer under ORS 238A.335.

1 (H) Wages of a deceased member paid to a surviving spouse or dependent children under ORS
2 652.190.

3 (c) "Salary" does not include the following amounts:

4 (A) Travel or any other expenses incidental to employer's business which is reimbursed by the
5 employer.

6 (B) Payments made on account of an employee's death.

7 (C) Any lump sum payment for accumulated unused sick leave, vacation leave or other paid
8 leave.

9 (D) Any severance payment, accelerated payment of an employment contract for a future period
10 or advance against future wages.

11 (E) Any retirement incentive, retirement bonus or retirement gratuitous payment.

12 (F) Payment for a leave of absence after the date the employer and employee have agreed that
13 no future services in a qualifying position will be performed.

14 (G) Payments for instructional services rendered to public universities of the Oregon University
15 System, **Portland State University** or the Oregon Health and Science University when those ser-
16 vices are in excess of full-time employment subject to this chapter. A person employed under a
17 contract for less than 12 months is subject to this subparagraph only for the months covered by the
18 contract.

19 (H) The amount of an employee contribution to the individual account program that is paid by
20 the employer and is not deducted from the compensation of the employee, as provided under ORS
21 238A.335 (1) and (2)(b).

22 (I) Any amount in excess of \$200,000 for a calendar year. If any period over which salary is
23 determined is less than 12 months, the \$200,000 limitation for that period shall be multiplied by a
24 fraction, the numerator of which is the number of months in the determination period and the de-
25 nominator of which is 12. The board shall adopt rules adjusting this dollar limit to incorporate
26 cost-of-living adjustments authorized by the Internal Revenue Service.

27 (18) "System" means the Public Employees Retirement System.

28 **SECTION 113.** ORS 240.185 is amended to read:

29 240.185. (1) On and after January 1, 1984, the number of persons employed by the state shall not
30 exceed 1.5 percent of the state's population of the prior year.

31 (2) The population figure shall be that required by ORS 190.510 to 190.610.

32 (3) This section applies to all full-time equivalent budgeted positions.

33 (4) This section does not apply to the Governor, the Secretary of State, the State Treasurer, the
34 Supreme Court or the Legislative Assembly in the conduct of duties vested in any of them by the
35 Oregon Constitution. However, this exception applies only to the office of the Governor and not to
36 the executive branch of government.

37 (5) This section does not apply to personnel who administer unemployment insurance benefits
38 programs of the Employment Department, to personnel who administer programs required to be im-
39 plemented as a condition for the continued certification of the Employment Division Law by the
40 United States Secretary of Labor or to personnel who administer programs implemented by the
41 United States Department of Labor under federal law if the state is required to enter into contracts
42 to provide such programs.

43 (6) This section does not apply to personnel whose positions are funded by the gifts, grants and
44 contracts program in the Oregon University System **or Portland State University**.

45 (7) In order to assess the effect of subsection (1) of this section, the Oregon Department of Ad-

1 ministrative Services by December 31 of each even-numbered year shall conduct a workload analysis
 2 of each state agency, regardless of whether the agency is exempt from the application of subsection
 3 (1) of this section. The workload analysis of each agency shall be submitted to the Legislative As-
 4 sembly prior to its convening in the subsequent odd-numbered year regular session and shall ac-
 5 company the agency's budget request before the Joint Ways and Means Committee.

6 **SECTION 114.** ORS 243.105 is amended to read:

7 243.105. As used in ORS 243.105 to 243.285, unless the context requires otherwise:

8 (1) "Benefit plan" includes, but is not limited to:

9 (a) Contracts for insurance or other benefits, including medical, dental, vision, life, disability and
 10 other health care recognized by state law, and related services and supplies;

11 (b) Comparable benefits for employees who rely on spiritual means of healing; and

12 (c) Self-insurance programs managed by the Public Employees' Benefit Board.

13 (2) "Board" means the Public Employees' Benefit Board.

14 (3) "Carrier" means an insurance company or health care service contractor holding a valid
 15 certificate of authority from the Director of the Department of Consumer and Business Services, or
 16 two or more companies or contractors acting together pursuant to a joint venture, partnership or
 17 other joint means of operation, or a board-approved guarantor of benefit plan coverage and com-
 18 pensation.

19 (4)(a) "Eligible employee" means an officer or employee of a state agency who elects to partic-
 20 ipate in one of the group benefit plans described in ORS 243.135. The term includes state officers
 21 and employees in the exempt, unclassified and classified service, and state officers and employees,
 22 whether or not retired, who:

23 (A) Are receiving a service retirement allowance, a disability retirement allowance or a pension
 24 under the Public Employees Retirement System or are receiving a service retirement allowance, a
 25 disability retirement allowance or a pension under any other retirement or disability benefit plan
 26 or system offered by the State of Oregon for its officers and employees;

27 (B) Are eligible to receive a service retirement allowance under the Public Employees Retire-
 28 ment System and have reached earliest retirement age under ORS chapter 238;

29 (C) Are eligible to receive a pension under ORS 238A.100 to 238A.245, and have reached earliest
 30 retirement age as described in ORS 238A.165; or

31 (D) Are eligible to receive a service retirement allowance or pension under another retirement
 32 benefit plan or system offered by the State of Oregon and have attained earliest retirement age
 33 under the plan or system.

34 (b) "Eligible employee" does not include individuals:

35 (A) Engaged as independent contractors;

36 (B) Whose periods of employment in emergency work are on an intermittent or irregular basis;

37 (C) Who are employed on less than half-time basis unless the individuals are employed in posi-
 38 tions classified as job-sharing positions, unless the individuals are defined as eligible under rules of
 39 the board;

40 (D) Appointed under ORS 240.309;

41 (E) Provided sheltered employment or make-work by the state in an employment or industries
 42 program maintained for the benefit of such individuals; or

43 (F) Provided student health care services in conjunction with their enrollment as students at a
 44 public university listed in ORS 352.002 **or Portland State University.**

45 (5) "Family member" means an eligible employee's spouse and any unmarried child or stepchild

1 within age limits and other conditions imposed by the board with regard to unmarried children or
2 stepchildren.

3 (6) "Payroll disbursing officer" means the officer or official authorized to disburse moneys in
4 payment of salaries and wages of employees of a state agency.

5 (7) "Premium" means the monthly or other periodic charge for a benefit plan.

6 (8) "State agency" means every state officer, board, commission, department or other activity
7 of state government.

8 **SECTION 115.** ORS 243.107 is amended to read:

9 243.107. A person employed by a public university listed in ORS 352.002, **Portland State Uni-**
10 **versity** or the Oregon Health and Science University may be considered an eligible employee for
11 participation in one of the group benefit plans described in ORS 243.135 if the State Board of Higher
12 Education, **the Portland State University Board of Directors** or the Oregon Health and Science
13 University Board of Directors [*for Oregon Health and Science University employees,*] determines that
14 funds are available therefor and if:

15 (1) Notwithstanding ORS 243.105 (4)(b)(F), the person is a student enrolled in an institution of
16 higher education and is employed as a graduate teaching assistant, graduate research assistant or
17 a fellow at the institution and elects to participate; or

18 (2) Notwithstanding ORS 243.105 (4)(b)(B) or (C), the person is employed on a less than half-time
19 basis in an unclassified instructional or research support capacity and elects to participate.

20 **SECTION 116.** ORS 243.778 is amended to read:

21 243.778. (1) When an appropriate bargaining unit includes members of the faculty of a public
22 university listed in ORS 352.002 **or of Portland State University**, the duly organized and recog-
23 nized entity of student government at that university may designate three representatives to meet
24 and confer with the public employer of those members of the faculty and the exclusive represen-
25 tative of that appropriate bargaining unit prior to collective bargaining.

26 (2) During the course of collective bargaining between the public employer and the exclusive
27 representative described in subsection (1) of this section, the representatives of student government
28 designated under subsection (1) of this section shall:

29 (a) Be allowed to attend and observe all meetings between the public employer and the exclusive
30 representative at which collective bargaining occurs;

31 (b) Have access to all written documents pertaining to the collective bargaining negotiations
32 exchanged by the public employer and the exclusive representative, including copies of any prepared
33 written transcripts of the bargaining session;

34 (c) Be allowed to comment in good faith during the bargaining sessions upon matters under
35 consideration; and

36 (d) Be allowed to meet and confer with the exclusive representative and the public employer
37 regarding the terms of an agreement between them prior to the execution of a written contract in-
38 corporating that agreement.

39 (3) Rules regarding confidentiality and release of information shall apply to student represen-
40 tatives in the same manner as employer and employee bargaining unit representatives.

41 (4) As used in this section, "meet and confer" means the performance of the mutual obligation
42 of the representatives of student government designated under subsection (1) of this section, the
43 exclusive representative and the public employer, or any two of them, to meet at the request of one
44 of them at reasonable times at a place convenient to all to conduct in good faith an interchange of
45 views concerning the duties of each under this section, employment relations of the faculty, the

1 negotiation of an agreement and the execution of a written agreement.

2 **SECTION 117.** ORS 243.800 is amended to read:

3 243.800. (1) Notwithstanding any provision of ORS chapter 238 or 238A or ORS 243.910 to
4 243.945, the State Board of Higher Education **and Portland State University** shall establish and
5 administer an Optional Retirement Plan for administrative and academic employees of the Oregon
6 University System **or Portland State University** who are eligible for membership in the Public
7 Employees Retirement System. The Optional Retirement Plan must be a qualified plan under the
8 Internal Revenue Code, capable of accepting funds transferred under subsection (7) of this section
9 without the transfer being treated as a taxable event under the Internal Revenue Code, and willing
10 to accept those funds. Retirement and death benefits shall be provided under the plan by the pur-
11 chase of annuity contracts, fixed or variable or a combination thereof, or by contracts for invest-
12 ments in mutual funds.

13 (2) The State Board of Higher Education **and Portland State University** shall select at least
14 two life insurance companies providing fixed and variable annuities and at least two investment
15 companies providing mutual funds, but not more than five companies in total, for the purpose of
16 providing benefits under the Optional Retirement Plan. [*The State Board of Higher Education*] **Each**
17 **board** shall establish selection criteria for the purpose of this subsection.

18 (3) An administrative or academic employee may make an irrevocable election to participate in
19 the Optional Retirement Plan within six months after being employed. An election under this sub-
20 section is effective on the first day of the month following six full months of employment.

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

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

25 (b) Continues to be assisted by the State Board of Higher Education **or Portland State Uni-**
26 **versity** under ORS 243.920 if the employee is being so assisted.

27 (5) Except as provided in subsection (6) of this section, employees who elect to participate in the
28 Optional Retirement Plan are ineligible for active membership in the Public Employees Retirement
29 System or for any assistance by the State Board of Higher Education **or Portland State University**
30 under ORS 243.920 as long as those employees are employed in the Oregon University System **or**
31 **by Portland State University** and the plan is in effect.

32 (6)(a) An administrative or academic employee who elects to participate in the Optional Retirement
33 Plan, who has creditable service under ORS chapter 238 as defined by ORS 238.005 and who
34 is not vested shall be considered by the Public Employees Retirement Board to be a terminated
35 member under the provisions of ORS 238.095 as of the effective date of the election, and the amount
36 credited to the member account of the member shall be transferred directly to the Optional Retirement
37 Plan by the Public Employees Retirement Board in the manner provided by subsection (7) of
38 this section.

39 (b) An administrative or academic employee who elects to participate in the Optional Retirement
40 Plan, who has creditable service under ORS chapter 238 as defined by ORS 238.005 and who is
41 vested shall be considered to be an inactive member by the Public Employees Retirement Board and
42 shall retain all the rights, privileges and options under ORS chapter 238 unless the employee makes
43 a written request to the Public Employees Retirement Board for a transfer of the amounts credited
44 to the member account of the member to the Optional Retirement Plan. A request for a transfer
45 must be made at the time the member elects to participate in the Optional Retirement Plan. Upon

1 receiving the request, the Public Employees Retirement Board shall transfer all amounts credited
2 to the member account of the member directly to the Optional Retirement Plan, and shall terminate
3 all rights, privileges and options of the employee under ORS chapter 238.

4 (c) An administrative or academic employee who elects to participate in the Optional Retirement
5 Plan, and who is not a vested member of the pension program of the Oregon Public Service Retirement
6 Plan as described in ORS 238A.115 on the date that the election becomes effective, shall be
7 considered to be a terminated member of the pension program by the Public Employees Retirement
8 Board as of the effective date of the election.

9 (d) An administrative or academic employee who elects to participate in the Optional Retirement
10 Plan, and who is a vested member of the pension program of the Oregon Public Service Retirement
11 Plan as described in ORS 238A.115 on the date that the election becomes effective, shall be consid-
12 ered an inactive member of the pension program by the Public Employees Retirement Board as of
13 the effective date of the election. An employee who is subject to the provisions of this paragraph
14 retains all the rights, privileges and options of an inactive member of the pension program. If the
15 actuarial equivalent of the employee's benefit under the pension program at the time that the
16 election becomes effective is \$5,000 or less, the employee may make a written request to the Public
17 Employees Retirement Board for a transfer of the employee's interest under the pension program to
18 the Optional Retirement Plan. The request must be made at the time the member elects to partic-
19 ipate in the Optional Retirement Plan. Upon receiving the request, the Public Employees Retirement
20 Board shall transfer the amount determined to be the actuarial equivalent of the employee's benefit
21 under the pension program directly to the Optional Retirement Plan, and shall terminate the mem-
22 bership of the employee in the pension program.

23 (e) An administrative or academic employee who elects to participate in the Optional Retirement
24 Plan, and who is a vested member of the individual account program of the Oregon Public Service
25 Retirement Plan as described in ORS 238A.320 on the date that the election becomes effective, shall
26 be considered an inactive member of the individual account program by the Public Employees Re-
27 tirement Board as of the effective date of the election. An employee who is subject to the provisions
28 of this paragraph retains all the rights, privileges and options of an inactive member of the indi-
29 vidual account program. An administrative or academic employee who elects to participate in the
30 Optional Retirement Plan, and who is a member of the individual account program of the Oregon
31 Public Service Retirement Plan, may make a written request to the Public Employees Retirement
32 Board that all amounts in the member's employee account, rollover account and employer account,
33 to the extent the member is vested in those accounts under ORS 238A.320, be transferred to the
34 Optional Retirement Plan. The request must be made at the time the member elects to participate
35 in the Optional Retirement Plan. Upon receiving the request, the Public Employees Retirement
36 Board shall transfer the amounts directly to the Optional Retirement Plan, and shall terminate the
37 membership of the employee in the individual account program upon making the transfer.

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

45 (7) Any amounts transferred from the Public Employees Retirement Fund under subsection (6)

1 of this section shall be transferred directly to the Optional Retirement Plan by the Public Employees
2 Retirement Board and may not be made available to the employee.

3 (8) An employee participating in the Optional Retirement Plan shall contribute monthly an
4 amount equal to the percentage of the employee's salary that the employee would otherwise have
5 contributed as an employee contribution to the Public Employees Retirement System if the employee
6 had not elected to participate in the Optional Retirement Plan.

7 (9) The State Board of Higher Education **or Portland State University** shall contribute
8 monthly to the Optional Retirement Plan the percentage of salary of each employee participating in
9 the plan equal to the percentage of salary that would otherwise have been contributed as an em-
10 ployer contribution on behalf of the employee to the Public Employees Retirement System, before
11 any offset under ORS 238.229 (2), if the employee had not elected to participate in the Optional
12 Retirement Plan.

13 (10) Both employee and employer contributions to an Optional Retirement Plan shall be remitted
14 directly to the companies that have issued annuity contracts to the participating employees or di-
15 rectly to the mutual funds.

16 (11) Benefits under the Optional Retirement Plan are payable to employees who elect to partic-
17 ipate in the plan and their beneficiaries by the selected annuity provider or mutual fund in accord-
18 ance with the terms of the annuity contracts or the terms of the contract with the mutual fund.
19 Employees electing to participate in the plan agree that benefits payable under the plan are not
20 obligations of the State of Oregon or of the Public Employees Retirement System.

21 **SECTION 118.** ORS 243.820 is amended to read:

22 243.820. (1) In order to obtain the advantages of 26 U.S.C. 403(b), or any equivalent provision
23 of federal law, an employer may agree with an employee who performs services for an educational
24 institution that:

25 (a) The employee's salary will be reduced monthly by a stated amount, or the employee will
26 forgo monthly a salary increase of a stated amount; and

27 (b) On behalf of the employee, the employer shall contribute monthly an amount equal to the
28 stated amount determined under paragraph (a) of this subsection as premiums for an annuity con-
29 tract or to a custodial account for investment in the stock of regulated investment companies as
30 defined in 26 U.S.C. 403(b)(7)(C). The amount contributed by the employer under this subsection
31 may not exceed the stated amount.

32 (2) Notwithstanding any other provision of law, pursuant to an agreement under subsection (1)
33 of this section, the stated amounts shall be forwarded by the employer as annuity premiums to the
34 company or association with which it has entered into an annuity contract or to the regulated in-
35 vestment company or its transfer agent for the benefit of the employee.

36 (3) An employer may make nonelective employer contributions on behalf of an employee who
37 performs services for an educational institution as premiums for an annuity contract, or to a cus-
38 todial account for investment in the stock of regulated investment companies as defined in 26 U.S.C.
39 403(b)(7)(C), for the purpose of obtaining the advantages of 26 U.S.C. 403(b) or any equivalent pro-
40 vision of federal law. Employer contributions under this subsection are in addition to any employee
41 contributions under subsection (1) of this section.

42 (4) As used in this section:

43 (a) "Educational institution" means an educational institution that normally maintains a regular
44 faculty and curriculum and normally has a regularly organized body of students in attendance at the
45 place where its educational activities are carried on or an education service district.

1 (b) “Employer” means the State Board of Higher Education, any other state agency, a commu-
 2 nity college district, a school district, the Oregon Health and Science University, **Portland State**
 3 **University** or an education service district employing an individual who performs services for an
 4 educational institution.

5 **SECTION 119.** ORS 243.850 is amended to read:

6 243.850. (1) An eligible football coach and the State Board of Higher Education **or the Portland**
 7 **State University Board of Directors** may enter into an agreement to provide that:

8 (a) The coach’s salary will be reduced monthly by a stated amount that is not less than \$25 a
 9 month, or the coach will forgo monthly a salary increase of a stated amount that is not less than
 10 \$25 a month; and

11 (b) The [*State Board of Higher Education*] **board** will contribute monthly an amount equal to the
 12 stated amount determined under paragraph (a) of this subsection for the month to a designated
 13 qualified football coaches plan. The amount contributed by the employer shall not exceed the stated
 14 amount.

15 (2) The amount by which an eligible football coach’s salary or wages is reduced by reason of the
 16 salary reduction or forgoing of a salary increase authorized by subsection (1) of this section shall
 17 continue to be included as regular compensation for the purpose of computing the retirement, pen-
 18 sion and Social Security benefits earned by the coach, but that amount shall not be considered
 19 current taxable income for the purpose of computing federal and state income taxes withheld on
 20 behalf of that coach.

21 (3) For the purposes of this section:

22 (a) “Eligible football coach” means a staff member of the Oregon University System **or Portland**
 23 **State University** who primarily coaches football as a full-time employee of a four-year university
 24 described in 26 U.S.C. 170(b)(1)(A)(ii).

25 (b) “Qualified football coaches plan” has the meaning given that term in 29 U.S.C. 1002(37).

26 **SECTION 120.** ORS 243.910 is amended to read:

27 243.910. As used in ORS 243.910 to 243.945:

28 (1) “Board” means the State Board of Higher Education for all public universities listed in ORS
 29 352.002, **the Portland State University Board of Directors for Portland State University** and
 30 [*for the Oregon Health and Science University means*] the Oregon Health and Science University
 31 Board of Directors **for Oregon Health and Science University**.

32 (2) “Employees” means the persons appointed or employed by or under the authority of the
 33 board who hold academic rank as determined by the board.

34 (3) “System” means the Public Employees Retirement System established by ORS 238.600.

35 **SECTION 121.** ORS 243.945 is amended to read:

36 243.945. Notwithstanding ORS 243.910 to 243.945, any person who is hired on or after September
 37 9, 1995, is not eligible to be assisted by the Oregon University System **or Portland State Univer-**
 38 **sity** under the provisions of ORS 243.910 to 243.945.

39 **SECTION 122.** ORS 244.050, as amended by section 9, chapter 90, Oregon Laws 2012, is
 40 amended to read:

41 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon
 42 Government Ethics Commission a verified statement of economic interest as required under this
 43 chapter:

44 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the
 45 Bureau of Labor and Industries, district attorneys and members of the Legislative Assembly.

- 1 (b) Any judicial officer, including justices of the peace and municipal judges, except any pro tem
 2 judicial officer who does not otherwise serve as a judicial officer.
- 3 (c) Any candidate for a public office designated in paragraph (a) or (b) of this subsection.
- 4 (d) The Deputy Attorney General.
- 5 (e) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the
 6 Secretary of the Senate and the Chief Clerk of the House of Representatives.
- 7 (f) The Chancellor and Vice Chancellors of the Oregon University System and the president and
 8 vice presidents, or their administrative equivalents, in each public university listed in ORS 352.002.
- 9 (g) The following state officers:
- 10 (A) Adjutant General.
- 11 (B) Director of Agriculture.
- 12 (C) Manager of State Accident Insurance Fund Corporation.
- 13 (D) Water Resources Director.
- 14 (E) Director of Department of Environmental Quality.
- 15 (F) Director of Oregon Department of Administrative Services.
- 16 (G) State Fish and Wildlife Director.
- 17 (H) State Forester.
- 18 (I) State Geologist.
- 19 (J) Director of Human Services.
- 20 (K) Director of the Department of Consumer and Business Services.
- 21 (L) Director of the Department of State Lands.
- 22 (M) State Librarian.
- 23 (N) Administrator of Oregon Liquor Control Commission.
- 24 (O) Superintendent of State Police.
- 25 (P) Director of the Public Employees Retirement System.
- 26 (Q) Director of Department of Revenue.
- 27 (R) Director of Transportation.
- 28 (S) Public Utility Commissioner.
- 29 (T) Director of Veterans' Affairs.
- 30 (U) Executive director of Oregon Government Ethics Commission.
- 31 (V) Director of the State Department of Energy.
- 32 (W) Director and each assistant director of the Oregon State Lottery.
- 33 (X) Director of the Department of Corrections.
- 34 (Y) Director of the Oregon Department of Aviation.
- 35 (Z) Executive director of the Oregon Criminal Justice Commission.
- 36 (AA) Director of the Oregon Business Development Department.
- 37 (BB) Director of the Office of Emergency Management.
- 38 (CC) Director of the Employment Department.
- 39 (DD) Chief of staff for the Governor.
- 40 (EE) Administrator of the Office for Oregon Health Policy and Research.
- 41 (FF) Director of the Housing and Community Services Department.
- 42 (GG) State Court Administrator.
- 43 (HH) Director of the Department of Land Conservation and Development.
- 44 (II) Board chairperson of the Land Use Board of Appeals.
- 45 (JJ) State Marine Director.

- 1 (KK) Executive director of the Oregon Racing Commission.
- 2 (LL) State Parks and Recreation Director.
- 3 (MM) Public defense services executive director.
- 4 (NN) Chairperson of the Public Employees' Benefit Board.
- 5 (OO) Director of the Department of Public Safety Standards and Training.
- 6 (PP) Chairperson of the Oregon Student Access Commission.
- 7 (QQ) Executive director of the Oregon Watershed Enhancement Board.
- 8 (RR) Director of the Oregon Youth Authority.
- 9 (SS) Director of the Oregon Health Authority.
- 10 (TT) Deputy Superintendent of Public Instruction.
- 11 (h) Any assistant in the Governor's office other than personal secretaries and clerical personnel.
- 12 (i) Every elected city or county official.
- 13 (j) Every member of a city or county planning, zoning or development commission.
- 14 (k) The chief executive officer of a city or county who performs the duties of manager or prin-
- 15 cipal administrator of the city or county.
- 16 (L) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
- 17 (m) Every member of a governing body of a metropolitan service district and the executive of-
- 18 ficer thereof.
- 19 (n) Each member of the board of directors of the State Accident Insurance Fund Corporation.
- 20 (o) The chief administrative officer and the financial officer of each common and union high
- 21 school district, education service district and community college district.
- 22 (p) Every member of the following state boards and commissions:
- 23 (A) Board of Geologic and Mineral Industries.
- 24 (B) Oregon Business Development Commission.
- 25 (C) State Board of Education.
- 26 (D) Environmental Quality Commission.
- 27 (E) Fish and Wildlife Commission of the State of Oregon.
- 28 (F) State Board of Forestry.
- 29 (G) Oregon Government Ethics Commission.
- 30 (H) Oregon Health Policy Board.
- 31 (I) State Board of Higher Education.
- 32 (J) Oregon Investment Council.
- 33 (K) Land Conservation and Development Commission.
- 34 (L) Oregon Liquor Control Commission.
- 35 (M) Oregon Short Term Fund Board.
- 36 (N) State Marine Board.
- 37 (O) Mass transit district boards.
- 38 (P) Energy Facility Siting Council.
- 39 (Q) Board of Commissioners of the Port of Portland.
- 40 (R) Employment Relations Board.
- 41 (S) Public Employees Retirement Board.
- 42 (T) Oregon Racing Commission.
- 43 (U) Oregon Transportation Commission.
- 44 (V) Wage and Hour Commission.
- 45 (W) Water Resources Commission.

- 1 (X) Workers' Compensation Board.
 2 (Y) Oregon Facilities Authority.
 3 (Z) Oregon State Lottery Commission.
 4 (AA) Pacific Northwest Electric Power and Conservation Planning Council.
 5 (BB) Columbia River Gorge Commission.
 6 (CC) Oregon Health and Science University Board of Directors.
 7 (DD) Capitol Planning Commission.
 8 (EE) Higher Education Coordinating Commission.
 9 (FF) Oregon Growth Board.
 10 **(GG) Portland State University Board of Directors.**
 11 (q) The following officers of the State Treasurer:
 12 (A) Deputy State Treasurer.
 13 (B) Chief of staff for the office of the State Treasurer.
 14 (C) Director of the Investment Division.
 15 (r) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725
 16 or 777.915 to 777.953.
 17 (s) Every member of the board of directors of an authority created under ORS 441.525 to 441.595.
 18 (2) By April 15 next after the date an appointment takes effect, every appointed public official
 19 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-
 20 ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070
 21 and 244.090.
 22 (3) By April 15 next after the filing deadline for the primary election, each candidate described
 23 in subsection (1) of this section shall file with the commission a statement of economic interest as
 24 required under ORS 244.060, 244.070 and 244.090.
 25 (4) Within 30 days after the filing deadline for the general election, each candidate described in
 26 subsection (1) of this section who was not a candidate in the preceding primary election, or who
 27 was nominated for public office described in subsection (1) of this section at the preceding primary
 28 election by write-in votes, shall file with the commission a statement of economic interest as re-
 29 quired under ORS 244.060, 244.070 and 244.090.
 30 (5) Subsections (1) to (4) of this section apply only to persons who are incumbent, elected or
 31 appointed public officials as of April 15 and to persons who are candidates on April 15. Subsections
 32 (1) to (4) of this section also apply to persons who do not become candidates until 30 days after the
 33 filing deadline for the statewide general election.
 34 (6) If a statement required to be filed under this section has not been received by the commis-
 35 sion within five days after the date the statement is due, the commission shall notify the public of-
 36 ficial or candidate and give the public official or candidate not less than 15 days to comply with the
 37 requirements of this section. If the public official or candidate fails to comply by the date set by the
 38 commission, the commission may impose a civil penalty as provided in ORS 244.350.
 39 **SECTION 123.** ORS 244.050, as amended by sections 9 and 29, chapter 90, Oregon Laws 2012,
 40 is amended to read:
 41 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon
 42 Government Ethics Commission a verified statement of economic interest as required under this
 43 chapter:
 44 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the
 45 Bureau of Labor and Industries, district attorneys and members of the Legislative Assembly.

- 1 (b) Any judicial officer, including justices of the peace and municipal judges, except any pro tem
 2 judicial officer who does not otherwise serve as a judicial officer.
- 3 (c) Any candidate for a public office designated in paragraph (a) or (b) of this subsection.
- 4 (d) The Deputy Attorney General.
- 5 (e) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the
 6 Secretary of the Senate and the Chief Clerk of the House of Representatives.
- 7 (f) The Chancellor and Vice Chancellors of the Oregon University System and the president and
 8 vice presidents, or their administrative equivalents, in each public university listed in ORS 352.002.
- 9 (g) The following state officers:
- 10 (A) Adjutant General.
- 11 (B) Director of Agriculture.
- 12 (C) Manager of State Accident Insurance Fund Corporation.
- 13 (D) Water Resources Director.
- 14 (E) Director of Department of Environmental Quality.
- 15 (F) Director of Oregon Department of Administrative Services.
- 16 (G) State Fish and Wildlife Director.
- 17 (H) State Forester.
- 18 (I) State Geologist.
- 19 (J) Director of Human Services.
- 20 (K) Director of the Department of Consumer and Business Services.
- 21 (L) Director of the Department of State Lands.
- 22 (M) State Librarian.
- 23 (N) Administrator of Oregon Liquor Control Commission.
- 24 (O) Superintendent of State Police.
- 25 (P) Director of the Public Employees Retirement System.
- 26 (Q) Director of Department of Revenue.
- 27 (R) Director of Transportation.
- 28 (S) Public Utility Commissioner.
- 29 (T) Director of Veterans' Affairs.
- 30 (U) Executive director of Oregon Government Ethics Commission.
- 31 (V) Director of the State Department of Energy.
- 32 (W) Director and each assistant director of the Oregon State Lottery.
- 33 (X) Director of the Department of Corrections.
- 34 (Y) Director of the Oregon Department of Aviation.
- 35 (Z) Executive director of the Oregon Criminal Justice Commission.
- 36 (AA) Director of the Oregon Business Development Department.
- 37 (BB) Director of the Office of Emergency Management.
- 38 (CC) Director of the Employment Department.
- 39 (DD) Chief of staff for the Governor.
- 40 (EE) Administrator of the Office for Oregon Health Policy and Research.
- 41 (FF) Director of the Housing and Community Services Department.
- 42 (GG) State Court Administrator.
- 43 (HH) Director of the Department of Land Conservation and Development.
- 44 (II) Board chairperson of the Land Use Board of Appeals.
- 45 (JJ) State Marine Director.

- 1 (KK) Executive director of the Oregon Racing Commission.
- 2 (LL) State Parks and Recreation Director.
- 3 (MM) Public defense services executive director.
- 4 (NN) Chairperson of the Public Employees' Benefit Board.
- 5 (OO) Director of the Department of Public Safety Standards and Training.
- 6 (PP) Chairperson of the Oregon Student Access Commission.
- 7 (QQ) Executive director of the Oregon Watershed Enhancement Board.
- 8 (RR) Director of the Oregon Youth Authority.
- 9 (SS) Director of the Oregon Health Authority.
- 10 (TT) Deputy Superintendent of Public Instruction.
- 11 (h) Any assistant in the Governor's office other than personal secretaries and clerical personnel.
- 12 (i) Every elected city or county official.
- 13 (j) Every member of a city or county planning, zoning or development commission.
- 14 (k) The chief executive officer of a city or county who performs the duties of manager or prin-
- 15 cipal administrator of the city or county.
- 16 (L) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
- 17 (m) Every member of a governing body of a metropolitan service district and the executive of-
- 18 ficer thereof.
- 19 (n) Each member of the board of directors of the State Accident Insurance Fund Corporation.
- 20 (o) The chief administrative officer and the financial officer of each common and union high
- 21 school district, education service district and community college district.
- 22 (p) Every member of the following state boards and commissions:
- 23 (A) Board of Geologic and Mineral Industries.
- 24 (B) Oregon Business Development Commission.
- 25 (C) State Board of Education.
- 26 (D) Environmental Quality Commission.
- 27 (E) Fish and Wildlife Commission of the State of Oregon.
- 28 (F) State Board of Forestry.
- 29 (G) Oregon Government Ethics Commission.
- 30 (H) Oregon Health Policy Board.
- 31 (I) State Board of Higher Education.
- 32 (J) Oregon Investment Council.
- 33 (K) Land Conservation and Development Commission.
- 34 (L) Oregon Liquor Control Commission.
- 35 (M) Oregon Short Term Fund Board.
- 36 (N) State Marine Board.
- 37 (O) Mass transit district boards.
- 38 (P) Energy Facility Siting Council.
- 39 (Q) Board of Commissioners of the Port of Portland.
- 40 (R) Employment Relations Board.
- 41 (S) Public Employees Retirement Board.
- 42 (T) Oregon Racing Commission.
- 43 (U) Oregon Transportation Commission.
- 44 (V) Wage and Hour Commission.
- 45 (W) Water Resources Commission.

- 1 (X) Workers' Compensation Board.
 2 (Y) Oregon Facilities Authority.
 3 (Z) Oregon State Lottery Commission.
 4 (AA) Pacific Northwest Electric Power and Conservation Planning Council.
 5 (BB) Columbia River Gorge Commission.
 6 (CC) Oregon Health and Science University Board of Directors.
 7 (DD) Capitol Planning Commission.
 8 (EE) Higher Education Coordinating Commission.
 9 **(FF) Portland State University Board of Directors.**
 10 (q) The following officers of the State Treasurer:
 11 (A) Deputy State Treasurer.
 12 (B) Chief of staff for the office of the State Treasurer.
 13 (C) Director of the Investment Division.
 14 (r) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725
 15 or 777.915 to 777.953.
 16 (s) Every member of the board of directors of an authority created under ORS 441.525 to 441.595.
 17 (2) By April 15 next after the date an appointment takes effect, every appointed public official
 18 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-
 19 ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070
 20 and 244.090.
 21 (3) By April 15 next after the filing deadline for the primary election, each candidate described
 22 in subsection (1) of this section shall file with the commission a statement of economic interest as
 23 required under ORS 244.060, 244.070 and 244.090.
 24 (4) Within 30 days after the filing deadline for the general election, each candidate described in
 25 subsection (1) of this section who was not a candidate in the preceding primary election, or who
 26 was nominated for public office described in subsection (1) of this section at the preceding primary
 27 election by write-in votes, shall file with the commission a statement of economic interest as re-
 28 quired under ORS 244.060, 244.070 and 244.090.
 29 (5) Subsections (1) to (4) of this section apply only to persons who are incumbent, elected or
 30 appointed public officials as of April 15 and to persons who are candidates on April 15. Subsections
 31 (1) to (4) of this section also apply to persons who do not become candidates until 30 days after the
 32 filing deadline for the statewide general election.
 33 (6) If a statement required to be filed under this section has not been received by the commis-
 34 sion within five days after the date the statement is due, the commission shall notify the public of-
 35 ficial or candidate and give the public official or candidate not less than 15 days to comply with the
 36 requirements of this section. If the public official or candidate fails to comply by the date set by the
 37 commission, the commission may impose a civil penalty as provided in ORS 244.350.
 38 **SECTION 124.** ORS 270.100 is amended to read:
 39 270.100. (1)(a) Before offering for sale any real property or equitable interest therein owned by
 40 the state, the state agency acting for the state in such transaction shall report its intent of sale or
 41 transfer to the Oregon Department of Administrative Services. The department, or the agency spe-
 42 cifically designated by the department, shall notify other state agencies authorized to own real
 43 property of the intended sale or transfer to determine whether acquisition of the real property or
 44 interest therein would be advantageous to another state agency.
 45 (b) The department shall give political subdivisions, as defined in ORS 271.005, the first oppor-

1 tunity after other state agencies to acquire, purchase, exchange or lease real property to be sold
 2 or disposed of by the State of Oregon. The state agency responsible for selling or transferring the
 3 property may require at the time of the sale or transfer that any state real property sold or trans-
 4 ferred to a political subdivision, as defined in ORS 271.005, shall be for use for a public purpose or
 5 benefit, and not be for resale to a private purchaser.

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

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

12 (2) Before acquisition of any real property or interest therein by any state agency, except for
 13 highway right of way acquired by the Department of Transportation and park properties acquired
 14 by the State Parks and Recreation Department and property within the approved projected campus
 15 boundaries for public universities of the Oregon University System **and Portland State**
 16 **University**, the state agency shall report its intent of acquisition to the Oregon Department of Ad-
 17 ministrative Services. The department shall notify other state agencies owning land of the intended
 18 acquisition to determine whether another state agency desires to sell or transfer property which
 19 would meet the needs of the purchasing agency. In accordance with rules adopted by the Oregon
 20 Department of Administrative Services, if no other state agency desires to sell or transfer property
 21 which would meet the needs of the agency, the agency may acquire the real property or interest
 22 therein, consistent with applicable provisions of law.

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

26 (4) Subsection (3) of this section does not apply to terminal disposition of the following real
 27 property:

- 28 (a) Property controlled by the State Department of Fish and Wildlife;
- 29 (b) State forestlands controlled by the State Forestry Department;
- 30 (c) Property controlled by the Department of Transportation;
- 31 (d) Property controlled by the Department of State Lands;
- 32 (e) Property controlled by the Oregon University System **or Portland State University**;
- 33 (f) Property controlled by the legislative or judicial branches of state government; and
- 34 (g) Property controlled by the State Parks and Recreation Department.

35 (5) Notwithstanding the provisions of subsection (4) of this section, prior approval by the Oregon
 36 Department of Administrative Services is required for the terminal disposition of public land for less
 37 than the fair market value of that land.

38 (6) The provisions of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190, 273.416, 273.426 to
 39 273.436, 273.551 and 308A.709 (1) to (4) do not apply to a home or farm acquired, sold, or both, by
 40 the Department of Veterans' Affairs under ORS 88.720, 406.050, 407.135, 407.145, 407.375 and 407.377.

41 **SECTION 125.** ORS 270.110 is amended to read:

42 270.110. (1) Except as provided in subsection (2) of this section, whenever the state or any
 43 agency thereof possesses or controls real property not needed for public use, or whenever the public
 44 interest may be furthered, the state or its agency may sell, exchange, convey or lease for any period
 45 not exceeding 99 years all or any part of its interest in the property to or with the state or any

1 political subdivision of the state or the United States or any agency thereof or private individual
2 or corporation. Except where the state is exchanging real property, the consideration for the
3 transfer or lease may be cash or real property, or both.

4 (2) If the ownership, right or title of the state to any real property set apart by deed, will or
5 otherwise for a burial ground or cemetery, or for the purpose of interring the remains of deceased
6 persons, is limited or qualified or the use of such real property is restricted, whether by dedication
7 or otherwise, the state or its agency may, after first declaring by resolution that such real property
8 is not needed for public use, or that the sale, exchange, conveyance or lease thereof will further the
9 public interest, file a complaint in the circuit court for the county in which such real property is
10 located against all persons claiming any right, title or interest in such real property, whether the
11 interest be contingent, conditional or otherwise, for authority to sell, exchange, convey or lease all
12 or any part of such real property. The resolution is prima facie evidence that such real property is
13 not needed for public use, or that the sale, exchange, conveyance or lease will further the public
14 interest. The action shall be commenced and prosecuted to final determination in the same manner
15 as an action not triable by right to a jury. The complaint shall contain a description of such real
16 property, a statement of the nature of the restrictions, qualifications or limitations, and a statement
17 that the defendants claim some interest therein. The court shall make such judgment as it shall
18 deem proper, taking into consideration the limitations, qualifications or restrictions, the resolution
19 and all other matters pertinent thereto. Neither costs nor disbursements may be recovered against
20 any defendant.

21 (3) The authority to lease property granted by this section includes authority to lease property
22 not owned or controlled by the state at the time of entering into the lease. Such lease shall be
23 conditioned upon the subsequent acquisition of the interest covered by the lease.

24 (4) Any lease of state real property exceeding five years must be approved in advance by the
25 Oregon Department of Administrative Services, except for leases:

26 (a) Negotiated by the Oregon Department of Aviation;

27 (b) Of state forestlands;

28 (c) Of property controlled by the Department of State Lands, Department of Transportation,
29 **Portland State University** or Oregon University System; or

30 (d) Of property controlled by the legislative or judicial branches of state government.

31 **SECTION 126.** ORS 273.785 is amended to read:

32 273.785. ORS 273.551 and 273.775 to 273.790 do not apply to:

33 (1) Soil, clay, stone, sand and gravel acquired or used by state agencies for the purpose of con-
34 structing or repairing roads or other state facilities, or the proceeds from those materials.

35 (2) Mineral or geothermal resource rights or proceeds from those rights acquired by the State
36 Fish and Wildlife Commission pursuant to an agreement with the federal government under 16 U.S.C.
37 669 to 669i (P.L. 75-415).

38 (3) Mineral or geothermal resource rights or proceeds from those rights if other disposition is
39 required by federal rules or regulations or any agreement entered into at the time of acquisition of
40 the mineral or geothermal resource rights by the state.

41 (4) Proceeds of mineral and geothermal resource rights acquired by the state pursuant to ORS
42 530.010 and 530.030, other than those distributed under ORS 530.110 (1)(c).

43 (5) Mineral or geothermal resource rights or proceeds from those rights acquired after January
44 1, 1974, for the state by the Department of Veterans' Affairs pursuant to ORS 88.720, 406.050 (2),
45 407.135 or 407.145. After consultation, the Department of State Lands and the Department of

1 Veterans' Affairs shall enter into an interagency agreement governing consultation between them
2 concerning mineral and geothermal resource values on properties acquired for the state by the De-
3 partment of Veterans' Affairs. The Department of Veterans' Affairs shall adopt rules relating to the
4 release of mineral and geothermal rights on such properties.

5 (6) Mineral or geothermal resource rights or proceeds from those rights given by a donor to any
6 public university or office, department or activity under the control of the State Board of Higher
7 Education **or the Portland State University Board of Directors** that are acquired or held for the
8 state by the State Board of Higher Education pursuant to ORS chapters 351 and 567 **or the**
9 **Portland State University Board of Directors**. In managing mineral or geothermal resource
10 leases, the State Board of Higher Education **or the Portland State University Board of Directors**
11 shall consult with the Department of State Lands in accordance with an interagency agreement es-
12 tablished by the department and [*the State Board of Higher Education*] **each board** governing con-
13 sultation between the department and the [*State Board of Higher Education*] **board** and governing
14 management of the mineral or geothermal resources.

15 (7) Mineral or geothermal resource rights or proceeds from those rights acquired and held by
16 the Department of Transportation. In managing mineral or geothermal resource leases, the Depart-
17 ment of Transportation shall enter into an intergovernmental agreement with the Department of
18 State Lands governing consultation between the departments and governing management of the
19 mineral or geothermal resources.

20 **SECTION 127.** ORS 276.227 is amended to read:

21 276.227. (1) The State of Oregon recognizes that providing and operating state government fa-
22 cilities is a significant capital investment in public infrastructure. Accordingly, it is the policy of the
23 State of Oregon to plan, finance, acquire, construct, manage and maintain state government facilities
24 in a manner that maximizes and protects this investment.

25 (2) The Oregon Department of Administrative Services shall establish a statewide planning
26 process that evaluates the needs of the state's facilities, provides comparative information on the
27 condition of the state's facilities, establishes guidelines and standards for acquiring, managing and
28 maintaining state facilities and provides financing and budgeting strategies to allocate resources to
29 facilities' needs.

30 (3)(a) The Director of the Oregon Department of Administrative Services shall establish a public
31 review process for the proposed capital projects of all state agencies. To assist in this review, the
32 director shall establish a Capital Projects Advisory Board consisting of seven members. Five mem-
33 bers shall be public members knowledgeable about construction, facilities management and mainte-
34 nance issues. Two members may be state employees. The director shall appoint the chairperson of
35 the board.

36 (b) The director, in consultation with the board, may request that agencies submit updated
37 long-range facility plans and funding strategies that reflect changes in technology and priorities. The
38 director may ask the board to report on and make recommendations related to long-range plans, the
39 condition of facilities, maintenance schedules, funding strategies and options for new facilities. The
40 director may seek recommendations from the board regarding the needs of existing facilities, funding
41 strategies and long-term facility goals.

42 (c) The review process may be applicable to capital projects meeting the definition of major
43 construction/acquisition in the Governor's budget and to significant leases.

44 (d) For each state agency proposing a capital project, the review process may include an ex-
45 amination of the following:

1 (A) The effectiveness of asset protection, including maintenance, repair and other activities;

2 (B) The effectiveness of space utilization, including an inventory of existing occupied and unoc-
3 cupied building space;

4 (C) The advisability of lease, purchase or other funding strategies;

5 (D) The condition of existing occupied and unoccupied building space;

6 (E) Appropriate technology;

7 (F) The agency's mission and long-range facilities plans; and

8 (G) For new facilities, expansions and additions, the ability of the agency to maintain and op-
9 erate all of the agency's facilities in a cost-effective manner.

10 (e) The review process shall ensure that capital project decisions are approached in a cost-
11 effective manner after considering all reasonable alternatives.

12 (f) With assistance from the board, the department shall provide recommendations and informa-
13 tion to the Governor and the Legislative Assembly on the construction, leasing and facilities man-
14 agement issues of state government.

15 (4) The department shall establish and maintain a central database of information on state-
16 owned property of all state agencies, including land, buildings, infrastructure, improvements and
17 leases. This database shall include an inventory of state-owned facilities as well as descriptive and
18 technical information.

19 (5) State agencies shall establish and implement long-range maintenance and management plans
20 for facilities for which this state is responsible to ensure that facilities are maintained in good re-
21 pair and that the useful lives of facilities are maximized. For each new facility, a maintenance and
22 management plan appropriate to the use and useful life of the facility shall be developed and im-
23 plemented.

24 (6) The department may engage in cooperative projects with local government.

25 (7) The provisions of this section do not apply to public universities listed in ORS 352.002,
26 **Portland State University**, the Oregon Health and Science University or a community college as
27 defined in ORS 341.005.

28 **SECTION 128.** ORS 276.229 is amended to read:

29 276.229. (1) State agencies shall develop four-year major construction budgets. Projects included
30 in these budgets may be accelerated or deferred upon approval of the Emergency Board.

31 (2) State agencies shall include the biennial costs associated with maintenance, major repairs
32 or building alterations in their regular budget presentation to the Legislative Assembly. Agencies
33 shall include in their budget presentations short-term and long-term plans to reduce or eliminate any
34 existing backlog of deferred maintenance.

35 (3) The provisions of this section do not apply to public universities listed in ORS 352.002,
36 **Portland State University**, the Oregon Health and Science University, or a community college as
37 defined in ORS 341.005.

38 **SECTION 129.** ORS 276.610 is amended to read:

39 276.610. There is established a fund in the State Treasury to be known as the State Building
40 Fund which shall be used for the construction, alteration and repair of buildings required for use
41 of institutions and activities under the jurisdiction of the Department of Corrections, the Depart-
42 ment of Human Services, the Oregon Health Authority, **the Portland State University Board of**
43 **Directors** or the State Board of Education and the State Board of Higher Education and for the
44 furnishing and equipping of buildings so constructed, altered or repaired.

45 **SECTION 130.** ORS 276.612 is amended to read:

1 276.612. The Department of Corrections, the Department of Human Services, the Oregon Health
 2 Authority and the State Board of Education each shall determine the buildings to be constructed,
 3 altered, repaired, furnished and equipped for the use of institutions and activities under their re-
 4 spective jurisdictions. The State Board of Higher Education **and the Portland State University**
 5 **Board of Directors** shall determine the buildings to be constructed, altered, repaired, furnished and
 6 equipped for the use of public universities or offices, departments or activities under *[its]* **each**
 7 **board's** jurisdiction.

8 **SECTION 131.** ORS 279A.025 is amended to read:

9 279A.025. (1) Except as provided in subsections (2) to (4) of this section, the Public Contracting
 10 Code applies to all public contracting.

11 (2) The Public Contracting Code does not apply to:

12 (a) Contracts between a contracting agency and:

13 (A) Another contracting agency;

14 (B) The Oregon Health and Science University;

15 (C) The Oregon State Bar;

16 (D) A governmental body of another state;

17 (E) The federal government;

18 (F) An American Indian tribe or an agency of an American Indian tribe;

19 (G) A nation, or a governmental body in a nation, other than the United States; or

20 (H) An intergovernmental entity formed between or among:

21 (i) Governmental bodies of this or another state;

22 (ii) The federal government;

23 (iii) An American Indian tribe or an agency of an American Indian tribe;

24 (iv) A nation other than the United States; or

25 (v) A governmental body in a nation other than the United States;

26 (b) Agreements authorized by ORS chapter 190 or by a statute, charter provision, ordinance or
 27 other authority for establishing agreements between or among governmental bodies or agencies or
 28 tribal governing bodies or agencies;

29 (c) Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and
 30 414.145 for purposes of source selection;

31 (d) Grants;

32 (e) Contracts for professional or expert witnesses or consultants to provide services or testimony
 33 relating to existing or potential litigation or legal matters in which a public body is or may become
 34 interested;

35 (f) Acquisitions or disposals of real property or interest in real property;

36 (g) Sole-source expenditures when rates are set by law or ordinance for purposes of source se-
 37 lection;

38 (h) Contracts for the procurement or distribution of textbooks;

39 (i) Procurements by a contracting agency from an Oregon Corrections Enterprises program;

40 (j) The procurement, transportation or distribution of distilled liquor, as defined in ORS 471.001,
 41 or the appointment of agents under ORS 471.750 by the Oregon Liquor Control Commission;

42 (k) Contracts entered into under ORS chapter 180 between the Attorney General and private
 43 counsel or special legal assistants;

44 (L) Contracts for the sale of timber from lands owned or managed by the State Board of Forestry
 45 and the State Forestry Department;

1 (m) Contracts for forest protection or forest related activities, as described in ORS 477.406, by
2 the State Forester or the State Board of Forestry;

3 (n) Sponsorship agreements entered into by the State Parks and Recreation Director in accord-
4 ance with ORS 565.080 (4);

5 (o) Contracts entered into by the Housing and Community Services Department in exercising the
6 department's duties prescribed in ORS chapters 456 and 458, except that the department's public
7 contracting for goods and services is subject to ORS chapter 279B;

8 (p) Contracts entered into by the State Treasurer in exercising the powers of that office pre-
9 scribed in ORS chapters 178, 286A, 287A, 289, 293, 294 and 295, including but not limited to invest-
10 ment contracts and agreements, banking services, clearing house services and collateralization
11 agreements, bond documents, certificates of participation and other debt repayment agreements, and
12 any associated contracts, agreements and documents, regardless of whether the obligations that the
13 contracts, agreements or documents establish are general, special or limited, except that the State
14 Treasurer's public contracting for goods and services is subject to ORS chapter 279B;

15 (q) Contracts, agreements or other documents entered into, issued or established in connection
16 with:

17 (A) The issuance of obligations, as defined in ORS 286A.100 and 287A.310, of a public body;

18 (B) The making of program loans and similar extensions or advances of funds, aid or assistance
19 by a public body to a public or private body for the purpose of carrying out, promoting or sustaining
20 activities or programs authorized by law; or

21 (C) The investment of funds by a public body as authorized by law, and other financial trans-
22 actions of a public body that by their character cannot practically be established under the com-
23 petitive contractor selection procedures of ORS 279B.050 to 279B.085;

24 (r) Contracts for employee benefit plans as provided in ORS 243.105 (1), 243.125 (4), 243.221,
25 243.275, 243.291, 243.303 and 243.565;

26 (s) Contracts for employee benefit plans as provided in ORS 243.860 to 243.886; or

27 (t) Any other public contracting of a public body specifically exempted from the code by another
28 provision of law.

29 (3) The Public Contracting Code does not apply to the contracting activities of:

30 (a) The Oregon State Lottery Commission;

31 (b) The Oregon University System and member public universities, except as provided in ORS
32 351.086;

33 **(c) Portland State University;**

34 [(c)] **(d)** The legislative department;

35 [(d)] **(e)** The judicial department;

36 [(e)] **(f)** Semi-independent state agencies listed in ORS 182.454, except as provided in ORS 279.835
37 to 279.855 and 279A.250 to 279A.290;

38 [(f)] **(g)** Oregon Corrections Enterprises;

39 [(g)] **(h)** The Oregon Film and Video Office, except as provided in ORS 279A.100 and 279A.250
40 to 279A.290;

41 [(h)] **(i)** The Travel Information Council, except as provided in ORS 279A.250 to 279A.290;

42 [(i)] **(j)** The Oregon 529 College Savings Network and the Oregon 529 College Savings Board;

43 [(j)] **(k)** The Oregon Innovation Council;

44 [(k)] **(L)** The Oregon Utility Notification Center; or

45 [(L)] **(m)** Any other public body specifically exempted from the code by another provision of law.

1 (4) ORS 279A.200 to 279A.225 and 279B.050 to 279B.085 do not apply to contracts made with
 2 qualified nonprofit agencies providing employment opportunities for individuals with disabilities un-
 3 der ORS 279.835 to 279.855.

4 **SECTION 132.** ORS 282.076 is amended to read:

5 282.076. (1) An athletic department of **Portland State University** or any university under the
 6 jurisdiction of the State Board of Higher Education [*shall*] **may** not be required to use state printing
 7 services controlled by the Director of the Oregon Department of Administrative Services or the
 8 designee of the director as required by ORS 282.020 (1).

9 (2) A state agency that gives to the director prior written notice of its intent to use other
 10 printing services shall not be required to use state printing services controlled by the director or
 11 the director's designee as required by ORS 282.020 (1), if the agency can demonstrate that these
 12 other printing services provide better value in the form of lower prices or better responsiveness
 13 than those services already provided by the Oregon Department of Administrative Services.

14 **SECTION 133.** ORS 283.143 is amended to read:

15 283.143. (1) To encourage utilization of statewide integrated videoconferencing and statewide
 16 online access services, the Oregon Department of Administrative Services shall, in addition to any
 17 other charge or assessment for providing telecommunications services to state agencies, impose
 18 upon each agency and public corporation a surcharge, in an amount established by the department.
 19 All surcharge moneys collected shall be deposited in the Oregon Department of Administrative
 20 Services Operating Fund, and may be expended only for state agency and public corporation tele-
 21 communication and videoconferencing activities, under such terms and conditions as the department
 22 may prescribe.

23 (2) Notwithstanding subsection (1) of this section, the Oregon Department of Administrative
 24 Services [*shall*] **may** not impose the surcharge established by this section on the Oregon University
 25 System, **Portland State University** or the Oregon Health and Science University. The Oregon De-
 26 partment of Administrative Services shall enter into an agreement with the Oregon University Sys-
 27 tem, **Portland State University** and the Oregon Health and Science University on the amounts to
 28 be paid by the Oregon University System, **Portland State University** and the Oregon Health and
 29 Science University to the Oregon Department of Administrative Services in lieu of the surcharge
 30 provided for in this section.

31 **SECTION 134.** ORS 283.310 is amended to read:

32 283.310. (1) The Oregon Department of Administrative Services shall control and regulate the
 33 acquisition, operation, use, maintenance and disposal of and access to motor vehicles used for:

34 (a) State business by state agencies of this state; or

35 (b) Official public business by a unit of local government or a state agency of another state, by a
 36 an agency created by an interstate compact between this state and another state or states, by a
 37 United States governmental agency, or by an American Indian tribe or an agency of an American
 38 Indian tribe, pursuant to an intergovernmental agreement between the agency or agencies and the
 39 department, entered into in accordance with ORS chapter 190, for the provision of motor pool ve-
 40 hicles, supplies and services, or any of them.

41 (2) The state agency on whose behalf a motor vehicle is used must state in writing in advance
 42 of such use that the particular activity for which the vehicle is to be used advances the lawful
 43 policies of the agency.

44 (3) The State Board of Higher Education may not authorize or allow the use of any motor ve-
 45 hicle to transport students to an event or activity not directly related to an officially sanctioned

1 program, as established under ORS 351.277, of a public university listed in ORS 352.002.

2 (4) The State Board of Higher Education **and the Portland State University Board of Direc-**
3 **tors**, in conjunction with the Oregon Department of Administrative Services, shall establish by rule
4 vehicle operation standards and training to promote safe vehicular travel practices in the conduct
5 of all travel by employees, students and official volunteers at all public universities in the Oregon
6 University System **and Portland State University**.

7 **SECTION 135.** ORS 284.633 is amended to read:

8 284.633. (1) The Oregon Progress Board may enter into an agreement with:

9 (a) Any state agency for the provision of clerical, technical and management personnel to the
10 board to serve as the board's staff and for the provision of other administrative, operational or
11 overhead expenses necessary to accomplish the public purposes of the board.

12 (b) A nongovernmental entity for the provision of administrative, operational or overhead ex-
13 penses necessary to accomplish the public purposes of the board.

14 (2) As used in this section:

15 (a) "Public institution of higher education" means a community college, **Portland State Uni-**
16 **versity** or a public university listed in ORS 352.002.

17 (b) "State agency" means any officer, board, commission, department, division or institution in
18 the executive or administrative branch of state government or a public institution of higher educa-
19 tion.

20 **SECTION 136.** ORS 284.701 is amended to read:

21 284.701. As used in ORS 284.701 to 284.749:

22 (1) "Clean energy" means a technology, product, process or innovation that involves conserva-
23 tion of natural resources, solar energy, green building products and services, biofuels, biomass en-
24 ergy, bio-based products or other renewable and sustainable energy.

25 (2) "Innovation-based economic development" includes, but is not limited to, a technology,
26 product, process or innovation that:

27 (a) Derives from and supports innovation and research;

28 (b) Promotes Oregon's market capacities and competitive advantages;

29 (c) Involves technology-based innovation;

30 (d) Facilitates the creation of new products, processes and services that retain and create
31 high-wage jobs;

32 (e) Involves the establishment of partnerships between and collaboration with research insti-
33 tutions, the private sector and public entities;

34 (f) Endeavors to transfer innovative technologies to the private sector or to commercialize in-
35 novative research and development; and

36 (g) Includes, but is not limited to, clean energy and clean energy economic development.

37 (3) "Oregon growth business" means:

38 (a) An individual, group of individuals or private sector business entity, including but not limited
39 to a partnership, limited liability company, corporation, firm, association or other business entity,
40 that engages in business that furthers innovation-based economic development, that has the capacity
41 upon obtaining appropriate capital to generate significant high-skill, high-wage employment in
42 Oregon and that conducts business in Oregon; or

43 (b) An emerging growth business as defined in ORS 348.701.

44 (4) "Public entity" means any agency of the federal or state government, county, city, town,
45 public corporation or political subdivision in this state.

- 1 (5) “Research institution” means:
- 2 (a) A community college as defined in ORS 341.005;
- 3 (b) A public university listed in ORS 352.002 **or Portland State University**;
- 4 (c) The Oregon Health and Science University public corporation created under ORS 353.020;
- 5 (d) An Oregon-based, generally accredited, not-for-profit private institution of higher education;
- 6 (e) A federal research laboratory conducting research in Oregon;
- 7 (f) A private not-for-profit research institution located in Oregon;
- 8 (g) An institution for higher education as defined in ORS 289.005; or
- 9 (h) A private institution of higher education located in Oregon.
- 10 (6) “Traded sector” has the meaning given that term in ORS 285A.010.

11 **SECTION 137.** ORS 284.701, as amended by section 20, chapter 90, Oregon Laws 2012, is
 12 amended to read:

13 284.701. As used in ORS 284.701 to 284.749:

14 (1) “Clean energy” means a technology, product, process or innovation that involves conserva-
 15 tion of natural resources, solar energy, green building products and services, biofuels, biomass en-
 16 ergy, bio-based products or other renewable and sustainable energy.

17 (2) “Innovation-based economic development” includes, but is not limited to, a technology,
 18 product, process or innovation that:

- 19 (a) Derives from and supports innovation and research;
- 20 (b) Promotes Oregon’s market capacities and competitive advantages;
- 21 (c) Involves technology-based innovation;
- 22 (d) Facilitates the creation of new products, processes and services that retain and create
 23 high-wage jobs;
- 24 (e) Involves the establishment of partnerships between and collaboration with research insti-
 25 tutions, the private sector and public entities;
- 26 (f) Endeavors to transfer innovative technologies to the private sector or to commercialize in-
 27 novative research and development; and
- 28 (g) Includes, but is not limited to, clean energy and clean energy economic development.

29 (3) “Oregon growth business” means:

30 (a) An individual, group of individuals or private sector business entity, including but not limited
 31 to a partnership, limited liability company, corporation, firm, association or other business entity,
 32 that engages in business that furthers innovation-based economic development, that has the capac-
 33 ity, upon obtaining appropriate capital, to generate significant high-skill, high-wage employment in
 34 Oregon and that conducts business in Oregon; or

35 (b) An emerging growth business consisting of an individual or group of individuals or a new
 36 or small company, including but not limited to any new or small partnership, limited liability com-
 37 pany, corporation, firm, association or other business entity, that has the capacity, upon obtaining
 38 appropriate capital, to generate significant high-skill, high-wage employment.

39 (4) “Public entity” means any agency of the federal or state government, county, city, town,
 40 public corporation or political subdivision in this state.

41 (5) “Research institution” means:

- 42 (a) A community college as defined in ORS 341.005;
- 43 (b) A public university listed in ORS 352.002 **or Portland State University**;
- 44 (c) The Oregon Health and Science University public corporation created under ORS 353.020;
- 45 (d) An Oregon-based, generally accredited, not-for-profit private institution of higher education;

- 1 (e) A federal research laboratory conducting research in Oregon;
- 2 (f) A private not-for-profit research institution located in Oregon;
- 3 (g) An institution for higher education as defined in ORS 289.005; or
- 4 (h) A private institution of higher education located in Oregon.
- 5 (6) "Traded sector" has the meaning given that term in ORS 285A.010.

6 **SECTION 138.** ORS 284.735 is amended to read:

7 284.735. (1) The Oregon Innovation Council may make grants and loans from the Oregon
8 Commercialized Research Fund to Oregon growth businesses.

9 (2) To qualify for a grant or loan under this section, an Oregon growth business must enter into
10 an agreement with one or more research institutions to carry out proof of concept activities to:

- 11 (a) Establish the commercial potential of research; and
- 12 (b) Develop a business concept that can attract early stage private investment, including angel
13 capital and venture capital.

14 (3) Proof of concept activities for which an Oregon growth business may receive a grant or loan
15 under this section include:

- 16 (a) The development of intellectual property;
- 17 (b) The payment of salaries and related expenses for commercialized research;
- 18 (c) The acquisition of equipment and supplies required for the proof of concept activities;
- 19 (d) Furthering innovation-based economic development; and
- 20 (e) Other activities as defined by rule of the council.

21 (4) To receive a grant or loan, the Oregon growth business or a research institution that has
22 entered into an agreement with the business must agree to provide a cash match equivalent to:

- 23 (a) 30 percent of the amount of the grant or loan for businesses with fewer than 20 employees.
- 24 (b) 50 percent of the amount of the grant or loan for businesses with 20 or more but fewer than
25 50 employees.
- 26 (c) 75 percent of the amount of the grant or loan for businesses with 50 or more but fewer than
27 100 employees.

28 (5)(a) The council shall award grant or loan moneys to an Oregon growth business in a two-
29 phase contract. Each phase of the contract shall have clearly defined performance measures in-
30 cluded in the contract between the business and the council.

31 (b) Under phase I of the contract, a business may be granted or loaned an initial investment not
32 to exceed \$75,000. Phase I shall also include an agreement that upon successful completion of the
33 performance measures for phase I, the business shall be eligible for funding under phase II. The
34 amount of grant or loan moneys available to a business under both phases may not exceed \$200,000.

35 (6) The council shall require any Oregon growth business that receives a grant or loan under
36 this section and that moves more than 50 percent of the employees of the business out of the state
37 within two years after receiving grant or loan moneys to repay the total amount of the grant or loan
38 moneys.

39 (7) The council shall require an Oregon growth business that receives a loan under this section
40 to repay the loan within five years after receiving the loan. The council shall deposit any loan
41 moneys received under this subsection in the Oregon Commercialized Research Fund.

42 (8) The council may award up to 15 percent of the amount of moneys available in the fund for
43 grants or loans:

- 44 (a) To the Oregon University System **and Portland State University** for education of faculty
45 on issues related to developing effective technology transfer and commercialized research processes;

1 and

2 (b) For other activities as defined by rule of the council.

3 (9) The council may adopt rules to administer this section. The council shall follow the advice
4 of the Oregon Commercialized Research Fund Advisory Council when adopting rules to administer
5 this section.

6 **SECTION 139.** ORS 285B.168 is amended to read:

7 285B.168. (1) The Oregon Business Development Department may make grants available to a
8 community college district, a community college service district or, with the concurrence of the
9 Commissioner for Community College Services and the Chancellor of the Oregon University System,
10 a public university listed in ORS 352.002 **or Portland State University** to assist in the formation,
11 improvement and operation of small business development centers. If a community college district,
12 a community college service district or a public university is unable to adequately provide services
13 in a specific geographic area, the department may make grants available to other service providers
14 as determined by the department. The grant application shall include:

15 (a) Plans for providing small business owners and managers individual counseling, to the great-
16 est extent practicable, in subject areas critical to small business success;

17 (b) A budget for the year for which a grant is requested, including cost apportionment among
18 the department, small business clients, the community college, the public university or other service
19 providers and other sources;

20 (c) A plan for evaluating the effect of the program on small business clients served; and

21 (d) A plan for providing collaboration with other state agencies, state-supported organizations
22 and private sector entities that provide services to small businesses.

23 (2) The grants made under subsection (1) of this section are to be used by the grant recipient
24 to provide:

25 (a) Small business development center staff and support staff;

26 (b) Expert resource persons from the business community;

27 (c) Other training and business resources as approved by the department in skill areas for
28 which, or areas of the state where, the grant recipient can demonstrate it does not otherwise have
29 the capacity or expertise to provide the resources; and

30 (d) Other costs related to providing training, counseling and business resources to small busi-
31 ness clients.

32 (3) To be eligible for a grant under subsection (1) of this section, the recipient shall be required
33 to provide funds, in-kind contributions or some combination of funds and contributions, in accord-
34 ance with rules adopted by the department.

35 (4) Subject to the approval of the department, a grant recipient may subcontract funds received
36 under this section to any other entity that is eligible to receive funding under this section.

37 (5) The grant recipient shall submit a final report to the department after the distribution of
38 grant funds and the delivery of services to the proposed business clients. The report shall state
39 whether the plan and related budget have met the applicable criteria as described in the recipient's
40 application for the grant period.

41 **SECTION 140.** ORS 285B.174 is amended to read:

42 285B.174. In cooperation with other state agencies and private organizations, public universities
43 listed in ORS 352.002, **Portland State University** and community colleges may develop programs
44 to assist Oregon businesses with the procurement of government contracts and grants. Small busi-
45 ness development centers established under ORS 285B.165 to 285B.171 may assist with these pro-

1 grams.

2 **SECTION 141.** ORS 286A.615 is amended to read:

3 286A.615. (1) The Private Activity Bond Committee is established. It shall consist of the State
4 Treasurer or the designee of the State Treasurer, one representative from the Oregon Department
5 of Administrative Services and one public representative appointed to serve at the pleasure of the
6 Governor.

7 (2) The State Treasurer, or the State Treasurer's designee, shall serve as chair of the committee.

8 (3) The purpose of private activity bonding in this state is to maximize the economic benefits
9 of private activity bonding to the citizens of this state. The committee shall adopt by rule standards
10 for amounts allocated to the committee for further allocation for economic development, housing,
11 education, redevelopment, public works, energy, waste management, waste and recycling collection,
12 transportation and other activities that the committee determines will benefit the citizens of this
13 state. In developing standards, the committee shall:

14 (a) Survey the expected need for private activity bond allocations at least once each year;

15 (b) Develop strategies for reserving and allocating the limit that are designed to maximize the
16 availability of tax exempt financing among competing sectors of the Oregon economy; and

17 (c) Ensure that the standards include but are not limited to standards that:

18 (A) Support projects that increase the number of family wage jobs in this state.

19 (B) Promote economic recovery in small cities heavily dependent on a single industry.

20 (C) Emphasize development in underdeveloped rural areas of this state.

21 (D) Utilize educational resources available at public universities listed in ORS 352.002 **and**
22 **Portland State University.**

23 (E) Support development of the state's small businesses, especially businesses owned by women
24 and members of minority groups.

25 (F) Encourage use of Oregon's human and natural resources in endeavors that harness Oregon's
26 economic comparative advantages.

27 (4) The state private activity bond volume cap allocated to the Private Activity Bond Committee
28 as provided in ORS 286A.620 shall be allocated and reallocated among issuers by the Private Ac-
29 tivity Bond Committee as follows:

30 (a) Any amounts not reserved to an issuer or a class of issuers under the authorization adopted
31 by the Legislative Assembly under ORS 286A.035 shall be allocated or reallocated by the committee
32 under rules adopted under subsection (3) of this section.

33 (b) Any amounts provided for in the authorization adopted by the Legislative Assembly under
34 ORS 286A.035 that are unused shall be carried forward for use as provided by rules adopted under
35 subsection (3) of this section.

36 (c) The rules adopted by the committee shall limit the period of time for which an allocation of
37 private activity bonding authority is effective. The rules shall ensure that allocations made during
38 a calendar year are used during that calendar year or that the unused amount of the allocation is
39 reallocated or carried forward.

40 (5) Unused allocations are not transferable among issuers but are available for reallocation.

41 **SECTION 142.** ORS 291.038 is amended to read:

42 291.038. (1) The planning, acquisition, installation and use of all information and telecommuni-
43 cations technology by state government and agencies of state government shall be coordinated so
44 that statewide plans and activities, as well as those of individual agencies, are addressed in the most
45 integrated, economic and efficient manner. To provide policy direction for and coordination of in-

1 formation technology for state government, the Director of the Oregon Department of Administra-
2 tive Services shall chair and appoint not fewer than five agency executives to an Information
3 Resources Management Council. The council membership shall include at least two members who
4 represent the private sector and political subdivisions of the state.

5 (2) To facilitate accomplishment of the purpose set forth in subsection (1) of this section, the
6 Oregon Department of Administrative Services shall adopt rules, policies and standards to plan for,
7 acquire, implement and manage the state's information resources. In developing rules, policies and
8 standards, the department shall consult with state agencies that have needs that information re-
9 sources may satisfy. State agencies shall cooperate with the department in preparing and complying
10 with rules, policies and standards. The rules, policies and standards must be formulated to promote
11 electronic communication and information sharing among state agencies and programs, between
12 state and local governments and with the public where appropriate.

13 (3) Rules, policies, plans, standards and specifications must be formulated to ensure that infor-
14 mation resources fit together in a statewide system capable of providing ready access to information,
15 computing or telecommunication resources. Plans and specifications the department adopts must be
16 based on industry standards for open systems to the greatest extent possible. Before adopting rules
17 described in subsection (2) of this section, the department shall present the proposed rules to the
18 appropriate legislative committee. The department has the responsibility to review, oversee and en-
19 sure that state agencies' planning, acquisition and implementation activities align with and support
20 the statewide information resources management plan. The department is responsible for procuring
21 information technology fairly, competitively and in a manner that is consistent with the
22 department's rules.

23 (4)(a) The policy of the State of Oregon is that state government telecommunications networks
24 should be designed to provide state-of-the-art services where economically and technically feasible,
25 using shared, rather than dedicated, lines and facilities.

26 (b) The department shall, when procuring telecommunications network services, consider
27 achieving the economic development and quality of life outcomes set forth in the Oregon
28 benchmarks.

29 (5)(a) The department, upon request, may furnish and deliver statewide integrated
30 videoconferencing and statewide online access service to a public or private entity that primarily
31 conducts activities for the direct good or benefit of the public or community at large in providing
32 educational, economic development, health care, human services, public safety, library or other
33 public services. The department shall adopt rules with respect to furnishing the service.

34 (b) The department shall establish the statewide integrated videoconferencing and statewide
35 online access user fees, services, delivery, rates and long range plans in consultation with the
36 Stakeholders Advisory Committee created pursuant to this section. The rates shall reflect the
37 department's cost in providing the service.

38 (c) The department by rule shall restrict the department's furnishing or delivery of Internet ac-
39 cess service to private entities when the service would directly compete with two or more local
40 established providers of Internet access services within the local exchange telecommunications ser-
41 vice area.

42 (d) The rates and services established and provided under this section are not subject to the
43 Public Utility Commission's regulation or authority.

44 (6)(a) There is created the Stakeholders Advisory Committee, consisting of a minimum of nine
45 members appointed by the Director of the Oregon Department of Administrative Services. In making

1 appointments, the director shall give consideration to geographic balance and adequate represen-
2 tation of the department's users and providers and the general public.

3 (b) The committee must consist of members who represent elementary or secondary education,
4 higher education, community colleges, economic development, health care, human services and pub-
5 lic safety. At least four members must reside in areas east of the Cascade Mountains.

6 (c) The term of office of each member is three years, but a member serves at the sole discretion
7 of the director. The director shall appoint a successor to a member before the member's term ex-
8 pires. A member is eligible for reappointment. If a position on the committee is vacant for any cause,
9 the director shall make an appointment to the position that is immediately effective for the unex-
10 pired term.

11 (d) A member of the committee is entitled to travel expenses pursuant to ORS 292.495. Members
12 of the committee are not entitled to compensation.

13 (e) The director may establish additional advisory and technical committees as the director
14 considers necessary to aid and advise the Stakeholders Advisory Committee in the performance of
15 the committee's functions.

16 (f) The director may delegate to the State Chief Information Officer a duty, function or power
17 that this subsection imposes upon the director.

18 (7) An organization or organizations recognized as tax exempt under section 501(c)(3) of the
19 Internal Revenue Code that primarily conduct activities for the direct good or benefit of the public
20 or community at large in providing educational, economic development, health care, human services,
21 public safety, library or other public services and have formed an affiliation with one or more fed-
22 eral, state or local governmental units within this state may apply to the department for designation
23 as a community of interest. The application must be in the form prescribed by the department and
24 contain information regarding the governmental affiliation relationship, the tax exempt status of
25 each organization and the public benefit services to be provided. The department shall establish an
26 application review and appeal process to ensure that designating the organizations as a community
27 of interest for the purposes of including the organization in telecommunications contracts under
28 ORS 283.520 will result in providing educational, medical, library or other services for public benefit.

29 (8) This section does not apply to the State Board of Higher Education, [*or*] any public univer-
30 sity listed in ORS 352.002 **or Portland State University**.

31 (9) As used in this section:

32 (a) "Information resources" means media, instruments and methods for planning, collecting,
33 processing, transmitting and storing data and information, including telecommunications.

34 (b) "Information technology" includes, but is not limited to, present and future forms of hard-
35 ware, software and services for data processing, office automation and telecommunications.

36 (c) "Internet access service" means electronic connectivity to the Internet and the services of
37 the Internet.

38 (d) "Open systems" means systems that allow state agencies freedom of choice by providing a
39 vendor-neutral operating environment where different computers, applications, system software and
40 networks operate together easily and reliably.

41 (e) "State-of-the-art services" includes equipment, facilities and the capability to distribute dig-
42 ital communication signals that transmit voice, data, video and images over a distance.

43 (f) "Telecommunications" means hardware, software and services for transmitting voice, data,
44 video and images over a distance.

45 (g) "Statewide integrated videoconferencing" means a statewide electronic system capable of

1 transmitting video, voice and data communications.

2 (h) "Statewide online access" means electronic connectivity to information resources such as
3 computer conferencing, electronic mail, databases and Internet access.

4 **SECTION 143.** ORS 291.055 is amended to read:

5 291.055. (1) Notwithstanding any other law that grants to a state agency the authority to es-
6 tablish fees, all new state agency fees or fee increases adopted during the period beginning on the
7 date of adjournment sine die of a regular session of the Legislative Assembly and ending on the date
8 of adjournment sine die of the next regular session of the Legislative Assembly:

9 (a) Are not effective for agencies in the executive department of government unless approved
10 in writing by the Director of the Oregon Department of Administrative Services;

11 (b) Are not effective for agencies in the judicial department of government unless approved in
12 writing by the Chief Justice of the Supreme Court;

13 (c) Are not effective for agencies in the legislative department of government unless approved
14 in writing by the President of the Senate and the Speaker of the House of Representatives;

15 (d) Shall be reported by the state agency to the Oregon Department of Administrative Services
16 within 10 days of their adoption; and

17 (e) Are rescinded on adjournment sine die of the next regular session of the Legislative Assem-
18 bly as described in this subsection, unless otherwise authorized by enabling legislation setting forth
19 the approved fees.

20 (2) This section does not apply to:

21 (a) Any tuition or fees charged by the State Board of Higher Education [*and*] **for** the public
22 universities listed in ORS 352.002 **or by Portland State University.**

23 (b) Taxes or other payments made or collected from employers for unemployment insurance re-
24 quired by ORS chapter 657 or premium assessments required by ORS 656.612 and 656.614 or contri-
25 butions and assessments calculated by cents per hour for workers' compensation coverage required
26 by ORS 656.506.

27 (c) Fees or payments required for:

28 (A) Health care services provided by the Oregon Health and Science University, by the Oregon
29 Veterans' Homes and by other state agencies and institutions pursuant to ORS 179.610 to 179.770.

30 (B) Assessments and premiums paid to the Oregon Medical Insurance Pool established by ORS
31 735.614 and 735.625.

32 (C) Copayments and premiums paid to the Oregon medical assistance program.

33 (D) Assessments paid to the Department of Consumer and Business Services under ORS 743.951
34 and 743.961.

35 (d) Fees created or authorized by statute that have no established rate or amount but are cal-
36 culated for each separate instance for each fee payer and are based on actual cost of services pro-
37 vided.

38 (e) State agency charges on employees for benefits and services.

39 (f) Any intergovernmental charges.

40 (g) Forest protection district assessment rates established by ORS 477.210 to 477.265 and the
41 Oregon Forest Land Protection Fund fees established by ORS 477.760.

42 (h) State Department of Energy assessments required by ORS 469.421 (8) and 469.681.

43 (i) Any charges established by the State Parks and Recreation Director in accordance with ORS
44 565.080 (3).

45 (j) Assessments on premiums charged by the Department of Consumer and Business Services

1 pursuant to ORS 731.804 or fees charged by the Division of Finance and Corporate Securities of the
2 Department of Consumer and Business Services to banks, trusts and credit unions pursuant to ORS
3 706.530 and 723.114.

4 (k) Public Utility Commission operating assessments required by ORS 756.310 or charges paid
5 to the Residential Service Protection Fund required by chapter 290, Oregon Laws 1987.

6 (L) Fees charged by the Housing and Community Services Department for intellectual property
7 pursuant to ORS 456.562.

8 (m) New or increased fees that are anticipated in the legislative budgeting process for an
9 agency, revenues from which are included, explicitly or implicitly, in the legislatively adopted
10 budget or the legislatively approved budget for the agency.

11 (n) Tolls approved by the Oregon Transportation Commission pursuant to ORS 383.004.

12 (o) Convenience fees as defined in ORS 182.126 and established by the Oregon Department of
13 Administrative Services under ORS 182.132 (3) and recommended by the Electronic Government
14 Portal Advisory Board.

15 (3)(a) Fees temporarily decreased for competitive or promotional reasons or because of unex-
16 pected and temporary revenue surpluses may be increased to not more than their prior level without
17 compliance with subsection (1) of this section if, at the time the fee is decreased, the state agency
18 specifies the following:

19 (A) The reason for the fee decrease; and

20 (B) The conditions under which the fee will be increased to not more than its prior level.

21 (b) Fees that are decreased for reasons other than those described in paragraph (a) of this sub-
22 section may not be subsequently increased except as allowed by ORS 291.050 to 291.060 and 294.160.

23 **SECTION 144.** ORS 291.229, as amended by section 2, chapter 101, Oregon Laws 2012, is
24 amended to read:

25 291.229. (1) The Oregon Department of Administrative Services shall develop a plan for state
26 agencies that employ more than 100 employees to attain a ratio of 11 to 1 of employees of state
27 agencies who are not supervisory employees to supervisory employees. The plan shall be used to
28 develop the legislatively adopted budget and may provide for a transition to the ratio specified in
29 this subsection during a period lasting more than one biennium.

30 (2) As part of the development of the legislatively adopted budget, during each odd-numbered
31 year regular session of the Legislative Assembly, the department shall report on the plan developed
32 under subsection (1) of this section to the Joint Committee on Ways and Means. The report shall
33 include the ratio of employees of state agencies who are not supervisory employees to supervisory
34 employees.

35 (3) As used in this section:

36 (a) "Legislatively adopted budget" means the budget enacted by the Legislative Assembly during
37 an odd-numbered year regular session.

38 (b)(A) "State agency" means all state officers, boards, commissions, departments, institutions,
39 branches, agencies, divisions and other entities, without regard to the designation given to those
40 entities, that are within the executive department of government as described in section 1, Article
41 III of the Oregon Constitution.

42 (B) "State agency" does not include:

43 (i) The legislative department as defined in ORS 174.114;

44 (ii) The judicial department as defined in ORS 174.113;

45 (iii) The Public Defense Services Commission;

1 (iv) The Secretary of State and the State Treasurer in the performance of the duties of their
2 constitutional offices;

3 (v) Semi-independent state agencies listed in ORS 182.454;

4 (vi) The Oregon Tourism Commission;

5 (vii) The Oregon Film and Video Office;

6 (viii) The Oregon University System;

7 **(ix) Portland State University;**

8 [(ix)] **(x)** The Oregon Health and Science University;

9 [(x)] **(xi)** The Travel Information Council;

10 [(xi)] **(xii)** Oregon Corrections Enterprises;

11 [(xii)] **(xiii)** The Oregon State Lottery Commission;

12 [(xiii)] **(xiv)** The State Accident Insurance Fund Corporation;

13 [(xiv)] **(xv)** The Oregon Health Insurance Exchange Corporation;

14 [(xv)] **(xvi)** The Oregon Utility Notification Center;

15 [(xvi)] **(xvii)** Oregon Community Power;

16 [(xvii)] **(xviii)** The Citizens' Utility Board;

17 [(xviii)] **(xix)** A special government body as defined in ORS 174.117;

18 [(xix)] **(xx)** Any other public corporation created under a statute of this state and specifically
19 designated as a public corporation; and

20 [(xx)] **(xxi)** Any other semi-independent state agency denominated by statute as a semi-
21 independent state agency.

22 (c) "Supervisory employee" has the meaning given that term in ORS 243.650.

23 **SECTION 145.** ORS 292.043 is amended to read:

24 292.043. (1) As used in this section:

25 (a) "Foundation" means:

26 (A) A tax exempt organization designated by a rule adopted by a state agency; [or]

27 (B) A tax exempt organization designated by the State Board of Higher Education to solicit
28 contributions for the support of a public university listed in ORS 352.002; or

29 **(C) A tax exempt organization designated by the Portland State University Board of Di-
30 rectors to solicit contributions for the support of the university.**

31 (b) "Salary and wages" has the meaning given that term in ORS 292.014.

32 (2) Any state official authorized to disburse funds in payment of salaries or wages of the officers
33 and employees of a state agency, or of the officers, teachers, instructors and other employees of the
34 Oregon University System or **Portland State University**, is authorized, upon written request of the
35 individual, to deduct each month from the salary or wages of the individual the amount of money
36 designated by the individual for payment to a foundation.

37 (3) The individual may withdraw the authorization at any time if the individual so notifies such
38 officer in writing.

39 (4) The moneys so deducted shall be paid over promptly to the foundation designated by the
40 individual. Subject to any rules prescribed by a state agency, [or] the State Board of Higher Edu-
41 cation or **the Portland State University Board of Directors**, the state official authorized to dis-
42 burse the funds in payment of salaries and wages may prescribe any procedures necessary to carry
43 out this section.

44 **SECTION 146.** ORS 292.044 is amended to read:

45 292.044. (1) As used in this section:

1 (a) "Employee" means officers, faculty, teachers, instructors and other employees of the Oregon
2 University System [as described in ORS 352.002] **or Portland State University.**

3 (b) "Nonprofit organization" means an organization described in section 501(c)(3) of the Internal
4 Revenue Code that is exempt from income tax under section 501(a) of the Internal Revenue Code.

5 (2)(a) The Chancellor of the Oregon University System or a designee of the chancellor may ap-
6 prove a written request made by a public university or office, department or activity under the ju-
7 risdiction of the State Board of Higher Education, in which an employee of the public university or
8 office, department or activity may designate an amount from the salary or wages of the employee
9 for payment to a qualifying nonprofit organization. A request made to the chancellor under this
10 section must identify the nonprofit organization to whom payments would be made.

11 **(b) The Portland State University Board of Directors may approve a written request**
12 **made by the university, in which an employee of the university may designate an amount**
13 **from the salary or wages of the employee for payment to a qualifying nonprofit organization.**
14 **A request made to the board under this section must identify the nonprofit organization to**
15 **which payments would be made.**

16 (3) Upon written approval of the chancellor, [or] of a designee of the chancellor **or of the**
17 **Portland State University Board of Directors** and a written request of an employee of the public
18 university [or office, department or activity to which the approval applies], the state official within the
19 Oregon University System **or Portland State University** authorized to disburse funds in payment
20 of salaries or wages shall deduct from the salary or wages of the employee the amount of money
21 designated by the employee for payment to the nonprofit organization.

22 (4) The moneys deducted from the salaries or wages under subsection (3) of this section shall
23 be paid over promptly to the nonprofit organization.

24 (5) The Chancellor of the Oregon University System or a designee of the chancellor **and the**
25 **Portland State University Board of Directors** shall prescribe procedures for determining whether
26 an organization qualifies as a nonprofit organization under this section.

27 **SECTION 147.** ORS 307.095 is amended to read:

28 307.095. (1) Any portion of state property that is used during the tax year for parking on a
29 rental or fee basis to private individuals is subject to ad valorem taxation.

30 (2) The real market value of such portion shall be computed by determining that percentage
31 which the total of receipts from private use bears to the total of receipts from all use of the prop-
32 erty. The assessed value of such portion shall be computed as provided in ORS 308.146. However,
33 receipts from any use by a state officer or employee in the performance of the official duties of the
34 state officer or employee shall not be considered as receipts from private use in computing the
35 portion subject to ad valorem taxation.

36 (3) This section and ORS 276.592 do not apply to state property that is used by the Oregon
37 University System, **Portland State University** or the Oregon Health and Science University solely
38 to provide parking for employees, students or visitors.

39 **SECTION 148.** ORS 307.110 is amended to read:

40 307.110. (1) Except as provided in ORS 307.120, all real and personal property of this state or
41 any institution or department thereof or of any county or city, town or other municipal corporation
42 or political subdivision of this state, held under a lease or other interest or estate less than a fee
43 simple, by any person whose real property, if any, is taxable, except employees of the state,
44 municipality or political subdivision as an incident to such employment, shall be subject to assess-
45 ment and taxation for the assessed or specially assessed value thereof uniformly with real property

1 of nonexempt ownerships.

2 (2) Each leased or rented premises not exempt under ORS 307.120 and subject to assessment and
3 taxation under this section which is located on property used as an airport and owned by and
4 serving a municipality or port shall be separately assessed and taxed.

5 (3) Nothing contained in this section shall be construed as subjecting to assessment and taxation
6 any publicly owned property described in subsection (1) of this section that is:

7 (a) Leased for student housing by a school or college to students attending such a school or
8 college.

9 (b) Leased to or rented by persons, other than sublessees or subrenters, for agricultural or
10 grazing purposes and for other than a cash rental or a percentage of the crop.

11 (c) Utilized by persons under a land use permit issued by the Department of Transportation for
12 which the department's use restrictions are such that only an administrative processing fee is able
13 to be charged.

14 (d) County fairgrounds and the buildings thereon, in a county holding annual county fairs,
15 managed by the county fair board under ORS 565.230, if utilized, in addition to county fair use, for
16 any of the purposes described in ORS 565.230 (2), or for horse stalls or storage for recreational ve-
17 hicles or farm machinery or equipment.

18 (e) The properties and grounds managed and operated by the State Parks and Recreation Di-
19 rector under ORS 565.080, if utilized, in addition to the purpose of holding the Oregon State Fair,
20 for horse stalls or for storage for recreational vehicles or farm machinery or equipment.

21 (f) State property that is used by the Oregon University System, **Portland State University** or
22 the Oregon Health and Science University to provide parking for employees, students or visitors.

23 (g) Property of a housing authority created under ORS chapter 456 which is leased or rented to
24 persons of lower income for housing pursuant to the public and governmental purposes of the
25 housing authority. For purposes of this paragraph, "persons of lower income" has the meaning given
26 the phrase under ORS 456.055.

27 (h) Property of a health district if:

28 (A) The property is leased or rented for the purpose of providing facilities for health care
29 practitioners practicing within the county; and

30 (B) The county is a frontier rural practice county under rules adopted by the Office of Rural
31 Health.

32 (4) Property determined to be an eligible project for tax exemption under ORS 285C.600 to
33 285C.626 and 307.123 that was acquired with revenue bonds issued under ORS 285B.320 to 285B.371
34 and that is leased by this state, any institution or department thereof or any county, city, town or
35 other municipal corporation or political subdivision of this state to an eligible applicant shall be
36 assessed and taxed in accordance with ORS 307.123. The property's continued eligibility for taxation
37 and assessment under ORS 307.123 is not affected:

38 (a) If the eligible applicant retires the bonds prior to the original dates of maturity; or

39 (b) If any applicable lease or financial agreement is terminated prior to the original date of ex-
40 piration.

41 (5) The provisions of law for liens and the payment and collection of taxes levied against real
42 property of nonexempt ownerships shall apply to all real property subject to the provisions of this
43 section. Taxes remaining unpaid upon the termination of a lease or other interest or estate less than
44 a fee simple, shall remain a lien against the real or personal property.

45 (6) If the state enters into a lease of property with, or grants an interest or other estate less

1 than a fee simple in property to, a person whose real property, if any, is taxable, then within 30 days
 2 after the date of the lease, or within 30 days after the date the interest or estate less than a fee
 3 simple is created, the state shall file a copy of the lease or other instrument creating or evidencing
 4 the interest or estate with the county assessor. This section applies notwithstanding that the prop-
 5 erty may otherwise be entitled to an exemption under this section, ORS 307.120 or as otherwise
 6 provided by law.

7 **SECTION 149.** ORS 310.155 is amended to read:

8 310.155. (1) For purposes of ORS 310.150, taxes are levied or imposed to fund the public school
 9 system if the taxes will be used exclusively for educational services, including support services,
 10 provided by any unit of government, at any level from prekindergarten through post-graduate
 11 training.

12 (2) Taxes on property levied or imposed by a unit of government whose principal function is to
 13 provide educational services shall be considered to be dedicated to fund the public school system
 14 unless the sole purpose of a particular, voter approved levy is for other than educational services
 15 or support services as defined in this section.

16 (3) Taxes on property levied or imposed by a unit of government whose principal function is to
 17 perform government operations other than educational services shall be considered to be dedicated
 18 to fund the public school system only if the sole purpose of a particular, voter approved levy is for
 19 educational services or support services as defined in this section.

20 (4) As used in this section, “educational services” includes:

21 (a) Establishment and maintenance of preschools, kindergartens, elementary schools, high
 22 schools, community colleges, **Portland State University** and the public universities listed in ORS
 23 352.002.

24 (b) Establishment and maintenance of career schools, adult education programs, evening school
 25 programs and schools or facilities for persons with physical, mental or emotional disabilities.

26 (5) As used in this section, “support services” includes clerical, administrative, professional and
 27 managerial services, property maintenance, transportation, counseling, training and other services
 28 customarily performed in connection with the delivery of educational services.

29 (6) “Educational services” does not include community recreation programs, civic activities,
 30 public libraries, programs for custody or care of children or community welfare activities if those
 31 programs or activities are provided to the general public and not for the benefit of students or other
 32 participants in the programs and activities described in subsection (4) of this section.

33 **SECTION 150.** ORS 326.543 is amended to read:

34 326.543. (1) As used in this section:

35 (a) “Education service district” has the meaning given that term in ORS 334.003.

36 (b) “Facility” means the school operated under ORS 346.010.

37 (c) “Post-secondary institution” means:

38 (A) A community college as defined in ORS 341.005;

39 (B) A public university listed in ORS 352.002 **and Portland State University**; and

40 (C) The Oregon Health and Science University.

41 (d) “School district” has the meaning given that term in ORS 330.005.

42 (2) The interest or estate of an education service district, a facility, a post-secondary institution
 43 or a school district in any real property may not be extinguished or diminished by adverse pos-
 44 session.

45 **SECTION 151.** ORS 326.587 is amended to read:

1 326.587. (1) A public university listed in ORS 352.002 **and Portland State University** may not
2 disclose the Social Security number of a student who is attending the public university.

3 (2) Subsection (1) of this section does not apply if the public university discloses the Social Se-
4 curity number:

5 (a) At the request of a law enforcement agency or an agency providing support enforcement
6 services under ORS 25.080;

7 (b) After obtaining written permission for the disclosure from the student to whom the number
8 refers;

9 (c) In the payment of wages or benefits;

10 (d) In the payment or collection of taxes or of a debt owed by the student to whom the number
11 refers; or

12 (e) For purposes of statistical analysis.

13 **SECTION 152.** ORS 332.114 is amended to read:

14 332.114. (1) A person who meets the requirements under subsection (3) of this section may re-
15 quest a school district to issue the person a high school diploma if the person resides within the
16 boundaries of the school district or is a resident of this state and attended a high school of the
17 school district.

18 (2) A representative of a deceased person who meets the requirements under subsection (3) of
19 this section may request a school district to issue a high school diploma on behalf of the deceased
20 person if the deceased person resided within the boundaries of the school district at the time of
21 death or was a resident of this state at the time of death and attended a high school of the school
22 district.

23 (3) Notwithstanding the requirements for a high school diploma established under ORS 329.451
24 and by the State Board of Education and school districts, a school district that receives a request
25 under subsection (1) or (2) of this section shall issue a high school diploma to a person if the person:

26 (a) Attended a high school before serving in the Armed Forces of the United States;

27 (b) Did not graduate from a high school because the person was serving in the Armed Forces
28 of the United States;

29 (c) Was discharged or released under honorable conditions from the Armed Forces of the United
30 States;

31 (d) Served in the Armed Forces of the United States as described in subsection (4) of this sec-
32 tion; and

33 (e)(A) Has received a General Educational Development (GED) certificate;

34 (B) Has received a post-secondary degree from a community college, public university listed in
35 ORS 352.002, **Portland State University** or other generally accredited institution of higher educa-
36 tion; or

37 (C) Has received a minimum score on the Armed Services Vocational Aptitude Battery (ASVAB),
38 as established by the Oregon Military Department.

39 (4) The provisions of subsection (3) of this section apply to a person who:

40 (a) Served in the Armed Forces of the United States at any time during:

41 (A) World War I;

42 (B) World War II;

43 (C) The Korean Conflict; or

44 (D) The Vietnam War;

45 (b) Served in the Armed Forces of the United States and was physically present in:

1 (A) Operation Urgent Fury (Grenada);

2 (B) Operation Just Cause (Panama);

3 (C) Operation Desert Shield/Desert Storm (the Persian Gulf War);

4 (D) Operation Restore Hope (Somalia);

5 (E) Operation Enduring Freedom (Afghanistan); or

6 (F) Operation Iraqi Freedom (Iraq); or

7 (c) Served in the Armed Forces of the United States in an area designated as a combat zone by
8 the President of the United States.

9 **SECTION 153.** ORS 329.822 is amended to read:

10 329.822. (1) The Oregon Educator Professional Development Commission is established within
11 the Department of Education for the purpose of providing statewide collaborative leadership for
12 prekindergarten through post-secondary education in the areas of school improvement.

13 (2) The commission consists of [16] **17** members appointed as follows:

14 (a) The President of the Senate shall appoint one member of the Senate.

15 (b) The Speaker of the House of Representatives shall appoint one member of the House of
16 Representatives.

17 (c) The Governor shall appoint [14] **15** members as follows:

18 (A) Two members who represent education service districts.

19 (B) One member who represents the Department of Education.

20 (C) One member who represents a community college.

21 (D) One member who represents a public university listed in ORS 352.002.

22 **(E) One member who represents Portland State University.**

23 [(E)] **(F)** One member who represents a not-for-profit private institution of higher education.

24 [(F)] **(G)** One member who represents the Teacher Standards and Practices Commission.

25 [(G)] **(H)** One member who represents the Governor's office.

26 [(H)] **(I)** Six members who represent public schools for kindergarten through grade 12, including:

27 (i) One superintendent of a school district.

28 (ii) Two principals of schools.

29 (iii) Two teachers licensed or certified by the Teacher Standards and Practices Commission.

30 (iv) One classified employee of a school.

31 (3) Members of the Legislative Assembly appointed to the commission are nonvoting members
32 of the commission and may act in an advisory capacity only.

33 (4)(a) The term of office of each member of the commission is three years, but a member serves
34 at the pleasure of the appointing authority.

35 (b) Before the expiration of the term of a member, the appointing authority shall appoint a
36 successor.

37 (c) A member is eligible for reappointment.

38 (d) If there is a vacancy for any cause, the appointing authority shall make an appointment to
39 become immediately effective for the unexpired term.

40 (5) Members of the commission who are members of the Legislative Assembly are entitled to
41 mileage expenses and a per diem as provided by ORS 171.072. Other members of the commission are
42 not entitled to compensation but a member may be reimbursed for actual and necessary travel and
43 other expenses incurred by the member in the performance of the member's official duties in the
44 manner and amount provided in ORS 292.495.

45 (6) The commission shall select from among its members a chairperson, vice chairperson and

1 secretary, for such terms and with such duties and powers necessary for the performance of the
2 functions of the offices.

3 (7) A majority of the voting members of the commission constitutes a quorum for the transaction
4 of business.

5 (8) Official action by the commission requires the approval of a majority of the voting members
6 of the commission.

7 (9) The commission shall meet at least once each calendar quarter at a place, day and hour
8 determined by the commission. The commission may also meet at other times and places specified
9 by the call of the chairperson.

10 (10) The Department of Education may accept, on behalf of the commission, contributions of
11 moneys and assistance from the United States Government or its agencies or from any other source,
12 public or private, and agree to conditions placed on the moneys not inconsistent with the duties of
13 the commission.

14 (11) All moneys received by the department under subsection (10) of this section shall be paid
15 into the Department of Education Account established in ORS 326.115 to the credit of the commis-
16 sion. The moneys are continuously appropriated to the commission for the purposes of carrying out
17 the duties of the commission.

18 (12) The Department of Education shall solicit and award a public contract for services provided
19 by the commission, including the maintenance of the public website and the provision of assistance
20 to local school districts. A contract may be procured only as provided by ORS 279B.060 and may
21 not be procured as a sole-source procurement under ORS 279B.075, an emergency procurement under
22 ORS 279B.080 or a special procurement under ORS 279B.085.

23 **SECTION 154.** ORS 329.840 is amended to read:

24 329.840. (1) There is created the Oregon Virtual School District within the Department of Edu-
25 cation. The purpose of the Oregon Virtual School District is to provide online courses to
26 kindergarten through grade 12 public school students.

27 (2) The Oregon Virtual School District shall provide online courses that meet academic content
28 standards as defined in ORS 329.007 and meet other criteria adopted by the State Board of Educa-
29 tion. Any person who teaches an online course must be properly licensed or registered as required
30 by ORS 338.135 and 342.173 for a person employed by a school district or public charter school. All
31 school districts and public charter schools may allow students to access the online courses offered
32 by the Oregon Virtual School District.

33 (3) The Superintendent of Public Instruction may contract with education service districts,
34 school districts, public charter schools, community colleges, **Portland State University**, public
35 universities listed in ORS 352.002 or any other public entity to provide online courses through the
36 Oregon Virtual School District.

37 (4) Statutes and rules that apply to other school districts do not apply to the Oregon Virtual
38 School District except as provided under this section or by rule of the State Board of Education.
39 The Oregon Virtual School District is not considered a school district for purposes of apportionment
40 of the State School Fund and the department may not receive a direct apportionment under ORS
41 327.008 from the State School Fund for the Oregon Virtual School District.

42 (5) The board may adopt the rules necessary for the administration of the Oregon Virtual School
43 District and shall adopt rules to establish:

44 (a) The procedure and criteria to be used for the selection of online courses to be offered
45 through the Oregon Virtual School District;

1 (b) The qualifications of students who may access online courses through the Oregon Virtual
2 School District;

3 (c) The number of credits for which students may access online courses through the Oregon
4 Virtual School District; and

5 (d) The student-to-teacher ratio for online courses offered through the Oregon Virtual School
6 District.

7 **SECTION 155.** ORS 332.155 is amended to read:

8 332.155. A district school board:

9 (1) May furnish, equip, repair, lease, purchase and build schoolhouses, including high schools,
10 junior high schools, career and technical education schools, gymnasiums, houses for teachers and
11 other employees, and like buildings; and locate, buy and lease lands for all school purposes. Leases
12 authorized by this section include lease-purchase agreements whereunder the district may acquire
13 ownership of the leased property at a nominal price. Such leases and lease-purchase agreements may
14 be for a term of up to 30 years.

15 (2) May contract for the removal or containment of asbestos substances in school buildings and
16 for repairs made necessary by such removal or containment. Contracts authorized by this section
17 may be for a term exceeding one year.

18 (3) May construct or cooperate in the construction of schools for training of student teachers
19 on state or district owned lands, for any public university listed in ORS 352.002 **or Portland State**
20 **University** that is in or contiguous to the district, and to expend district funds in so doing.

21 (4) May acquire personal property by a lease-purchase agreement or contract of purchase for a
22 term exceeding one year. A lease-purchase agreement is one in which the rent payable by the dis-
23 trict is expressly agreed to have been established to reflect the savings resulting from the exemption
24 from taxation, and the district is entitled to ownership of the property at a nominal or other price
25 that is stated or determinable by the terms of the agreement and was not intended to reflect the true
26 value of the property.

27 (5) May lease, sell and convey all property of the district as may not in the judgment of the
28 district school board be required for school purposes.

29 (6) May sell property of the district in transactions whereby the district has the right to lease,
30 occupy or reacquire the property following the sale or have facilities constructed thereon or fur-
31 nished to the specifications of the district. The construction or furnishing of such facilities shall be
32 subject to:

33 (a) ORS chapter 279A, except ORS 279A.125 and 279A.250 to 279A.290;

34 (b) ORS chapter 279B, except ORS 279B.235, 279B.240, 279B.270, 279B.275 and 279B.280; and

35 (c) ORS chapter 279C.005, 279C.100 to 279C.125 and 279C.300 to 279C.470.

36 (7) Shall furnish the schools with supplies, equipment, apparatus and services essential to
37 meeting the requirements of a standard school and may furnish such other supplies, equipment, ap-
38 paratus and services as the board considers advisable.

39 (8) May construct, purchase or lease in cooperation with other school districts or community
40 college districts facilities for secondary career and technical education programs for pupils of more
41 than one district and may furnish or cooperate in furnishing supplies and equipment for such facil-
42 ities, to be financed in the same manner as other school buildings and supplies are financed.

43 (9) May purchase real property upon a contractual basis when the period of time allowed for
44 payment under the contract does not exceed 30 years.

45 (10) May purchase relocatable classrooms and other relocatable structures in installment

1 transactions in which deferred installments of the purchase price are payable over not more than
 2 10 years from the date such property is delivered to the district for occupancy and are secured by
 3 a security interest in such property. Such transactions may take the form of, but are not limited to,
 4 lease-purchase agreements.

5 (11) May enter into rental or lease-purchase agreements covering motor vehicles operated by the
 6 district.

7 **SECTION 156.** ORS 336.057 is amended to read:

8 336.057. In all public schools courses of instruction shall be given in the Constitution of the
 9 United States and in the history of the United States. These courses shall:

10 (1) Begin not later than the opening of the eighth grade and shall continue in grades 9 through
 11 12.

12 (2) Be required in **Portland State University and** all public universities listed in ORS 352.002,
 13 except the Oregon Health and Science University, and in all state and local institutions that provide
 14 education for patients or inmates to an extent to be determined by the Superintendent of Public
 15 Instruction.

16 **SECTION 157.** ORS 337.500 is amended to read:

17 337.500. As used in ORS 337.500 to 337.506:

18 (1) "Adopter" means any faculty member or academic department or other adopting entity at a
 19 higher education institution responsible for considering and choosing course materials to be utilized
 20 in connection with accredited courses taught at the institution.

21 (2) "Higher education institution" means:

22 (a) A community college, as defined in ORS 341.005;

23 (b) A public university listed in ORS 352.002 **and Portland State University;**

24 (c) The Oregon Health and Science University;

25 (d) A private institution of higher education located in Oregon; and

26 (e) A bookstore that serves as the primary bookstore for an entity listed in paragraphs (a) to (d)
 27 of this subsection.

28 (3) "Special edition" means a bound book that does not constitute a traditional textbook and
 29 that may or may not be used for instructional purposes.

30 (4)(a) "Textbook bundle" means a textbook packaged together with other supplemental course
 31 materials, including but not limited to workbooks, study guides, online technologies, online course
 32 resources, CD-ROMs or other books, to be sold as course material for one price.

33 (b) "Textbook bundle" does not include a textbook that is unusable without the supplemental
 34 course materials, materials that cannot be sold separately due to third-party contractual agreements,
 35 custom editions or special editions.

36 **SECTION 158.** ORS 342.360 is amended to read:

37 342.360. (1) The membership of the Teacher Standards and Practices Commission shall consist
 38 of:

39 (a) Four elementary teachers;

40 (b) Four junior or senior high school teachers;

41 (c) One elementary school administrator;

42 (d) One junior or senior high school administrator;

43 (e) One superintendent of city schools;

44 (f) One county superintendent or a superintendent employed by an education service district
 45 board;

1 (g) One member from the faculty of an approved private teacher education institution in Oregon;

2 (h) One member from the faculty of a public university listed in ORS 352.002;

3 **(i) One member from the faculty of Portland State University;**

4 [(i)] (j) One member who is also a member of a district school board; and

5 [(j)] **(k)** Two members of the general public.

6 (2) Except for those members appointed under subsection [(1)(i) and (j)] **(1)(j) and (k)** of this
7 section, members must have been actively engaged in teaching, supervising or administering in the
8 public schools or in approved teacher education institutions in Oregon for the period of five years
9 immediately preceding appointment. Acting as an elected representative of teachers, supervisors or
10 administrators shall be considered teaching, supervising or administering for the purposes of the
11 five-year experience requirement. In addition, members appointed under subsection (1)(a) to (f) of this
12 section must hold valid Oregon teaching or administrative licenses other than restricted teaching
13 or administrative licenses.

14 (3)(a) Throughout the term for which appointed, **at least** one of the members appointed [*under*
15 *subsection (1)(a) to (j) of this section*] **to the commission** must hold a teaching license with an
16 endorsement in some aspect of special education or have demonstrated knowledge or experience in
17 special education.

18 (b) As used in this subsection, “special education” means specially designed education to meet
19 the goals of the individual education program of a child with a disability including regular classroom
20 instruction, instruction in physical education, home instruction, related services and instruction in
21 hospitals, institutions and special schools.

22 **SECTION 159.** ORS 342.390 is amended to read:

23 342.390. (1) The Teacher Standards and Practices Commission shall meet at least once every six
24 months at a place, day and hour determined by the commission. The commission shall also meet at
25 such other times and places as are specified by the call of the chairperson or of a majority of the
26 members of the commission.

27 (2) A member of the commission who is employed at a public school or by a private teacher
28 education institution or by a public university listed in ORS 352.002 [*shall receive no*] **or Portland**
29 **State University may not receive** compensation for services as a member; but subject to any other
30 applicable law regulating travel and other expenses for state officers, the member shall receive ac-
31 tual and necessary travel and other expenses incurred in the performance of official duties as pro-
32 vided by ORS 292.495 (2).

33 (3) A member of the commission who serves on the commission in the capacity of a district
34 school board member or as a member of the general public shall be entitled to compensation and
35 expenses as provided in ORS 292.495 (1) and (2).

36 **SECTION 160.** ORS 337.511 is amended to read:

37 337.511. As used in ORS 337.511 to 337.524:

38 (1) “Alternative format” means any medium or format for the presentation of instructional ma-
39 terials other than standard print that is needed by a post-secondary student with a print disability
40 for a reading accommodation, including but not limited to Braille, large print texts, audio re-
41 cordings, digital texts and digital talking books.

42 (2) “Electronic format” means a medium or format containing digital text.

43 (3) “Instructional material” means a textbook or other material if:

44 (a) The textbook or other material, including additional prints or new editions of previously
45 published instructional material, is published on or after January 1, 2004, and is published primarily

1 for use by students in a course of study in which a post-secondary student with a print disability is
2 enrolled;

3 (b) The textbook or other material is required for a student's success in the course, as deter-
4 mined by the course instructor in consultation with the representative making the request for an
5 electronic format under ORS 337.517 (2);

6 (c) The textbook or other material is required for the course as stated in the course syllabus
7 or other curriculum documents, or the use of the materials by the student is necessary for the
8 completion of course assignments that are used to evaluate the student, such as to determine the
9 student's proficiency level or assign a grade; and

10 (d) Software is commercially available to permit the conversion of an electronic file of the
11 textbook or other material into a format that is compatible with assistive technologies such as
12 speech synthesis software or Braille translation software.

13 (4) "Post-secondary education institution" means:

14 (a) A public university listed in ORS 352.002 **or Portland State University**;

15 (b) A community college operated under ORS chapter 341;

16 (c) The Oregon Health and Science University; or

17 (d) An Oregon-based, generally accredited institution of higher education.

18 (5) "Print disability" means a disability that prevents a student from effectively utilizing print
19 material and may include blindness, other serious visual impairments, specific learning disabilities
20 or the inability to hold a book.

21 (6) "Printed instructional material" means instructional material in book or other printed form.

22 (7) "Publisher" means any person that publishes or manufactures instructional material used by
23 students attending a post-secondary education institution.

24 (8) "Structural integrity" means the inclusion of all of the information provided in printed in-
25 structional material, including but not limited to the text of the material sidebars, the tables of
26 contents, the chapter headings and subheadings, the footnotes, the page numbers, the indexes and
27 the glossaries.

28 (9) "Working day" means a day that is not a Saturday, Sunday or legal holiday.

29 **SECTION 161.** ORS 338.005, as amended by section 19, chapter 91, Oregon Laws 2012, is
30 amended to read:

31 338.005. As used in this chapter, unless the context requires otherwise:

32 (1) "Applicant" means any person or group that develops and submits a written proposal for a
33 public charter school to a sponsor.

34 (2) "Institution of higher education" means a community college operated under ORS chapter
35 341, a public university listed in ORS 352.002, **Portland State University** or the Oregon Health and
36 Science University.

37 (3) "Public charter school" means an elementary or secondary school offering a comprehensive
38 instructional program operating under a written agreement entered into between a sponsor and an
39 applicant and operating pursuant to this chapter.

40 (4) "Remote and necessary school district" means a school district that offers kindergarten
41 through grade 12 and has:

42 (a) An average daily membership (ADM), as defined in ORS 327.006, in the prior fiscal year of
43 less than 110; and

44 (b) A school that is located, by the nearest traveled road, more than 20 miles from the nearest
45 school or from a city with a population of more than 5,000.

1 (5) "Sponsor" means:

2 (a) The board of the common school district or the union high school district in which the public
3 charter school is located that has developed a written charter with an applicant to create a public
4 charter school.

5 (b) The State Board of Education pursuant to ORS 338.075.

6 (c) An institution of higher education pursuant to ORS 338.075.

7 (6)(a) "Virtual public charter school" means a public charter school that provides online
8 courses.

9 (b) "Virtual public charter school" does not include a public charter school that primarily serves
10 students in a physical location.

11 **SECTION 162.** ORS 338.115, as amended by section 9, chapter 92, Oregon Laws 2012, is
12 amended to read:

13 338.115. (1) Statutes and rules that apply to school district boards, school districts or other
14 public schools do not apply to public charter schools. However, the following laws do apply to public
15 charter schools:

16 (a) Federal law;

17 (b) ORS 30.260 to 30.300 (tort claims);

18 (c) ORS 192.410 to 192.505 (public records law);

19 (d) ORS 192.610 to 192.690 (public meetings law);

20 (e) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law);

21 (f) ORS 326.565, 326.575 and 326.580 (student records);

22 (g) ORS 181.534, 326.603, 326.607, 342.223 and 342.232 (criminal records checks);

23 (h) ORS 329.045 (academic content standards and instruction);

24 (i) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative cer-
25 tificate);

26 (j) The statewide assessment system developed by the Department of Education for mathematics,
27 science and English under ORS 329.485 (2);

28 (k) ORS 337.150 (textbooks);

29 (L) ORS 339.141, 339.147 and 339.155 (tuition and fees);

30 (m) ORS 339.250 (12) (prohibition on infliction of corporal punishment);

31 (n) ORS 339.326 (notice concerning students subject to juvenile court petitions);

32 (o) ORS 339.370, 339.372, 339.388 and 339.400 (reporting of abuse and sexual conduct and training
33 on prevention and identification of abuse and sexual conduct);

34 (p) ORS chapter 657 (Employment Department Law);

35 (q) ORS 659.850, 659.855 and 659.860 (discrimination);

36 (r) Any statute or rule that establishes requirements for instructional time provided by a school
37 during each day or during a year;

38 (s) Health and safety statutes and rules;

39 (t) Any statute or rule that is listed in the charter;

40 (u) ORS 339.119 (consideration for educational services); and

41 (v) This chapter.

42 (2) Notwithstanding subsection (1) of this section, a charter may specify that statutes and rules
43 that apply to school district boards, school districts and other public schools may apply to a public
44 charter school.

45 (3) If a statute or rule applies to a public charter school, then the terms "school district" and

1 “public school” include public charter school as those terms are used in that statute or rule.

2 (4) A public charter school may not violate the Establishment Clause of the First Amendment
3 to the United States Constitution or section 5, Article I of the Oregon Constitution, or be religion
4 based.

5 (5)(a) A public charter school shall maintain an active enrollment of at least 25 students.

6 (b) For a public charter school that provides educational services under a cooperative agree-
7 ment described in ORS 338.080, the public charter school is in compliance with the requirements of
8 this subsection if the public charter school provides educational services under the cooperative
9 agreement to at least 25 students, without regard to the school districts in which the students are
10 residents.

11 (6) A public charter school may sue or be sued as a separate legal entity.

12 (7) The sponsor, members of the governing board of the sponsor acting in their official capacities
13 and employees of a sponsor acting in their official capacities are immune from civil liability with
14 respect to all activities related to a public charter school within the scope of their duties or em-
15 ployment.

16 (8) A public charter school may enter into contracts and may lease facilities and services from
17 a school district, education service district, public university listed in ORS 352.002, **Portland State**
18 **University**, other governmental unit or any person or legal entity.

19 (9) A public charter school may not levy taxes or issue bonds under which the public incurs li-
20 ability.

21 (10) A public charter school may receive and accept gifts, grants and donations from any source
22 for expenditure to carry out the lawful functions of the school.

23 (11) The school district in which the public charter school is located shall offer a high school
24 diploma, a modified diploma, an extended diploma or an alternative certificate to any public charter
25 school student who meets the district’s and state’s standards for a high school diploma, a modified
26 diploma, an extended diploma or an alternative certificate.

27 (12) A high school diploma, a modified diploma, an extended diploma or an alternative certificate
28 issued by a public charter school grants to the holder the same rights and privileges as a high
29 school diploma, a modified diploma, an extended diploma or an alternative certificate issued by a
30 nonchartered public school.

31 (13) Prior to beginning operation, the public charter school shall show proof of insurance to the
32 sponsor as specified in the charter.

33 (14) A public charter school may receive services from an education service district in the same
34 manner as a nonchartered public school in the school district in which the public charter school is
35 located.

36 **SECTION 163.** ORS 338.115, as amended by section 7, chapter 839, Oregon Laws 2007, section
37 12, chapter 50, Oregon Laws 2008, section 4, chapter 618, Oregon Laws 2009, section 3, chapter 53,
38 Oregon Laws 2010, section 3, chapter 94, Oregon Laws 2011, section 118, chapter 637, Oregon Laws
39 2011, section 5, chapter 682, Oregon Laws 2011, and section 10, chapter 92, Oregon Laws 2012, is
40 amended to read:

41 338.115. (1) Statutes and rules that apply to school district boards, school districts or other
42 public schools do not apply to public charter schools. However, the following laws do apply to public
43 charter schools:

44 (a) Federal law;

45 (b) ORS 30.260 to 30.300 (tort claims);

- 1 (c) ORS 192.410 to 192.505 (public records law);
2 (d) ORS 192.610 to 192.690 (public meetings law);
3 (e) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law);
4 (f) ORS 326.565, 326.575 and 326.580 (student records);
5 (g) ORS 181.534, 326.603, 326.607, 342.223 and 342.232 (criminal records checks);
6 (h) ORS 329.045 (academic content standards and instruction);
7 (i) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative cer-
8 tificate);
9 (j) ORS 329.496 (physical education);
10 (k) The statewide assessment system developed by the Department of Education for mathematics,
11 science and English under ORS 329.485 (2);
12 (L) ORS 337.150 (textbooks);
13 (m) ORS 339.141, 339.147 and 339.155 (tuition and fees);
14 (n) ORS 339.250 (12) (prohibition on infliction of corporal punishment);
15 (o) ORS 339.326 (notice concerning students subject to juvenile court petitions);
16 (p) ORS 339.370, 339.372, 339.388 and 339.400 (reporting of abuse and sexual conduct and training
17 on prevention and identification of abuse and sexual conduct);
18 (q) ORS chapter 657 (Employment Department Law);
19 (r) ORS 659.850, 659.855 and 659.860 (discrimination);
20 (s) Any statute or rule that establishes requirements for instructional time provided by a school
21 during each day or during a year;
22 (t) Health and safety statutes and rules;
23 (u) Any statute or rule that is listed in the charter;
24 (v) ORS 339.119 (consideration for educational services); and
25 (w) This chapter.
- 26 (2) Notwithstanding subsection (1) of this section, a charter may specify that statutes and rules
27 that apply to school district boards, school districts and other public schools may apply to a public
28 charter school.
- 29 (3) If a statute or rule applies to a public charter school, then the terms “school district” and
30 “public school” include public charter school as those terms are used in that statute or rule.
- 31 (4) A public charter school may not violate the Establishment Clause of the First Amendment
32 to the United States Constitution or section 5, Article I of the Oregon Constitution, or be religion
33 based.
- 34 (5)(a) A public charter school shall maintain an active enrollment of at least 25 students.
- 35 (b) For a public charter school that provides educational services under a cooperative agree-
36 ment described in ORS 338.080, the public charter school is in compliance with the requirements of
37 this subsection if the public charter school provides educational services under the cooperative
38 agreement to at least 25 students, without regard to the school districts in which the students are
39 residents.
- 40 (6) A public charter school may sue or be sued as a separate legal entity.
- 41 (7) The sponsor, members of the governing board of the sponsor acting in their official capacities
42 and employees of a sponsor acting in their official capacities are immune from civil liability with
43 respect to all activities related to a public charter school within the scope of their duties or em-
44 ployment.
- 45 (8) A public charter school may enter into contracts and may lease facilities and services from

1 a school district, education service district, public university listed in ORS 352.002, **Portland State**
 2 **University**, other governmental unit or any person or legal entity.

3 (9) A public charter school may not levy taxes or issue bonds under which the public incurs li-
 4 ability.

5 (10) A public charter school may receive and accept gifts, grants and donations from any source
 6 for expenditure to carry out the lawful functions of the school.

7 (11) The school district in which the public charter school is located shall offer a high school
 8 diploma, a modified diploma, an extended diploma or an alternative certificate to any public charter
 9 school student who meets the district's and state's standards for a high school diploma, a modified
 10 diploma, an extended diploma or an alternative certificate.

11 (12) A high school diploma, a modified diploma, an extended diploma or an alternative certificate
 12 issued by a public charter school grants to the holder the same rights and privileges as a high
 13 school diploma, a modified diploma, an extended diploma or an alternative certificate issued by a
 14 nonchartered public school.

15 (13) Prior to beginning operation, the public charter school shall show proof of insurance to the
 16 sponsor as specified in the charter.

17 (14) A public charter school may receive services from an education service district in the same
 18 manner as a nonchartered public school in the school district in which the public charter school is
 19 located.

20 **SECTION 164.** ORS 339.885 is amended to read:

21 339.885. (1) [No] **A** secret society of any kind, including a fraternity or sorority, [*shall be per-*
 22 *mitted*] **is prohibited** in any public school.

23 (2) The district school board may order the suspension or expulsion of any pupil who belongs
 24 to a secret society.

25 (3) This section does not apply to any public university listed in ORS 352.002 **or to Portland**
 26 **State University.**

27 **SECTION 165.** ORS 340.005 is amended to read:

28 340.005. For purposes of ORS 340.005 to 340.090:

29 (1) "Accelerated college credit program" has the meaning given that term by rules adopted by
 30 the State Board of Education.

31 (2) "At-risk student" means:

32 (a) A student who qualifies for a free or reduced lunch program; or

33 (b) An at-risk student as defined by rules adopted by the board if the board has adopted rules
 34 to define an at-risk student.

35 (3) "Duplicate course" means a course with a scope that is identical to the scope of another
 36 course.

37 (4)(a) "Eligible post-secondary course" means any nonsectarian course or program offered
 38 through an eligible post-secondary institution if the course or program may lead to high school
 39 completion, a certificate, professional certification, associate degree or baccalaureate degree.

40 (b) "Eligible post-secondary course" does not include a duplicate course offered at the student's
 41 resident school.

42 (c) "Eligible post-secondary course" includes:

43 (A) Academic courses;

44 (B) Career and technical education courses; and

45 (C) Distance education courses.

1 (5) “Eligible post-secondary institution” means:

2 (a) A community college;

3 (b) A public university listed in ORS 352.002 **and Portland State University**; and

4 (c) The Oregon Health and Science University.

5 (6)(a) “Eligible student” means a student who is enrolled in an Oregon public school and who:

6 (A) Is 16 years of age or older at the time of enrollment in a course under the Expanded Options
7 Program;

8 (B)(i) Is in grade 11 or 12 at the time of enrollment in a course under the Expanded Options
9 Program; or

10 (ii) Is not in grade 11 or 12, because the student has not completed the required number of
11 credits, but who has been allowed by the school district to participate in the program;

12 (C) Has developed an educational learning plan as described in ORS 340.025; and

13 (D) Has not successfully completed the requirements for a high school diploma as established
14 by ORS 329.451, the State Board of Education and the school district board.

15 (b) “Eligible student” does not include a foreign exchange student enrolled in a school under a
16 cultural exchange program.

17 (7) “Expanded Options Program” means the program created under ORS 340.005 to 340.090.

18 (8) “Scope” means depth and breadth of course content as evidenced through a planned course
19 statement including content outline, applicable state content standards where appropriate, course
20 goals and student outcomes.

21 **SECTION 166.** ORS 340.310, as amended by section 10, chapter 104, Oregon Laws 2012, is
22 amended to read:

23 340.310. (1) The Higher Education Coordinating Commission shall develop statewide standards
24 for dual credit programs to be implemented by public high schools, community colleges, **Portland**
25 **State University** and [*state institutions of higher education within the Oregon University System*]
26 **public universities listed in ORS 352.002**. The standards must establish the manner by which:

27 (a) A student may, upon completion of a course, earn course credit both for high school and for
28 a community college or [*state institution of higher education within the Oregon University System*] **a**
29 **public university**; and

30 (b) Teachers of courses that are part of a dual credit program will work together to determine
31 the quality of the program and to ensure the alignment of the content, objectives and outcomes of
32 individual courses.

33 (2) Each public high school, community college and [*state institution of higher education within*
34 *the Oregon University System*] **public university** that provides a dual credit program must implement
35 the statewide standards developed under subsection (1) of this section.

36 (3) Each school district, community college and [*state institution of higher education within the*
37 *Oregon University System*] **public university** that provides a dual credit program shall submit an
38 annual report to the Higher Education Coordinating Commission on the academic performance of
39 students enrolled in a dual credit program. The Higher Education Coordinating Commission shall
40 establish the required contents of the report, which must provide sufficient information to allow the
41 commission to determine the quality of the dual credit program.

42 **SECTION 167.** ORS 341.430, as amended by section 11, chapter 104, Oregon Laws 2012, is
43 amended to read:

44 341.430. (1) As used in this section:

45 (a) “Associate transfer degree” means an associate degree that is awarded by a community

1 college and that is intended to allow a student to apply the credits earned for the degree toward a
2 baccalaureate degree.

3 (b) "Community college" means a community college operated under ORS chapter 341.

4 [(c) "State institution of higher education" means a state institution of higher education listed in
5 ORS 352.002.]

6 (c) **"Public university" means a public university listed in ORS 352.002 or Portland State
7 University.**

8 (d) "Transfer program" means a one-year program that is designed to allow a student to apply
9 the credits earned through the program toward a baccalaureate degree.

10 (2) The Higher Education Coordinating Commission shall develop standards related to the ability
11 of students to apply credits earned through courses of study at community colleges to baccalaureate
12 degrees awarded by state institutions of higher education. The standards shall be known as the
13 "Transfer Student Bill of Rights and Responsibilities."

14 (3) The standards developed under this section may include:

15 (a) Admission standards to state institutions of higher education for students who have earned
16 an associate transfer degree.

17 (b) The maximum number of credits that students who have earned an associate transfer degree
18 would need to complete prior to receiving various types of baccalaureate degrees at state insti-
19 tutions of higher education.

20 (c) The maximum number of credits that students who have completed a transfer program would
21 need to complete prior to receiving various types of baccalaureate degrees at state institutions of
22 higher education.

23 (d) A process by which a community college would award an associate degree to a student upon
24 completion of necessary credits, regardless of whether the student applied to receive the degree or
25 whether the student earned the credits for the degree at a community college or a state institution
26 of higher education.

27 (e) Any other issues identified by the Higher Education Coordinating Commission that relate to
28 courses of study at community colleges and the ability of a student to transfer credits to a commu-
29 nity college or a state institution of higher education, to be admitted to a state institution of higher
30 education or to earn a degree at a community college or a state institution of higher education.

31 (f) Requirements that students must meet in order to benefit from the standards described in
32 paragraphs (a) to (e) of this subsection.

33 (4) Each community college and state institution of higher education shall submit annual reports
34 to the Higher Education Coordinating Commission related to:

35 (a) The number of students who attend a community college and then a state institution of
36 higher education, or a state institution of higher education and then a community college.

37 (b) The number of students who attend one community college and then a different community
38 college.

39 (c) The number of students who transfer from a community college to a state institution of
40 higher education and who have an associate transfer degree or have completed a transfer program.

41 (d) The average number of credits students have when they transfer from a community college
42 to a state institution of higher education.

43 (e) The average number of credits students have when they attend one community college and
44 then a different community college.

45 (f) The average number of credits that a student earning an associate transfer degree completed

1 at a community college.

2 (g) The average number of credits students who have transferred from a community college to
3 a state institution of higher education must earn prior to receiving a baccalaureate degree compared
4 to the average number of credits students who did not transfer from a community college must earn
5 prior to receiving a baccalaureate degree.

6 **SECTION 168.** ORS 341.440 is amended to read:

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

16 (2) Educational services for which a district operating a community college may contract include
17 services offered by correspondence and services offered electronically or through telecommuni-
18 cations if such services are accredited by a nationally recognized accrediting association.

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

22 **SECTION 169.** ORS 342.144 is amended to read:

23 342.144. (1) As used in this section, "American Indian tribe" means an Indian tribe as that term
24 is defined in ORS 97.740.

25 (2) The Legislative Assembly declares that teaching American Indian languages is essential to
26 the proper education of American Indian children.

27 (3) The Teacher Standards and Practices Commission shall establish an American Indian lan-
28 guages teaching license.

29 (4) Each American Indian tribe may develop a written and oral test that must be successfully
30 completed by an applicant for an American Indian languages teaching license in order to determine
31 whether the applicant is qualified to teach the tribe's native language. When developing the test, the
32 tribe shall determine:

33 (a) Which dialects will be used on the test;

34 (b) Whether the tribe will standardize the tribe's writing system; and

35 (c) How the teaching methods will be evaluated in the classroom.

36 (5) The test shall be administered at an appropriate location that does not create hardship for
37 the tribal members administering the test.

38 (6) The commission may not require an applicant to hold a specific academic degree, to complete
39 a specific amount of education or to complete a teacher education program to receive an American
40 Indian languages teaching license.

41 (7)(a) An American Indian languages teaching license qualifies the holder to accept a teaching
42 position in a school district, public charter school, education service district, community college,
43 [*or*] public university listed in ORS 352.002 **or Portland State University**.

44 (b) A holder of an American Indian languages teaching license who does not also have a
45 teaching license issued under ORS 342.125 may not teach in a school district or education service

1 district any subject other than the American Indian language the holder of the license is approved
2 to teach by the tribe.

3 (c) A holder of an American Indian languages teaching license who does not also have a
4 teaching license or registration issued under ORS 342.125 may not teach in a public charter school
5 any subject other than the American Indian language the holder of the license is approved to teach
6 by the tribe.

7 (8)(a) As used in this subsection, “technical assistance program” means a program provided to
8 an American Indian languages teacher by a licensed teacher with three or more years of teaching
9 experience. A technical assistance program may include direct classroom observation and consulta-
10 tion, assistance in instructional planning and preparation, support in implementation and delivery
11 of classroom instruction, and other assistance intended to enhance the professional performance and
12 development of the American Indian languages teacher.

13 (b) The holder of an American Indian languages teaching license who does not also have an
14 administrative license, teaching license or registration issued under ORS 342.125 and who is em-
15 ployed by a school district, public charter school or education service district shall participate in
16 a technical assistance program with a person holding a teaching license issued by the commission
17 under ORS 342.125. The technical assistance program shall meet the guidelines specified in ORS
18 329.815 (2) to (4).

19 (9) An American Indian languages teaching license shall be valid for three years and may be
20 renewed upon application from the holder of the license.

21 **SECTION 170.** ORS 342.147 is amended to read:

22 342.147. (1) After considering recommendations of the State Board of Education, the Teacher
23 Standards and Practices Commission shall establish by rule standards for approval of teacher edu-
24 cation institutions and teacher education programs. Public teacher education institutions shall be
25 approved for programs of more than four years’ duration only if teacher education programs which
26 are reasonably attainable in a four-year period are also available in the system of higher education
27 and are designed to culminate in a baccalaureate degree that qualifies its graduates for entry-level
28 teaching licenses.

29 (2) The commission shall establish rules that allow teacher education programs leading to
30 graduate degrees to commence prior to the student’s completion of baccalaureate degree require-
31 ments and that allow the combined use of undergraduate and graduate level course work in
32 achieving program completion.

33 (3) Whenever any teacher education institution or program is denied approved status or has
34 such status withdrawn, such denial or withdrawal must be treated as a contested case within the
35 meaning of ORS chapter 183.

36 (4) Nothing in this section is intended to grant any authority to the commission relating to
37 granting degrees or establishing degree requirements that are within the authority of:

38 (a) The State Board of Higher Education or any of the public universities listed in ORS
39 352.002[.];

40 (b) **The Portland State University Board of Directors;** or

41 (c) *[that are within the authority of]* The governing board of any private institution of higher
42 education.

43 **SECTION 171.** ORS 342.443 is amended to read:

44 342.443. (1) The Education and Workforce Policy Advisor shall report biennially to the Legisla-
45 tive Assembly longitudinal data on the number and percentage of:

- 1 (a) Minority students enrolled in community colleges;
 2 (b) Minority students applying for admission to public universities listed in ORS 352.002 **or**
 3 **Portland State University**;
 4 (c) Minority students accepted in public universities;
 5 (d) Minority students graduated from public universities;
 6 (e) Minority candidates seeking to enter public teacher education programs in this state;
 7 (f) Minority candidates admitted to public teacher education programs;
 8 (g) Minority candidates who have completed approved public teacher education programs;
 9 (h) Minority candidates receiving Oregon teaching licenses based on preparation in this state
 10 and preparation in other states;
 11 (i) Minority teachers who are newly employed in the public schools in this state; and
 12 (j) Minority teachers already employed in the public schools.

13 (2) The advisor also shall report comparisons of minorities' and nonminorities' scores on basic
 14 skills, pedagogy and subject matter tests.

15 (3) The Oregon University System, **Portland State University**, the Department of Education,
 16 the Teacher Standards and Practices Commission, community colleges and school districts shall co-
 17 operate with the advisor in collecting data and preparing the report.

18 **SECTION 172.** ORS 344.259 is amended to read:

19 344.259. (1) The State Board of Education shall coordinate continuing education in lower divi-
 20 sion, developmental, adult self-improvement, professional and technical education for agencies under
 21 its regulatory authority. The State Board of Higher Education shall coordinate continuing education
 22 in upper division and graduate education for public universities under its jurisdiction.

23 (2) When significantly adverse impact is alleged by one or more of the agencies listed in this
 24 subsection, the affected parties jointly shall provide for written agreements. These agreements shall
 25 allocate responsibility for planning and providing continuing education or off-campus instruction in
 26 specific areas or by specific types. The agencies are:

- 27 (a) The State Board of Education.
 28 (b) The State Board of Higher Education.
 29 **(c) The Portland State University Board of Directors.**
 30 [(c)] **(d)** Community college districts.
 31 [(d)] **(e)** Independent colleges.
 32 [(e)] **(f)** Proprietary schools.

33 (3) In the event the affected parties fail to reach a written agreement within 120 days following
 34 receipt of written notice of the allegation, either party may request the Education and Workforce
 35 Policy Advisor to review and to recommend resolution.

36 (4) Nothing in this section prohibits the offering of upper division or graduate programs within
 37 30 miles of the campus of [the] **Portland State University or an** Oregon University System uni-
 38 versity [offering] **that offers** the program, or the offering of lower division programs within 30 miles
 39 of the campus [offering] **that offers** the program in areas outside a community college district. Such
 40 programs are entitled to the same college credit and financial support as programs offered on the
 41 campus of the university.

42 **SECTION 173.** ORS 344.557 is amended to read:

43 344.557. (1) The Department of Human Services may refer a person for vocational training only
 44 to the following schools or programs:

- 45 (a) A school that has accreditation recognized by the United States Department of Education.

1 (b) A school that has been approved by the Higher Education Coordinating Commission to offer
2 and confer degrees in Oregon.

3 (c) A community college.

4 (d) A public university listed in ORS 352.002.

5 (e) The Oregon Health and Science University.

6 (f) **Portland State University.**

7 [(f)] (g) A career school licensed under ORS 345.010 to 345.450.

8 [(g)] (h) An apprenticeship program that is registered with the State Apprenticeship and Train-
9 ing Council.

10 (2) This section does not apply to vocational rehabilitation training.

11 **SECTION 174.** ORS 344.753 is amended to read:

12 344.753. (1) Employers who enter into written agreements with educational institutions and who
13 are providing training to participants in youth apprenticeship and training or work based learning
14 programs are eligible for reimbursement of expenses incurred in the training process. These ex-
15 penses may include wages paid to the student, training costs for mentors and supervisors, equipment
16 costs to set up youth training capacity, curriculum development costs, costs of establishing interfirm
17 training centers or other costs necessitated by the training agreement.

18 (2) The amount of reimbursement shall be 50 percent of the actual cost of the investment, such
19 reimbursement not to exceed \$2,500 per student who completes the agreed upon course of study.
20 In the event that a student drops out of the program through no fault of the employer, the Depart-
21 ment of Education may reimburse the employer for costs incurred to that point.

22 (3) Eligible employers may elect to receive education service credits in lieu of the reimburse-
23 ment provided in this section. The amount of the education service credit shall equal the value of
24 the potential reimbursement on a dollar-for-dollar basis. Education service credits may be used to
25 purchase educational services provided to the employer by school districts, education service dis-
26 tricts, community colleges, **Portland State University**, the Oregon University System or private
27 providers approved by the Department of Education.

28 (4) Employers who terminate students without the concurrence of the school forfeit all claim to
29 reimbursements or education service credits earned under this section.

30 (5) The total amount of employer reimbursement allowable under this section to all employers
31 shall not exceed the amount allocated therefor biennially from the Administrative Services Eco-
32 nomic Development Fund.

33 (6) Reimbursements allowed under this section must first be certified with regard to eligibility
34 and availability of funds pursuant to a method established by the Department of Education in con-
35 sultation with the Bureau of Labor and Industries.

36 **SECTION 175.** ORS 353.440 is amended to read:

37 353.440. The Legislative Assembly finds that:

38 (1) Public universities in the Oregon University System, **Portland State University** and other
39 educational sectors have academic programs that are related to or integrated with the programs of
40 Oregon Health and Science University.

41 (2) It is in the best interest of the state that a coordinated approach be taken to these related
42 and integrated academic programs.

43 (3) In order to best ensure the continued harmony of such academic programs, the Oregon
44 Health and Science University, **Portland State University** and the Oregon University System shall
45 coordinate such programs and shall advise each other of the following proposed changes to such

1 academic programs:

2 (a) Creation or significant revision, such as a merger or closure, of degree programs;

3 (b) Creation or significant revision, such as a merger or closure, of schools; and

4 (c) Creation or significant revision of major academic policies.

5 (4) The Oregon Health and Science University and the Higher Education Coordinating Com-
6 mission shall coordinate and advise each other of the following types of proposed changes to their
7 related or integrated academic programs:

8 (a) Coordination of strategic plans for achieving higher education goals;

9 (b) Seeking advice and input from each other on modifications to statutory educational missions;

10 (c) Working to develop a statewide educational data system;

11 (d) Collaborating as necessary on the creation of any new degree programs; and

12 (e) Notifying each other and commenting on tuition rate changes.

13 (5) In order to further the coordination described by this section, Oregon Health and Science
14 University officers shall maintain a role in the appropriate committees of the State Board of Higher
15 Education, the Higher Education Coordinating Commission and the Oregon University System.

16 **SECTION 176.** ORS 353.600 is amended to read:

17 353.600. As used in ORS 353.600 to 353.612:

18 (1) "Committee" means the Oregon Nursing Shortage Coalition Committee created in ORS
19 353.606.

20 (2) "Post-secondary education institution" means:

21 (a) A public university listed in ORS 352.002;

22 (b) A community college operated under ORS chapter 341;

23 **(c) Portland State University;**

24 [(c)] **(d)** A school or division of Oregon Health and Science University; or

25 [(d)] **(e)** An Oregon-based, generally accredited, not-for-profit private institution of higher edu-
26 cation.

27 **SECTION 177.** ORS 353.603 is amended to read:

28 353.603. (1) Oregon Health and Science University shall distribute grants to post-secondary ed-
29 ucation institutions to support nursing education programs based on the selections of the Oregon
30 Nursing Shortage Coalition Committee and in accordance with appropriate university policies and
31 procedures. If the university is not able to distribute a grant to a post-secondary education institu-
32 tion selected by the committee, the university shall report to the committee the reason for not dis-
33 tributing the grant.

34 (2) Grants distributed under this section to a community college, [or] a public university listed
35 in ORS 352.002 **or Portland State University** may be based on an intergovernmental agreement
36 entered into by Oregon Health and Science University and the college or public university.

37 (3) Oregon Health and Science University may not use more than five percent of the amount
38 received from the Nursing Education Grant Fund established in ORS 353.612 for the grant program
39 in any biennium for administrative expenses incurred in administering ORS 353.600 to 353.612.

40 (4) Oregon Health and Science University may accept contributions of funds and assistance from
41 the United States Government or its agencies, or from any other source, public or private, and agree
42 to conditions placed on the funds not inconsistent with the purposes of ORS 353.600 to 353.612. The
43 university shall use funds and assistance received under this subsection for grants distributed under
44 this section or for administering ORS 353.600 to 353.612.

45 (5) Oregon Health and Science University shall deposit moneys received by the university for

1 purposes of ORS 353.600 to 353.612 in the Nursing Education Grant Fund. The total amount of
 2 grants distributed under this section may not exceed the amount of moneys available for distribution
 3 in the fund.

4 **SECTION 178.** ORS 357.004 is amended to read:

5 357.004. As used in ORS 357.001 to 357.200, unless the context requires otherwise:

6 (1) "Depository library" means a library that is designated as such under ORS 357.095.

7 (2)(a) "Issuing agency" means state government, as that term is defined in ORS 174.111.

8 (b) "Issuing agency" does not include:

9 (A) The State Board of Higher Education or any public university or office, department or ac-
 10 tivity under the control of the board; **or**

11 **(B) Portland State University.**

12 (3)(a) "Public document" means informational matter produced for public distribution or access
 13 regardless of format, medium, source or copyright, originating in or produced with the imprint of,
 14 by the authority of or at the total or partial expense of any state agency. "Public document" in-
 15 cludes informational matter produced on computer diskettes, CD-ROMs, computer tapes, the Internet
 16 or in other electronic formats.

17 (b) "Public document" does not include:

18 (A) Correspondence, forms, interoffice or intraoffice memoranda;

19 (B) Legislative bills;

20 (C) Oregon Revised Statutes or any edition thereof; or

21 (D) Reports and publications of the Oregon Supreme Court, the Oregon Court of Appeals and
 22 the Oregon Tax Court.

23 **SECTION 179.** ORS 357.203 is amended to read:

24 357.203. (1) The State Library and State of Oregon Law Library operating budget for services
 25 to state agencies shall be assessed against all state agencies except the Oregon University System
 26 **and Portland State University.** The State Library assessment shall be apportioned among the
 27 agencies as follows:

28 (a) One-third of the assessment shall be based on the use of the State Library by the agency;
 29 and

30 (b) Two-thirds of the assessment shall be based on the number of full-time equivalent employees
 31 budgeted by the agency.

32 (2) Except as provided in subsection (4) of this section, the Oregon Department of Administrative
 33 Services shall cause the amount assessed to be transferred from the moneys appropriated to each
 34 state agency to the Miscellaneous Receipts Account for the State Library.

35 (3) Subject to the provisions of subsection (5) of this section, the department shall determine and
 36 may at any time redetermine which state funds or appropriations shall be assessed a reasonable
 37 share of State Library and State of Oregon Law Library operating expenses that support state
 38 agencies. In determining or redetermining the funds that shall be so assessed:

39 (a) A fund consisting of moneys the use of which is restricted by the Oregon Constitution shall
 40 be assessed only those governmental service expenses ascertained as being necessarily incurred in
 41 connection with the purposes set forth in the Oregon Constitution.

42 (b) Trust funds shall be assessed only those governmental service expenses ascertained as being
 43 necessarily incurred in connection with the purposes for which the trust fund was established.

44 (c) State agencies shall be assessed only the State Library and State of Oregon Law Library
 45 expenditures that support state agencies.

1 (4) The Oregon Department of Administrative Services shall cause the amount assessed against
2 state agencies for the operating budget of the State of Oregon Law Library to be transferred to the
3 Judicial Department. Moneys transferred under this subsection are continuously appropriated to the
4 Judicial Department and may be used only for the costs of operating the State of Oregon Law Li-
5 brary.

6 (5) Unless the Oregon Department of Administrative Services and the Judicial Department agree
7 to a different methodology and formula, the State of Oregon Law Library assessment shall be ap-
8 portioned on the basis of the number of full-time equivalent employees budgeted by the agency.

9 **SECTION 180.** ORS 408.095 is amended to read:

10 408.095. (1) As used in this section, “community college” has the meaning given that term in
11 ORS 341.005.

12 (2) There is created in the Department of Veterans’ Affairs the Campus Veterans’ Service Offi-
13 cers Program.

14 (3) The purpose of the program is to provide educational outreach to veterans to help ensure
15 that they obtain maximum state and federal benefits.

16 (4) The department shall appoint a sufficient number of campus veterans’ service officers to en-
17 sure that each Oregon community college, [and] each public university in the Oregon University
18 System, as described in ORS 352.002, **and Portland State University**, is provided veterans’ services.

19 (5) Each community college and public university [*in the Oregon University System*] shall provide
20 office space that may be used for the provision of veterans’ services.

21 (6) The department may adopt rules to implement the Campus Veterans’ Service Officers Pro-
22 gram.

23 **SECTION 181.** ORS 419B.005, as amended by section 60, chapter 37, Oregon Laws 2012, and
24 section 1, chapter 92, Oregon Laws 2012, is amended to read:

25 419B.005. As used in ORS 419B.005 to 419B.050, unless the context requires otherwise:

26 (1)(a) “Abuse” means:

27 (A) Any assault, as defined in ORS chapter 163, of a child and any physical injury to a child
28 which has been caused by other than accidental means, including any injury which appears to be
29 at variance with the explanation given of the injury.

30 (B) Any mental injury to a child, which shall include only observable and substantial impairment
31 of the child’s mental or psychological ability to function caused by cruelty to the child, with due
32 regard to the culture of the child.

33 (C) Rape of a child, which includes but is not limited to rape, sodomy, unlawful sexual pene-
34 tration and incest, as those acts are described in ORS chapter 163.

35 (D) Sexual abuse, as described in ORS chapter 163.

36 (E) Sexual exploitation, including but not limited to:

37 (i) Contributing to the sexual delinquency of a minor, as defined in ORS chapter 163, and any
38 other conduct which allows, employs, authorizes, permits, induces or encourages a child to engage
39 in the performing for people to observe or the photographing, filming, tape recording or other ex-
40 hibition which, in whole or in part, depicts sexual conduct or contact, as defined in ORS 167.002 or
41 described in ORS 163.665 and 163.670, sexual abuse involving a child or rape of a child, but not in-
42 cluding any conduct which is part of any investigation conducted pursuant to ORS 419B.020 or
43 which is designed to serve educational or other legitimate purposes; and

44 (ii) Allowing, permitting, encouraging or hiring a child to engage in prostitution or to patronize
45 a prostitute, as defined in ORS chapter 167.

1 (F) Negligent treatment or maltreatment of a child, including but not limited to the failure to
 2 provide adequate food, clothing, shelter or medical care that is likely to endanger the health or
 3 welfare of the child.

4 (G) Threatened harm to a child, which means subjecting a child to a substantial risk of harm
 5 to the child's health or welfare.

6 (H) Buying or selling a person under 18 years of age as described in ORS 163.537.

7 (I) Permitting a person under 18 years of age to enter or remain in or upon premises where
 8 methamphetamines are being manufactured.

9 (J) Unlawful exposure to a controlled substance, as defined in ORS 475.005, that subjects a child
 10 to a substantial risk of harm to the child's health or safety.

11 (b) "Abuse" does not include reasonable discipline unless the discipline results in one of the
 12 conditions described in paragraph (a) of this subsection.

13 (2) "Child" means an unmarried person who is under 18 years of age.

14 (3) "Higher education institution" means:

15 (a) A community college as defined in ORS 341.005;

16 (b) A public university listed in ORS 352.002;

17 **(c) Portland State University;**

18 [(c)] **(d)** The Oregon Health and Science University; and

19 [(d)] **(e)** A private institution of higher education located in Oregon.

20 (4) "Law enforcement agency" means:

21 (a) A city or municipal police department.

22 (b) A county sheriff's office.

23 (c) The Oregon State Police.

24 (d) A police department established by a university under ORS 352.383.

25 (e) A county juvenile department.

26 (5) "Public or private official" means:

27 (a) Physician, osteopathic physician, physician assistant, naturopathic physician, podiatric phy-
 28 sician and surgeon, including any intern or resident.

29 (b) Dentist.

30 (c) School employee, including an employee of a higher education institution.

31 (d) Licensed practical nurse, registered nurse, nurse practitioner, nurse's aide, home health aide
 32 or employee of an in-home health service.

33 (e) Employee of the Department of Human Services, Oregon Health Authority, Early Learning
 34 Council, Youth Development Council, Child Care Division of the Employment Department, the
 35 Oregon Youth Authority, a county health department, a community mental health program, a com-
 36 munity developmental disabilities program, a county juvenile department, a licensed child-caring
 37 agency or an alcohol and drug treatment program.

38 (f) Peace officer.

39 (g) Psychologist.

40 (h) Member of the clergy.

41 (i) Regulated social worker.

42 (j) Optometrist.

43 (k) Chiropractor.

44 (L) Certified provider of foster care, or an employee thereof.

45 (m) Attorney.

- 1 (n) Licensed professional counselor.
- 2 (o) Licensed marriage and family therapist.
- 3 (p) Firefighter or emergency medical services provider.
- 4 (q) A court appointed special advocate, as defined in ORS 419A.004.
- 5 (r) A child care provider registered or certified under ORS 657A.030 and 657A.250 to 657A.450.
- 6 (s) Member of the Legislative Assembly.
- 7 (t) Physical, speech or occupational therapist.
- 8 (u) Audiologist.
- 9 (v) Speech-language pathologist.
- 10 (w) Employee of the Teacher Standards and Practices Commission directly involved in investi-
- 11 gations or discipline by the commission.
- 12 (x) Pharmacist.
- 13 (y) An operator of a preschool recorded program under ORS 657A.255.
- 14 (z) An operator of a school-age recorded program under ORS 657A.257.
- 15 (aa) Employee of a private agency or organization facilitating the provision of respite services,
- 16 as defined in ORS 418.205, for parents pursuant to a properly executed power of attorney under ORS
- 17 109.056.
- 18 (bb) Employee of a public or private organization providing child-related services or activities:
- 19 (A) Including but not limited to youth groups or centers, scout groups or camps, summer or day
- 20 camps, survival camps or groups, centers or camps that are operated under the guidance, super-
- 21 vision or auspices of religious, public or private educational systems or community service organ-
- 22 izations; and
- 23 (B) Excluding community-based, nonprofit organizations whose primary purpose is to provide
- 24 confidential, direct services to victims of domestic violence, sexual assault, stalking or human traf-
- 25 ficking.
- 26 (cc) A coach, assistant coach or trainer of an amateur, semiprofessional or professional athlete,
- 27 if compensated and if the athlete is a child.
- 28 **SECTION 182.** ORS 431.690 is amended to read:
- 29 431.690. (1) As used in this section, “place of public assembly” means a single building that has
- 30 50,000 square feet or more of indoor floor space and where:
- 31 (a)(A) The public congregates for purposes such as deliberation, shopping, entertainment,
- 32 amusement or awaiting transportation; or
- 33 (B) Business activities are conducted; and
- 34 (b) At least 50 individuals congregate on a normal business day.
- 35 (2) Notwithstanding ORS 431.680 (3), the owner of a place of public assembly shall have on the
- 36 premises at least one automated external defibrillator.
- 37 (3) Notwithstanding subsection (2) of this section:
- 38 (a) A community college, [or] a public university listed in ORS 352.002 **or Portland State**
- 39 **University** shall have at least one automated external defibrillator on the campus of the community
- 40 college or public university; and
- 41 (b) If the campus of the community college or public university contains more than one place
- 42 of public assembly, the community college or public university shall ensure that at least one auto-
- 43 mated external defibrillator is readily available to each place of public assembly.
- 44 (4) Subsection (2) of this section does not apply to a building primarily used for worship or ed-
- 45 ucation associated with worship.

1 **SECTION 183.** ORS 433.090 is amended to read:

2 433.090. As used in ORS 433.090 to 433.102:

3 (1) “Authorized user” means a person or entity authorized to provide information to or to re-
4 ceive information from an immunization registry or tracking and recall system under ORS 433.090
5 to 433.102. “Authorized user” includes, but is not limited to:

6 (a) The Oregon Health Authority and its agents;

7 (b) Local health departments and their agents;

8 (c) Licensed health care providers and their agents;

9 (d) Health care institutions;

10 (e) Insurance carriers;

11 (f) State health plans as defined in ORS 192.556;

12 (g) Parents, guardians or legal custodians of children under 18 years of age;

13 (h) Clients 18 years of age or older;

14 (i) Post-secondary education institutions;

15 (j) Schools; and

16 (k) Children’s facilities.

17 (2) “Children’s facility” has the meaning given that term in ORS 433.235.

18 (3) “Client” means a person registered with any Oregon tracking and recall system.

19 (4) “Immunization record” includes but is not limited to records of the following:

20 (a) Any immunization received;

21 (b) Date immunization was received;

22 (c) Complication or side effect associated with immunization;

23 (d) Date and place of birth of a client;

24 (e) Hospital where a client was born;

25 (f) Client’s name; and

26 (g) Mother’s name.

27 (5) “Immunization registry” means a listing of clients and information relating to their immu-
28 nization status, without regard to whether the registry is maintained in this state or elsewhere.

29 (6) “Local health department” has the meaning given that term in ORS 433.235.

30 (7) “Parent or guardian” has the meaning given the term “parent” in ORS 433.235.

31 (8) “Post-secondary education institution” means:

32 (a) A public university listed in ORS 352.002;

33 (b) A community college operated under ORS chapter 341;

34 (c) **Portland State University;**

35 [(c)] (d) A school or division of Oregon Health and Science University; or

36 [(d)] (e) An Oregon-based, generally accredited, private institution of higher education.

37 (9) “Provider” means a physician or a health care professional who is acting within the scope
38 of the physician’s or professional’s licensure and is responsible for providing immunization services
39 or for coordinating immunization services within a clinic, public health site, school or other immu-
40 nization site.

41 (10) “School” has the meaning given that term in ORS 433.235.

42 (11) “Tracking and recall record” means information needed to send reminder cards to, place
43 telephone calls to or personally contact the client or the parent or guardian of a client for the
44 purposes of informing the client, parent or guardian that the client is late in receiving recommended
45 immunizations, hearing or lead screenings, or other public health interventions, including but not

1 limited to the client's:

- 2 (a) Name;
- 3 (b) Address;
- 4 (c) Telephone number;
- 5 (d) Insurance carrier; and
- 6 (e) Health care provider.

7 (12) "Tracking and recall system" means a system attached to an immunization registry designed
8 to contact clients listed in the immunization registry for the purposes of assisting in the timely
9 completion of immunization series, hearing or lead screenings, or other public health interventions
10 designated by rule of the authority.

11 **SECTION 184.** ORS 461.543 is amended to read:

12 461.543. (1) Except as otherwise specified in subsection (5) of this section, the Sports Lottery
13 Account is continuously appropriated to and shall be used by the State Board of Higher Education
14 to fund sports programs at public universities listed in ORS 352.002 **and Portland State**
15 **University**. Seventy percent of the revenues in the fund shall be used to fund nonrevenue producing
16 sports and 30 percent shall be used for revenue producing sports. Of the total amount available in
17 the fund, at least 50 percent shall be made available for women's athletics.

18 (2) The board shall allocate moneys in the Sports Lottery Account among the public universities,
19 giving due consideration to:

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

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

24 (3) As used in subsections (1) to (3) of this section, "revenue producing sport" is a sport that
25 produces net revenue over expenditures during a calendar year or if its season extends into two
26 calendar years, produces net revenue over expenditures during the season.

27 (4) An amount equal to one percent of the moneys transferred to the Administrative Services
28 Economic Development Fund from the State Lottery Fund shall be allocated from the Administrative
29 Services Economic Development Fund to the Sports Lottery Account.

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

31 (a) Eighty-eight percent for the purposes specified in subsections (1) to (3) of this section, but
32 not to exceed \$8 million annually, adjusted annually pursuant to the Consumer Price Index, as de-
33 fined in ORS 327.006.

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

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

39 **SECTION 185.** ORS 471.580 is amended to read:

40 471.580. (1) As used in this section:

41 (a) "Alcohol equivalence" means the amount of ethanol that would be expected to be present in
42 a beverage based on the standard drink measurement used by the Centers for Disease Control and
43 Prevention.

44 (b) "Education provider" means:

45 (A) A community college, as defined in ORS 341.005, offering a food or beverage career program

1 approved by the State Board of Education;

2 (B) A career school, as defined in ORS 345.010, offering a food or beverage career program ap-
3 proved by the Oregon Student Assistance Commission or the State Board of Education;

4 (C) An institution of higher education listed in ORS 352.002 offering a food or beverage career
5 program approved by the State Board of Higher Education; or

6 (D) A private and independent institution of higher education, as defined in ORS 352.720, **or**
7 **Portland State University**, offering a food or beverage career program that qualifies for payment
8 under ORS 352.740.

9 (c) "Food or beverage career program" means a course of study designed to qualify a person for
10 a career in the food service industry or alcoholic beverage industry, including but not limited to a
11 course of study in culinary arts, viticulture, winemaking, enology, brewing or restaurant manage-
12 ment.

13 (2) The charging or payment of tuition or a special fee for enrollment in a class that is part of
14 a food or beverage career program or in a workshop or seminar concerning matters related to food
15 or beverage industry workforce training, offered by an education provider, that includes the con-
16 sumption of alcoholic beverages for educational purposes, is not a sale or purchase of, or other ex-
17 change of consideration for, alcoholic beverages.

18 (3) Notwithstanding ORS 471.130, 471.406, 471.410 and 471.475, an education provider may serve
19 alcoholic beverages to a person who is 18, 19 or 20 years of age and may allow the person to possess
20 and consume alcoholic beverages on a licensed or unlicensed premises that the education provider
21 uses for educational purposes if:

22 (a) The person is enrolled as a student in a required or elective class that is part of a food or
23 beverage career program offered by the education provider;

24 (b) The alcoholic beverages are served to, and possessed and consumed by, the person for edu-
25 cational purposes as part of the class curriculum or a workshop or seminar concerning food or
26 beverage workforce training;

27 (c) The service, possession and consumption of the alcoholic beverages are supervised by a fac-
28 ulty or staff member of the education provider who is 21 years of age or older;

29 (d) The person does not purchase the alcoholic beverages; and

30 (e) The amount served to the person for consumption purposes during any two-hour class,
31 workshop or seminar period does not exceed two ounces of alcohol equivalence.

32 (4) Notwithstanding ORS 471.130 or 471.410, a person may serve alcoholic beverages to another
33 person who is 18, 19 or 20 years of age on premises that an education provider uses for educational
34 purposes if:

35 (a) The person served is enrolled as a student in a required or elective class that is part of a
36 food or beverage career program offered by the education provider;

37 (b) The alcoholic beverages are served to, and consumed by, the person for educational purposes
38 as part of the class curriculum or, with the approval of the education provider, as part of a work-
39 shop or seminar concerning food or beverage workforce training;

40 (c) The service and consumption of the alcoholic beverages are supervised by a faculty or staff
41 member of the education provider who is 21 years of age or older;

42 (d) The person served does not purchase the alcoholic beverages; and

43 (e) The amount served to the person for consumption purposes during any two-hour class period
44 does not exceed two ounces of alcohol equivalence.

45 (5) Notwithstanding ORS 471.130 or 471.410 or the prohibitions in ORS 471.430, a person who is

1 18, 19 or 20 years of age may possess and consume alcoholic beverages on a licensed or unlicensed
2 premises that an education provider uses for educational purposes if:

3 (a) The person is enrolled as a student in a required or elective class that is part of a food or
4 beverage career program offered by the education provider;

5 (b) The person possesses and consumes the alcoholic beverages for educational purposes as part
6 of the class curriculum or, with the approval of the education provider, as part of a workshop or
7 seminar concerning food or beverage workforce training;

8 (c) The person possesses and consumes the alcoholic beverages under the supervision of a fac-
9 ulty or staff member of the education provider who is 21 years of age or older;

10 (d) The person does not purchase the alcoholic beverages; and

11 (e) The amount consumed by the person during any two-hour class, workshop or seminar period
12 does not exceed two ounces of alcohol equivalence.

13 (6) Notwithstanding ORS 471.410, a person who exercises control over private real property may
14 allow a person who is 18, 19 or 20 years of age to remain on the property after the person who is
15 18, 19 or 20 years of age consumes an alcoholic beverage on the property in accordance with this
16 section.

17 (7) Subsections (3) to (5) of this section do not affect the ability of an education provider, a
18 licensee or a permittee to make alcoholic beverages available to a person 21 years of age or older
19 in accordance with this chapter or the ability of a person 21 years of age or older to possess or
20 consume alcoholic beverages in accordance with this chapter.

21 **SECTION 186.** ORS 471.580, as amended by section 44, chapter 104, Oregon Laws 2012, is
22 amended to read:

23 471.580. (1) As used in this section:

24 (a) "Alcohol equivalence" means the amount of ethanol that would be expected to be present in
25 a beverage based on the standard drink measurement used by the Centers for Disease Control and
26 Prevention.

27 (b) "Education provider" means:

28 (A) A community college, as defined in ORS 341.005, offering a food or beverage career program
29 approved by the State Board of Education;

30 (B) A career school, as defined in ORS 345.010, offering a food or beverage career program ap-
31 proved by the Oregon Student Assistance Commission or the Higher Education Coordinating Com-
32 mission;

33 (C) An institution of higher education listed in ORS 352.002 offering a food or beverage career
34 program approved by the State Board of Higher Education; or

35 (D) A private and independent institution of higher education, as defined in ORS 352.720, **or**
36 **Portland State University**, offering a food or beverage career program that qualifies for payment
37 under ORS 352.740.

38 (c) "Food or beverage career program" means a course of study designed to qualify a person for
39 a career in the food service industry or alcoholic beverage industry, including but not limited to a
40 course of study in culinary arts, viticulture, winemaking, enology, brewing or restaurant manage-
41 ment.

42 (2) The charging or payment of tuition or a special fee for enrollment in a class that is part of
43 a food or beverage career program or in a workshop or seminar concerning matters related to food
44 or beverage industry workforce training, offered by an education provider, that includes the con-
45 sumption of alcoholic beverages for educational purposes, is not a sale or purchase of, or other ex-

1 change of consideration for, alcoholic beverages.

2 (3) Notwithstanding ORS 471.130, 471.406, 471.410 and 471.475, an education provider may serve
3 alcoholic beverages to a person who is 18, 19 or 20 years of age and may allow the person to possess
4 and consume alcoholic beverages on a licensed or unlicensed premises that the education provider
5 uses for educational purposes if:

6 (a) The person is enrolled as a student in a required or elective class that is part of a food or
7 beverage career program offered by the education provider;

8 (b) The alcoholic beverages are served to, and possessed and consumed by, the person for edu-
9 cational purposes as part of the class curriculum or a workshop or seminar concerning food or
10 beverage workforce training;

11 (c) The service, possession and consumption of the alcoholic beverages are supervised by a fac-
12 ulty or staff member of the education provider who is 21 years of age or older;

13 (d) The person does not purchase the alcoholic beverages; and

14 (e) The amount served to the person for consumption purposes during any two-hour class,
15 workshop or seminar period does not exceed two ounces of alcohol equivalence.

16 (4) Notwithstanding ORS 471.130 or 471.410, a person may serve alcoholic beverages to another
17 person who is 18, 19 or 20 years of age on premises that an education provider uses for educational
18 purposes if:

19 (a) The person served is enrolled as a student in a required or elective class that is part of a
20 food or beverage career program offered by the education provider;

21 (b) The alcoholic beverages are served to, and consumed by, the person for educational purposes
22 as part of the class curriculum or, with the approval of the education provider, as part of a work-
23 shop or seminar concerning food or beverage workforce training;

24 (c) The service and consumption of the alcoholic beverages are supervised by a faculty or staff
25 member of the education provider who is 21 years of age or older;

26 (d) The person served does not purchase the alcoholic beverages; and

27 (e) The amount served to the person for consumption purposes during any two-hour class period
28 does not exceed two ounces of alcohol equivalence.

29 (5) Notwithstanding ORS 471.130 or 471.410 or the prohibitions in ORS 471.430, a person who is
30 18, 19 or 20 years of age may possess and consume alcoholic beverages on a licensed or unlicensed
31 premises that an education provider uses for educational purposes if:

32 (a) The person is enrolled as a student in a required or elective class that is part of a food or
33 beverage career program offered by the education provider;

34 (b) The person possesses and consumes the alcoholic beverages for educational purposes as part
35 of the class curriculum or, with the approval of the education provider, as part of a workshop or
36 seminar concerning food or beverage workforce training;

37 (c) The person possesses and consumes the alcoholic beverages under the supervision of a fac-
38 ulty or staff member of the education provider who is 21 years of age or older;

39 (d) The person does not purchase the alcoholic beverages; and

40 (e) The amount consumed by the person during any two-hour class, workshop or seminar period
41 does not exceed two ounces of alcohol equivalence.

42 (6) Notwithstanding ORS 471.410, a person who exercises control over private real property may
43 allow a person who is 18, 19 or 20 years of age to remain on the property after the person who is
44 18, 19 or 20 years of age consumes an alcoholic beverage on the property in accordance with this
45 section.

1 (7) Subsections (3) to (5) of this section do not affect the ability of an education provider, a
 2 licensee or a permittee to make alcoholic beverages available to a person 21 years of age or older
 3 in accordance with this chapter or the ability of a person 21 years of age or older to possess or
 4 consume alcoholic beverages in accordance with this chapter.

5 **SECTION 187.** ORS 541.932 is amended to read:

6 541.932. (1)(a) The following entities may submit a request for funding for, or for advice and
 7 assistance in developing, a project under ORS 541.890 to 541.969:

8 (A) A person;

9 (B) An Indian tribe;

10 (C) A watershed council;

11 (D) A soil and water conservation district;

12 (E) A community college;

13 (F) A public university listed in ORS 352.002;

14 **(G) Portland State University;**

15 [~~G~~] **(H)** An independent not-for-profit institution of higher education; or

16 [~~H~~] **(I)** A political subdivision of this state that is not a state agency.

17 (b) A state agency or federal agency may apply for funding under this section only as a
 18 coapplicant with an entity described in paragraph (a) of this subsection.

19 (2) The request under subsection (1) of this section shall be filed in the manner, be in the form
 20 and contain the information required by the Oregon Watershed Enhancement Board, regardless of
 21 the anticipated funding source for the project.

22 (3) The board may establish a grant program through soil and water conservation districts or-
 23 ganized under ORS 568.210 to 568.808 and 568.900 to 568.933 that provides funds for local imple-
 24 mentation of watershed enhancement, education and monitoring efforts.

25 (4) The board may fund implementation of action plans based on a watershed assessment that
 26 addresses water quality and aquatic resources of the watershed.

27 (5) A project may use mechanical, vegetative or structural methods including, but not limited
 28 to, management techniques, erosion control, streambank stabilization, forest, range or crop land
 29 treatment, site specific in-stream structures, acquisitions or leases of land or water rights from a
 30 willing owner, watershed assessments, landowner incentives and action plan development, imple-
 31 mentation and monitoring.

32 (6) The actions of a soil and water conservation district carried out pursuant to a grant program
 33 established by the board under subsection (3) of this section shall not be subject to review and ap-
 34 proval by the Natural Resources Division under ORS 561.400.

35 (7) If a project or a portion of a project is not subject to the funding criteria described in ORS
 36 541.958 and applies to receive funding from the board, the board may approve the project or portion
 37 of a project for funding only if the project or portion of a project:

38 (a) Is based on sound principles of native fish or wildlife habitat conservation or watershed
 39 management;

40 (b) Uses methods most adapted to the project locale;

41 (c) Meets the criteria established by the board under ORS 541.906; and

42 (d) Contributes to either:

43 (A) The improved health of a stream, lake or reservoir and toward the achievement of standards
 44 that satisfy the requirements of the Federal Water Pollution Control Act (P.L. 92-500), as amended;

45 or

1 (B) The conservation or restoration of habitat for, or of watershed or ecosystem function for,
2 native fish or wildlife.

3 (8) The Oregon Watershed Enhancement Board may fund a project for the restoration of a
4 riparian area or associated upland that is carried out in conjunction with a storage structure.
5 However, the board shall not approve funding for any proposed project that consists solely of con-
6 struction of a storage structure for out-of-stream use.

7 (9) The Oregon Watershed Enhancement Board may fund projects involving the acquisition of
8 lands and waters, or interests therein from willing sellers, for the purpose of maintaining or re-
9 storing watersheds and habitat for native fish or wildlife. Interests in these lands and waters may
10 be held by local, state and federal agencies, tribes, not-for-profit land conservation organizations and
11 trusts, public universities listed in ORS 352.002, independent not-for-profit institutions of higher ed-
12 ucation or political subdivisions of this state, as long as the entity continues to use the land or
13 water for the purposes specified under section 4b, Article XV of the Oregon Constitution.

14 (10) If the Oregon Watershed Enhancement Board approves funding for a project under this
15 section, the board may not disburse funds to the applicant for any part of the project that requires
16 the applicant to obtain a permit or license from a local, state or federal agency or governing body
17 until the applicant presents evidence that the agency has granted the permit or license.

18 **SECTION 188.** ORS 634.660 is amended to read:

19 634.660. Each of the following state agencies shall implement integrated pest management
20 practices when carrying out the agency's duties related to pest control:

21 (1) State Department of Agriculture, including the control of noxious weeds.

22 (2) State Department of Fish and Wildlife.

23 (3) Department of Transportation.

24 (4) State Parks and Recreation Department.

25 (5) State Forestry Department.

26 (6) Department of Corrections.

27 (7) Oregon Department of Administrative Services.

28 (8) The Department of State Lands.

29 (9) Each public university listed in ORS 352.002 **or Portland State University**, for *[the public]*
30 **each** university's own building and grounds maintenance.

31 **SECTION 189.** ORS 659.850 is amended to read:

32 659.850. (1) As used in this section, "discrimination" means any act that unreasonably differen-
33 tiates treatment, intended or unintended, or any act that is fair in form but discriminatory in oper-
34 ation, either of which is based on race, color, religion, sex, sexual orientation, national origin,
35 marital status, age or disability. "Discrimination" does not include enforcement of an otherwise
36 valid dress code or policy, as long as the code or policy provides, on a case-by-case basis, for rea-
37 sonable accommodation of an individual based on the health and safety needs of the individual.

38 (2) A person may not be subjected to discrimination in any public elementary, secondary or
39 community college education program or service, school or interschool activity or in any higher
40 education program or service, school or interschool activity where the program, service, school or
41 activity is financed in whole or in part by moneys appropriated by the Legislative Assembly.

42 (3) The State Board of Education, *[and]* the State Board of Higher Education **and the Portland**
43 **State University Board of Directors** shall establish rules necessary to ensure compliance with
44 subsection (2) of this section in the manner required by ORS chapter 183.

45 **SECTION 190.** ORS 659.855 is amended to read:

1 659.855. (1) Any public elementary or secondary school determined by the Superintendent of
 2 Public Instruction or any community college determined by the Commissioner for Community Col-
 3 lege Services to be in noncompliance with provisions of ORS 659.850 and this section shall be sub-
 4 ject to appropriate sanctions, which may include withholding of all or part of state funding, as
 5 established by rule of the State Board of Education.

6 (2) **If the Chancellor of the Oregon University System determines that** any public univer-
 7 sity listed in ORS 352.002 [*determined by the Chancellor of the Oregon University System to be*] **or**
 8 **Portland State University is** in noncompliance with provisions of ORS 659.850 and this section,
 9 **the university** shall be subject to appropriate sanctions, which may include withholding of all or
 10 part of state funding, as established by rule of the State Board of Higher Education.

11 (3) Any public charter school determined by the sponsor of the school or the superintendent to
 12 be in noncompliance with the provisions of ORS 659.850 and this section shall be subject to appro-
 13 priate sanctions, which may include the withholding of all or part of state funding by the sponsor
 14 or superintendent, as established by rule of the State Board of Education.

15 **SECTION 191.** ORS 659.860 is amended to read:

16 659.860. (1) Any person claiming to be aggrieved by unlawful discrimination as prohibited by
 17 ORS 659.850 may file a civil action in circuit court for equitable relief or, subject to the terms and
 18 conditions of ORS 30.265 to 30.300, damages, or both. The court may order such other relief as may
 19 be appropriate. Damages shall be \$200 or actual damages, whichever is greater.

20 (2) The action authorized by this section shall be filed within one year of the filing of a griev-
 21 ance.

22 (3) [*No*] **An** action [*shall*] **may not** be filed unless, within 180 days of the alleged discrimination,
 23 a grievance has been filed with the school district board, public charter school governing body,
 24 community college board of education, **Portland State University Board of Directors** or State
 25 Board of Higher Education.

26 (4) [*No*] **An** action may **not** be filed until 90 days after filing a grievance unless only injunctive
 27 relief is sought pursuant to ORCP 79. The right to temporary or preliminary injunctive relief [*shall*
 28 *be*] **is** independent of the right to pursue any administrative remedy available to complainants pur-
 29 suant to ORS 659.850.

30 (5) [*No*] **An** action may **not** be filed if the school district board, public charter school governing
 31 body, community college board of education, **Portland State University Board of Directors** or
 32 State Board of Higher Education has obtained a conciliation agreement with the person filing the
 33 grievance or if a final determination of a grievance has been made except as provided in ORS
 34 183.480.

35 (6) Notwithstanding the filing of a grievance, pursuant to subsection (3) of this section, any
 36 person seeking to maintain an action under this section shall also file a notice of claim within 180
 37 days of the alleged discrimination as required by ORS 30.275.

38 (7) The court shall award reasonable attorney fees to a prevailing plaintiff in any action under
 39 this section. The court may award reasonable attorney fees and expert witness fees incurred by a
 40 defendant who prevails in the action if the court determines that the plaintiff had no objectively
 41 reasonable basis for asserting a claim or no objectively reasonable basis for appealing an adverse
 42 decision of a trial court.

43 (8) Nothing in this section is intended to reduce the obligations of the education agencies under
 44 this section and ORS 659.850 and 659.855.

45 **SECTION 192.** ORS 660.315 is amended to read:

1 660.315. (1) The Governor shall designate regional workforce committees to advise the Governor,
2 local workforce investment boards that represent federally recognized workforce areas containing
3 multiple regions, and county elected officials on regional and local needs for workforce development.
4 The committees shall also prepare plans for achieving regional goals and coordinate the provision
5 of services within regions. The committees shall have private and public sector members. However,
6 a majority of the members of each committee shall represent the private sector and include business
7 and labor representatives. The chairperson of each committee shall be a private sector member and
8 be elected by the committee.

9 (2) The private sector committee members shall play a critical role in workforce development,
10 including but not limited to:

11 (a) Identifying current and future workforce needs;

12 (b) Providing feedback on public sector programs;

13 (c) Assisting public agencies in changing programs to be more effective in meeting private sector
14 needs; and

15 (d) Being a partner in addressing workforce needs.

16 (3) Private sector members of a committee created under this section shall be appointed by
17 county commissioners and, in the region that includes the City of Portland, the Mayor of Portland.
18 The members of the committee shall reflect the broadest feasible representation from the groups
19 described in ORS 660.312 (4)(a) to (h).

20 (4) The public sector representatives on the committee are representatives who receive re-
21 sources and deliver education and workforce programs within the labor market area. Public sector
22 members shall include the broadest feasible representation from, but not be limited to, the following:

23 (a) The Department of Human Services;

24 (b) School districts, education service districts, community colleges, public universities listed in
25 ORS 352.002, **Portland State University** and Oregon Health and Science University;

26 (c) The Oregon Business Development Department and local economic development entities;

27 (d) The Employment Department;

28 (e) The federal Act programs; and

29 (f) Other public sector partners.

30 (5) A region may recommend to the Governor an alternate structure for its regional committee,
31 based on regional determination and mutually agreed to by the current public and private sector
32 members of the regional workforce committee and the chief elected officials. The alternate structure
33 must retain a private sector chairperson, appointments of the private sector members as provided
34 in subsection (3) of this section, and substantive public and private sector and other stakeholder
35 participation through formalized methods, such as standing committees.

36 (6) A regional workforce committee shall develop and implement a strategic regional workforce
37 plan that responds to the current and future workforce needs of the regional labor market.

38 (7) The strategic regional workforce plan shall:

39 (a) Consider the supply and demand outlook for the region;

40 (b) Identify and prioritize initiatives and resources, both public and private, to meet the regional
41 workforce needs;

42 (c) Articulate and include the coordination of both public and private resources in addressing
43 the workforce needs and goals; and

44 (d) Ensure the most appropriate use of resource investments.

45 (8) The regional workforce committee shall create or enhance the workforce program delivery

1 system to meet the strategic priorities of the region and any strategic priorities of a federally re-
2 cognized workforce area that includes that region.

3 (9) Within each region, or within overlapping regions, regional workforce committees, local
4 workforce investment boards and regional investment boards shall coordinate their planning efforts
5 to ensure that the strategic efforts and resource allocation of economic and workforce development
6 of an area are consistent. Regional workforce committees and regional investment boards will ex-
7 tend opportunities to other entities engaged in economic and workforce development programs and
8 services to participate in their joint or integrated strategic planning.

9 (10)(a) A local workforce investment board that represents a multiregional workforce area shall
10 hold regional workforce committees in the area accountable for any policy and operational respon-
11 sibilities under 2832(d) of the federal Act that is delegated to the committees in accordance with
12 state policy and local workforce investment board policy.

13 (b) A regional workforce committee within a multiregional workforce area is accountable to the
14 local workforce investment board for any policy and operational responsibilities carried out under
15 the federal Act on behalf of the board.

16 (c) As it relates to regional responsibilities under this section, a regional workforce committee
17 may, through a vote of the committee, determine the methodology for delegating the responsibilities
18 of the regional workforce committee to a local workforce investment board representing the multi-
19 regional workforce area.

20 **SECTION 193.** ORS 660.358 is amended to read:

21 660.358. (1) The State Workforce Investment Board, in consultation with the Governor, the Ed-
22 ucation and Workforce Policy Advisor and other parties deemed appropriate by the board and after
23 consideration of the clean energy and energy efficiency policies of this state, shall develop a plan
24 for a green jobs growth initiative to promote the development of emerging technologies and inno-
25 vations that lead to, create or sustain family wage green jobs.

26 (2) The plan for the initiative developed by the board shall:

27 (a) Identify industries that are high demand green industries based on current and projected
28 creation of family wage green jobs and the potential for career pathways created for such jobs.

29 (b) Use the needs of identified high demand green industries as the basis for the planning of
30 workforce development activities that promote the development of emerging green technologies and
31 innovations. These activities include, but are not limited to, such efforts undertaken by community
32 colleges, the public universities of the Oregon University System, **Portland State University**, des-
33 ignated signature research centers, registered apprenticeship programs and other private sector
34 training programs.

35 (c) Leverage and align existing public workforce development programs and other public and
36 private resources to the goal of recruiting, supporting, educating and training of targeted popu-
37 lations of workers.

38 (d) Require the board to work collaboratively with stakeholders from business, labor and low
39 income advocacy groups in the regional economy to develop and implement the initiative.

40 (e) Link adult basic and remedial education programs with job training for skills necessary for
41 green jobs.

42 (f) Require the board to collaborate with employers and labor organizations to identify skills and
43 competencies necessary for green job career pathways.

44 (g) Ensure that support services are integrated with education and training for green jobs and
45 that such services are provided by organizations with direct access to and experience with targeted

1 populations.

2 (h) Include an analysis of occupations in the forest products industry to:

3 (A) Determine key growth factors and employment projections for green jobs in the forest pro-
4 ducts industry; and

5 (B) Define the educational and skill standards required for current and emerging green occupa-
6 tions in the forest products industry.

7 (3) Based on the analysis conducted under subsection (2)(h) of this section, the State Workforce
8 Investment Board, in consultation with the Education and Workforce Policy Advisor, shall identify
9 those forest products industries to be classified as high-demand green industries, taking into con-
10 sideration current and future job creation and the strategic importance of the development of high-
11 demand green forest products industry jobs to the development and growth of the state's green
12 economy.

13 (4) As used in this section, "forest products industry" includes, but is not limited to, businesses
14 that grow, manage, harvest, transport or process forest, wood and paper products.

15 **SECTION 194.** ORS 679.020 is amended to read:

16 679.020. (1) A person may not practice dentistry without a license.

17 (2) Only a person licensed as a dentist by the Oregon Board of Dentistry may own, operate,
18 conduct or maintain a dental practice, office or clinic in this state.

19 (3) The restrictions of subsection (2) of this section, as they relate to owning and operating a
20 dental office or clinic, do not apply to a dental office or clinic owned or operated by any of the
21 following:

22 (a) A labor organization as defined in ORS 243.650 and 663.005 (6), or to any nonprofit organ-
23 ization formed by or on behalf of such labor organization for the purpose of providing dental ser-
24 vices. Such labor organization must have had an active existence for at least three years, have a
25 constitution and bylaws, and be maintained in good faith for purposes other than providing dental
26 services.

27 (b) The School of Dentistry of the Oregon Health and Science University.

28 (c) Public universities listed in ORS 352.002 or **Portland State University**.

29 (d) Local governments.

30 (e) Institutions or programs accredited by the Commission on Dental Accreditation of the
31 American Dental Association to provide education and training.

32 (f) Nonprofit corporations organized under Oregon law to provide dental services to rural areas
33 and medically underserved populations of migrant, rural community or homeless individuals under
34 42 U.S.C. 254b or 254c or health centers qualified under 42 U.S.C. 1396d(l)(2)(B) operating in com-
35 pliance with other applicable state and federal law.

36 (g) Nonprofit charitable corporations as described in section 501(c)(3) of the Internal Revenue
37 Code and determined by the Oregon Board of Dentistry as providing dental services by volunteer
38 licensed dentists to populations with limited access to dental care at no charge or a substantially
39 reduced charge.

40 (4) For the purpose of owning or operating a dental office or clinic, an entity described in sub-
41 section (3) of this section must:

42 (a) Name an actively licensed dentist as its dental director, who shall be subject to the pro-
43 visions of ORS 679.140 in the capacity as dental director. The dental director, or an actively licensed
44 dentist designated by the director, shall have responsibility for the clinical practice of dentistry,
45 which includes, but is not limited to:

- 1 (A) Diagnosis of conditions within the human oral cavity and its adjacent tissues and structures.
- 2 (B) Prescribing drugs that are administered to patients in the practice of dentistry.
- 3 (C) The treatment plan of any dental patient.
- 4 (D) Overall quality of patient care that is rendered or performed in the practice of dentistry.
- 5 (E) Supervision of dental hygienists, dental assistants or other personnel involved in direct pa-
- 6 tient care and the authorization for procedures performed by them in accordance with the standards
- 7 of supervision established by statute or by the rules of the board.
- 8 (F) Other specific services within the scope of clinical dental practice.
- 9 (G) Retention of patient dental records as required by statute or by rule of the board.
- 10 (H) Ensuring that each patient receiving services from the dental office or clinic has a dentist
- 11 of record.
- 12 (b) Maintain current records of the names of licensed dentists who supervise the clinical activ-
- 13 ities of dental hygienists, dental assistants or other personnel involved in direct patient care utilized
- 14 by the entity. The records must be available to the board upon written request.
- 15 (5) Subsections (1) and (2) of this section do not apply to an expanded practice dental hygienist
- 16 who renders services authorized by a permit issued by the board pursuant to ORS 680.200.
- 17 (6) Nothing in this chapter precludes a person or entity not licensed by the board from:
- 18 (a) Ownership or leasehold of any tangible or intangible assets used in a dental office or clinic.
- 19 These assets include real property, furnishings, equipment and inventory but do not include dental
- 20 records of patients related to clinical care.
- 21 (b) Employing or contracting for the services of personnel other than licensed dentists.
- 22 (c) Management of the business aspects of a dental office or clinic that do not include the clin-
- 23 ical practice of dentistry.
- 24 (7) If all of the ownership interests of a dentist or dentists in a dental office or clinic are held
- 25 by an administrator, executor, personal representative, guardian, conservator or receiver of the es-
- 26 tate of a former shareholder, member or partner, the administrator, executor, personal represen-
- 27 tative, guardian, conservator or receiver may retain the ownership interest for a period of 12 months
- 28 following the creation of the ownership interest. The board shall extend the ownership period for
- 29 an additional 12 months upon 30 days' notice and may grant additional extensions upon reasonable
- 30 request.
- 31 **SECTION 195.** ORS 696.182 is amended to read:
- 32 696.182. (1) The Real Estate Agency, with advice from real estate professionals and educators,
- 33 shall prescribe rules for certifying real estate continuing education providers.
- 34 (2) The agency shall include in the rules that an applicant for certification under this section
- 35 must be:
- 36 (a) A main or branch office, with a registered business name as provided under ORS 696.026,
- 37 of a licensed real estate property manager or principal real estate broker;
- 38 (b) A licensed title or escrow company conducting business in this state;
- 39 (c) A real estate trade association or a trade association in a related field;
- 40 (d) A real estate multiple listing service;
- 41 (e) An attorney admitted to practice in this state;
- 42 (f) A private career school licensed by the Department of Education and approved by the agency
- 43 to provide the basic real estate broker's or property manager's educational courses required under
- 44 ORS 696.022;
- 45 (g) An accredited community college, [*an accredited*] a public university listed in ORS 352.002,

1 **Portland State University** or a private and independent institution of higher education as defined
2 in ORS 352.720;

3 (h) A distance learning provider as provided by rule of the agency; or

4 (i) Another provider approved by the Real Estate Board.

5 (3) The Real Estate Agency may provide continuing education without being certified under this
6 section.

7 (4) The agency, in consultation with real estate professionals and educators, shall provide by
8 rule:

9 (a) A broad list of course topics that are eligible for continuing education credit required by
10 ORS 696.174; and

11 (b) Learning objectives for each course topic.

12 (5) The list of course topics developed by the agency under subsection (4) of this section must
13 allow for changes in the real estate profession.

14 (6) The minimum length of each course is one hour. A continuing education provider or course
15 instructor may allow a break of no more than 10 minutes for each hour of instruction.

16 **SECTION 196.** ORS 696.182, as amended by section 46, chapter 104, Oregon Laws 2012, is
17 amended to read:

18 696.182. (1) The Real Estate Agency, with advice from real estate professionals and educators,
19 shall prescribe rules for certifying real estate continuing education providers.

20 (2) The agency shall include in the rules that an applicant for certification under this section
21 must be:

22 (a) A main or branch office, with a registered business name as provided under ORS 696.026,
23 of a licensed real estate property manager or principal real estate broker;

24 (b) A licensed title or escrow company conducting business in this state;

25 (c) A real estate trade association or a trade association in a related field;

26 (d) A real estate multiple listing service;

27 (e) An attorney admitted to practice in this state;

28 (f) A private career school licensed by the Higher Education Coordinating Commission and ap-
29 proved by the agency to provide the basic real estate broker's or property manager's educational
30 courses required under ORS 696.022;

31 (g) An accredited community college, [*an accredited*] a public university listed in ORS 352.002,
32 **Portland State University** or a private and independent institution of higher education as defined
33 in ORS 352.720;

34 (h) A distance learning provider as provided by rule of the agency; or

35 (i) Another provider approved by the Real Estate Board.

36 (3) The Real Estate Agency may provide continuing education without being certified under this
37 section.

38 (4) The agency, in consultation with real estate professionals and educators, shall provide by
39 rule:

40 (a) A broad list of course topics that are eligible for continuing education credit required by
41 ORS 696.174; and

42 (b) Learning objectives for each course topic.

43 (5) The list of course topics developed by the agency under subsection (4) of this section must
44 allow for changes in the real estate profession.

45 (6) The minimum length of each course is one hour. A continuing education provider or course

1 instructor may allow a break of no more than 10 minutes for each hour of instruction.

2 **SECTION 197.** ORS 743.550 is amended to read:

3 743.550. (1) Student health insurance is subject to ORS 743.537, 743.540, 743.543, 743.546 and
4 743.549, except as provided in this section.

5 (2) Coverage under a student health insurance policy may be mandatory for all students at the
6 institution, voluntary for all students at the institution, or mandatory for defined classes of students
7 and voluntary for other classes of students. As used in this subsection, "classes" refers to under-
8 graduates, graduate students, domestic students, international students or other like classifications.
9 Any differences based on a student's nationality may be established only for the purpose of com-
10 plying with federal law in effect when the policy is issued.

11 (3) When coverage under a student health insurance policy is mandatory, the policyholder may
12 allow any student subject to the policy to decline coverage if the student provides evidence ac-
13 ceptable to the policyholder that the student has similar health coverage.

14 (4) A student health insurance policy may provide for any student to purchase optional supple-
15 mental coverage.

16 (5) Student health insurance coverage for athletic injuries may:

17 (a) Exclude coverage for injuries of students who have not obtained medical release for a similar
18 injury; and

19 (b) Be provided in excess of or in addition to any other coverage under any other health insur-
20 ance policy, including a student health insurance policy.

21 (6) A student health insurance policy may provide that coverage under the policy is secondary
22 to any other health insurance for purposes of guidelines established under ORS 743.552.

23 (7) A student health insurance policy may provide, on request by the policyholder, that all or
24 any portion of any indemnities provided by such policy on account of hospital, nursing, medical or
25 surgical services may, at the insurer's option, be paid directly to the hospital or person rendering
26 such services. However, the amount of any such payment shall not exceed the amount of benefit
27 provided by the policy with respect to the service or billing of the provider of aid. The amount of
28 such payments pursuant to one or more assignments shall not exceed the amount of expenses in-
29 curred on account of such hospitalization or medical or surgical aid.

30 (8) An insurer providing student health insurance as primary coverage may negotiate and enter
31 into contracts for alternative rates of payment with providers and offer the benefit of such alterna-
32 tive rates to insureds who select such providers. An insurer may utilize such contracts by offering
33 a choice of plans at the time an insured enrolls, one of which provides benefits only for services by
34 members of a particular provider organization with whom the insurer has an agreement. If an in-
35 sured chooses such a plan, benefits are payable only for services rendered by a member of that
36 provider organization, unless such services were requested by a member of such organization or are
37 rendered as the result of an emergency.

38 (9) Payments made under subsection (8) of this section shall discharge the insurer's obligation
39 with respect to the amount of insurance paid.

40 (10) An insurer shall provide each student health insurance policyholder with a current roster
41 of institutional and professional providers under contract to provide services at alternative rates
42 under the group policy and shall also make such lists available for public inspection during regular
43 business hours at the insurer's principal office within this state.

44 (11) As used in this section, "student health insurance" means that form of health insurance
45 under a policy issued to a college, school or other institution of learning, a school district or dis-

1 tricts, or school jurisdictional unit, or recognized student government at a public university listed
2 in ORS 352.002 or **Portland State University**, or to the head, principal or governing board of any
3 such educational unit, who or which shall be deemed the policyholder, that is available exclusively
4 to students at the college, school or other institution.

5 **SECTION 198.** ORS 759.445 is amended to read:

6 759.445. (1) There is established in the State Treasury, separate and distinct from the General
7 Fund, the Connecting Oregon Communities Fund. Moneys in the fund shall consist of amounts de-
8 posited in the fund under ORS 759.405 and any other moneys deposited by a telecommunications
9 carrier that elects to be subject to ORS 759.405 and 759.410, including amounts deposited pursuant
10 to a performance assurance plan implemented by a telecommunications carrier in connection with
11 an application under 47 U.S.C. 271, as in effect on January 1, 2002. Interest earned on moneys in the
12 fund shall accrue to the fund. Moneys in the fund may be invested as provided in ORS 293.701 to
13 293.820. Moneys in the fund shall be used to provide access to advanced telecommunications tech-
14 nology in elementary schools and high schools, colleges and universities, community colleges, public
15 television corporations, rural health care providers, public libraries and other eligible persons.

16 (2) Two dedicated accounts shall be established within the Connecting Oregon Communities
17 Fund for purposes of supporting education and public access to advanced telecommunications ser-
18 vices. The first \$25 million of the moneys deposited in the Connecting Oregon Communities Fund in
19 both 2000 and 2001 shall be appropriated to the School Technology Account established under sub-
20 section (3) of this section. Except as provided in subsection (8) of this section, any additional moneys
21 available in the fund shall be appropriated to the Public Access Account established under sub-
22 section (4) of this section.

23 (3) There is established the School Technology Account within the Connecting Oregon Commu-
24 nities Fund. The purpose of the School Technology Account is to improve access to advanced tele-
25 communications services for students attending public school in kindergarten through grade 12.
26 Moneys in the account shall be expended as provided in section 34, chapter 1093, Oregon Laws 1999.

27 (4)(a) There is established the Public Access Account within the Connecting Oregon Communi-
28 ties Fund. The purpose of the Public Access Account is to improve access to advanced telecommu-
29 nications services for community colleges, universities, public libraries and rural health care
30 providers.

31 (b) If funding has not been provided from other sources, the first \$3 million available in the
32 Public Access Account shall be transferred to the Oregon University System for the purpose of
33 funding the Oregon Wide Area Network project to provide and expand Internet access for the
34 Oregon University System. The Oregon University System shall complete an audit of bandwidth
35 utilization and report to the Joint Legislative Committee on Information Management and Technol-
36 ogy during the Seventy-first Legislative Assembly in the manner provided in ORS 192.245.

37 (c) Following the transfer of funds described in paragraph (b) of this subsection, the next \$1
38 million available in the Public Access Account shall be transferred to the Oregon University System
39 for Oregon State University for the purpose of providing virtual access to persons with disabilities.

40 (d) Following the transfer of funds as described in paragraphs (b) and (c) of this subsection, the
41 next \$2 million available in the Public Access Account shall be transferred to the Department of
42 Community Colleges and Workforce Development for distribution to community colleges for the
43 purpose of developing connectivity and distance education programs.

44 (e) Following the transfer of funds described in paragraphs (b) to (d) of this subsection, the next
45 \$4 million available in the Public Access Account shall be transferred to the Oregon University

1 System for video transport and network management services for the Oregon University System.

2 (f) Following the transfer of funds described in paragraphs (b) to (e) of this subsection, the next
3 \$5.5 million available in the Public Access Account shall be transferred to the Oregon Public
4 Broadcasting Corporation for the purpose of digitizing the state television network, using the
5 Oregon Enterprise Network when possible.

6 (g) Following the transfer of funds described in paragraphs (b) to (f) of this subsection, the next
7 \$500,000 available in the Public Access Account shall be transferred to the Southern Oregon Public
8 Television Corporation for the purpose of digitizing the state television network, using the Oregon
9 Enterprise Network when possible.

10 (h) Following the transfer of funds described in paragraphs (b) to (g) of this subsection, a public
11 university listed in ORS 352.002, **Portland State University** or the Oregon Health and Science
12 University may apply for one-time matching funds up to \$1 million from the Public Access Account
13 to endow a telecommunications chair for the purpose of increasing research and development of
14 advanced telecommunications services applications. Only one chair may be endowed under this
15 paragraph.

16 (5)(a) The Oregon Business Development Commission shall approve expenditure of any remaining
17 moneys in the Public Access Account consistent with this section and ORS 759.430.

18 (b) Community colleges, public universities listed in ORS 352.002, **Portland State University**,
19 public libraries, public television corporations and rural health care providers may apply to the
20 Oregon Business Development Commission for funding from the Public Access Account under this
21 subsection.

22 (c) Funds received from the account shall be used for the purchase of advanced telecommuni-
23 cations services, equipment or recurring costs of telecommunications connectivity. Priority shall be
24 given to collaborative projects that improve access to advanced telecommunications services.

25 (d) Funds available in the Public Access Account under this subsection are continuously ap-
26 propriated to the Oregon Business Development Department for the purposes described in this sub-
27 section.

28 (6) Public libraries and rural health care providers must apply for federal universal service
29 support in order to be eligible for a grant from the Public Access Account.

30 (7) The video transport and network management services purchased with funds made available
31 under this section shall be purchased through the Oregon Department of Administrative Services.

32 (8) Any moneys deposited in the Connecting Oregon Communities Fund under subsection (1) of
33 this section pursuant to a performance assurance plan implemented by a telecommunications carrier
34 in connection with an application under 47 U.S.C. 271, as in effect on January 1, 2002, shall be
35 placed in the School Technology Account to be expended as provided in section 34, chapter 1093,
36 Oregon Laws 1999.

37 **SECTION 199.** ORS 815.080 is amended to read:

38 815.080. (1) A person commits the offense of providing a safety belt, harness equipment or a child
39 safety system that does not comply with standards if the person does any of the following:

40 (a) Sells or offers for sale a new motor vehicle that is not equipped with safety belts, safety
41 harnesses or child safety systems that comply with and are installed in compliance with the rules
42 adopted by the Department of Transportation under ORS 815.055. This paragraph applies only to
43 motor vehicles that are primarily designed for transportation of individuals and that have seating
44 for one or more passengers side-by-side with the operator. This paragraph requires only that the
45 vehicle be equipped with one seat belt or harness for the operator and one for at least one of the

1 passengers seated beside the operator.

2 (b) Sells or offers for sale any safety belt, safety harness, child safety system, anchor or other
3 device for attaching or securing safety belts, safety harnesses or child safety system if the belt,
4 harness, child safety system, anchor or device does not comply with the rules adopted by the de-
5 partment under ORS 815.055. This paragraph applies only to belts, harnesses, child safety systems,
6 anchors or devices for use or installation on a vehicle that is primarily designed for transportation
7 of individuals.

8 (c) Sells or offers for sale any safety belt, safety harness, child safety system, anchor or other
9 device for attaching or securing safety belts, safety harnesses or child safety systems if the belt,
10 harness, child safety system, anchor or device is not marked as required under federal safety stan-
11 dards and if the mark is not legible when the belt, harness, child safety system, anchor or other
12 device is used or installed on a vehicle. This paragraph applies only to belts, harnesses, child safety
13 systems, anchors or devices for use or installation on a vehicle that is primarily designed for
14 transportation of individuals.

15 (d) Installs any safety belt, safety harness, child safety system, anchor or other device for at-
16 taching or securing safety belts, safety harnesses or child safety systems on a vehicle that is pri-
17 marily designed for the transportation of individuals except in compliance with rules adopted by the
18 department under ORS 815.055.

19 (2) This section does not apply to school buses or school activity vehicles that are subject to
20 equipment standards adopted by the State Board of Education, [*or*] the State Board of Higher Edu-
21 cation under ORS 820.100 **or the Portland State University Board of Directors**.

22 (3) The offense described in this section, providing a safety belt, harness equipment or a child
23 safety system that does not comply with standards, is a Class C traffic violation.

24 **SECTION 200.** ORS 820.100 is amended to read:

25 820.100. (1) The State Board of Education shall adopt and enforce such reasonable standards
26 relating to school bus and school activity vehicle construction and school bus and school activity
27 vehicle equipment as the board deems necessary for safe and economical operation, except that the
28 board may not authorize the use of school buses manufactured before April 1, 1977.

29 (2) The State Board of Higher Education **and the Portland State University Board of Direc-**
30 **tors** may adopt and enforce separate rules of the type described under this section for school buses
31 and school activity vehicles that are under [*the*] **each** board's jurisdiction, except that the board
32 may not authorize the use of school buses manufactured before April 1, 1977.

33 (3) The State Board of Education shall adopt and enforce standards for school bus stop arms
34 authorized by ORS 820.105.

35 (4) Rules adopted under this section:

36 (a) Must be consistent with requirements established by statute or by rule adopted under stat-
37 utory authority that relate to the same subject.

38 (b) Shall be consistent with minimum uniform national standards, if such standards exist.

39 (c) May include different requirements for different classes or types of school buses or school
40 activity vehicles.

41 (d) May include any exemptions determined appropriate under ORS 820.150.

42 **SECTION 201.** ORS 820.110 is amended to read:

43 820.110. (1) The State Board of Education shall adopt and enforce rules to establish requirements
44 of operation, qualifications or special training of drivers and special accident reports for school
45 buses and school activity vehicles.

1 (2) The State Board of Higher Education **and the Portland State University Board of Direc-**
 2 **tors** may adopt and enforce separate rules of the type described under this section for school buses
 3 and school activity vehicles that are under *[its]* **each board's** jurisdiction.

4 (3) The rules adopted under this section:

5 (a) Are subject to ORS 820.190 and 820.200 and to any other statute or regulation relating to
 6 the operation of vehicles, qualifications of drivers and accident reports.

7 (b) Must be consistent with requirements established by statute or by rule adopted under stat-
 8 utory authority that relate to the same subject.

9 (c) May include different requirements for different classes or types of school buses or school
 10 activity vehicles.

11 (d) May include any exemptions determined appropriate under ORS 820.150.

12 (4) If the Department of Transportation suspends, cancels or revokes any driving privileges of
 13 a person who holds a school bus endorsement under ORS 807.035 (5), the Department of Transpor-
 14 tation shall notify the Department of Education of the suspension, cancellation or revocation.

15 **SECTION 202.** ORS 820.120 is amended to read:

16 820.120. (1) The State Board of Education shall adopt and enforce rules to provide for the in-
 17 spection of school buses and school activity vehicles to *[assure]* **ensure** that the vehicles are in
 18 compliance with requirements under rules established under ORS 820.100 and 820.110, as applicable,
 19 and that the vehicles are safe for operation. The rules may include intervals of inspections.

20 (2) The State Board of Higher Education **and the Portland State University Board of Direc-**
 21 **tors** may adopt and enforce separate rules of the type described under this section for school buses
 22 and school activity vehicles that are under *[its]* **each board's** jurisdiction.

23 (3) The rules adopted under this section:

24 (a) Are subject to any other statute or regulation relating to the safety of vehicles for operation
 25 and the inspection of vehicles.

26 (b) May include different requirements for different classes or types of school buses or school
 27 activity vehicles.

28 (c) May include any exemptions determined appropriate under ORS 820.150.

29 **SECTION 203.** ORS 820.130 is amended to read:

30 820.130. The Department of Transportation shall issue registration for a school bus when noti-
 31 fied that the vehicle conforms to applicable rules under ORS 820.100 to 820.120 and that the vehicle
 32 is safe for operation on the highways. Notification required by this section shall be from:

33 (1) The State Board of Education or its authorized representative regarding vehicles under its
 34 regulatory authority.

35 (2) The State Board of Higher Education or its authorized representative regarding vehicles
 36 under its jurisdiction.

37 **(3) The Portland State University Board of Directors or its authorized representative**
 38 **regarding vehicles under its jurisdiction.**

39 **SECTION 204.** ORS 820.150 is amended to read:

40 820.150. (1) The State Board of Education, by rule, may establish classes or types of vehicles
 41 that are not considered school buses or school activity vehicles for purposes of the Oregon Vehicle
 42 Code or classes of school buses or school activity vehicles that are not subject to regulation under
 43 the Oregon Vehicle Code either partially or completely.

44 (2) The State Board of Higher Education **and the Portland State University Board of Direc-**
 45 **tors** may adopt separate rules of the type described under this section for vehicles that are under

1 its jurisdiction.

2 (3) Rules adopted under this section are subject to the following:

3 (a) Any exemption, either partial or total, established under this section may be based upon
4 passenger capacity, on limited use or on any other basis the State Board of Education, [or] the State
5 Board of Higher Education **or Portland State University Board of Directors** considers appropri-
6 ate.

7 (b) No exemption, either partial or total, shall be established under this section for any vehicle
8 that is marked with or displays the words “school bus.”

9 (c) Any vehicle determined not to be a school bus under this section is not a school bus within
10 the definition established under ORS 801.460. Partial exemptions established for vehicles under this
11 section may include removal of the vehicle from any provisions relating to school buses under the
12 vehicle code.

13 (d) Any vehicle determined not to be a school activity vehicle under this section is not a school
14 activity vehicle within the definition established under ORS 801.455. Partial exemptions established
15 for vehicles under this section may include removal of the vehicle from any provisions relating to
16 school activity vehicles under the vehicle code.

17 (e) In considering any rules under this section, the boards shall consider the need to assure
18 student safety.

19 **SECTION 205.** Section 13, chapter 761, Oregon Laws 2007, as amended by section 5, chapter
20 2, Oregon Laws 2009, section 93, chapter 762, Oregon Laws 2009, and section 32, chapter 2, Oregon
21 Laws 2011, is amended to read:

22 **Sec. 13.** (1) There is established in the General Fund an account to be known as the Portland
23 State University Science Research and Teaching Center and Hazardous Waste Facility Account.
24 Funds in the account shall be used for the acquisition, construction, remodeling, expansion and
25 renovation of facilities for a Science Research and Teaching Center and Hazardous Waste Facility
26 Phase I at Portland State University.

27 (2) The account shall consist of proceeds from certificates of participation, grant funds, gift
28 funds, proceeds of legal settlements, federal and local government funds made available to and funds
29 donated to [*the Oregon University System*] **Portland State University** for the purpose of the center
30 and facility project described in subsection (1) of this section. Interest earned on moneys in the ac-
31 count shall be credited to the account. The account may not be credited with more than \$7,000,000
32 for purposes of this subsection.

33 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]
34 **Portland State University** and may be transferred to the account designated by [*ORS 351.626*] **the**
35 **university** for the center and facility project described in subsection (1) of this section.

36 **SECTION 206.** Section 17, chapter 761, Oregon Laws 2007, as amended by section 97, chapter
37 762, Oregon Laws 2009, and section 36, chapter 2, Oregon Laws 2011, is amended to read:

38 **Sec. 17.** (1) There is established in the General Fund an account to be known as the Portland
39 State University Science PCAT Redevelopment Account. Funds in the account shall be used for the
40 acquisition, construction, remodeling, expansion and renovation of facilities on the current site of
41 the Portland Center for Advanced Technology at Portland State University.

42 (2) The account shall consist of grant funds, gift funds, proceeds of legal settlements, federal and
43 local government funds made available to and funds donated to [*the Oregon University System*]
44 **Portland State University** for the purpose of the project described in subsection (1) of this section.
45 Interest earned on moneys in the account shall be credited to the account. The account may not be

1 credited with more than \$10,000,000 for purposes of this subsection.

2 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]
3 **Portland State University** and may be transferred to the account designated by [*ORS 351.626*] **the**
4 **university** for the project described in subsection (1) of this section.

5 **SECTION 207.** Section 22, chapter 904, Oregon Laws 2009, as amended by section 50, chapter
6 2, Oregon Laws 2011, and section 46, chapter 9, Oregon Laws 2011, is amended to read:

7 **Sec. 22.** (1) There is established in the General Fund an account to be known as the Portland
8 State University Science Research and Teaching Center/Hazardous Waste Facility Phase 2 Project
9 Account. Funds in the account shall be used for the acquisition, construction, remodeling, expansion
10 and renovation of facilities for a facility project at Oregon State University.

11 (2) The account shall consist of proceeds from grant funds, gift funds and federal and local
12 government funds made available to [*the Oregon University System*] **Portland State University** for
13 the purpose of the facility project described in subsection (1) of this section. Interest earned on
14 moneys in the account shall be credited to the account. The account may not be credited with more
15 than \$2,500,000 for purposes of this subsection.

16 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]
17 **Portland State University** and may be transferred to the account designated by [*ORS 351.626*] **the**
18 **university** for the facility project described in subsection (1) of this section.

19 **SECTION 208.** Section 3, chapter 797, Oregon Laws 2001, is amended to read:

20 **Sec. 3.** Subject to available funding, if a building evaluated under section 2 (4), **chapter 797,**
21 **Oregon Laws 2001,** [*of this 2001 Act*] is found by a board to pose an undue risk to life safety during
22 a seismic event, the State Board of Higher Education, **Portland State University Board of Di-**
23 **rectors,** local school district board, community college board or education service district board,
24 as appropriate, shall develop a plan for seismic rehabilitation of the building or for other actions to
25 reduce the risk. For a board that is subject to ORS 291.224, the board's plan to rehabilitate or take
26 other action to reduce the seismic risk of a building must be included in the capital construction
27 program of the board. A board that is subject to ORS 291.224 shall rank the relative benefit of
28 projects to reduce seismic risk in comparison with other life safety and code requirement projects.
29 Subject to availability of funding, all seismic rehabilitations or other actions to reduce seismic risk
30 must be completed before January 1, 2032. If the building is listed on a national or state register
31 of historic places or properties or is designated as a landmark by local ordinance, the plan for
32 seismic rehabilitation or other action shall be developed in a manner that gives consideration to
33 preserving the character of the building.

34 **SECTION 209.** Section 10, chapter 519, Oregon Laws 2011, as amended by section 1,
35 **chapter 37, Oregon Laws 2012,** is repealed.

36 **SECTION 210.** Sections 1 to 18 of this 2013 Act and the amendments to statutes by
37 sections 30 to 208 of this 2013 Act and the repeal of section 10, chapter 519, Oregon Laws
38 2011, by section 209 of this 2013 Act become operative on July 1, 2014.

39 **SECTION 211.** The State Board of Higher Education shall continue to have jurisdiction
40 over the operations of Portland State University for the 2013-2014 academic year. However,
41 the Portland State University Board of Directors shall propose funding requests pursuant to
42 ORS 351.052, as amended by section 46 of this 2013 Act, and shall prepare budgets, in coop-
43 eration with the State Board of Higher Education, for the biennium beginning July 1, 2013.
44 The president of Portland State University shall assume responsibilities for administration
45 of the university on July 1, 2014.

1 **SECTION 212.** For the biennium beginning July 1, 2013, the funding requests required to
2 be submitted by Portland State University under ORS 351.052, as amended by section 46 of
3 this 2013 Act, shall be submitted to the State Board of Higher Education prior to November
4 1, 2013.

5 **SECTION 213.** This 2013 Act being necessary for the immediate preservation of the public
6 peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect
7 on its passage.

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