

**PROPOSED AMENDMENTS TO
HOUSE BILL 3120**

1 In line 2 of the printed bill, after “governance;” insert “creating new
2 provisions; amending ORS 196.438, 200.025, 200.055, 244.050, 284.540, 284.706,
3 285A.516, 285A.519, 285A.522, 285B.168, 293.790, 293.812, 294.393, 294.456,
4 315.237, 320.100, 326.011, 326.051, 326.075, 326.310, 326.370, 326.373, 326.380,
5 326.382, 326.550, 327.495, 329.850, 336.585, 336.590, 337.521, 341.005, 341.009,
6 341.015, 341.019, 341.021, 341.024, 341.025, 341.039, 341.045, 341.055, 341.065,
7 341.076, 341.085, 341.095, 341.102, 341.105, 341.115, 341.125, 341.290, 341.315,
8 341.317, 341.405, 341.420, 341.425, 341.440, 341.455, 341.465, 341.527, 341.531,
9 341.547, 341.551, 341.565, 341.569, 341.573, 341.577, 341.579, 341.626, 341.655,
10 341.665, 341.721, 341.725, 341.728, 341.731, 341.735, 341.739, 341.751, 341.753,
11 341.755, 341.757, 341.759, 341.762, 341.764, 341.766, 341.768, 341.771, 341.773,
12 341.775, 341.777, 341.779, 341.782, 341.784, 341.787, 341.933, 341.937, 344.070,
13 344.080, 344.090, 344.125, 345.010, 345.020, 345.030, 345.040, 345.060, 345.070,
14 345.080, 345.110, 345.115, 345.117, 345.120, 345.330, 345.430, 345.450, 345.995,
15 348.040, 348.050, 348.070, 348.095, 348.180, 348.186, 348.205, 348.210, 348.230,
16 348.250, 348.260, 348.265, 348.270, 348.280, 348.282, 348.283, 348.285, 348.290,
17 348.310, 348.320, 348.330, 348.340, 348.350, 348.360, 348.370, 348.390, 348.427,
18 348.429, 348.436, 348.444, 348.448, 348.500, 348.505, 348.520, 348.530, 348.560,
19 348.563, 348.570, 348.580, 348.590, 348.592, 348.604, 348.608, 348.611, 348.616,
20 348.618, 348.621, 348.625, 348.630, 348.635, 348.640, 348.655, 348.660, 348.665,
21 348.670, 348.675, 348.685, 348.690, 348.696, 348.849, 348.890, 348.900, 351.049,
22 351.063, 351.064, 351.077, 351.203, 351.643, 351.647, 351.715, 351.718, 351.735,

1 352.730, 352.740, 352.750, 353.200, 353.440, 353.606, 358.575, 399.255, 399.265,
2 399.275, 408.506, 411.894, 417.799, 418.653, 418.657, 418.658, 418.660, 421.084,
3 433.283, 442.540, 442.545, 458.525, 461.543, 468A.245, 471.580, 576.768, 657.350,
4 657.665, 657.734, 659.850, 659.855, 659.860, 660.300, 660.312, 660.318, 660.339,
5 660.340, 660.341, 660.343, 660.346, 660.349, 660.352, 660.353, 660.354, 680.515,
6 684.040, 685.060, 687.011, 690.225 and 759.445 and section 3, chapter 797,
7 Oregon Laws 2001, sections 11, 12, 13, 14 and 15, chapter 2, Oregon Laws
8 2009, sections 5, 9, 25 and 26, chapter 904, Oregon Laws 2009, section 1,
9 chapter 90, Oregon Laws 2010, sections 2 and 10, chapter 519, Oregon Laws
10 2011, section 2, chapter 637, Oregon Laws 2011, section 14, chapter 36, Oregon
11 Laws 2012, section 11, chapter 79, Oregon Laws 2012, section 3, chapter 94,
12 Oregon Laws 2012, and section 1, chapter 96, Oregon Laws 2012; repealing
13 ORS 326.375, 329.757, 329.765, 329.775, 329.780, 351.054, 351.725 and 351.738;
14 appropriating money;”.

15 Delete lines 4 through 16 and insert:

16

17 **“ESTABLISHMENT OF OFFICE OF POST-SECONDARY EDUCATION**
18 **AND**
19 **WORKFORCE DEVELOPMENT**

20

21 **“SECTION 1. (1) The Office of Post-Secondary Education and**
22 **Workforce Development is established and shall operate under the di-**
23 **rection and control of the Higher Education Coordinating Commission.**

24 **“(2) The office shall:**

25 **“(a) Administer and enforce the post-secondary education laws of**
26 **this state; and**

27 **“(b) Provide administrative and technical support to community**
28 **colleges, the Higher Education Coordinating Commission, the Oregon**
29 **Student Access Commission, the Oregon University System, the State**
30 **Board of Higher Education and public universities with governing**

1 boards.

2 **“SECTION 2. The Office of Post-Secondary Education and**
3 **Workforce Development shall assume the duties, functions and powers**
4 **of:**

5 **“(1) The Oregon Student Access Commission with respect to the**
6 **commission’s nonadvisory functions;**

7 **“(2) The Department of Community Colleges and Workforce Devel-**
8 **opment and the Commissioner for Community College Services;**

9 **“(3) The executive director of the Higher Education Coordinating**
10 **Commission; and**

11 **“(4) The State Board of Education, Department of Education,**
12 **Higher Education Coordinating Commission and Superintendent of**
13 **Public Instruction, with respect to authority over career schools.**

14 **“SECTION 3. (1) The Higher Education Coordinating Commission**
15 **shall appoint the Director of the Office of Post-Secondary Education**
16 **and Workforce Development, who holds office at the pleasure of the**
17 **commission.**

18 **“(2) The director shall be responsible for the performance of the**
19 **duties, functions and powers of the Office of Post-Secondary Education**
20 **and Workforce Development.**

21 **“(3) The director shall be paid a salary as provided by law or, if not**
22 **so provided, as prescribed by the commission.**

23 **“(4) The director may:**

24 **“(a) Appoint any deputy directors found to be necessary and ap-**
25 **propriate, including, but not limited to, deputy directors to supervise**
26 **office responsibilities that were previously performed by the Oregon**
27 **Student Access Commission, the Department of Community Colleges**
28 **and Workforce Development or the Oregon University System;**

29 **“(b) Organize and reorganize the Office of Post-Secondary Educa-**
30 **tion and Workforce Development as the director considers necessary**

1 to properly conduct the work of the office; and

2 “(c) Divide the functions of the office into administrative divisions
3 and appoint an individual as administrator of each division.

4 “(5)(a) A deputy director or administrator appointed by the director
5 under subsection (4) of this section shall serve at the pleasure of the
6 director and is not subject to the provisions of ORS chapter 240.

7 “(b) A deputy director or administrator appointed by the director
8 under subsection (4) of this section must be qualified by training and
9 experience in the functions to be performed by the individual.

10 “(6) Subject to any applicable provisions of ORS chapter 240, the
11 director may appoint, prescribe the duties for and fix the compen-
12 sation of any other officers and employees whom the director consid-
13 ers necessary to carry out the duties, functions and powers of the
14 office.

15 “SECTION 4. In administrating and enforcing the post-secondary
16 laws of this state, the Director of the Office of Post-Secondary Edu-
17 cation and Workforce Development shall establish the administrative
18 policies of the Office of Post-Secondary Education and Workforce De-
19 velopment in accordance with the rules and policies of the Oregon
20 Education Investment Board and Higher Education Coordinating
21 Commission.

22 “SECTION 5. The Director of the Office of Post-Secondary Educa-
23 tion and Workforce Development may participate in any proceeding
24 before any public officer, commission or body of the United States or
25 any state for the purpose of representing the interests of Oregon res-
26 idents in proceedings that concern the duties imposed upon the direc-
27 tor by law.

28 “SECTION 6. (1) The Director of the Office of Post-Secondary Edu-
29 cation and Workforce Development and any authorized representative
30 of the director has power on behalf of the Office of Post-Secondary

1 **Education and Workforce Development to:**

2 **“(a) Administer oaths.**

3 **“(b) Take or cause to be taken depositions within or outside the**
4 **state, as provided by law.**

5 **“(c) Issue subpoenas for the attendance of witnesses and the pro-**
6 **duction of books, records, documents or other written material nec-**
7 **essary to carry out the duties and obligations of the office, as provided**
8 **by law.**

9 **“(2) If any person fails to comply with a subpoena issued under this**
10 **section, or refuses to testify on matters on which the person may be**
11 **lawfully interrogated, the procedure set out in ORS 183.440 shall be**
12 **followed to compel obedience.**

13 **“SECTION 7. The Post-Secondary Education Fund is established in**
14 **the State Treasury, separate and distinct from the General Fund. In-**
15 **terest earned by the Post-Secondary Education Fund shall be credited**
16 **to the fund. Moneys in the fund are continuously appropriated to the**
17 **Office of Post-Secondary Education and Workforce Development for**
18 **the purpose of carrying out the duties, functions and powers of the**
19 **office.**

20 **“SECTION 8. (1) The Higher Education Coordinating Commission**
21 **may appoint the Director of the Office of Post-Secondary Education**
22 **and Workforce Development before the operative date specified in**
23 **section 305 of this 2013 Act.**

24 **“(2) The commission and the Director of the Office of Post-**
25 **Secondary Education and Workforce Development may take any**
26 **action before the operative date specified in section 305 of this 2013**
27 **Act that is necessary for the commission, director and office to exer-**
28 **cise, on and after the operative date specified in section 305 of this 2013**
29 **Act, all of the duties, functions and powers conferred to the director**
30 **and office by sections 1 to 6 of this 2013 Act.**

1 **“TRANSFER OF AUTHORITY OF**
2 **OREGON STUDENT ACCESS COMMISSION**

3
4 **“SECTION 9. Section 10 of this 2013 Act is added to and made a part**
5 **of ORS 348.505 to 348.530.**

6 **“SECTION 10. The Oregon Student Access Commission shall advise**
7 **the Office of Post-Secondary Education and Workforce Development**
8 **on the performance of the office’s duties, functions and powers under:**

9 **“(1) ORS 348.040 to 348.280, 348.500 to 348.695 and 348.992.**

10 **“(2) ORS 348.283 and 348.285.**

11 **“(3) ORS 348.310 to 348.390.**

12 **“(4) ORS 348.427 and 348.429.**

13 **“(5) ORS 348.440 to 348.448.**

14 **“(6) ORS 399.245 to 399.265.**

15 **“(7) ORS 352.710 to 352.760.**

16 **“(8) ORS 411.894.**

17 **“(9) ORS 442.535, 422.540 and 442.545.**

18 **“SECTION 11. (1) Except as provided in section 10 of this 2013 Act,**
19 **all the duties, functions and powers of the Oregon Student Access**
20 **Commission are imposed upon, transferred to and vested in the Office**
21 **of Post-Secondary Education and Workforce Development.**

22 **“(2) On the operative date of this section, the Oregon Student Ac-**
23 **cess Commission shall:**

24 **“(a) Deliver to the Office of Post-Secondary Education and**
25 **Workforce Development all records and property within the jurisdic-**
26 **tion of the commission that relate to the duties, functions and powers**
27 **transferred to and assumed by the office under this section.**

28 **“(b) Transfer to the office those employees engaged primarily in the**
29 **exercise of the duties, functions and powers transferred to and as-**
30 **sumed by the office under this section.**

1 **“(3) The Director of the Office of Post-Secondary Education and**
2 **Workforce Development shall take possession of the records and**
3 **property, and shall take charge of the employees and employ them in**
4 **the exercise of the duties, functions and powers transferred under this**
5 **section, without reduction of compensation but subject to change or**
6 **termination of employment or compensation as provided by law.**

7 **“(4) The Governor shall resolve any dispute between the Oregon**
8 **Student Access Commission and the Office of Post-Secondary Educa-**
9 **tion and Workforce Development relating to transfers of records,**
10 **property and employees under this section, and the Governor’s deci-**
11 **sion is final.**

12 **“SECTION 12. (1) The unexpended balances of amounts authorized**
13 **to be expended by the Oregon Student Access Commission for the**
14 **biennium beginning July 1, 2013, from revenues dedicated, contin-**
15 **uously appropriated, appropriated or otherwise made available for the**
16 **purpose of administering and enforcing the duties, functions and**
17 **powers transferred by the provisions of section 11 of this 2013 Act are**
18 **transferred to and are available for expenditure by the Office of Post-**
19 **Secondary Education and Workforce Development for the biennium**
20 **beginning July 1, 2013, for the purpose of administering and enforcing**
21 **the duties, functions and powers transferred by section 11 of this 2013**
22 **Act.**

23 **“(2) The expenditure classifications, if any, established by Acts au-**
24 **thorizing or limiting expenditures by the Oregon Student Access**
25 **Commission remain applicable to expenditures by the Office of Post-**
26 **Secondary Education and Workforce Development under this section.**

27 **“SECTION 13. The transfer of duties, functions and powers to the**
28 **Office of Post-Secondary Education and Workforce Development by**
29 **section 11 of this 2013 Act does not affect any action, proceeding or**
30 **prosecution involving or with respect to such duties, functions and**

1 powers begun before and pending at the time of the transfer, except
2 that the office is substituted for the Oregon Student Access Commis-
3 sion in the action, proceeding or prosecution.

4 **“SECTION 14. (1) Nothing in sections 11 to 13 of this 2013 Act re-**
5 **lieves a person of a liability, duty or obligation accruing under or with**
6 **respect to the duties, functions and powers transferred by section 11**
7 **of this 2013 Act. The Office of Post-Secondary Education and**
8 **Workforce Development may undertake the collection or enforcement**
9 **of any such liability, duty or obligation.**

10 **“(2) The rights and obligations of the Oregon Student Access Com-**
11 **mission legally incurred under contracts, leases and business trans-**
12 **actions executed, entered into or begun before the operative date of**
13 **section 11 of this 2013 Act accruing under or with respect to the duties,**
14 **functions and powers transferred by section 11 of this 2013 Act are**
15 **transferred to the Office of Post-Secondary Education and Workforce**
16 **Development. For the purpose of succession to these rights and obli-**
17 **gations, the office is a continuation of the commission and not a new**
18 **authority.**

19 **“SECTION 15. (1) Notwithstanding the transfer of duties, functions**
20 **and powers by section 11 of this 2013 Act, the rules of the Oregon**
21 **Student Access Commission in effect on the operative date of section**
22 **11 of this 2013 Act continue in effect until superseded or repealed by**
23 **rules of the Higher Education Coordinating Commission.**

24 **“(2) References in rules of the Oregon Student Access Commission**
25 **to the commission or an officer or employee of the commission are**
26 **considered to be references to the Office of Post-Secondary Education**
27 **and Workforce Development or to an officer or employee of the office.**

28 **“SECTION 16. The Oregon Student Access Commission and Office**
29 **of Post-Secondary Education and Workforce Development may take**
30 **any action before the operative date specified in section 305 of this 2013**

1 Act that is necessary to enable the office to exercise, on and after the
2 operative date specified in section 305 of this 2013 Act, all the duties,
3 functions and powers conferred on the office by section 11 of this 2013
4 Act.

5
6 **“TRANSFER OF AUTHORITY OF DEPARTMENT OF**
7 **COMMUNITY COLLEGES AND WORKFORCE DEVELOPMENT**
8 **AND POSITION OF COMMISSIONER FOR**
9 **COMMUNITY COLLEGE SERVICES**

10
11 **“SECTION 17. (1)(a) The Department of Community Colleges and**
12 **Workforce Development is abolished.**

13 **“(b) The position of Commissioner for Community College Services**
14 **is abolished.**

15 **“(2) All the duties, functions and powers of the department and**
16 **commissioner are imposed upon, transferred to and vested in the Of-**
17 **fice of Post-Secondary Education and Workforce Development.**

18 **“(3) The Department of Community Colleges and Workforce Devel-**
19 **opment and the Commissioner for Community College Services shall:**

20 **“(a) Deliver to the Office of Post-Secondary Education and**
21 **Workforce Development all records and property within the jurisdic-**
22 **tion of the Department of Community Colleges and Workforce Devel-**
23 **opment and the Commissioner for Community College Services that**
24 **relate to the duties, functions and powers transferred to and assumed**
25 **by the Office of Post-Secondary Education and Workforce Develop-**
26 **ment under this section.**

27 **“(b) Transfer to the Office of Post-Secondary Education and**
28 **Workforce Development those employees engaged in the exercise of**
29 **the duties, functions and powers transferred to and assumed by the**
30 **office under this section.**

1 “(4) The Director of the Office of Post-Secondary Education and
2 Workforce Development shall take possession of the records and
3 property, and shall take charge of the employees and employ them in
4 the exercise of the duties, functions and powers transferred under this
5 section, without reduction of compensation but subject to change or
6 termination of employment or compensation as provided by law.

7 “(5) The Governor shall resolve any dispute between the Depart-
8 ment of Community Colleges and Workforce Development or the
9 Commissioner for Community College Services and the Office of
10 Post-Secondary Education and Workforce Development relating to
11 transfers of records, property and employees under this section, and
12 the Governor’s decision is final.

13 “SECTION 18. (1) The unexpended balances of amounts authorized
14 to be expended by the Department of Community Colleges and
15 Workforce Development or the Commissioner for Community College
16 Services for the biennium beginning July 1, 2013, from revenues dedi-
17 cated, continuously appropriated, appropriated or otherwise made
18 available for the purpose of administering and enforcing the duties,
19 functions and powers transferred by the provisions of section 17 of this
20 2013 Act are transferred to and are available for expenditure by the
21 Office of Post-Secondary Education and Workforce Development for
22 the biennium beginning July 1, 2013, for the purpose of administering
23 and enforcing the duties, functions and powers transferred by section
24 17 of this 2013 Act.

25 “(2) The expenditure classifications, if any, established by Acts au-
26 thorizing or limiting expenditures by the Department of Community
27 Colleges and Workforce Development or the Commissioner for Com-
28 munity College Services remain applicable to expenditures by the Of-
29 fice of Post-Secondary Education and Workforce Development under
30 this section.

1 **“SECTION 19. The transfer of duties, functions and powers to the**
2 **Office of Post-Secondary Education and Workforce Development by**
3 **section 17 of this 2013 Act does not affect any action, proceeding or**
4 **prosecution involving or with respect to such duties, functions and**
5 **powers begun before and pending at the time of the transfer, except**
6 **that the Office of Post-Secondary Education and Workforce Develop-**
7 **ment is substituted for the Department of Community Colleges and**
8 **Workforce Development or the Commissioner for Community College**
9 **Services in the action, proceeding or prosecution.**

10 **“SECTION 20. (1) Nothing in sections 17 to 19 of this 2013 Act or the**
11 **repeal of ORS 326.375 by section 304 of this 2013 Act relieves a person**
12 **of a liability, duty or obligation accruing under or with respect to the**
13 **duties, functions and powers transferred by section 17 of this 2013 Act.**
14 **The Office of Post-Secondary Education and Workforce Development**
15 **may undertake the collection or enforcement of any such liability,**
16 **duty or obligation.**

17 **“(2) The rights and obligations of the Department of Community**
18 **Colleges and Workforce Development and the Commissioner for Com-**
19 **munity College Services legally incurred under contracts, leases and**
20 **business transactions executed, entered into or begun before the op-**
21 **erative date of section 17 of this 2013 Act accruing under or with re-**
22 **spect to the duties, functions and powers transferred by section 17 of**
23 **this 2013 Act are transferred to the Office of Post-Secondary Education**
24 **and Workforce Development. For the purpose of succession to these**
25 **rights and obligations, the Office of Post-Secondary Education and**
26 **Workforce Development is a continuation of the Department of Com-**
27 **munity Colleges and Workforce Development or the Commissioner for**
28 **Community College Services and is not a new authority.**

29 **“SECTION 21. (1)(a) Notwithstanding the transfer of duties, func-**
30 **tions and powers by section 17 of this 2013 Act, the rules of the De-**

1 department of Community Colleges and Workforce Development or the
2 Commissioner for Community College Services in effect on the opera-
3 tive date of section 17 of this 2013 Act continue in effect until super-
4 seded or repealed by rules of the Higher Education Coordinating
5 Commission.

6 “(b) References in rules of the Department of Community Colleges
7 and Workforce Development or the Commissioner for Community
8 College Services, or to an officer or employee of the Department of
9 Community Colleges and Workforce Development or the Commissioner
10 for Community College Services, are considered to be references to the
11 Office of Post-Secondary Education and Workforce Development or to
12 an officer or employee of the Office of Post-Secondary Education and
13 Workforce Development.

14 “(2)(a) Notwithstanding the transfer of duties, functions and powers
15 by section 17 of this 2013 Act, the rules of the State Board of Education
16 with respect to community colleges in effect on the operative date of
17 section 17 of this 2013 Act continue in effect until superseded or re-
18 pealed by rules of the Higher Education Coordinating Commission.

19 “(b) References in rules of the State Board of Education to the
20 State Board of Education or the Department of Community Colleges
21 and Workforce Development, or to an officer or employee of the State
22 Board of Education or the Department of Community Colleges and
23 Workforce Development, that relate to community colleges, are con-
24 sidered to be references to the Higher Education Coordinating Com-
25 mission or to an officer or employee of the Higher Education
26 Coordinating Commission.

27 “SECTION 22. The Office of Post-Secondary Education and
28 Workforce Development, the Department of Community Colleges and
29 Workforce Development and the Commissioner for Community College
30 Services may take any action before the operative date specified in

1 section 305 of this 2013 Act that is necessary to enable the Office of
2 Post-Secondary Education and Workforce Development to exercise, on
3 and after the operative date specified in section 305 of this 2013 Act,
4 all the duties, functions and powers conferred on the office by section
5 17 of this 2013 Act.

6 **“SECTION 23.** Whenever, in any uncodified law or resolution of the
7 Legislative Assembly or in any rule, document, record or proceeding
8 authorized by the Legislative Assembly, reference is made to the De-
9 partment of Community Colleges and Workforce Development, the
10 Commissioner for Community College Services or an officer or em-
11 ployee of the Department of Community Colleges and Workforce De-
12 velopment or Commissioner for Community College Services, the
13 reference is considered to be a reference to the Office of Post-
14 Secondary Education and Workforce Development or an officer or
15 employee of the Office of Post-Secondary Education and Workforce
16 Development.

17 **“SECTION 24. (1)** For the purpose of harmonizing and clarifying
18 statutory law, the Legislative Counsel may substitute for words des-
19 ignating the ‘Department of Community Colleges and Workforce De-
20 velopment’ or the officers of the Department of Community Colleges
21 and Workforce Development, wherever they occur in statutory law,
22 words designating the ‘Office of Post-Secondary Education and
23 Workforce Development’ or the officers of the Office of Post-
24 Secondary Education and Workforce Development.

25 **“(2)** For the purpose of harmonizing and clarifying statutory law,
26 the Legislative Counsel may substitute for words designating the
27 ‘Commissioner for Community College Services’ or the officers of the
28 Commissioner for Community College Services, wherever they occur
29 in statutory law, words designating the ‘Office of Post-Secondary Ed-
30 ucation and Workforce Development’ or the officers of the Office of

1 **Post-Secondary Education and Workforce Development.**

2
3 **“ABOLISHMENT OF EXECUTIVE DIRECTOR OF**
4 **HIGHER EDUCATION COORDINATING COMMISSION**

5
6 **“SECTION 25. (1) The position of executive director of the Higher**
7 **Education Coordinating Commission is abolished. All the duties,**
8 **functions and powers of the executive director are imposed upon,**
9 **transferred to and vested in the position of Director of the Office of**
10 **Post-Secondary Education and Workforce Development.**

11 **“(2) The executive director of the Higher Education Coordinating**
12 **Commission shall deliver to the Director of the Office of Post-**
13 **Secondary Education and Workforce Development all records and**
14 **property within the jurisdiction of the executive director of the Higher**
15 **Education Coordinating Commission that relate to the duties, func-**
16 **tions and powers transferred to and assumed by the Director of the**
17 **Office of Post-Secondary Education and Workforce Development under**
18 **this section.**

19 **“(3) The Governor shall resolve any dispute between the executive**
20 **director of the Higher Education Coordinating Commission and Di-**
21 **rector of the Office of Post-Secondary Education and Workforce De-**
22 **velopment relating to transfers of records or property under this**
23 **section, and the Governor’s decision is final.**

24 **“SECTION 26. The transfer of duties, functions and powers to the**
25 **Director of the Office of Post-Secondary Education and Workforce**
26 **Development by section 25 of this 2013 Act does not affect any action,**
27 **proceeding or prosecution involving or with respect to such duties,**
28 **functions and powers begun before and pending at the time of the**
29 **transfer, except that the Director of the Office of Post-Secondary Ed-**
30 **ucation and Workforce Development is substituted for the executive**

1 **director of the Higher Education Coordinating Commission in the**
2 **action, proceeding or prosecution.**

3 **“SECTION 27. (1) Nothing in sections 25 and 26 of this 2013 Act or**
4 **the repeal of ORS 351.725 and 351.738 by section 304 of this 2013 Act**
5 **relieves a person of a liability, duty or obligation accruing under or**
6 **with respect to the duties, functions and powers transferred by section**
7 **25 of this 2013 Act. The Director of the Office of Post-Secondary Edu-**
8 **cation and Workforce Development may undertake the collection or**
9 **enforcement of any such liability, duty or obligation.**

10 **“(2) The rights and obligations of the executive director of the**
11 **Higher Education Coordinating Commission legally incurred under**
12 **contracts, leases and business transactions executed, entered into or**
13 **begun before the operative date of section 25 of this 2013 Act are**
14 **transferred to the Director of the Office of Post-Secondary Education**
15 **and Workforce Development. For the purpose of succession to these**
16 **rights and obligations, the Director of the Office of Post-Secondary**
17 **Education and Workforce Development is a continuation of the exec-**
18 **utive director of the Higher Education Coordinating Commission and**
19 **is not a new authority.**

20 **“SECTION 28. References in rules of the Higher Education Coordi-**
21 **nating Commission to the executive director of the Higher Education**
22 **Coordinating Commission are considered to be references to the Di-**
23 **rector of the Office of Post-Secondary Education and Workforce De-**
24 **velopment.**

25 **“SECTION 29. The executive director of the Higher Education Co-**
26 **ordinating Commission and the Director of the Office of Post-**
27 **Secondary Education and Workforce Development may take any**
28 **action before the operative date specified in section 305 of this 2013**
29 **Act that is necessary to enable the Director of the Office of Post-**
30 **Secondary Education and Workforce Development to exercise, on and**

1 after the operative date specified in section 305 of this 2013 Act, all the
2 duties, functions and powers conferred on the director by section 25
3 of this 2013 Act.

4 **“SECTION 30.** Whenever, in any uncodified law or resolution of the
5 Legislative Assembly or in any rule, document, record or proceeding
6 authorized by the Legislative Assembly, reference is made to the
7 executive director of the Higher Education Coordinating Commission,
8 the reference is considered to be a reference to the Director of the
9 Office of Post-Secondary Education and Workforce Development.

10 **“SECTION 31.** For the purpose of harmonizing and clarifying stat-
11 utory law, the Legislative Counsel may substitute for words designat-
12 ing the ‘executive director of the Higher Education Coordinating
13 Commission’ wherever they occur in statutory law, words designating
14 the ‘Director of the Office of Post-Secondary Education and Workforce
15 Development.’

16

17 **“TRANSFER OF AUTHORITY OVER CAREER SCHOOLS TO**
18 **OFFICE OF POST-SECONDARY EDUCATION AND WORKFORCE**
19 **DEVELOPMENT**

20

21 **“SECTION 32.** The duties, functions and powers of the Higher Ed-
22 ucation Coordinating Commission relating to career schools are im-
23 posed upon, transferred to and vested in the Office of Post-Secondary
24 Education and Workforce Development.

25 **“SECTION 33. (1) The Higher Education Coordinating Commission**
26 **shall:**

27 **“(a) Deliver to the Office of Post-Secondary Education and**
28 **Workforce Development all records and property within the jurisdic-**
29 **tion of the Higher Education Coordinating Commission that relate to**
30 **the duties, functions and powers transferred by section 32 of this 2013**

1 Act; and

2 “(b) Transfer to the Office of Post-Secondary Education and
3 Workforce Development those employees engaged primarily in the ex-
4 ercise of the duties, functions and powers transferred by section 32 of
5 this 2013 Act.

6 “(2) The Office of Post-Secondary Education and Workforce Devel-
7 opment shall take possession of the records and property, and shall
8 take charge of the employees and employ them in the exercise of the
9 duties, functions and powers transferred by section 32 of this 2013 Act,
10 without reduction of compensation but subject to change or termi-
11 nation of employment or compensation as provided by law.

12 “(3) The Governor shall resolve any dispute between the Higher
13 Education Coordinating Commission and the Office of Post-Secondary
14 Education and Workforce Development relating to transfers of re-
15 cords, property and employees under this section, and the Governor’s
16 decision is final.

17 “SECTION 34. The transfer of duties, functions and powers to the
18 Office of Post-Secondary Education and Workforce Development by
19 section 32 of this 2013 Act does not affect any action, proceeding or
20 prosecution involving or with respect to such duties, functions and
21 powers begun before and pending at the time of the transfer, except
22 that the Office of Post-Secondary Education and Workforce Develop-
23 ment is substituted for the Higher Education Coordinating Commis-
24 sion in the action, proceeding or prosecution.

25 “SECTION 35. (1) Nothing in sections 32 to 34 of this 2013 Act re-
26 lieves a person of a liability, duty or obligation accruing under or with
27 respect to the duties, functions and powers transferred by section 32
28 of this 2013 Act. The Office of Post-Secondary Education and
29 Workforce Development may undertake the collection or enforcement
30 of any such liability, duty or obligation.

1 **“(2) The rights and obligations of the Higher Education Coordinat-**
2 **ing Commission legally incurred under contracts, leases and business**
3 **transactions executed, entered into or begun before the operative date**
4 **of section 32 of this 2013 Act accruing under or with respect to the**
5 **duties, functions and powers transferred by section 32 of this 2013 Act**
6 **are transferred to the Office of Post-Secondary Education and**
7 **Workforce Development. For the purpose of succession to these rights**
8 **and obligations, the Office of Post-Secondary Education and**
9 **Workforce Development is a continuation of the Higher Education**
10 **Coordinating Commission and not a new authority.**

11 **“SECTION 36. References in the rules of the Higher Education Co-**
12 **ordinating Commission to the Higher Education Coordinating Com-**
13 **mission or to an officer or employee of the commission that relate to**
14 **career schools, are considered to be references to the Office of Post-**
15 **Secondary Education and Workforce Development or an officer or**
16 **employee of the Office of Post-Secondary Education and Workforce**
17 **Development.**

18

19 **“CONSTITUTIONAL AND BONDING PROVISIONS**

20

21 **“SECTION 37. For purposes of Article XV, section 8 of the Oregon**
22 **Constitution, a person employed by the State Board of Higher Educa-**
23 **tion includes a person who:**

24 **“(1) Was employed by the board on the date before the effective date**
25 **of this 2013 Act and who, as a result of this 2013 Act, is employed by**
26 **another agency or public corporation of this state in a capacity that**
27 **was within the authority of the board on the date before the effective**
28 **date of this 2013 Act.**

29 **“(2) On or after the effective date of this 2013 Act, is employed by**
30 **an agency or public corporation in a capacity that was within the au-**

1 **thority of the board before the effective date of this 2013 Act.**

2 **“SECTION 38. For purposes of Article XI-M, section 1 of the Oregon**
3 **Constitution, a building owned by the State Board of Higher Education**
4 **includes a building owned by:**

5 **“(1) The State Board of Higher Education on the date before the**
6 **effective date of this 2013 Act that, as a result of this 2013 Act, is on**
7 **the effective date of this 2013 Act owned by another agency or public**
8 **corporation of this state and used for purposes within the authority**
9 **of the board on the date before the effective date of this 2013 Act.**

10 **“(2) An agency or public corporation of this state on or after the**
11 **effective date of this 2013 Act and used for purposes within the au-**
12 **thority of the board before the effective date of this 2013 Act.**

13 **“SECTION 39. (1) Nothing in sections 37 and 38 of this 2013 Act shall**
14 **be construed in any way to impair the obligations or agreements of the**
15 **State of Oregon or the State Board of Higher Education with respect**
16 **to bonds, certificates of participation, financing agreements or other**
17 **agreements for the borrowing of money issued prior to the operative**
18 **date specified in section 305 of this 2013 Act by the State of Oregon on**
19 **behalf of the State Board of Higher Education. A public university and**
20 **the Oregon University System shall take all actions necessary to en-**
21 **sure full compliance with all indentures, resolutions, declarations,**
22 **agreements and other documents issued with respect to the bonds,**
23 **certificates of participation, financing agreements or other agreements**
24 **for the borrowing of money issued prior to the operative date specified**
25 **in section 305 of this 2013 Act by the State of Oregon on behalf of the**
26 **State Board of Higher Education. The Oregon University System and**
27 **a public university shall establish, in a written agreement that shall**
28 **be subject to the approval of the State Treasurer, the responsibility**
29 **of the public university for the payment to the State Board of Higher**
30 **Education of moneys sufficient to pay when due all principal, interest**

1 and any other charges on bonds, certificates of participation, financing
2 agreements or other agreements for the borrowing of money issued
3 prior to the operative date specified in section 305 of this 2013 Act by
4 the State of Oregon on behalf of the State Board of Higher Education.

5 “(2) Holders of obligations issued by a public university on or after
6 the operative date specified in section 305 of this 2013 Act may be paid
7 pari passu with the obligations issued by the State of Oregon on behalf
8 of the State Board of Higher Education for the public university prior
9 to the operative date specified in section 305 of this 2013 Act from the
10 tuition, fees, rents, revenues, receipts, appropriations or other income
11 of the public university, but only to the extent that:

12 “(a) The holders have no rights, liens or other interests with respect
13 to the tuition, fees, rents, revenues, receipts, appropriations or other
14 income of the university that are senior or superior to the rights
15 granted to the holders of obligations issued prior to the operative date
16 specified in section 305 of this 2013 Act by the State of Oregon on be-
17 half of the State Board of Higher Education; and

18 “(b) The State Board of Higher Education, the Oregon Department
19 of Administrative Services or the State of Oregon, acting for the ben-
20 efit of such holders of obligations, is granted a lien or other security
21 interest in the tuition, fees, rents, revenues, receipts, appropriations
22 or other income of the public university that is not junior to and is
23 at least pari passu with any lien or other security interest granted to
24 the holders of obligations issued by the public university.

25 “(3) Any expenses, including legal expenses, judgments, liabilities
26 and federal arbitrage and rebate penalties arising from the actions of
27 the public university, if incurred with respect to bonds, certificates of
28 participation, financing agreements or other agreements for the bor-
29 rowing of money issued prior to the operative date specified in section
30 305 of this 2013 Act by the State of Oregon on behalf of the State Board

1 of Higher Education, shall be paid when due by the public university,
2 subject to the public university's right to reasonably contest the
3 charges, judgments, liabilities or penalties. The public university shall
4 assist the Controller of the Oregon University System in making any
5 necessary calculations and filing any necessary reports related to
6 arbitrage and rebate on the indebtedness.

7 “(4) Any amounts deposited with the State Treasurer, the Control-
8 ler of the Oregon University System, the Oregon Department of Ad-
9 ministrative Services or their designated agents in any debt service in
10 reserve accounts for the debt service associated with any bonds, cer-
11 tificates of participation, financing agreements or other agreements
12 for the borrowing of money issued prior to the operative date specified
13 in section 305 of this 2013 Act by the State of Oregon on behalf of the
14 State Board of Higher Education shall remain with the State Treas-
15 urer, the Controller of the Oregon University System, the Oregon De-
16 partment of Administrative Services or their designated agents until
17 the time that the bonds, certificates of participation, financing agree-
18 ments or other agreements for the borrowing of money for which the
19 reserve accounts have been established have been retired or defeased.
20 The public university shall be credited with the investment earnings
21 on the reserve accounts.

22 “SECTION 40. (1) Nothing in sections 37 and 38 of this 2013 Act shall
23 be construed in any way to impair the obligations or agreements of the
24 State of Oregon or the State Board of Education with respect to bonds,
25 certificates of participation, financing agreements or other agreements
26 for the borrowing of money issued prior to the operative date specified
27 in section 305 of this 2013 Act by the State of Oregon on behalf of
28 community colleges. A community college and the State Board of Ed-
29 ucation shall take all actions necessary to ensure full compliance with
30 all indentures, resolutions, declarations, agreements and other docu-

1 **ments issued with respect to the bonds, certificates of participation,**
2 **financing agreements or other agreements for the borrowing of money**
3 **issued prior to the operative date specified in section 305 of this 2013**
4 **Act by the State of Oregon on behalf of the State Board of Education.**
5 **The State Board of Education and a community college shall establish,**
6 **in a written agreement that shall be subject to the approval of the**
7 **State Treasurer, the responsibility of the community college for the**
8 **payment to the State Board of Education of moneys sufficient to pay**
9 **when due all principal, interest and any other charges on bonds, cer-**
10 **tificates of participation, financing agreements or other agreements**
11 **for the borrowing of money issued prior to the operative date specified**
12 **in section 305 of this 2013 Act by the State of Oregon on behalf of the**
13 **State Board of Education.**

14 **“(2) Holders of obligations issued by a community college on or af-**
15 **ter the operative date specified in section 305 of this 2013 Act may be**
16 **paid pari passu with the obligations issued by the State of Oregon on**
17 **behalf of the State Board of Education for the community college prior**
18 **to the operative date specified in section 305 of this 2013 Act from the**
19 **tuition, fees, rents, revenues, receipts, appropriations or other income**
20 **of the community college, but only to the extent that:**

21 **“(a) The holders have no rights, liens or other interests with respect**
22 **to the tuition, fees, rents, revenues, receipts, appropriations or other**
23 **income of the community college that are senior or superior to the**
24 **rights granted to the holders of obligations issued prior to the opera-**
25 **tive date specified in section 305 of this 2013 Act by the State of Oregon**
26 **on behalf of the State Board of Education; and**

27 **“(b) The State Board of Education, the Oregon Department of Ad-**
28 **ministrative Services or the State of Oregon, acting for the benefit of**
29 **such holders of obligations, is granted a lien or other security interest**
30 **in the tuition, fees, rents, revenues, receipts, appropriations or other**

1 income of the community college that is not junior to and is at least
2 pari passu with any lien or other security interest granted to the
3 holders of obligations issued by the community college.

4 “(3) Any expenses, including legal expenses, judgments, liabilities
5 and federal arbitrage and rebate penalties arising from the actions of
6 the community college, if incurred with respect to bonds, certificates
7 of participation, financing agreements or other agreements for the
8 borrowing of money issued prior to the operative date specified in
9 section 305 of this 2013 Act by the State of Oregon on behalf of the
10 State Board of Education, shall be paid when due by the community
11 college, subject to the community college’s right to reasonably contest
12 the charges, judgments, liabilities or penalties. The community college
13 shall assist the Office of Post-Secondary Education and Workforce
14 Development and Department of Education in making any necessary
15 calculations and filing any necessary reports related to arbitrage and
16 rebate on the indebtedness.

17 “(4) Any amounts deposited with the State Treasurer, the Office of
18 Post-Secondary Education and Workforce Development the Depart-
19 ment of Education, the Oregon Department of Administrative Services
20 or their designated agents in any debt service in reserve accounts for
21 the debt service associated with any bonds, certificates of partic-
22 ipation, financing agreements or other agreements for the borrowing
23 of money issued prior to the operative date specified in section 305 of
24 this 2013 Act by the State of Oregon on behalf of the State Board of
25 Education shall remain with the State Treasurer, the Office of Post-
26 Secondary Education and Workforce Development the Department of
27 Education, the Oregon Department of Administrative Services or their
28 designated agents until the time that the bonds, certificates of par-
29 ticipation, financing agreements or other agreements for the borrow-
30 ing of money for which the reserve accounts have been established

1 **have been retired or defeased. The community college shall be credited**
2 **with the investment earnings on the reserve accounts.**

3
4 **“AUTHORITY OF OREGON EDUCATION**
5 **INVESTMENT BOARD AND HIGHER EDUCATION**
6 **COORDINATING COMMISSION;**
7 **CONFORMING AMENDMENTS**
8

9 **“SECTION 41.** Section 2, chapter 519, Oregon Laws 2011, as amended by
10 section 1, chapter 36, Oregon Laws 2012, is amended to read:

11 **“Sec. 2.** (1) The Oregon Education Investment Board established by sec-
12 tion 1, chapter 519, Oregon Laws 2011, shall appoint a Chief Education Of-
13 ficer who shall serve at the pleasure of the board.

14 “(2) The Chief Education Officer shall be a person who, by training and
15 experience, is well qualified to:

16 “(a) Perform the duties of the office, as determined by the board; and

17 “(b) Assist in carrying out the functions of the board, as described in
18 section 1, chapter 519, Oregon Laws 2011.

19 “(3)(a) For the purpose of furthering the mission of the Oregon Education
20 Investment Board to oversee a unified public education system, the Chief
21 Education Officer shall have direction and control over the positions iden-
22 tified in paragraph (b) of this subsection for matters related to the design
23 and organization of the state’s education system, including early childhood
24 services provided by the state.

25 “(b) The positions over which the Chief Education Officer shall have di-
26 rection and control are:

27 “(A) The [*Commissioner for Community College Services*] **Director of the**
28 **Office of Post-Secondary Education and Workforce Development.**

29 “[*B) The Chancellor of the Oregon University System.*]

30 “[*C) The executive director of the Oregon Student Access Commission.*]

1 “[(D)] (B) The Early Childhood System Director.

2 “[(E) *The executive director of the Higher Education Coordinating Com-*
3 *mission.*]

4 “[(F)] (C) The Deputy Superintendent of Public Instruction.

5 “(c) The authority of the Chief Education Officer granted under para-
6 graph (a) of this subsection does not include the authority to appoint or re-
7 move a person from a position identified in paragraph (b) of this subsection.

8 “(d) If a person in a position identified in paragraph (b) of this subsection
9 is appointed by an entity other than the Governor, the Governor shall re-
10 solve any dispute between the Chief Education Officer and the appointing
11 authority of the person. The Governor’s decision is final.

12 “**SECTION 42.** Section 14, chapter 36, Oregon Laws 2012, is amended to
13 read:

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

15 “(a) ‘Achievement compact’ means an agreement entered into between the
16 Oregon Education Investment Board and the governing body of an education
17 entity as described in this section.

18 “(b) ‘Education entity’ means:

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

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

21 “(C) A community college district or community college service district
22 operated under ORS chapter 341;

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

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

26 “(F) The health professions and graduate science programs of the Oregon
27 Health and Science University operated under ORS chapter 353.

28 “(c) ‘Governing body of an education entity’ means:

29 “(A) For a school district, the school district board.

30 “(B) For an education service district, the board of directors of the edu-

1 cation service district.

2 “(C) For a community college district or a community college service
3 district, the board of education of the community college district.

4 “(D) For the Oregon University System, the State Board of Higher Edu-
5 cation.

6 “(E) For a public university [*of the Oregon University System*], the presi-
7 dent of the university.

8 “(F) For the Oregon Health and Science University, the Oregon Health
9 and Science University Board of Directors.

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

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

17 “(c) The board shall specify a process for adoption and a timeline for
18 submission of achievement compacts for education entities identified in sub-
19 section (1)(b)(D) to (F) of this section.

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

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

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

27 “(A) A description of goals for outcomes that are consistent with the ed-
28 ucational goals identified in ORS 329.015, the findings described in ORS
29 351.003 and the mission of education provided in ORS 351.009.

30 “(B) A description of the outcomes and measures of progress that will

1 allow each education entity to quantify:

2 “(i) Completion rates for:

3 “(I) Critical stages of learning and programs of study;

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

5 “(III) Achieving the high school and post-secondary education goals es-
6 tablished in ORS 351.009 and a projection of the progress needed to achieve
7 those goals by 2025;

8 “(ii) Validations of the quality of knowledge and skills acquired by stu-
9 dents of the education entity; and

10 “(iii) The relevance of the knowledge and skills acquired by the students
11 of the education entity and the means by which those skills and knowledge
12 will contribute to the workforce, the economy and society as described in
13 state policy.

14 “(C) Other information suggested by the governing body of an education
15 entity and approved by the board.

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

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

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

1 taged student groups and other student groups.

2 “(5) As part of the process of entering into an achievement compact, the
3 governing body of an education entity shall ensure that open communi-
4 cations are provided to parents, students, teachers or faculty, employees,
5 exclusive bargaining representatives and community representatives for the
6 purposes of explaining and discussing the outcomes, measures of progress,
7 goals and targets specified in the achievement compact for the fiscal year.
8 The open communications must be provided during each education entity’s
9 public budget process.

10 “(6) The board shall specify the format of the achievement compacts and
11 provide model achievement compacts to the governing body of each education
12 entity.

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

17 “(a) Must include disaggregated data for each disadvantaged student
18 group specified by the board; and

19 “(b) May state achievements in numbers and percentages and in relation
20 to the outcomes, measures of progress, goals and targets specified in the
21 achievement compact for the fiscal year.

22 “**SECTION 43.** ORS 351.735, as amended by section 1, chapter 104, Oregon
23 Laws 2012, is amended to read:

24 “351.735. (1) The Higher Education Coordinating Commission shall advise
25 the Oregon Education Investment Board on state goals and associated
26 achievement compacts for the state post-secondary education system, includ-
27 ing community colleges and public universities listed in ORS 352.002, and for
28 the [*Oregon Student Access Commission*] **Office of Post-Secondary Educa-**
29 **tion and Workforce Development.**

30 “(2) Under the direction and control of the Oregon Education Investment

1 Board, the Higher Education Coordinating Commission shall:

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

7 “(A) Increasing the educational attainment of the population;

8 “(B) Increasing this state’s global economic competitiveness and the
9 quality of life of its citizens;

10 “(C) Ensuring affordable access for qualified Oregon students at each
11 college or public university; and

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

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

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

22 “(A) Recommended biennial appropriations to institutions, including a
23 component specifically tied to institutional contributions to state educa-
24 tional priorities;

25 “(B) Recommended limits regarding the setting of tuition rates at public
26 universities listed in ORS 352.002 in accordance with criteria set by the State
27 Board of Higher Education **and governing boards at public universities,**
28 with the goal of encouraging tuition affordability for students;

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

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

2 “(E) Recommended biennial appropriations for any future statewide
3 higher education initiatives.

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

7 “(A) Ongoing operations of the [*Oregon Student Access Commission*] **Of-**
8 **ice of Post-Secondary Education and Workforce Development;**

9 “(B) Ongoing operations for [*the Oregon University System*] **public uni-**
10 **versities listed in ORS 352.002;**

11 “(C) Ongoing operations for community colleges;

12 “(D) Needed new facilities or programs; and

13 “(E) Capital improvements.

14 “(e) [*Coordinate with*] **Direct** the [*Oregon Student Access Commission*]
15 **Office of Post-Secondary Education and Workforce Development** to
16 maximize the effectiveness of student financial assistance programs, includ-
17 ing the Oregon Opportunity Grant program under ORS 348.260.

18 “(f) Approve and authorize degrees for [*the Oregon University System*]
19 **public universities listed in ORS 352.002.**

20 “(g) Authorize degrees to be offered in this state in accordance with ORS
21 348.594 to 348.615, and adopt any rules to implement that authority.

22 “(3) In addition to the duties described in subsections (1) and (2) of this
23 section, the Higher Education Coordinating Commission shall:

24 “(a) Develop and recommend policies to ensure or improve access to
25 higher education by underserved populations.

26 “(b) Recommend and encourage student success and completion initi-
27 atives.

28 “(c) Develop and recommend policies to improve the coordination of the
29 provision of educational services, including:

30 “(A) Transfers and other movements throughout the higher education

1 system;

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

3 “(C) Applied baccalaureate and other transfer degrees; and

4 “(D) Reciprocity agreements with other states.

5 “(d) Review research efforts among the public universities of this state
6 to improve economic development in this state.

7 “(e) Coordinate education initiatives with the State Workforce Investment
8 Board, the [*Department of Community Colleges and Workforce Development*]
9 **Office of Post-Secondary Education and Workforce Development**, local
10 workforce investment boards, the Oregon Health and Science University,
11 **public universities listed in ORS 352.002** and independent institutions of
12 post-secondary education.

13 **“SECTION 44.** ORS 351.735, as amended by sections 1 and 3, chapter 104,
14 Oregon Laws 2012, is amended to read:

15 “351.735. (1) The Higher Education Coordinating Commission shall advise
16 the Oregon Education Investment Board on state goals and associated
17 achievement compacts for the state post-secondary education system, includ-
18 ing community colleges and public universities listed in ORS 352.002, and for
19 the [*Oregon Student Access Commission*] **Office of Post-Secondary Educa-**
20 **tion and Workforce Development.**

21 “(2) Under the direction and control of the Oregon Education Investment
22 Board, the Higher Education Coordinating Commission shall:

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

28 “(A) Increasing the educational attainment of the population;

29 “(B) Increasing this state’s global economic competitiveness and the
30 quality of life of its citizens;

1 “(C) Ensuring affordable access for qualified Oregon students at each
2 college or public university; and

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

5 “(b) Evaluate and recommend changes to statutory goals and missions
6 described for community colleges in ORS 341.009 and for public universities
7 in ORS 351.003 and 351.009 after receiving recommendations from the appro-
8 priate governing board. The appropriate governing board shall have
9 decision-making authority over program offerings to implement established
10 goals and missions.

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

13 “(A) Recommended biennial appropriations to institutions, including a
14 component specifically tied to institutional contributions to state educa-
15 tional priorities;

16 “(B) Recommended limits regarding the setting of tuition rates at public
17 universities listed in ORS 352.002 in accordance with criteria set by the State
18 Board of Higher Education **and governing boards at public universities**,
19 with the goal of encouraging tuition affordability for students;

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

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

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

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

28 “(A) Ongoing operations of the [*Oregon Student Access Commission*] **Of-**
29 **office of Post-Secondary Education and Workforce Development;**

30 “(B) Ongoing operations for the [*Oregon University System*] **public uni-**

1 **versities listed in ORS 352.002;**

2 “(C) Ongoing operations for community colleges;

3 “(D) Needed new facilities or programs; and

4 “(E) Capital improvements.

5 “(e) [*Coordinate with*] **Direct** the [*Oregon Student Access Commission*]
6 **Office of Post-Secondary Education and Workforce Development** to
7 maximize the effectiveness of student financial assistance programs, includ-
8 ing the Oregon Opportunity Grant program under ORS 348.260.

9 “(f) Approve and authorize degrees for [*the Oregon University System*]
10 **public universities listed in ORS 352.002.**

11 “(g) Authorize degrees to be offered in this state in accordance with ORS
12 348.594 to 348.615, and adopt any rules to implement that authority.

13 “(3) In addition to the duties described in subsections (1) and (2) of this
14 section, the Higher Education Coordinating Commission shall:

15 “(a) Develop and recommend policies to ensure or improve access to
16 higher education by underserved populations.

17 “(b) Recommend and encourage student success and completion initi-
18 atives.

19 “(c) Develop and recommend policies to improve the coordination of the
20 provision of educational services, including:

21 “(A) Transfers and other movements throughout the higher education
22 system;

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

24 “(C) Applied baccalaureate and other transfer degrees; and

25 “(D) Reciprocity agreements with other states.

26 “(d) Review research efforts among the public universities of this state
27 to improve economic development in this state.

28 “(e) Coordinate education initiatives with the State Workforce Investment
29 Board, the [*Department of Community Colleges and Workforce Development*]
30 **Office of Post-Secondary Education and Workforce Development**, local

1 workforce investment boards, the Oregon Health and Science University,
2 **public universities listed in ORS 352.002** and independent institutions of
3 post-secondary education.

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

5 **“SECTION 45.** ORS 351.735, as amended by sections 1, 3 and 5, chapter
6 104, Oregon Laws 2012, is amended to read:

7 “351.735. The Higher Education Coordinating Commission shall:

8 “(1) Develop state goals and associated achievement compacts for the
9 state post-secondary education system, including community colleges and
10 public universities listed in ORS 352.002, and for the [*Oregon Student Access*
11 *Commission*] **Office of Post-Secondary Education and Workforce Devel-**
12 **opment.**

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

18 “(a) Increasing the educational attainment of the population;

19 “(b) Increasing this state’s global economic competitiveness and the
20 quality of life of its citizens;

21 “(c) Ensuring affordable access for qualified Oregon students at each
22 college or public university; and

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

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

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

3 “(a) Recommended biennial appropriations to institutions, including a
4 component specifically tied to institutional contributions to state educa-
5 tional priorities;

6 “(b) Recommended limits regarding the setting of tuition rates at public
7 universities listed in ORS 352.002 in accordance with criteria set by the State
8 Board of Higher Education **and governing boards of public universities,**
9 with the goal of encouraging tuition affordability for students;

10 “(c) Tuition rates set by each community college governing board for
11 community colleges in this state;

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

13 “(e) Recommended biennial appropriations for any future statewide higher
14 education initiatives.

15 “(5) Each biennium, recommend to the Governor and the Legislative As-
16 sembly a consolidated higher education budget request consistent with the
17 finance model, including appropriations for:

18 “(a) Ongoing operations of the [*Oregon Student Access Commission*] **Of-**
19 **ice of Post-Secondary Education and Workforce Development;**

20 “(b) Ongoing operations for [*the Oregon University System*] **public uni-**
21 **versities listed in ORS 352.002;**

22 “(c) Ongoing operations for community colleges;

23 “(d) Needed new facilities or programs; and

24 “(e) Capital improvements.

25 “(6) [*Coordinate with*] **Direct** the [*Oregon Student Access Commission*]
26 **Office of Post-Secondary Education and Workforce Development** to
27 maximize the effectiveness of student financial assistance programs, includ-
28 ing the Oregon Opportunity Grant program under ORS 348.260.

29 “(7) Approve and authorize degrees for [*the Oregon University System*]
30 **public universities listed in ORS 352.002 and for community colleges.**

1 “(8) Authorize degrees to be offered in this state in accordance with ORS
2 348.594 to 348.615, and adopt any rules to implement that authority.

3 “(9) Develop and recommend policies to ensure or improve access to
4 higher education by underserved populations.

5 “(10) Recommend and encourage student success and completion initi-
6 atives.

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

9 “(a) Transfers and other movements throughout the higher education
10 system;

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

12 “(c) Applied baccalaureate and other transfer degrees; and

13 “(d) Reciprocity agreements with other states.

14 “(12) Review research efforts among the public universities of this state
15 to improve economic development in this state.

16 “(13) Coordinate education initiatives with the State Workforce Invest-
17 ment Board, the [*Department of Community Colleges and Workforce Develop-*
18 *ment*] **Office of Post-Secondary Education and Workforce**
19 **Development**, local workforce investment boards, the Oregon Health and
20 Science University, **public universities listed in ORS 352.002** and inde-
21 pendent institutions of post-secondary education.

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

23 **“SECTION 46.** ORS 196.438 is amended to read:

24 “196.438. (1) The Governor shall establish an Ocean Policy Advisory
25 Council that is staffed by the State Department of Fish and Wildlife, the
26 Department of Land Conservation and Development and other departments
27 as the Governor deems necessary. The council shall be composed of:

28 “(a) The Governor or the Governor’s designee, as a nonvoting member;

29 “(b) The director or the director’s designee of the following agencies, as
30 nonvoting members:

1 “(A) Department of Environmental Quality;
2 “(B) State Department of Fish and Wildlife;
3 “(C) State Department of Geology and Mineral Industries;
4 “(D) Department of Land Conservation and Development;
5 “(E) Department of State Lands;
6 “(F) Parks and Recreation Department;
7 “(G) State Department of Agriculture; and
8 “(H) [*On behalf of the State Board of Higher Education,*] The director or
9 director’s designee of Oregon State University, Sea Grant College;
10 “(c) A member of the governing body of Coos, Curry, Douglas or Lane
11 County to be appointed by the Governor, chosen in consultation with and
12 with the approval of a majority of the members of the governing bodies of
13 Coos, Curry, Douglas and Lane Counties;
14 “(d) A member of the governing body of Clatsop, Lincoln or Tillamook
15 County to be appointed by the Governor, chosen in consultation with and
16 with the approval of a majority of the members of the governing bodies of
17 Clatsop, Lincoln and Tillamook Counties;
18 “(e) An elected city official from a coastal city bordering the territorial
19 sea to be appointed by the Governor with advice from an Oregon coastal zone
20 management association;
21 “(f) A representative of each of the following ocean interests, to be ap-
22 pointed by the Governor, and subject to confirmation by the Senate pursuant
23 to section 4, Article III, Oregon Constitution:
24 “(A) Commercial ocean fisheries of the North Coast from Newport north;
25 “(B) Commercial ocean fisheries of the South Coast south of Newport;
26 “(C) Charter, sport or recreation ocean fisheries of the North Coast from
27 Newport north;
28 “(D) Charter, sport or recreation ocean fisheries of the South Coast south
29 of Newport;
30 “(E) Ports marine navigation or transportation;

1 “(F) Coastal nonfishing recreation interests of surfing, diving, kayaking
2 or windsurfing;

3 “(G) A coastal conservation or environmental organization;

4 “(H) Oregon Indian tribes appointed after consultation with the Commis-
5 sion on Indian Services;

6 “(I) A coastwide organization representing a majority of small ports and
7 local governments, as a nonvoting member; and

8 “(J) A statewide conservation or environmental organization; and

9 “(g) Two representatives of the public, at least one of whom shall be a
10 resident of a county bordering the territorial sea, to be appointed by the
11 Governor.

12 “(2) The term of office of each member appointed by the Governor is four
13 years, but a member serves at the pleasure of the Governor. Before the ex-
14 piration of the term of a member, the Governor shall appoint a successor
15 whose term begins on July 1 next following. A member is eligible for reap-
16 pointment. If there is a vacancy for any cause, the Governor shall make an
17 appointment to become immediately effective for the unexpired term.

18 “(3) A majority of the voting members of the council constitutes a quorum
19 for the transaction of business.

20 “(4) The voting members of the council shall elect a person from among
21 the membership to chair the council.

22 “**SECTION 47.** ORS 200.025 is amended to read:

23 “200.025. (1) There is created, in the Office of the Governor, the Advocate
24 for Minority, Women and Emerging Small Business who shall be appointed
25 by the Governor.

26 “(2) There is created in the Oregon Business Development Department the
27 Office for Minority, Women and Emerging Small Business, the employees of
28 which shall be appointed by the Director of the Oregon Business Develop-
29 ment Department.

30 “(3)(a) The director may prescribe the duties and assignments of all offi-

1 cers and employees of the Office for Minority, Women and Emerging Small
2 Business. The director shall establish the compensation of all officers and
3 employees of the office.

4 “(b) The officers and employees of the office shall be allowed reimburse-
5 ment for reasonable and necessary travel and other expenses incurred in the
6 performance of their duties.

7 “(4) The Advocate for Minority, Women and Emerging Small Business
8 shall:

9 “(a) Advise the Governor and the director on activities and initiatives
10 that may promote the economic integration of minorities, women and
11 emerging small businesses into the business sector;

12 “(b) Prepare an annual report to the Governor, director and Legislative
13 Assembly on the status of minorities and women in the marketplace, accom-
14 plishments and resolutions of issues of concern to minority and women’s
15 enterprises and recommendations for executive and legislative actions; and

16 “(c) Carry out other duties that may be assigned by the Governor.

17 “(5) The Office for Minority, Women and Emerging Small Business shall:

18 “(a) Provide information to minority, women and emerging small busi-
19 nesses;

20 “(b) Assist in the development and implementation of an aggressive
21 strategy for this state, based on research and monitoring, that encourages
22 participation of minorities, women and emerging small businesses in the
23 state’s economy;

24 “(c) Make recommendations to the director on the research, development
25 and implementation of the plan for the involvement of disadvantaged and
26 minority groups and emerging small businesses in all state programs;

27 “(d) Maintain an Oregon Opportunity Register and Clearinghouse for in-
28 formation on public agency and other contract solicitations for professional
29 services, supplies and services and other bid opportunities, in consultation
30 with the State Board of Higher Education, **public universities with gov-**

1 **erning boards**, the Department of Transportation and other entities;

2 “(e) Monitor the certification and compliance program for disadvantaged,
3 minority, women and emerging small businesses under ORS 200.055;

4 “(f) Investigate complaints and possible abuses of the certification pro-
5 gram; and

6 “(g) Assist in the promotion and coordination of plans, programs and op-
7 erations of state government that strengthen minority and women partic-
8 ipation in the economic life of this state.

9 **“SECTION 48.** ORS 200.055 is amended to read:

10 “200.055. (1) Any disadvantaged, minority, women or emerging small
11 business enterprise is entitled to be certified as such upon application to the
12 Oregon Business Development Department. If the application is approved by
13 the department, the department shall certify the applicant as a disadvan-
14 tagged, minority, women or emerging small business enterprise. The enterprise
15 shall be considered so certified by any public contracting agency.

16 “(2) In consultation with the State Board of Higher Education **public**
17 **universities with governing boards** and the Department of Transportation,
18 and with the approval of the Advocate for Minority, Women and Emerging
19 Small Business, the Oregon Business Development Department by rule shall
20 adopt a uniform standard form and procedure designed to provide complete
21 documentation that a business enterprise is certified as a disadvantaged,
22 minority, women or emerging small business enterprise. The department shall
23 compile and make available upon request a list of certified disadvantaged,
24 minority, women or emerging small business enterprises.

25 “(3) Any business enterprise that is refused certification as a disadvan-
26 tagged business enterprise or denied recertification as such or whose certifi-
27 cation is revoked may appeal directly to the United States Department of
28 Transportation.

29 “(4) Any business enterprise that is refused certification as a minority,
30 women or emerging small business enterprise or has its certification revoked

1 may request a contested case hearing as provided in ORS chapter 183.

2 “(5) The Oregon Business Development Department shall be the sole
3 agency authorized to certify enterprises as disadvantaged, minority, women
4 or emerging small business enterprises eligible to perform on public con-
5 tracts in this state.

6 “(6) The Oregon Business Development Department by rule may establish
7 a fee not to exceed \$100 for a copy of the list of certified disadvantaged,
8 minority, women and emerging small business enterprises and may assess
9 state agencies for services under ORS 200.005 to 200.075.

10 “(7) The Department of Transportation may collect a fee, not to exceed
11 \$200, from a bidder upon bidder prequalifications to cover the costs of the
12 Oregon Business Development Department in administering ORS 200.005 to
13 200.075. The Department of Transportation shall transfer [*such*] **the** fees to
14 the credit of the account established under subsection (8) of this section.

15 “(8) The Oregon Business Development Department shall establish a spe-
16 cial account in which to deposit fees and assessments. The special account
17 is continuously appropriated to the department to meet its expenses in ad-
18 ministering ORS 200.005 to 200.075.

19 **“SECTION 49.** ORS 244.050, as amended by section 9, chapter 90, Oregon
20 Laws 2012, is amended to read:

21 “244.050. (1) On or before April 15 of each year the following persons shall
22 file with the Oregon Government Ethics Commission a verified statement of
23 economic interest as required under this chapter:

24 “(a) The Governor, Secretary of State, State Treasurer, Attorney General,
25 Commissioner of the Bureau of Labor and Industries, district attorneys and
26 members of the Legislative Assembly.

27 “(b) Any judicial officer, including justices of the peace and municipal
28 judges, except any pro tem judicial officer who does not otherwise serve as
29 a judicial officer.

30 “(c) Any candidate for a public office designated in paragraph (a) or (b)

1 of this subsection.

2 “(d) The Deputy Attorney General.

3 “(e) The Legislative Administrator, the Legislative Counsel, the Legisla-
4 tive Fiscal Officer, the Secretary of the Senate and the Chief Clerk of the
5 House of Representatives.

6 “(f) The Chancellor and Vice Chancellors of the Oregon University Sys-
7 tem and the president and vice presidents, or their administrative equiv-
8 alents, 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.

- 1 “(V) Director of the State Department of Energy.
- 2 “(W) Director and each assistant director of the Oregon State Lottery.
- 3 “(X) Director of the Department of Corrections.
- 4 “(Y) Director of the Oregon Department of Aviation.
- 5 “(Z) Executive director of the Oregon Criminal Justice Commission.
- 6 “(AA) Director of the Oregon Business Development Department.
- 7 “(BB) Director of the Office of Emergency Management.
- 8 “(CC) Director of the Employment Department.
- 9 “(DD) Chief of staff for the Governor.
- 10 “(EE) Administrator of the Office for Oregon Health Policy and Research.
- 11 “(FF) Director of the Housing and Community Services Department.
- 12 “(GG) State Court Administrator.
- 13 “(HH) Director of the Department of Land Conservation and Develop-
- 14 ment.
- 15 “(II) Board chairperson of the Land Use Board of Appeals.
- 16 “(JJ) State Marine Director.
- 17 “(KK) Executive director of the Oregon Racing Commission.
- 18 “(LL) State Parks and Recreation Director.
- 19 “(MM) Public defense services executive director.
- 20 “(NN) Chairperson of the Public Employees’ Benefit Board.
- 21 “(OO) Director of the Department of Public Safety Standards and Train-
- 22 ing.
- 23 “(PP) [*Chairperson of the Oregon Student Access Commission*] **Director**
- 24 **of the Office of Post-Secondary Education and Workforce**
- 25 **Development.**
- 26 “(QQ) Executive director of the Oregon Watershed Enhancement Board.
- 27 “(RR) Director of the Oregon Youth Authority.
- 28 “(SS) Director of the Oregon Health Authority.
- 29 “(TT) Deputy Superintendent of Public Instruction.
- 30 “(h) Any assistant in the Governor’s office other than personal secretaries

1 and clerical personnel.

2 “(i) Every elected city or county official.

3 “(j) Every member of a city or county planning, zoning or development
4 commission.

5 “(k) The chief executive officer of a city or county who performs the du-
6 ties of manager or principal administrator of the city or county.

7 “(L) Members of local government boundary commissions formed under
8 ORS 199.410 to 199.519.

9 “(m) Every member of a governing body of a metropolitan service district
10 and the executive officer thereof.

11 “(n) Each member of the board of directors of the State Accident Insur-
12 ance Fund Corporation.

13 “(o) The chief administrative officer and the financial officer of each
14 common and union high school district, education service district and com-
15 munity college district.

16 “(p) Every member of the following state boards and commissions:

17 “(A) Board of Geologic and Mineral Industries.

18 “(B) Oregon Business Development Commission.

19 “(C) State Board of Education.

20 “(D) Environmental Quality Commission.

21 “(E) Fish and Wildlife Commission of the State of Oregon.

22 “(F) State Board of Forestry.

23 “(G) Oregon Government Ethics Commission.

24 “(H) Oregon Health Policy Board.

25 “(I) State Board of Higher Education.

26 “(J) Oregon Investment Council.

27 “(K) Land Conservation and Development Commission.

28 “(L) Oregon Liquor Control Commission.

29 “(M) Oregon Short Term Fund Board.

30 “(N) State Marine Board.

- 1 “(O) Mass transit district boards.
- 2 “(P) Energy Facility Siting Council.
- 3 “(Q) Board of Commissioners of the Port of Portland.
- 4 “(R) Employment Relations Board.
- 5 “(S) Public Employees Retirement Board.
- 6 “(T) Oregon Racing Commission.
- 7 “(U) Oregon Transportation Commission.
- 8 “(V) Wage and Hour Commission.
- 9 “(W) Water Resources Commission.
- 10 “(X) Workers’ Compensation Board.
- 11 “(Y) Oregon Facilities Authority.
- 12 “(Z) Oregon State Lottery Commission.
- 13 “(AA) Pacific Northwest Electric Power and Conservation Planning
14 Council.
- 15 “(BB) Columbia River Gorge Commission.
- 16 “(CC) Oregon Health and Science University Board of Directors.
- 17 “(DD) Capitol Planning Commission.
- 18 “(EE) Higher Education Coordinating Commission.
- 19 “(FF) Oregon Growth Board.
- 20 “(GG) **Early Learning Council.**
- 21 “(HH) **The governing board of a public university listed in ORS**
22 **352.002.**
- 23 “(II) **Office of Post-Secondary Education and Workforce Develop-**
24 **ment.**
- 25 “(q) The following officers of the State Treasurer:
- 26 “(A) Deputy State Treasurer.
- 27 “(B) Chief of staff for the office of the State Treasurer.
- 28 “(C) Director of the Investment Division.
- 29 “(r) Every member of the board of commissioners of a port governed by
30 ORS 777.005 to 777.725 or 777.915 to 777.953.

1 “(s) Every member of the board of directors of an authority created under
2 ORS 441.525 to 441.595.

3 “(2) By April 15 next after the date an appointment takes effect, every
4 appointed public official on a board or commission listed in subsection (1)
5 of this section shall file with the Oregon Government Ethics Commission a
6 statement of economic interest as required under ORS 244.060, 244.070 and
7 244.090.

8 “(3) By April 15 next after the filing deadline for the primary election,
9 each candidate described in subsection (1) of this section shall file with the
10 commission a statement of economic interest as required under ORS 244.060,
11 244.070 and 244.090.

12 “(4) Within 30 days after the filing deadline for the general election, each
13 candidate described in subsection (1) of this section who was not a candidate
14 in the preceding primary election, or who was nominated for public office
15 described in subsection (1) of this section at the preceding primary election
16 by write-in votes, shall file with the commission a statement of economic
17 interest as required under ORS 244.060, 244.070 and 244.090.

18 “(5) Subsections (1) to (4) of this section apply only to persons who are
19 incumbent, elected or appointed public officials as of April 15 and to persons
20 who are candidates on April 15. Subsections (1) to (4) of this section also
21 apply to persons who do not become candidates until 30 days after the filing
22 deadline for the statewide general election.

23 “(6) If a statement required to be filed under this section has not been
24 received by the commission within five days after the date the statement is
25 due, the commission shall notify the public official or candidate and give the
26 public official or candidate not less than 15 days to comply with the re-
27 quirements of this section. If the public official or candidate fails to comply
28 by the date set by the commission, the commission may impose a civil pen-
29 alty as provided in ORS 244.350.

30 “**SECTION 50.** ORS 244.050, as amended by sections 9 and 29, chapter 90,

1 Oregon Laws 2012, is amended to read:

2 “244.050. (1) On or before April 15 of each year the following persons shall
3 file with the Oregon Government Ethics Commission a verified statement of
4 economic interest as required under this chapter:

5 “(a) The Governor, Secretary of State, State Treasurer, Attorney General,
6 Commissioner of the Bureau of Labor and Industries, district attorneys and
7 members of the Legislative Assembly.

8 “(b) Any judicial officer, including justices of the peace and municipal
9 judges, except any pro tem judicial officer who does not otherwise serve as
10 a judicial officer.

11 “(c) Any candidate for a public office designated in paragraph (a) or (b)
12 of this subsection.

13 “(d) The Deputy Attorney General.

14 “(e) The Legislative Administrator, the Legislative Counsel, the Legisla-
15 tive Fiscal Officer, the Secretary of the Senate and the Chief Clerk of the
16 House of Representatives.

17 “(f) The Chancellor and Vice Chancellors of the Oregon University Sys-
18 tem and the president and vice presidents, or their administrative equiv-
19 alents, in each public university listed in ORS 352.002.

20 “(g) The following state officers:

21 “(A) Adjutant General.

22 “(B) Director of Agriculture.

23 “(C) Manager of State Accident Insurance Fund Corporation.

24 “(D) Water Resources Director.

25 “(E) Director of Department of Environmental Quality.

26 “(F) Director of Oregon Department of Administrative Services.

27 “(G) State Fish and Wildlife Director.

28 “(H) State Forester.

29 “(I) State Geologist.

30 “(J) Director of Human Services.

- 1 “(K) Director of the Department of Consumer and Business Services.
- 2 “(L) Director of the Department of State Lands.
- 3 “(M) State Librarian.
- 4 “(N) Administrator of Oregon Liquor Control Commission.
- 5 “(O) Superintendent of State Police.
- 6 “(P) Director of the Public Employees Retirement System.
- 7 “(Q) Director of Department of Revenue.
- 8 “(R) Director of Transportation.
- 9 “(S) Public Utility Commissioner.
- 10 “(T) Director of Veterans’ Affairs.
- 11 “(U) Executive director of Oregon Government Ethics Commission.
- 12 “(V) Director of the State Department of Energy.
- 13 “(W) Director and each assistant director of the Oregon State Lottery.
- 14 “(X) Director of the Department of Corrections.
- 15 “(Y) Director of the Oregon Department of Aviation.
- 16 “(Z) Executive director of the Oregon Criminal Justice Commission.
- 17 “(AA) Director of the Oregon Business Development Department.
- 18 “(BB) Director of the Office of Emergency Management.
- 19 “(CC) Director of the Employment Department.
- 20 “(DD) Chief of staff for the Governor.
- 21 “(EE) Administrator of the Office for Oregon Health Policy and Research.
- 22 “(FF) Director of the Housing and Community Services Department.
- 23 “(GG) State Court Administrator.
- 24 “(HH) Director of the Department of Land Conservation and Develop-
- 25 ment.
- 26 “(II) Board chairperson of the Land Use Board of Appeals.
- 27 “(JJ) State Marine Director.
- 28 “(KK) Executive director of the Oregon Racing Commission.
- 29 “(LL) State Parks and Recreation Director.
- 30 “(MM) Public defense services executive director.

- 1 “(NN) Chairperson of the Public Employees’ Benefit Board.
- 2 “(OO) Director of the Department of Public Safety Standards and Train-
3 ing.
- 4 “(PP) [*Chairperson of the Oregon Student Access Commission*] **Director**
5 **of the Office of Post-Secondary Education and Workforce**
6 **Development.**
- 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
12 and clerical personnel.
- 13 “(i) Every elected city or county official.
- 14 “(j) Every member of a city or county planning, zoning or development
15 commission.
- 16 “(k) The chief executive officer of a city or county who performs the du-
17 ties of manager or principal administrator of the city or county.
- 18 “(L) Members of local government boundary commissions formed under
19 ORS 199.410 to 199.519.
- 20 “(m) Every member of a governing body of a metropolitan service district
21 and the executive officer thereof.
- 22 “(n) Each member of the board of directors of the State Accident Insur-
23 ance Fund Corporation.
- 24 “(o) The chief administrative officer and the financial officer of each
25 common and union high school district, education service district and com-
26 munity college district.
- 27 “(p) Every member of the following state boards and commissions:
- 28 “(A) Board of Geologic and Mineral Industries.
- 29 “(B) Oregon Business Development Commission.
- 30 “(C) State Board of Education.

- 1 “(D) Environmental Quality Commission.
- 2 “(E) Fish and Wildlife Commission of the State of Oregon.
- 3 “(F) State Board of Forestry.
- 4 “(G) Oregon Government Ethics Commission.
- 5 “(H) Oregon Health Policy Board.
- 6 “(I) State Board of Higher Education.
- 7 “(J) Oregon Investment Council.
- 8 “(K) Land Conservation and Development Commission.
- 9 “(L) Oregon Liquor Control Commission.
- 10 “(M) Oregon Short Term Fund Board.
- 11 “(N) State Marine Board.
- 12 “(O) Mass transit district boards.
- 13 “(P) Energy Facility Siting Council.
- 14 “(Q) Board of Commissioners of the Port of Portland.
- 15 “(R) Employment Relations Board.
- 16 “(S) Public Employees Retirement Board.
- 17 “(T) Oregon Racing Commission.
- 18 “(U) Oregon Transportation Commission.
- 19 “(V) Wage and Hour Commission.
- 20 “(W) Water Resources Commission.
- 21 “(X) Workers’ Compensation Board.
- 22 “(Y) Oregon Facilities Authority.
- 23 “(Z) Oregon State Lottery Commission.
- 24 “(AA) Pacific Northwest Electric Power and Conservation Planning
25 Council.
- 26 “(BB) Columbia River Gorge Commission.
- 27 “(CC) Oregon Health and Science University Board of Directors.
- 28 “(DD) Capitol Planning Commission.
- 29 “(EE) Higher Education Coordinating Commission.
- 30 “(FF) **Early Learning Council.**

1 **“(GG) The governing board of a public university listed in ORS**
2 **352.002.**

3 **“(HH) Office of Post-Secondary Education and Workforce Develop-**
4 **ment.**

5 “(q) The following officers of the State Treasurer:

6 “(A) Deputy State Treasurer.

7 “(B) Chief of staff for the office of the State Treasurer.

8 “(C) Director of the Investment Division.

9 “(r) Every member of the board of commissioners of a port governed by
10 ORS 777.005 to 777.725 or 777.915 to 777.953.

11 “(s) Every member of the board of directors of an authority created under
12 ORS 441.525 to 441.595.

13 “(2) By April 15 next after the date an appointment takes effect, every
14 appointed public official on a board or commission listed in subsection (1)
15 of this section shall file with the Oregon Government Ethics Commission a
16 statement of economic interest as required under ORS 244.060, 244.070 and
17 244.090.

18 “(3) By April 15 next after the filing deadline for the primary election,
19 each candidate described in subsection (1) of this section shall file with the
20 commission a statement of economic interest as required under ORS 244.060,
21 244.070 and 244.090.

22 “(4) Within 30 days after the filing deadline for the general election, each
23 candidate described in subsection (1) of this section who was not a candidate
24 in the preceding primary election, or who was nominated for public office
25 described in subsection (1) of this section at the preceding primary election
26 by write-in votes, shall file with the commission a statement of economic
27 interest as required under ORS 244.060, 244.070 and 244.090.

28 “(5) Subsections (1) to (4) of this section apply only to persons who are
29 incumbent, elected or appointed public officials as of April 15 and to persons
30 who are candidates on April 15. Subsections (1) to (4) of this section also

1 apply to persons who do not become candidates until 30 days after the filing
2 deadline for the statewide general election.

3 “(6) If a statement required to be filed under this section has not been
4 received by the commission within five days after the date the statement is
5 due, the commission shall notify the public official or candidate and give the
6 public official or candidate not less than 15 days to comply with the re-
7 quirements of this section. If the public official or candidate fails to comply
8 by the date set by the commission, the commission may impose a civil pen-
9 alty as provided in ORS 244.350.

10 **“SECTION 51.** Section 1, chapter 90, Oregon Laws 2010, as amended by
11 section 1, chapter 373, Oregon Laws 2011, is amended to read:

12 **“Sec. 1.** (1) There is created the Grow Oregon Council, consisting of 19
13 members appointed as follows:

14 “(a) The President of the Senate shall appoint:

15 “(A) Two members from among members of the Senate who shall be from
16 different political parties.

17 “(B) Two members representing municipal or regional economic develop-
18 ment organizations.

19 “(C) One member who shall be a current or former business leader with
20 fast-growth business experience.

21 “(b) The Speaker of the House of Representatives shall appoint:

22 “(A) Two members from among members of the House of Representatives
23 who shall be from different political parties.

24 “(B) Two members representing municipal or regional economic develop-
25 ment organizations.

26 “(C) One member who shall be a current or former business leader with
27 fast-growth business experience.

28 “(D) One member representing a nonprofit business development organ-
29 ization.

30 “(c) The Chancellor of the Oregon University System shall appoint one

1 member representing the system who shall be a current or former business
2 leader.

3 “(d) The Director of the Oregon Business Development Department shall
4 appoint:

5 “(A) One member representing the department.

6 “(B) One member representing a small business development center who
7 shall be a current or former business leader.

8 “(e) The [*Department of Community Colleges and Workforce Development*]
9 **Office of Post-Secondary Education and Workforce Development** shall
10 appoint one member representing the community colleges in this state.

11 “(f) The Governor shall appoint:

12 “(A) Two members who are currently principals of Oregon-based compa-
13 nies, or have been principals of Oregon-based companies within the past five
14 years; and

15 “(B) Two members who represent trade associations.

16 “(g) At least two of the nonlegislative members appointed should have
17 knowledge of advanced market research tools and their application.

18 “(2) The council shall:

19 “(a) Identify and assess Oregon’s continuum of business development ser-
20 vices with particular attention to the needs of stage two, high-growth busi-
21 nesses, advanced market research, including but not limited to connectivity
22 among business service providers, and infrastructure to support
23 entrepreneurship and growth company capacity building.

24 “(b) Collaborate with state and local governments and their departments,
25 community colleges, institutions of higher education and business and eco-
26 nomic development organizations to identify areas for program modification,
27 enhancement, coordination and creation to deliver a more robust continuum
28 of services for stage two, high-growth businesses consistent with the princi-
29 ples of economic gardening.

30 “(c) Make recommendations to the Seventy-seventh Legislative Assembly

1 for program modification, enhancement, coordination and creation to deliver
2 a more robust continuum of services for stage two, high-growth businesses
3 consistent with the principles of economic gardening.

4 “(d) Recommend program areas in which [*Oregon University System*]
5 **public university** graduate programs and community colleges may choose
6 to participate in order to assist in providing a more robust continuum of
7 services for stage two, high-growth businesses consistent with the principles
8 of economic gardening, including but not limited to courses of study and
9 internships.

10 “(e) Make recommendations for criteria for stage two, high-growth busi-
11 nesses as the criteria relate to recommended strategies for fast-growth
12 stage-two business development.

13 “(f) Make recommendations for key metrics and outcomes to be measured
14 should the state create an economic gardening program.

15 “(g) Make recommendations for how an economic gardening program may
16 fit within efforts under way to support the development of the state’s mi-
17 nority, women and emerging small business enterprises.

18 “(h) Explore opportunities for connecting market research and economic
19 gardening services to capital access programs, including but not limited to
20 the Building Opportunities for Oregon Small Business Today (BOOST) Ac-
21 count.

22 “(i) Explore opportunities for facilitating the access of stage two, high-
23 growth businesses to international markets.

24 “(j) Advise the Oregon Business Development Department or other ad-
25 ministering entity on a pilot program providing economic gardening services,
26 if such a pilot program is authorized.

27 “(3) A majority of the members of the council constitutes a quorum for
28 the transaction of business.

29 “(4) Official action by the council requires the approval of a majority of
30 the members of the council.

1 “(5) The council shall elect one of its members to serve as chairperson.

2 “(6) If there is a vacancy for any cause, the appointing authority shall
3 make an appointment to become immediately effective.

4 “(7)(a) The council shall meet at least once every three months, at times
5 and places specified by the call of the chairperson or of a majority of the
6 members of the council.

7 “(b) The Grow Oregon Council shall cease meeting once the council:

8 “(A) Completes its evaluation of the implementation of the pilot program
9 providing economic gardening services, if such a program is authorized; or

10 “(B) Recommends against implementation of a pilot program.

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

13 “(9) Notwithstanding ORS 171.072, members of the council who are mem-
14 bers of the Legislative Assembly are not entitled to mileage expenses or a
15 per diem and serve as volunteers on the council. Other members of the
16 council are not entitled to compensation or reimbursement for expenses and
17 serve as volunteers on the council.

18 “(10) All agencies of state government, as defined in ORS 174.111, are di-
19 rected to assist the council in the performance of its duties and, to the extent
20 permitted by laws relating to confidentiality, to furnish such information and
21 advice as the members of the council consider necessary to perform their
22 duties.

23 **“SECTION 52.** ORS 284.540 is amended to read:

24 “284.540. (1) There is established the Governor’s Council on Oregon’s
25 Economy.

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

27 “(a) The presiding officer of the Oregon Business Development Commis-
28 sion;

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

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

1 “(d) The [*president of the State Board of Higher Education*] **chairperson**
2 **of the Higher Education Coordinating Commission**; and

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

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

5 “(a) Discuss and coordinate the activities of each entity described in
6 subsection (2) of this section that relate to economic development and im-
7 proving the economy in Oregon; and

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

10 **“SECTION 53.** ORS 284.706, as amended by sections 21 and 31, chapter
11 90, Oregon Laws 2012, is amended to read:

12 “284.706. (1) There is created the Oregon Innovation Council consisting
13 of the following voting members:

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

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

18 “(c) One member appointed by the Governor who is a representative of
19 an Oregon-based, generally accredited, not-for-profit private institution of
20 higher education.

21 “(d) A member of the Oregon Growth Account Board, appointed by the
22 board, who has experience in the field of venture capital.

23 “(e) A member of the Engineering and Technology Industry Council, ap-
24 pointed by the Engineering and Technology Industry Council.

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

26 “(g) The Chancellor of the Oregon University System.

27 “(h) The [*Commissioner for Community College Services*] **Director of the**
28 **Office of Post-Secondary Education and Workforce Development.**

29 “(i) The State Treasurer.

30 “(2)(a) The Speaker of the House of Representatives shall appoint two

1 members to the council who are members of the House of Representatives.

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

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

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

8 “(a) The presiding officer of the Oregon Business Development Commis-
9 sion.

10 “(b) The [*president of the State Board of Higher Education*] **chairperson**
11 **of the Higher Education Coordinating Commission.**

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

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

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

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

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

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

1 of a majority of the voting members of the council.

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

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

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

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

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

20 “(13) All agencies of state government, as defined in ORS 174.111, are di-
21 rected to assist the council in the performance of its duties and, to the extent
22 permitted by laws relating to confidentiality, to furnish such information and
23 advice as the members of the council consider necessary to perform their
24 duties.

25 **“SECTION 54.** ORS 285A.516 is amended to read:

26 “285A.516. The [*Department of Community Colleges*] **Office of Post-**
27 **Secondary Education** and Workforce Development is the state agency that
28 shall be notified when an employer is required to provide written notice of
29 a plant closing or mass layoff under section 3 of the Worker Adjustment and
30 Retraining Notification Act (P.L. 100-379).

1 **“SECTION 55.** ORS 285A.519 is amended to read:

2 “285A.519. (1) The [*Department of Community Colleges*] **Office of Post-**
3 **Secondary Education** and Workforce Development shall notify employers
4 subject to the Worker Adjustment and Retraining Notification Act (P.L.
5 100-379) that the [*Department of Community Colleges and Workforce Develop-*
6 *ment*] **office** is the state agency that must be notified when they are required
7 to provide notice of a plant closing or mass layoff under the Worker Ad-
8 justment and Retraining Notification Act (P.L. 100-379).

9 “(2) When notifying employers as provided in subsection (1) of this sec-
10 tion, the [*department*] **office** shall provide employers with a statement of the
11 programs, projects, expenditures and other forms of assistance the [*depart-*
12 *ment*] **office** and other state agencies can provide to communities, employers
13 and workers affected by a plant closing or mass layoff.

14 **“SECTION 56.** ORS 285A.522 is amended to read:

15 “285A.522. (1) The [*Department of Community Colleges*] **Office of Post-**
16 **Secondary Education** and Workforce Development shall prepare an annual
17 report concerning plant closings and mass layoffs in this state. The report
18 shall describe in detail each plant closing or mass layoff during the period
19 covered by the report and the assistance and services provided to the affected
20 employers, workers and communities. The report shall also contain the most
21 recent information available relating to the current status of the employer,
22 workers and community affected by each plant closing or mass layoff.

23 “(2) The report prepared under this section shall be presented to the
24 Governor, the President of the Senate, the Speaker of the House of Repre-
25 sentatives and appropriate legislative committees.

26 **“SECTION 57.** ORS 285B.168 is amended to read:

27 “285B.168. (1) The Oregon Business Development Department may make
28 grants available to a community college district, a community college service
29 district or, with the concurrence of the [*Commissioner for Community College*
30 *Services and the Chancellor of the Oregon University System*] **Higher Edu-**

1 **ation Coordinating Commission**, a public university listed in ORS 352.002
2 to assist in the formation, improvement and operation of small business de-
3 velopment centers. If a community college district, a community college ser-
4 vice district or a public university is unable to adequately provide services
5 in a specific geographic area, the department may make grants available to
6 other service providers as determined by the department. The grant applica-
7 tion shall include:

8 “(a) Plans for providing small business owners and managers individual
9 counseling, to the greatest extent practicable, in subject areas critical to
10 small business success;

11 “(b) A budget for the year for which a grant is requested, including cost
12 apportionment among the department, small business clients, the community
13 college, the public university or other service providers and other sources;

14 “(c) A plan for evaluating the effect of the program on small business
15 clients served; and

16 “(d) A plan for providing collaboration with other state agencies, state-
17 supported organizations and private sector entities that provide services to
18 small businesses.

19 “(2) The grants made under subsection (1) of this section are to be used
20 by the grant recipient to provide:

21 “(a) Small business development center staff and support staff;

22 “(b) Expert resource persons from the business community;

23 “(c) Other training and business resources as approved by the department
24 in skill areas for which, or areas of the state where, the grant recipient can
25 demonstrate it does not otherwise have the capacity or expertise to provide
26 the resources; and

27 “(d) Other costs related to providing training, counseling and business
28 resources to small business clients.

29 “(3) To be eligible for a grant under subsection (1) of this section, the
30 recipient shall be required to provide funds, in-kind contributions or some

1 combination of funds and contributions, in accordance with rules adopted by
2 the department.

3 “(4) Subject to the approval of the department, a grant recipient may
4 subcontract funds received under this section to any other entity that is el-
5 igible to receive funding under this section.

6 “(5) The grant recipient shall submit a final report to the department af-
7 ter the distribution of grant funds and the delivery of services to the pro-
8 posed business clients. The report shall state whether the plan and related
9 budget have met the applicable criteria as described in the recipient’s appli-
10 cation for the grant period.

11 **“SECTION 58.** ORS 293.790 is amended to read:

12 “293.790. (1) Under authority of section 6, Article XI of the Oregon Con-
13 stitution, the state, subject to subsection (2) of this section, may hold and
14 dispose of the stock of any company, association or corporation, including
15 stock already received, that is donated or bequeathed and the state, acting
16 by and through the State Board of Higher Education **or governing board**
17 **of a public university**, subject to subsection (2) of this section, may invest
18 and reinvest in the stock of any company, association or corporation, any
19 funds or moneys of the State Board of Higher Education **or governing**
20 **board of a public university** that:

21 “(a) Are or have been donated or bequeathed for higher education pur-
22 poses;

23 “(b) Are the proceeds from the disposition of stock that is donated or
24 bequeathed for higher education purposes, including stock already received;
25 or

26 “(c) Are dividends paid with respect to stock that is donated or
27 bequeathed for higher education purposes, including stock already received.

28 “(2) The state, including any of its agencies having control of, or au-
29 thority to invest and reinvest in, any stock described in subsection (1) of this
30 section, in holding, disposing of or investing and reinvesting in such stock,

1 shall be governed by ORS 130.750 to 130.775, notwithstanding the date of
2 acquisition of such stock. Moneys received from the disposition of such
3 stock, including dividends, shall be maintained separate and distinct from the
4 General Fund, and those moneys, including interest earned thereon, are ap-
5 propriated continuously for the purposes of the donation or bequest and of
6 the investments and reinvestments authorized by subsection (1) of this sec-
7 tion and by ORS 351.130. Except as specifically authorized by law, the state
8 or any of its agencies may not purchase stock.

9 “(3)(a) This section does not apply to investment and reinvestment of
10 moneys in the Public Employees Retirement Fund, the Industrial Accident
11 Fund, the Deferred Compensation Fund and the Education Stability Fund or
12 to acquisition, retention, management and disposition of investments of those
13 funds as provided in ORS 293.701 to 293.820.

14 “(b) This section does not apply to investment or reinvestment of moneys
15 or stock resulting from the holding and disposing of stock by the state as
16 allowed under section 6 (2), Article XI of the Oregon Constitution.

17 **“SECTION 59.** ORS 293.812 is amended to read:

18 “293.812. As used in ORS 293.811 to 293.817:

19 “(1) ‘Company’ means any sole proprietorship, organization, firm, associ-
20 ation, corporation, utility, partnership, venture, public franchise, franchisor,
21 franchisee or its wholly owned subsidiary that exists for profit-making pur-
22 poses or otherwise to secure economic advantage.

23 “(2) ‘Doing business’ means maintaining equipment, facilities, personnel
24 or any other apparatus of business or commerce in Sudan, including the
25 ownership or possession of real or personal property located in Sudan.

26 “(3) ‘Investment’ or ‘invest’ means the commitment of funds or other as-
27 sets to a company, including a loan or other extension of credit made to that
28 company, or the ownership or control of a share or interest in that company
29 or of a bond or other debt instrument issued by that company.

30 “(4) ‘Subject investment funds’ means:

1 “(a) The Public Employees Retirement Fund referred to in ORS 238.660;

2 “(b) The Industrial Accident Fund referred to in ORS 656.632;

3 “(c) The Common School Fund referred to in ORS 327.405;

4 “(d) The Oregon War Veterans’ Fund referred to in ORS 407.495; and

5 “(e) Investment funds of the State Board of Higher Education **or gov-**
6 **erning board of a public university** available for investment or reinvest-
7 ment by the Oregon Investment Council.

8 “(5) ‘Sudan’ means the Republic of the Sudan and any territory under the
9 administration, legal or illegal, of Sudan, including but not limited to the
10 Darfur region.

11 **“SECTION 60.** ORS 294.393 is amended to read:

12 “294.393. (1) Each school district and each education service district shall
13 prepare the estimates of expenditures required under ORS 294.388 in accord-
14 ance with the classification of revenue and expenditure accounts prescribed
15 by the Department of Education in consultation with the Department of
16 Revenue. The Department of Revenue is responsible for determining the
17 district’s compliance with this subsection.

18 “(2) Each community college district shall prepare the estimates of ex-
19 penditures required under ORS 294.388 in accordance with the classification
20 of revenue and expenditure accounts prescribed by the [*Department of Com-*
21 *munity Colleges*] **Office of Post-Secondary Education** and Workforce De-
22 velopment in consultation with the Department of Revenue. The Department
23 of Revenue is responsible for determining the district’s compliance with this
24 subsection.

25 “(3) Notwithstanding ORS 294.388 (2), each municipal corporation that
26 operates a public utility or hospital shall prepare estimates for the oper-
27 ations of each public utility or hospital in accordance with:

28 “(a) The applicable generally accepted system of accounts for the oper-
29 ations; or

30 “(b) The general system of accounts in ORS 294.305 to 294.565.

1 **“SECTION 61.** ORS 315.237 is amended to read:

2 “315.237. (1) As used in this section, ‘qualified scholarship’ means a
3 scholarship that meets the criteria set forth or incorporated into the letter
4 of employee and dependent scholarship program certification issued by the
5 [*Oregon Student Access Commission*] **Office of Post-Secondary Education**
6 **and Workforce Development** under ORS 348.618.

7 “(2) A credit against the taxes otherwise due under ORS chapter 316 is
8 allowed to a resident employer (or, if the taxpayer is a corporation that is
9 an employer, under ORS chapter 317 or 318) that has received:

10 “(a) Program certification from the [*commission*] **office** under ORS
11 348.618; and

12 “(b) Tax credit certification under ORS 348.621 for the calendar year in
13 which the tax year of the taxpayer begins.

14 “(3) The amount of the credit allowed to a taxpayer under this section
15 shall equal 50 percent of the amount of qualified scholarship funds actually
16 paid to or on behalf of qualified scholarship recipients during the tax year.

17 “(4) The credit allowed under this section may not exceed the tax liability
18 of the taxpayer for the tax year.

19 “(5) The credit allowed to a taxpayer for a tax year under this section
20 may not exceed \$50,000.

21 “(6) Any tax credit otherwise allowable under this section that is not used
22 by the taxpayer in a particular year may be carried forward and offset
23 against the taxpayer’s tax liability for the next succeeding tax year. Any
24 credit remaining unused in the next succeeding tax year may be carried
25 forward and used in the second succeeding tax year, and likewise any credit
26 not used in that second succeeding tax year may be carried forward and used
27 in the third succeeding tax year, and any credit not used in that third suc-
28 ceeding tax year may be carried forward and used in the fourth succeeding
29 tax year, and any credit not used in that fourth succeeding tax year may be
30 carried forward and used in the fifth succeeding tax year, but may not be

1 carried forward for any tax year thereafter.

2 “(7) In the case of a credit allowed under this section for purposes of ORS
3 chapter 316:

4 “(a) A nonresident shall be allowed the credit under this section in the
5 proportion provided in ORS 316.117.

6 “(b) If a change in the status of a taxpayer from resident to nonresident
7 or from nonresident to resident occurs, the credit allowed by this section
8 shall be determined in a manner consistent with ORS 316.117.

9 “(c) If a change in the taxable year of a taxpayer occurs as described in
10 ORS 314.085, or if the Department of Revenue terminates the taxpayer’s
11 taxable year under ORS 314.440, the credit allowed under this section shall
12 be prorated or computed in a manner consistent with ORS 314.085.

13 “(8) The credit shall be claimed on the form and in the time and manner
14 in which the department shall prescribe. If the taxpayer is required to do so
15 by the department, the taxpayer shall file a copy of the letter of tax credit
16 certification issued by the [commission] **office** with the taxpayer’s return for
17 the tax year in which a credit under this section is claimed.

18 **“SECTION 62.** ORS 320.100 is amended to read:

19 “320.100. (1) All moneys received from the taxes imposed under ORS
20 320.011 and 320.012, including penalties, shall be paid by the Department of
21 Revenue in the following manner:

22 “(a) Seventy-five percent (75%) of the moneys shall be credited, appropri-
23 ated or remitted as follows:

24 “(A) Forty-three and two-tenths percent (43.2%) thereof shall be credited
25 to the General Fund to be available for payment of general governmental
26 expenses.

27 “(B) Nine and seven-tenths percent (9.7%) is continuously appropriated
28 to pay the expenses of state and local programs of the Oregon Youth Con-
29 servation Corps established under ORS 418.650 to 418.663.

30 “(C) Forty-seven and one-tenth percent (47.1%) thereof shall be remitted

1 to the county treasurers of the several counties of the state. Each county
2 shall receive such share of the moneys as its population, determined by [*the*
3 *State Board of Higher Education*] **Portland State University**, bears to the
4 total population of the counties of the state, as determined by the census last
5 preceding such apportionment.

6 “(b) Twenty-five percent (25%) of the moneys shall be continuously ap-
7 propriated to pay the expenses of the state and local programs of the Oregon
8 Youth Conservation Corps established under ORS 418.650 to 418.663.

9 “(2) All revenues received under this section by the treasurers of the se-
10 veral counties shall be placed in the general fund of each county to be ex-
11 pended by the county courts or the board of county commissioners of the
12 several counties for general governmental expenses.

13 **“SECTION 63.** ORS 326.051 is amended to read:

14 “326.051. Subject to ORS 417.300 and 417.305:

15 “(1) In addition to such other duties as are prescribed by law and pursu-
16 ant to the requirement of ORS chapter 183, the State Board of Education
17 shall:

18 “(a) Establish state standards for public kindergartens and public ele-
19 mentary and secondary schools consistent with the policies stated in ORS
20 326.011.

21 “(b) Adopt rules for the general governance of public kindergartens and
22 public elementary and secondary schools and public community colleges.

23 “(c) Prescribe required or minimum courses of study.

24 “(d) Adopt rules regarding school and interscholastic activities.

25 “(e) Adopt rules that provide that no public elementary or secondary
26 school shall discriminate in determining participation in interscholastic ac-
27 tivities. As used in this paragraph, ‘discrimination’ has the meaning given
28 that term in ORS 659.850.

29 “(f) Adopt rules that will eliminate the use and purchase of elemental
30 mercury, mercury compounds and mercury-added instructional materials by

1 public elementary and secondary schools.

2 “(2) The State Board of Education may:

3 “(a) Consistent with the laws of this state, accept money or property not
4 otherwise provided for under paragraph (b) of this subsection, which is do-
5 nated for the use or benefit of the public kindergartens and public elemen-
6 tary and secondary schools and public community colleges and use such
7 money or property for the purpose for which it was donated. Until it is used,
8 the board shall deposit any money received under this paragraph in a special
9 fund with the State Treasurer as provided in ORS 293.265 to 293.275.

10 “(b) Apply for federal funds and accept and enter into any contracts or
11 agreements on behalf of the state for the receipt of such funds from the
12 federal government or its agencies for:

13 “(A) Educational purposes, including but not limited to any funds avail-
14 able for the school lunch program;

15 “(B) Career and technical education programs;

16 “(C) Adult education programs;

17 “(D) Workforce training programs; and

18 “(E) Any grants available to the state or its political subdivisions for
19 general federal aid for public kindergartens, public elementary schools[,] **and**
20 public secondary schools [*and public community colleges*] and their auxiliary
21 services, improvement of teacher preparation, teacher salaries, construction
22 of school buildings, administration of the Department of Education and any
23 other educational activities under the jurisdiction of the State Board of Ed-
24 ucation.

25 “(c) Adopt rules to administer the United States Department of
26 Agriculture’s National School Lunch Program and School Breakfast Program
27 for public and private prekindergarten through grade 12 schools and resi-
28 dential child care facilities.

29 “[3] *The State Board of Education shall provide a separate, identifiable*
30 *place on its agenda six times a year for community college issues. The state*

1 *board may also consider matters affecting community colleges at any regular*
2 *or special meeting.]*

3 **“SECTION 64.** ORS 326.075 is amended to read:

4 “326.075. (1) The State Board of Education **and the Office of Post-**
5 **Secondary Education and Workforce Development** shall cooperate with
6 the Education and Workforce Policy Advisor in the development of a state
7 comprehensive education plan including elementary, secondary and commu-
8 nity college education and in review of the [*board’s*] programs and [*budget*]
9 **budgets of the board and office.** The board **and office** shall submit in
10 timely fashion to the advisor [*such*] data [*as is*] **the advisor considers** ap-
11 propriate in a form prescribed by the advisor.

12 “(2) The board shall cooperate with the mediation process administered
13 by the [*Oregon Student Access Commission*] **office** pursuant to ORS 348.603
14 and, if a negotiated resolution cannot be reached by mediation, comply with
15 the decisions of the [*commission*] **office** regarding proposed new post-
16 secondary programs and proposed new post-secondary locations.

17 **“SECTION 65.** ORS 326.310 is amended to read:

18 “326.310. Except as provided by ORS 326.041, 326.051, [*326.375, 341.005,*]
19 *341.015, 341.440, 341.455, 341.626, 341.655 and 341.933,* the Superintendent of
20 Public Instruction shall exercise, under the direction of the State Board of
21 Education, a general superintendence of school officers and the public
22 schools. In carrying out the duties of office, the Superintendent of Public
23 Instruction shall:

24 “(1) Act as administrative officer of the State Board of Education.

25 “(2) Act as executive head of the Department of Education and direct and
26 supervise all activities of the department.

27 “(3) Assist all district school boards and education service district boards
28 in answering questions concerning the proper administration of the school
29 laws, the rules of the State Board of Education and the ministerial duties
30 of school officers and teachers. The decision of the superintendent shall

1 guide school officers and teachers in the performance of their duties relating
2 to the matters decided. The superintendent may submit any question to the
3 State Board of Education which shall then decide the question.

4 “(4) Obtain and compile such statistical information relative to the con-
5 dition and operation of the public schools as the superintendent or the state
6 board may consider advisable for the advancement of education and for the
7 information of the state board and the public.

8 “(5) Appoint, subject to the State Personnel Relations Law and with the
9 approval of the State Board of Education, such personnel as may be neces-
10 sary for the performance of the duties of the office of the superintendent.
11 The Superintendent of Public Instruction may designate one or more suitable
12 persons to sign or countersign warrants, vouchers, certificates or other pa-
13 pers and documents requiring the signature of the superintendent.

14 “(6) Administer and supervise adult education programs in the public el-
15 ementary and secondary schools.

16 “(7) Perform such other functions as may be necessary to the performance
17 of the duties of the superintendent.

18 “**SECTION 66.** ORS 326.370 is amended to read:

19 “326.370. *[(1) The Department of Community Colleges and Workforce De-*
20 *velopment shall function under the direction and control of the State Board*
21 *of Education with the Commissioner for Community College Services serving*
22 *as an administrative officer for community college matters.]*

23 “[2)] The [*Department of Community Colleges and Workforce*
24 *Development*] **Higher Education Coordinating Commission**, in consulta-
25 tion with the Education and Workforce Policy Advisor and pursuant to ORS
26 chapter 183, may adopt any rules necessary for the administration of laws
27 related to the federal Workforce Investment Act that the [*department*] **Office**
28 **of Post-Secondary Education and Workforce Development** is charged
29 with administering.

30 “**SECTION 67.** ORS 326.373 is amended to read:

1 “326.373. (1) The [*Department of Community Colleges*] **Office of Post-**
2 **Secondary Education** and Workforce Development Account is established
3 separate and distinct from the General Fund. Except for moneys otherwise
4 designated by statute, all fees, assessments and other moneys received by the
5 [*Department of Community Colleges*] **Office of Post-Secondary Education**
6 and Workforce Development shall be deposited into the State Treasury and
7 credited to the account. All moneys in the account are continuously appro-
8 priated to the [*department*] **office** for purposes authorized by law.

9 “(2) The [*department*] **office** may accept gifts, grants and donations from
10 any source to carry out the duties imposed upon the [*department*] **office**.
11 Moneys received under this subsection shall be paid into the account.

12 “(3) The [*department*] **office** shall keep a record of all moneys deposited
13 into the account. The record shall indicate by separate cumulative subac-
14 counts the sources from which the moneys are derived and the individual
15 activity or program against which each withdrawal is charged.

16 “(4) Disbursements from the account shall be made as directed by the
17 [*department*] **office**.

18 “**SECTION 68.** ORS 326.380 is amended to read:

19 “326.380. There is created within the State Treasury, separate and distinct
20 from the General Fund, the Advanced Technology Education and Training
21 Fund. Moneys in the fund are continuously appropriated to the [*Department*
22 *of Community Colleges*] **Office of Post-Secondary Education** and
23 Workforce Development for the purpose of making grants and loans for the
24 provision of advanced technology education and training opportunities under
25 ORS 326.382.

26 “**SECTION 69.** ORS 326.382 is amended to read:

27 “326.382. (1) The [*Department of Community Colleges and Workforce De-*
28 *velopment*] **Higher Education Coordinating Commission** shall establish
29 by rule a process for making grants or loans to public-private partnerships
30 to provide advanced technology education and training opportunities. The

1 purpose of the grants and loans is to support the development and imple-
2 mentation of public-private partnerships to provide advanced technology ed-
3 ucation and training opportunities in all business and industry sectors for
4 individuals in communities throughout Oregon. The partnerships shall be
5 between public and private entities and may include joint ventures among
6 business and industry, school districts, education service districts, eligible
7 post-secondary institutions as defined in ORS 348.180 and public bodies as
8 defined in ORS 174.109.

9 “(2) A public-private partnership that receives a grant or loan under this
10 section must provide advanced technology education and training opportu-
11 nities that:

12 “(a) Address current and future workforce development needs dictated by
13 Oregon’s rapidly changing economy;

14 “(b) Facilitate sustainable and dynamic economic development in com-
15 munities by creating flexible opportunities for workforce development;

16 “(c) Establish results oriented, collaborative investments of public and
17 private resources in communities throughout Oregon;

18 “(d) Ensure that Oregon’s capacity for economic growth and vitality is
19 not limited by a lack of opportunities for workforce development; and

20 “(e) Provide support to existing community efforts to establish innovative
21 strategies for delivering advanced technology education and training.

22 “(3) The process established by the [*department*] **commission** for making
23 grants and loans shall ensure that:

24 “(a) Local communities are informed about the availability of the grants
25 and loans;

26 “(b) Advanced technology education and training projects are geograph-
27 ically distributed throughout Oregon;

28 “(c) There is equal opportunity for urban and rural access to quality ed-
29 ucation and training opportunities;

30 “(d) Representatives of related, ongoing community efforts assist in the

1 implementation of advanced technology education and training projects; and

2 “(e) Procedures and timelines are designed to minimize barriers to re-
3 ceiving funds.

4 “(4) When considering applications for grants and loans, the
5 [*department*] **commission** shall give priority to advanced technology educa-
6 tion and training projects that:

7 “(a) Provide or increase access for individuals to advanced technology
8 education and training through the efforts of local and regional career cen-
9 ters and partnerships and distance education technology available locally
10 and regionally;

11 “(b) In combination with other projects receiving funds, contribute to
12 advanced technology education and training opportunities in every part of
13 the state;

14 “(c) Use federal funds;

15 “(d) Have widespread community support as evidenced by a memorandum
16 of agreement or similar documentation;

17 “(e) Represent an effective sharing of resources through public-private
18 partnerships among business and industry, school districts, education service
19 districts, eligible post-secondary institutions as defined in ORS 348.180 and
20 public bodies as defined in ORS 174.109;

21 “(f) Have a long-term strategic plan and lack only the necessary financial
22 resources;

23 “(g) Provide state-of-the-art technology that meets current standards of
24 business and industry and addresses local and regional economic develop-
25 ment priorities;

26 “(h) Help individuals connect education and training with career planning
27 and job opportunities through local and regional career centers as imple-
28 mented under the federal Workforce Investment Act;

29 “(i) Provide articulated education programs that lead to a degree or an
30 industry-specific skills certification; and

1 “(j) Establish short-term training programs that meet the immediate needs
2 of local employers in their communities.

3 “(5)(a) A public-private partnership awarded a grant or loan under this
4 section shall use the grant or loan for any of the following:

5 “(A) Infrastructure construction or reconstruction.

6 “(B) Equipment or technology purchases.

7 “(C) Curriculum development.

8 “(D) Expansion or revision of a current project to increase the capacity
9 of the project, alter the project plan, change the members of the partnership
10 or address education or employment deficiencies in the community served by
11 the public-private partnership.

12 “(b) A grant or loan awarded under this section for the purpose described
13 in paragraph (a)(D) of this subsection may not exceed \$25,000.

14 “(6) The application for a grant or loan under this section shall include:

15 “(a) The names of the members of the public-private partnership;

16 “(b) A description of standards used to assess the performance of the
17 project;

18 “(c) An estimate of the number of individuals who will be served by the
19 project;

20 “(d) The name of the fiscal agent of the public-private partnership;

21 “(e) A project plan covering at least the first two years after receipt of
22 a grant or loan; and

23 “(f) The name of the person who will be responsible for convening the
24 public-private partnership on a regular basis.

25 “(7) The [department] **commission** may accept contributions of funds and
26 assistance from the United States Government or its agencies or from any
27 other source, public or private, and agree to conditions placed on the funds
28 not inconsistent with the purposes of this section.

29 “(8) Any moneys received by the [department] **commission** through re-
30 payment of a loan awarded under this section, or received by the

1 [department] **commission** under subsection (7) of this section, shall be de-
2 posited by the [department] **commission** in the Advanced Technology Edu-
3 cation and Training Fund.

4 **“SECTION 70.** ORS 326.550 is amended to read:

5 “326.550. (1) The [*Commissioner for Community College Services*] **Office**
6 **of Post-Secondary Education and Workforce Development** may issue
7 General Educational Development (GED) certificates to persons who demon-
8 strate satisfactory performance in tests prescribed under subsection (2) of
9 this section or meet the requirements of any prescribed evaluative procedure.

10 “(2) The [*State Board of Education*] **Higher Education Coordinating**
11 **Commission** by rule may prescribe tests and other appropriate evaluation
12 procedures for the purposes of subsection (1) of this section and may estab-
13 lish age, residence and other relevant qualifications for applicants.

14 “(3) The [*Department of Community Colleges*] **Office of Post-Secondary**
15 **Education** and Workforce Development may utilize its personnel and facili-
16 ties for the administration of this section, and the [*State Board of*
17 *Education*] **Higher Education Coordinating Commission** may establish by
18 rule a nonrefundable application fee. The fee may be waived by the [*State*
19 *Board of Education*] **commission** in case of hardship.

20 “(4) Subject to prior approval of the Oregon Department of Administrative
21 Services and a report to the Emergency Board prior to adopting the fee, the
22 fee established under subsection (3) of this section shall not exceed the cost
23 of administering the program, as authorized by the Legislative Assembly
24 within the [*board’s*] **commission’s** budget, as the budget may be modified
25 by the Emergency Board.

26 “(5) All moneys received under this section shall be deposited in the State
27 Treasury to the credit of the [*Department of Community Colleges*] **Office of**
28 **Post-Secondary Education** and Workforce Development and shall be used
29 exclusively for administration of this section. The [*Department of Community*
30 *Colleges*] **Office of Post-Secondary Education** and Workforce Development

1 shall keep a record of all moneys deposited in such account. The record shall
2 indicate by separate cumulative accounts the source from which the moneys
3 are derived and the individual activity against which each withdrawal is
4 charged.

5 “(6) The [*Commissioner for Community College Services*] **Director of the**
6 **Office of Post-Secondary Education and Workforce Development** shall
7 consult with the Superintendent of Public Instruction on all matters related
8 to evaluation procedures used to measure equivalent achievement under this
9 section. The superintendent is authorized to make independent recommen-
10 dations on evaluation procedures to the [*State Board of Education*] **Higher**
11 **Education Coordinating Commission** in those cases where the
12 superintendent’s judgment differs from that of the [*commissioner*] **director**.

13 **“SECTION 71.** ORS 336.585 is amended to read:

14 “336.585. (1) As used in this section:

15 “(a) ‘Juvenile Detention Education Program’ means the program defined
16 in ORS 326.695.

17 “(b) ‘Resident district’ means the school district in which the parents or
18 legal guardian, if any, of a child resided at the time of the child’s enrollment
19 in the Juvenile Detention Education Program. If the child has no parents
20 or legal guardian, or none can be located, the resident district is the school
21 district in which the child is physically located.

22 “(2) The Department of Education shall provide or cause to be provided
23 appropriate education for children enrolled in an educational program under
24 the Juvenile Detention Education Program. The Superintendent of Public
25 Instruction may contract with a school district or education service district
26 to provide or cause to be provided appropriate education to children enrolled
27 in an educational program under the Juvenile Detention Education Program.

28 “(3) The superintendent shall pay the costs of providing education to
29 children enrolled in an educational program under the Juvenile Detention
30 Education Program from the State School Fund grant allocated for that

1 purpose under ORS 327.026.

2 “(4) The State Board of Education shall adopt by rule standards to be
3 applied to the operation of the Juvenile Detention Education Program, in-
4 cluding standards that allow a school district or an education service district
5 under contract with the superintendent to:

6 “(a) Implement an assessment system as provided by ORS 329.485 (3).

7 “(b) Administer a nationally normed assessment as provided by ORS
8 329.488.

9 “[*(c) Participate in the Oregon Teacher Corps program created by ORS*
10 *329.757 to 329.780.*]

11 “[*(d)*] (c) Participate in the beginning teacher and administrator
12 mentorship program established by ORS 329.788 to 329.820.

13 “[*(e)*] (d) Receive funds under ORS chapter 329 as provided by ORS
14 329.875.

15 “(5) The superintendent shall ensure that the resident district of each
16 child enrolled in an educational program under the Juvenile Detention Edu-
17 cation Program is notified, if the resident district can be reasonably identi-
18 fied. The purposes of the notification include, but are not limited to:

19 “(a) Removing the child from the resident district’s census;

20 “(b) Facilitating transfers of the child’s educational records; and

21 “(c) Facilitating planning for the child’s possible return to the resident
22 district.

23 **“SECTION 72.** ORS 336.590 is amended to read:

24 “336.590. (1) As used in this section, ‘Youth Corrections Education Pro-
25 gram’ means the program defined in ORS 326.695.

26 “(2) The Department of Education shall provide or cause to be provided
27 appropriate education for children enrolled in an educational program under
28 the Youth Corrections Education Program. The Superintendent of Public
29 Instruction may contract with a school district or education service district
30 to provide or cause to be provided appropriate education to children enrolled

1 in an educational program under the Youth Corrections Education Program.

2 “(3) The superintendent shall pay the costs of providing education to
3 children enrolled in an educational program under the Youth Corrections
4 Education Program from the State School Fund grant allocated for that
5 purpose under ORS 327.026.

6 “(4) The State Board of Education shall adopt by rule standards to be
7 applied to the operation of the Youth Corrections Education Program, in-
8 cluding standards that allow a school district or an education service district
9 under contract with the superintendent to:

10 “(a) Award high school diplomas, modified diplomas, extended diplomas
11 and alternative certificates as provided by ORS 329.451 and 339.877.

12 “(b) Implement an assessment system as provided by ORS 329.485 (3).

13 “(c) Administer a nationally normed assessment as provided by ORS
14 329.488.

15 “[*(d) Participate in the Oregon Teacher Corps program created by ORS*
16 *329.757 to 329.780.*]

17 “[*(e)*] **(d)** Participate in the beginning teacher and administrator
18 mentorship program established by ORS 329.788 to 329.820.

19 “[*(f)*] **(e)** Receive funds under ORS chapter 329 as provided by ORS
20 329.875.

21 **“SECTION 73.** ORS 329.850 is amended to read:

22 “329.850. (1) The Education and Workforce Policy Advisor, in consultation
23 with the Department of Education, the [*Department of Community Colleges*]
24 **Office of Post-Secondary Education** and Workforce Development, the Bu-
25 reau of Labor and Industries, the Oregon Business Development Department
26 and the Department of Human Services, shall propose policies and strategies
27 consistent with this chapter.

28 “(2) The Education and Workforce Policy Advisor’s policies and strategies
29 must take into account that:

30 “(a) The state must promote innovative thinking with respect to the cur-

1 rriculum and educational delivery system of Oregon public schools;

2 “(b) The state must require of all youth a level of achievement that pre-
3 pares them to pursue college, career and technical education programs, ap-
4 prenticeships, work-based training and school-to-work programs;

5 “(c) Greater employer investment is essential in the ongoing training of
6 all workers to meet workforce needs;

7 “(d) The state must encourage Oregon businesses to improve productivity
8 by creating high performance work organizations that provide high skills and
9 high wage opportunities for youth and adults; and

10 “(e) All employment-related training, education and job placement ser-
11 vices and sources of funds must be coordinated among state agencies and
12 boards and must complement the state’s overall efforts on behalf of youth
13 and adults.

14 **“SECTION 74.** ORS 337.521 is amended to read:

15 “337.521. (1) The [*State Board of*] Higher Education **Coordinating Com-**
16 **mission** may work with publishers, recognized national organizations of
17 publishers, representatives of post-secondary education institutions, the sys-
18 tem described in ORS 192.517 and other interested parties to:

19 “(a) Develop unified, statewide guidelines consistent with ORS 337.511 to
20 337.524;

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

22 “(c) Review guidelines annually and revise the guidelines as necessary
23 due to changes in technology or other changes.

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

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

27 “(b) Available electronic formats;

28 “(c) Procedures for granting exceptions when it is determined that a
29 publisher is not able to comply with the requirements of ORS 337.511 to
30 337.524 due to technical, economic or other practical impediments; and

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

3 “(3) The [*State Board of Higher Education*] **commission** shall review the
4 recommendations, published on or after July 1, 2007, of the Association of
5 American Publishers’ Alternative Formats Solutions Initiative, and deter-
6 mine whether the recommendations should be incorporated into ORS 337.511
7 to 337.524.

8 **“SECTION 75.** ORS 341.531, as amended by section 6, chapter 106, Oregon
9 Laws 2012, is amended to read:

10 “341.531. (1) A student at a community college who is a member of the
11 military, a member of the commissioned corps of the National Oceanic and
12 Atmospheric Administration or a member of the Public Health Service of the
13 United States Department of Health and Human Services detailed by proper
14 authority for duty with the Army or Navy of the United States and who is
15 ordered to federal or state active duty for more than 30 consecutive days has
16 the following rights:

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

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

21 “(B) Receive a grade of incomplete and, upon release from active duty,
22 complete the course in accordance with the community college’s practice for
23 completion of incomplete courses; or

24 “(C) Continue and complete the course for full credit, subject to the pro-
25 visions of subsection (3) of this section;

26 “(b) The right to a credit described in ORS 341.532 for all amounts paid
27 for room, board, tuition and fees;

28 “(c) If the student elects to withdraw from the community college, the
29 right to be readmitted and reenrolled at the community college within one
30 year after release from active duty without a requirement of redetermination

1 of admission eligibility; and

2 “(d) The right to continuation of scholarships and grants awarded to the
3 student that were funded by the community college or the [*Oregon Student*
4 *Access Commission*] **Office of Post-Secondary Education and Workforce**
5 **Development** before the student was ordered to active duty.

6 “(2) If the student elects to withdraw from a course under subsection
7 (1)(a)(A) of this section, the community college may not:

8 “(a) Give the student academic credit for the course from which the stu-
9 dent withdraws;

10 “(b) Give the student a failing grade or a grade of incomplete or make
11 any other negative annotation on the student’s record; or

12 “(c) Alter the student’s grade point average due to the student’s with-
13 drawal from the course.

14 “(3) A student who elects to continue and complete a course for full credit
15 under subsection (1)(a)(C) of this section is subject to the following condi-
16 tions:

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

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

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

26 “(4) Boards of education of community college districts shall adopt rules
27 for the administration of this section.

28 “(5) As used in this section, ‘member of the military’ means a person who
29 is a member of:

30 “(a) The Oregon National Guard or the National Guard of any other state

1 or territory; or

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

4 **“SECTION 76.** ORS 341.005 is amended to read:

5 “341.005. As used in this chapter, unless the context otherwise requires:

6 “(1) ‘Academic year’ means the year beginning July 1 of each year and
7 ending June 30 of the following year running concurrently with the fiscal
8 year.

9 “(2) ‘Board’ means the board of education of a community college district.

10 “(3) ‘Board member’ means a member of the board of education of a
11 community college district.

12 “[4] ‘Commissioner’ means the Commissioner for Community College Ser-
13 vices appointed under ORS 326.375.]

14 “[5] (4) ‘Community college’ means a public institution operated by a
15 community college district for the purposes of providing courses of study
16 limited to not more than two years’ full-time attendance, with the exception
17 of technical programs in which the curriculum may require more than two
18 years of attendance but less than four years, and designed to meet the needs
19 of a geographical area by providing educational services, including but not
20 limited to career and technical education programs or lower division
21 collegiate programs.

22 “[6] (5) ‘Community college district’ or ‘district’ means a district formed
23 under this chapter to operate one or more community colleges or to secure
24 educational services available at a community college. ‘Community college
25 district’ includes a community college service district.

26 “[7] (6) ‘Full-time equivalent student’ means a student or combination
27 of several students who carries or carry among them, within a single aca-
28 demic year, a minimum number of clock hours of instruction, in any pro-
29 gram, to be specified by rule by the [State Board of Education] **Higher**
30 **Education Coordinating Commission.**

1 “[8] (7) ‘Operating expenses’ means the sum of the expenditures of a
2 community college district for administration, instruction, necessary student
3 services, operation and maintenance of plant and fixed charges, as deter-
4 mined in accordance with the rules of the [*State Board of Education*] **com-**
5 **mission.**

6 “[9] (8) ‘Paying agent and registrar’ means the county treasurer or
7 county fiscal officer of the county in which the chief administrative officer
8 of the community college district maintains the administrative office.

9 “[10] (9) ‘Petitioning territory’ means a community college district peti-
10 tioning to have an area outside the district included in the district or to
11 have an area inside the district excluded from the district, or an area outside
12 the district petitioning to be included within the district.

13 “[11] (10) ‘Principal county’ means the county in which the chief ad-
14 ministrative officer of the community college district maintains the admin-
15 istrative office.

16 “[12] ‘*State board*’ means the *State Board of Education.*”]

17 **“SECTION 77. ORS 341.009 is amended to read:**

18 “341.009. The Legislative Assembly finds that:

19 “(1) The community college is an educational institution that is intended
20 to fill the institutional gap in education by offering broad, comprehensive
21 programs in academic subjects and in career and technical education sub-
22 jects. It is primarily designed to provide associate or certificate degree pro-
23 grams for some, serve a transitional purpose for others who will continue
24 baccalaureate or other college work, provide the ability to enter the
25 workforce immediately and serve to determine future educational needs for
26 other students. It can provide means for continuation of academic education,
27 career and technical education or the attainment of entirely new skills as
28 demands for old skills and old occupations are supplanted by new technolo-
29 gies. It may also provide the means to coordinate courses and programs with
30 high schools to accommodate successful transition to college degree pro-

1 grams.

2 “(2) Each community college should be so located as to be within com-
3 muting time of a substantial majority of its students. As an economical
4 method of providing education close to the student’s home, the community
5 college should remain a commuting institution.

6 “(3) The community college should establish its organizational patterns
7 to maintain a unique quality of flexibility and the ability to change to meet
8 changing needs.

9 “(4) The community college is a post-high-school institution under the
10 general supervision of the [*State Board of Education*] **Higher Education**
11 **Coordinating Commission**. It should not be a ‘starter’ institution intended
12 to evolve into a four-year baccalaureate institution. It should be concerned
13 with programs terminating before reaching the baccalaureate degree.

14 “(5) The community college should continue to be prohibited by law from
15 becoming a baccalaureate degree granting institution.

16 “(6) Admission to the community college should be open to high school
17 graduates or to persons who have not graduated from high school who can
18 profit from the instruction offered.

19 “(7) There should be close cooperation between those directing the com-
20 munity college program and those responsible for higher education, so that
21 lower-division college transfer programs of the community college will pro-
22 vide adequate preparation for entering baccalaureate degree granting pro-
23 grams, and so that students will be able to transfer with a minimum of
24 difficulty.

25 “(8) The community college should offer as comprehensive a program as
26 the needs and resources of the area that it serves dictate. Cost to student
27 and quality of instruction in established private institutions should be among
28 the factors in determining necessary duplication of effort.

29 “(9) It should be the policy of the community college to open its facilities
30 and make available its resources to the high schools of its area on a sound

1 contractual basis, for appropriate secondary or transitional courses, either
2 academic or as part of career and technical education, when it is within its
3 ability to provide facilities and it is determined that the high school cannot
4 or does not offer them.

5 “(10) Programs designed to meet the needs of the area served should be
6 based on the actual educational and service needs of the district. Specific
7 career and technical education courses should be related not only to the
8 employment opportunities of the area but of the state and nation as well.
9 Such determination should be made in consultation with representatives of
10 labor, business, industry, agriculture and other interested groups.

11 “(11) The [*State Board of Education should be*] **Higher Education Coor-**
12 **inating Commission is** responsible for coordinating the community college
13 program of the state and [*should have*] **has** general supervisory responsibil-
14 ities for that program. [*With the advice of the Higher Education Coordinating*
15 *Commission, the State Board of Education should*] **The commission shall**
16 prepare estimates and make the requests for legislative appropriations for a
17 reasonable and consistent basis of support and establish standards for the
18 distribution of that support.

19 “(12) The initiative for the establishment of new community colleges
20 should come from the localities to be served, as a response to demonstrated
21 educational needs of an area. However, these localities must not only be
22 willing to assume the responsibility for the institutions but must be able to
23 provide resources needed for an adequate educational and service program.

24 “(13) The governing board of the community college should be charged
25 with the policy-making function. With respect to educational programming,
26 the governing board should in cooperation with the [*State Board of Educa-*
27 *tion*] **commission:**

28 “(a) Identify educational needs of the district; and

29 “(b) Bring together the resources necessary to meet the needs.

30 “(14) The state should maintain a policy of substantial state participation

1 in community college building costs and the maintenance of an adequate
2 level of state support for operation. However, no state funds should be ap-
3 propriated for buildings such as dormitories or athletic facilities for specta-
4 tor sports. The district should provide a substantial portion of the funds for
5 capital improvement as well as for operation of a community college.

6 “(15) State appropriations for community colleges shall be made sepa-
7 rately from those for other segments of education.

8 “(16) The formula for the distribution of funds for operating costs should
9 reflect the heavier operating costs and capital outlay for certain career and
10 technical education courses. Federal funds received for career and technical
11 education, adult basic education, workforce development or other federal in-
12 itiative should be used for those purposes only and be distributed separately
13 from funds appropriated by the state and should be exempted from the com-
14 putations of the present distribution formula for operating costs.

15 “(17) The cost of education to the individual should be sufficiently low
16 to permit students of low-income families to attend. This is particularly true
17 of tuition costs. However, students should pay an amount sufficient to pro-
18 vide an incentive to profit from the instructional program offered.

19 “(18) Any eligible Oregon resident should have the right to attend a
20 community college even though not residing in a district operating one,
21 subject to the right of the governing board to limit the size of classes and
22 to give preference to students residing in the district. Local school districts
23 and education service districts should have the authority to negotiate the
24 terms and conditions with the governing boards for the enrollment of stu-
25 dents residing in such areas.

26 “**SECTION 78.** ORS 341.015 is amended to read:

27 “341.015. The [*State Board of Education*] **Higher Education Coordinat-**
28 **ing Commission** shall adopt guidelines for the orderly development and
29 management of community college districts, including guidelines for person-
30 nel policy formulation, accounting procedures and student record keeping

1 and privacy procedures.

2 **“SECTION 79.** ORS 341.019 is amended to read:

3 “341.019. (1) All areas within this state shall be served by a community
4 college district. Such services may be provided either:

5 “(a) Directly by formation of a community college district; or

6 “(b) Indirectly by contract with an existing community college district.

7 “(2) The [*Department of Community Colleges*] **Office of Post-Secondary**
8 **Education** and Workforce Development shall fix responsibility for serving
9 each area that is not within a community college district. Where feasible,
10 each area shall be a whole county or a group of counties or that part of a
11 county not already in a community college district.

12 “(3) In order to obtain the services described in subsection (1)(b) of this
13 section, residents of a nondistrict area must indicate their interest in re-
14 ceiving services by requesting formation of a local advisory committee and
15 seeking the advice and counsel of the [*Department of Community Colleges and*
16 *Workforce Development*] **office**.

17 “(4) The [*State Board of Education*] **Higher Education Coordinating**
18 **Commission** by rule shall establish standards for determining when there
19 is sufficient interest among the residents of a nondistrict area to warrant
20 appointment of a local advisory committee.

21 “(5) When the [*Department of Community Colleges and Workforce Devel-*
22 *opment*] **office** has made the determination under subsection (4) of this sec-
23 tion, the [*department*] **office** and the interested residents of the nondistrict
24 area shall apply jointly to the governing body of the county for the ap-
25 pointment of a local advisory committee.

26 “(6) Upon application, the governing body of the county shall appoint a
27 local advisory committee and shall insure that the committee is broadly
28 representative of the nondistrict area.

29 “(7) If the nondistrict area involves two or more counties, the governing
30 body of each county shall appoint members to the local advisory committee

1 in proportion to the number of county residents within the nondistrict area.

2 “(8) The governing body of a county making appointments under sub-
3 section (6) or (7) of this section shall not be obligated to fund any part of
4 the budget described in ORS 341.021 (3).

5 “(9) The duties of the local advisory committee shall include, but need
6 not be limited to, advising the officials of the community college district
7 serving the nondistrict area on the educational needs of the area.

8 “(10) As used in ORS 341.019 to 341.022, ‘community college district’ in-
9 cludes a community college service district.

10 **“SECTION 80.** ORS 341.021 is amended to read:

11 “341.021. (1) The [*Department of Community Colleges*] **Office of Post-**
12 **Secondary Education** and Workforce Development shall invite existing
13 community college districts to submit proposals for the provision of service
14 to an area that has officially indicated its interest in receiving service.

15 “(2) The responsibilities of the host community college district shall in-
16 clude:

17 “(a) Preparing a written agreement for services to be provided to nondis-
18 trict areas using a format specified by the [*Department of Community Col-*
19 *leges and Workforce Development*] **office**; and

20 “(b) Acting as the fiscal agent for agreements including establishing tui-
21 tion and fees for services offered under terms of an agreement.

22 “(3) Agreements between the community college district and nondistrict
23 entities as listed in ORS 341.315 shall include an annual budget setting forth
24 both revenue and expenditures. The budget shall be based upon the following
25 conditions:

26 “(a) Subject to ORS 341.022, eligible full-time equivalent student enroll-
27 ment produced under the agreement may be claimed for state reimbursement
28 purposes by the community college district. Such reimbursement shall come
29 from the Community College Support Fund established in ORS 341.620 and
30 shall be distributed as directed in ORS 341.626 and the rules of the [*State*

1 *Board of Education*] **Higher Education Coordinating Commission.**

2 “(b) A share of the budget shall be provided by those individuals or
3 agencies receiving service under this agreement as specified by rule of the
4 [*State Board of Education*] **commission** adopted under ORS 341.024 (3).

5 “(4) Agreements developed under this section shall be wholly supported
6 by Community College Support Fund reimbursement, nondistrict student tu-
7 tion and nondistrict resources.

8 **“SECTION 81.** ORS 341.024 is amended to read:

9 “341.024. The [*State Board of Education*] **Higher Education Coordinat-**
10 **ing Commission** shall adopt rules to implement ORS 341.019 to 341.024. The
11 rules shall provide:

12 “(1) Standards for accepting proposals for service;

13 “(2) Procedures providing the form of agreements and for recording them;

14 “(3) Standards for cash and in-kind contributions by nondistrict areas;

15 “(4) Standards as required by ORS 341.019 (4); and

16 “(5) Other rules necessary to implement ORS 341.019 to 341.024.

17 **“SECTION 82.** ORS 341.025 is amended to read:

18 “341.025. (1) Whenever the electors registered in contiguous territory de-
19 sire the formation of a community college district, they may sign a petition
20 requesting the formation of such a district and present it to the [*State Board*
21 *of Education*] **Higher Education Coordinating Commission.**

22 “(2) The petition must be substantially in the form established by the
23 [*state board*] **commission**, which shall furnish the petition form [*and*]. **The**
24 **petition:**

25 “(a) Must contain the minimum number of signatures fixed by the [*state*
26 *board*] **commission** of 500, or 10 percent of the electors registered in each
27 county or part of a county within the designated territory, whichever is the
28 lesser;

29 “(b) Must designate the boundaries of the territory to be included in the
30 proposed district which may include all or part of the territory lying within

1 the boundaries of a school district and may be located in more than one
2 county;

3 “(c) Must request that the territory be organized into a district;

4 “(d) May specify or reserve the right to specify the location for the pro-
5 posed community college or may request the state board to determine the
6 location;

7 “(e) Must specify the method of nomination and election of the board of
8 education of the proposed district from among the methods described in ORS
9 341.327; and

10 “(f) Must contain any other information required by rules of the [*state*
11 *board*] **commission**.

12 “**SECTION 83.** ORS 341.039 is amended to read:

13 “341.039. (1) A petition submitted pursuant to ORS 341.025 may specify
14 that the proposed district be organized as a community college service dis-
15 trict. The formation of a community college service district shall comply
16 with the provisions of ORS 341.025 to 341.125. A petition affecting a territory
17 that, in the judgment of the [*Commissioner for Community College Services,*]
18 **Director of the Office of Post-Secondary Education and Workforce**
19 **Development** will not generate an annual enrollment in excess of 1,000
20 full-time equivalent students after three years of operation shall be consid-
21 ered to be a petition for the formation of a community college service dis-
22 trict.

23 “(2) If formed, a community college service district shall in all respects
24 be governed by the laws applicable to community college districts with the
25 following exceptions:

26 “(a) Notwithstanding ORS 341.675, community college service districts
27 formed after July 1, 1997, may not incur bonded indebtedness for any pur-
28 pose. This limitation shall not be construed to prohibit lease-purchase ar-
29 rangements or other lawful forms of capital financing. A community college
30 service district may hold and own buildings and grounds acquired through

1 gifts or financing methods authorized by this section.

2 “(b) The board of education for a community college service district shall
3 annually review the programs and services of the service district. This re-
4 view shall have as its purpose a determination of which services can most
5 effectively and economically be delivered directly and which services can
6 best be delivered through contracting arrangements. The direct hiring of
7 faculty and staff is expressly permitted.

8 “(3) After having been in operation for at least three years, a community
9 college service district may submit to the electors of the district the question
10 of whether the district shall operate as a community college district.

11 “(4) Prior to submitting the question to the electors, the community col-
12 lege service district must have been in operation for three years, and must
13 have secured the approval of the [*State Board of Education*] **Higher Edu-
14 cation Coordinating Commission** to hold the election. Before granting
15 approval, the [*state board*] **commission** must find:

16 “(a) The service district has acquired stability as demonstrated by a con-
17 tinuity of management, regularly adopted policies and procedures and ade-
18 quate financial resources; and

19 “(b) The service district has adopted a sound comprehensive plan that sets
20 out the district’s instructional and capital plans for five years.

21 **“SECTION 84.** ORS 341.045 is amended to read:

22 “341.045. (1) The [*State Board of Education*] **Higher Education Coordi-
23 nating Commission** shall examine the petition to determine whether it is
24 complete. If the petition is complete and if formation of the district is con-
25 sistent with the overall plan for all education in the state, the [*state board*]
26 **commission** shall undertake a study of the feasibility of a community col-
27 lege in the geographical area proposed by the petition, including but not
28 limited to:

29 “(a) Educational needs of the area.

30 “(b) Potential enrollment levels.

1 “(c) The rate of operating taxes that is required to meet the local share
2 of operating and capital expenses and that would, if adopted, be the district’s
3 permanent rate limit for operating taxes, including whether the proposed
4 rate bears a reasonable relationship to the permanent rate limit of operating
5 community college districts of similar size and circumstance to the proposed
6 new district. If the proposed rate is substantially below the rate of similar
7 operating districts, the feasibility study shall explicitly detail how the pro-
8 posed new district intends to provide a comprehensive community college
9 program.

10 “(d) Relationship of the proposed district to the overall plan for all edu-
11 cation in the state.

12 “(e) Boundaries of the proposed district.

13 “(f) The appropriateness of the proposed name of the community college
14 district or the community college, if a name is proposed, in order to deter-
15 mine that the proposed name is not misleading, confusing or grossly inap-
16 propriate.

17 “(2) Upon completion of *[its]* **the** study, the *[state board]* **commission**
18 shall set a date for a public hearing on the petition and study and shall give
19 notice of the hearing in the manner provided in ORS 341.357.

20 “(3) The notice of hearing shall state:

21 “(a) A study has been conducted on a proposed district.

22 “(b) The boundaries of the proposed district.

23 “(c) Whether the proposed community college district specifies providing
24 its courses through contract with agencies authorized to enter into such
25 contracts.

26 “(d) The time and place set for the hearing on the petition.

27 “**SECTION 85.** ORS 341.055 is amended to read:

28 “341.055. (1) At the time designated in the notice **given under ORS**
29 **341.045**, the *[State Board of Education]* **Higher Education Coordinating**
30 **Commission** or its authorized representative shall conduct a public hearing

1 on the study and may adjourn the hearing from time to time. The [*state*
2 *board*] **commission** may alter the boundaries set forth in the petition sub-
3 mitted under ORS 341.025 to include all territory the residents of which will
4 be materially benefited by formation of the community college district as
5 determined by [*its*] **the study conducted under ORS 341.045**. The [*state*
6 *board*] **commission** shall not modify the boundaries of the district as set
7 forth in the petition so as to exclude from the district any territory the
8 residents of which will be materially benefited by formation of the district,
9 nor may there be included in the proposed district any territory the residents
10 of which will not be materially benefited.

11 “(2) If the [*board*] **commission** concludes that any territory has been
12 improperly included or omitted from the proposed community college district
13 and that electors within the included or omitted territory have not appeared
14 at the hearing, the [*board*] **commission** shall continue further hearing on
15 the study and shall order notice given to the nonappearing electors requiring
16 them to appear and show cause why their territory should not be excluded
17 or included in the proposed district. The notice shall be given either in the
18 same manner as notice of the original hearing was given or by personal
19 service on each nonappearing elector. If notice is given by personal service,
20 such service shall be made at least 10 days prior to the date fixed for the
21 hearing.

22 “**SECTION 86.** ORS 341.065 is amended to read:

23 “341.065. If, in the opinion of the [*State Board of Education*] **Higher Ed-**
24 **ucation Coordinating Commission**, the study **conducted under ORS**
25 **341.045** and the testimony presented at the hearing or hearings held under
26 ORS 341.055 indicate that the formation of a community college district as
27 petitioned is not warranted under the policies set forth by ORS 341.009, the
28 [*state board*] **commission** shall order dismissal of the petition. An appeal
29 from this order may be taken within 60 days in the manner provided in ORS
30 183.480.

1 **“SECTION 87.** ORS 341.076 is amended to read:

2 “341.076. (1) If, upon final hearing [*of the study*] under ORS 341.055, the
3 [*State Board of Education*] **Higher Education Coordinating Commission**
4 approves formation of a community college district, with boundaries either
5 as originally presented or as altered pursuant to the hearing, the [*state*
6 *board*] **commission** shall make its recommendation to the Legislative As-
7 sembly in an order describing the exterior boundaries and the zone bounda-
8 ries for the election of members of the board of education of the community
9 college district, if any. An appeal from the recommendation may be taken
10 within 60 days in the manner provided in ORS 183.480. If no appeal from this
11 recommendation is filed within 60 days after the date of the recommendation,
12 the recommendation becomes final.

13 “(2) If an appeal is filed, the recommendation becomes final on the date
14 the recommendation is affirmed by the court. However, if the recommen-
15 dation is not affirmed, the [*state board*] **commission** may not submit its
16 recommendation to the Legislative Assembly but may reconsider the conclu-
17 sions of [*its*] **the study conducted under ORS 341.045** and if the [*state*
18 *board*] **commission** revises those conclusions, the [*state board*] **commission**
19 may set a date for a new hearing.

20 “(3) Upon receipt of the final recommendation, the Legislative Assembly
21 shall approve or disapprove the recommendation. If the recommendation is
22 approved, an election under ORS 341.085 shall be held. If the recommendation
23 is disapproved, the [*state board*] **commission** may revise its recommendation
24 and resubmit a final recommendation to the Legislative Assembly but not
25 sooner than 60 days after the action of disapproval was taken.

26 **“SECTION 88.** ORS 341.085 is amended to read:

27 “341.085. (1) An election for the purpose of presenting the question of
28 formation of a district and establishing a permanent rate limit for operating
29 taxes and the boundaries of the zones, if the zones were recommended by the
30 [*State Board of Education*] **Higher Education Coordinating Commission,**

1 shall be held to submit the question to the electors registered in the proposed
2 district designated in the recommendation of the [state board] **commission**.
3 The election shall be held not sooner than the 90th day after the effective
4 date of the appropriation required by ORS 341.102. The election date shall
5 be uniform throughout the proposed district, and shall be set by the [state
6 board] **commission** on a date specified in ORS 255.345. However, if the
7 question of establishing a permanent rate limit for operating taxes is to be
8 submitted, the election must be held on the same date as the next primary
9 election or the next general election, as determined by the [state board]
10 **commission**.

11 “(2) ORS chapter 255 and ORS 250.035 and 250.036 govern the notice and
12 conduct of an election under this section. The [state board] **commission**
13 shall be the district elections authority for an election conducted under this
14 section. Notwithstanding ORS 255.305, the [state board] **commission** shall
15 pay the expenses incurred for the election.

16 “(3) An elector registered in a precinct or in the portion of a precinct
17 which is located within the boundaries of the proposed district may vote on
18 any matter arising at the election under subsection (1) of this section.

19 **“SECTION 89.** ORS 341.095 is amended to read:

20 “341.095. (1) The [State Board of Education] **Higher Education Coordi-**
21 **nating Commission** shall include as a part of the election called for for-
22 mation of a district the question of a permanent rate limit for operating
23 taxes to finance the district’s share of operating and capital expenses. The
24 rate limit shall be specified by the [state board] **commission** as a result of
25 its study and the hearing held under ORS 341.055. The [state board] **com-**
26 **mission** may also include the question of incurring indebtedness to pay or-
27 ganizational expenses of the district between the time the district is
28 approved and the first budget is adopted. If the question of incurring
29 indebtedness is approved, the district may borrow money on its negotiable,
30 short-term, promissory notes in an aggregate amount not to exceed the limit

1 approved at the election and may, notwithstanding ORS 294.338, expend
2 [such] **the** money without the preparation and adoption of a budget.

3 “(2) In preparing its first budget, the board of the district shall provide
4 for the repayment of the indebtedness incurred for organizational expenses
5 under subsection (1) of this section.

6 **“SECTION 90.** ORS 341.102 is amended to read:

7 “341.102. If the Legislative Assembly approves the recommendation sub-
8 mitted under ORS 341.076, 341.565 or 341.579, the Legislative Assembly shall
9 appropriate or allocate to the [*Department of Community Colleges*] **Office**
10 **of Post-Secondary Education** and Workforce Development moneys neces-
11 sary to pay the expenses of the election under ORS 341.085, 341.565, 341.569
12 or 341.579 (1) if the election is to occur within 24 months of the appropri-
13 ation or allocation. If the election does not occur within the biennium im-
14 mediately following the appropriation or allocation, the question shall be
15 brought before the next Legislative Assembly. The state shall fund the
16 election without regard to the outcome of the election.

17 **“SECTION 91.** ORS 341.105 is amended to read:

18 “341.105. When at the request of the [*State Board of Education*] **Higher**
19 **Education Coordinating Commission** the county clerk of the principal
20 county, in consultation with county clerks of the affected counties, prepares
21 a list or lists of names and addresses of the electors registered in the pro-
22 posed district, the [*Department of Community Colleges*] **Office of Post-**
23 **Secondary Education** and Workforce Development is authorized to pay the
24 charge as determined under ORS 255.305.

25 **“SECTION 92.** ORS 341.125 is amended to read:

26 “341.125. (1) The first board of education of a district shall be elected at
27 the same election as the election at which votes are cast for the formation
28 of the district. Nominations for the board of education positions to be filled
29 by nomination and election at-large shall be made by petition requesting that
30 such person’s name be placed on the ballot and signed with the signatures

1 of at least 50 electors registered in the proposed district. If the district has
2 been zoned and the position is to be filled by nomination or election by zone,
3 the petition shall be signed by at least 25 electors registered in the zone. The
4 petition shall be presented to the [*State Board of Education*] **Higher Edu-
5 cation Coordinating Commission** at least 70 days prior to the election.
6 Upon receipt of petitions [*which*] **that** comply with applicable law, the [*state
7 board*] **commission** shall cause the names of [*such*] **the** nominees to be
8 placed upon the ballot.

9 “(2) Seven members shall be elected to the first board, to serve terms of
10 four and two years respectively in accordance with the number of votes each
11 receives with the three members receiving the largest number of votes serv-
12 ing the four-year terms. The terms of office of the members of the first board
13 shall be computed from the date of June 30 subsequent to the date of their
14 election, but the members shall take office immediately following the
15 election. If for any reason a district is not formed, the election of board
16 members for that proposed district is void.

17 “(3) If the district has been zoned, the [*state board*] **commission** shall
18 designate the positions to be nominated or elected by zone and shall specify
19 the length of the term to be served by each member of the first board elected
20 by zone.

21 “(4) If the election is at large, the length of the term of office of members
22 of the first board elected shall be determined in accordance with the number
23 of votes each receives in the election. Those receiving the highest number
24 of votes may serve the four-year terms, subject to any term designations
25 made by the [*state board*] **commission** under subsection (3) of this section.

26 **“SECTION 93.** ORS 341.290 is amended to read:

27 “341.290. The board of education of a community college district shall be
28 responsible for the general supervision and control of any and all community
29 colleges operated by the district. Consistent with any applicable rules of the
30 [*State Board of Education*] **Higher Education Coordinating Commission,**

1 the board may:

2 “(1) Subject to ORS chapters 238 and 238A, employ administrative officers,
3 professional personnel and other employees, define their duties, terms and
4 conditions of employment and prescribe compensation therefor, pursuant to
5 ORS 243.650 to 243.782.

6 “(2) Enact rules for the government of the community college, including
7 professional personnel and other employees [*thereof*] and students [*therein*]
8 **of the community college.**

9 “(3) Prescribe the educational program.

10 “(4) Control use of and access to the grounds, buildings, books, equipment
11 and other property of the district.

12 “(5) Acquire, receive, hold, control, convey, sell, manage, operate, lease,
13 lease-purchase, lend, invest, improve and develop any and all property of
14 whatever nature given to or appropriated for the use, support or benefit of
15 any activity under the control of the board, according to the terms and
16 conditions of [*such*] **the** gift or appropriation.

17 “(6) Purchase real property upon a contractual basis when the period of
18 time allowed for payment under the contract does not exceed 30 years.

19 “(7) Fix standards of admission to the community college, prescribe and
20 collect tuition for admission to the community college, including fixing dif-
21 ferent tuition rates for students who reside in the district, students who do
22 not reside in the district but are residents of the state and students who do
23 not reside in the state.

24 “(8) Prescribe and collect fees and expend funds so raised for special
25 programs and services for the students and for programs for the cultural and
26 physical development of the students.

27 “(9) Provide and disseminate to the public information relating to the
28 program, operation and finances of the community college.

29 “(10) Establish or contract for advisory and consultant services.

30 “(11) Take, hold and dispose of mortgages on real and personal property

1 acquired by way of gift or arising out of transactions entered into in ac-
2 cordance with the powers, duties and authority of the board and institute,
3 maintain and participate in suits and actions and other judicial proceedings
4 in the name of the district for the foreclosure of [*such*] **the** mortgages.

5 “(12) Maintain programs, services and facilities, and, in connection
6 therewith, cooperate and enter into agreements with any person or public
7 or private agency.

8 “(13) Provide student services including health, guidance, counseling and
9 placement services, and contract therefor.

10 “(14) Join appropriate associations and pay any required dues therefor
11 from resources of the district.

12 “(15) Apply for federal funds and accept and enter into any contracts or
13 agreements for the receipt of [*such*] **the** funds from the federal government
14 or its agencies for educational purposes.

15 “(16) Exercise any other power, duty or responsibility necessary to carry
16 out the functions under this section or required by law.

17 “(17) Prescribe rules for the use and access to public records of the dis-
18 trict that are consistent with ORS 192.420, and education records of students
19 under applicable state and federal law and rules of the [*State Board of Ed-*
20 *ucation*] **commission**. Whenever a student has attained 18 years of age or
21 is attending an institution of post-secondary education, the permission or
22 consent required of and the rights accorded to a parent of the student re-
23 garding education records shall thereafter be required of and accorded to
24 only the student. However, faculty records relating to matters such as con-
25 duct, personal and academic evaluations, disciplinary actions, if any, and
26 other personal matters shall not be made available to public inspection for
27 any purpose except with the consent of the person who is the subject of the
28 record or upon order of a court of competent jurisdiction.

29 “(18) Enter into contracts for the receipt of cash or property, or both, and
30 establish charitable gift annuities pursuant to ORS 731.038; and, commit,

1 appropriate, authorize and budget for the payment of or other disposition of
2 general funds to pay, in whole or in part, sums due under an agreement for
3 a charitable gift annuity, and to provide the necessary funding for reserves
4 or other trust funds pursuant to ORS 731.038.

5 “(19) Encourage gifts to the district by faithfully devoting the proceeds
6 of [*such*] **the** gifts to the district purposes for which intended.

7 “(20) Build, furnish, equip, repair, lease, purchase and raze facilities; and
8 locate, buy and acquire lands for all district purposes. Financing may be by
9 any prudent method including but not limited to loans, contract purchase
10 or lease. Leases authorized by this section include lease-purchase agree-
11 ments under which the district may acquire ownership of the leased property
12 at a nominal price. [*Such*] **The** financing agreements may be for a term of
13 up to 30 years except for lease arrangements which may be for a term of up
14 to 50 years.

15 “(21) Participate in an educational consortium with public and private
16 institutions that offer upper division and graduate instruction. Community
17 colleges engaged in [*such*] consortiums may expend money, provide facilities
18 and assign staff to assist those institutions offering upper division and
19 graduate instruction.

20 “(22) Enter into contracts of insurance or medical and hospital service
21 contracts or may operate a self-insurance program as provided in ORS
22 341.312.

23 **“SECTION 94.** ORS 341.315 is amended to read:

24 “341.315. Any school district, education service district, institution of
25 higher education, county, municipality or private organization may contract
26 with a community college district to provide services of an educational na-
27 ture that are subject to the approval of the [*State Board of Education*]
28 **Higher Education Coordinating Commission.**

29 **“SECTION 95.** ORS 341.317 is amended to read:

30 “341.317. (1) Reimbursement from the Community College Support Fund

1 established in ORS 341.620 may be made available to community colleges that
2 deliver educational services to inmates confined to the state-operated
3 correctional facilities and to locally operated correctional facilities. [*Such*]
4 **The** reimbursement shall be distributed as directed in ORS 341.626 and the
5 rules of the [*State Board of Education*] **Higher Education Coordinating**
6 **Commission**.

7 “(2) The [*State Board of Education*] **commission** shall review and approve
8 services to correctional institutions at least once biennially.

9 “(3) The enrollment limitation, as provided by ORS 341.022, does not apply
10 to persons receiving services under this section.

11 “(4) Reimbursement from the Community College Support Fund estab-
12 lished in ORS 341.620 may not be made available to community colleges for
13 delivering educational services to inmates confined in federal prisons. Nei-
14 ther shall local property taxes be used to support [*such*] **the** services. A host
15 community college shall support [*such*] **the** services through a contractual
16 arrangement with the federal government.

17 **“SECTION 96.** ORS 341.405 is amended to read:

18 “341.405. Upon approval of the [*State Board of Education*] **Higher Edu-**
19 **cation Coordinating Commission**, a community college may be established
20 by a community college district in which all the requirements for formation
21 of the district are met and for which adequate building space, library and
22 suitable laboratory or shop space for the courses to be offered are available
23 or will be available before classes begin.

24 **“SECTION 97.** ORS 341.425 is amended to read:

25 “341.425. (1) Before an educational program is commenced at any com-
26 munity college, the board of education of a community college district shall
27 apply to the [*State Board of Education*] **Higher Education Coordinating**
28 **Commission** for permission to commence the program. After the first year
29 of the program, course additions, deletions or changes must be presented to
30 the [*State Board of Education*] **commission** or a representative of the [*De-*

1 *partment of Community Colleges]* **Office of Post-Secondary Education** and
2 Workforce Development authorized to act for the [*state board*] **commission**
3 for approval.

4 “(2) Until [*the*] **a** community college becomes accredited by the Northwest
5 Association of Schools and Colleges or its successor, the community college
6 shall contract with an accredited community college for its instructional
7 services, including curricula, to ensure its courses carry accreditation and
8 are acceptable for transfer.

9 “(3) After reviewing the contractual agreement between the nonaccredited
10 and the accredited colleges and after suggesting any modifications in the
11 proposed program of studies, the [*State Board of Education*] **Higher Educa-**
12 **tion Coordinating Commission** shall approve or disapprove the application
13 of a district.

14 “**SECTION 98.** ORS 341.440 is amended to read:

15 “341.440. (1) A community college district may contract with another
16 community college district, **a** common or union high school district, **an** ed-
17 ucation service district, the Oregon University System, **a public university**
18 **with a governing board**, the Oregon Health and Science University,
19 [*with*] a private educational institution accredited by the Northwest Associ-
20 ation of Schools and Colleges or its successor or a career school as defined
21 in ORS 345.010 to obtain educational services for students enrolled in the
22 community college of the district. However, the educational services [*so ob-*
23 *tained*] must meet the standards for educational services provided by the
24 college and the contract price to the college for such services must not ex-
25 ceed the costs which would otherwise be incurred by the college to provide
26 its students the same or similar services.

27 “(2) Educational services for which a district operating a community
28 college may contract include services offered by correspondence and services
29 offered electronically or through telecommunications if such services are
30 accredited by a nationally recognized accrediting association.

1 “(3) For purposes of ORS 341.626, costs incurred under subsection (1) of
2 this section shall be considered operating expenses of the district if the
3 contract is approved by the [*Commissioner for Community College Services*]
4 **Office of Post-Secondary Education and Workforce Development.**

5 **“SECTION 99.** ORS 341.455, as amended by section 40, chapter 104,
6 Oregon Laws 2012, is amended to read:

7 “341.455. (1) A community college may give credit for courses or programs
8 taken in a career school. The courses or programs for which credit may be
9 given must meet the standards adopted by the Higher Education Coordinat-
10 ing Commission under ORS 345.325, must be taken at a career school
11 domiciled in this state and must be approved for credit by the [*Commissioner*
12 *for Community College Services*] **Office of Post-Secondary Education and**
13 **Workforce Development.**

14 “(2) A community college may charge a transcribing fee to a student for
15 courses taken at a career school and accepted by the community college
16 under subsection (1) of this section. [*Such a*] **The** fee is to be set by the
17 [*commission*] **office** and is to be consistent with other student fees.

18 “(3) Time spent by students on such courses shall not be considered as
19 clock hours of instruction in determining full-time equivalency for purposes
20 of ORS 341.626.

21 **“SECTION 100.** ORS 341.465 is amended to read:

22 “341.465. The board of a district operating a community college, upon
23 approval of the [*State Board of Education*] **Higher Education Coordinating**
24 **Commission**, may award certificates and associate degrees indicating satis-
25 factory completion of a course of study offered by the community college.

26 **“SECTION 101.** ORS 341.527 is amended to read:

27 “341.527. (1) Community colleges in Oregon shall admit students from
28 other states at the same tuition rate assessed against Oregon residents who
29 are residents of the community college district if:

30 “(a) The state in which the student resides agrees to pay and pays its per

1 capita state aid for comparable students in the state to the community col-
2 lege;

3 “(b) The state in which the students reside agrees to permit and permits
4 one-for-one full-time enrollment exchange arrangements that allow an equal
5 number of Oregon residents to be admitted to community colleges or com-
6 parable institutions in the state at the same tuition rate assessed against
7 residents of the state and community colleges or comparable institutions in
8 the state in which the students reside agree to admit and admit approved
9 Oregon residents without assessing nonresident tuition; or

10 “(c) The board of the community college determines out-of-state residents
11 are essential to providing the critical mass to offer programs that would
12 otherwise be unavailable to Oregon residents.

13 “(2) The [*Department of Community Colleges*] **Office of Post-Secondary**
14 **Education** and Workforce Development shall enter into agreements with
15 such other states as are willing to agree to the provisions of this section to
16 establish reimbursement procedures or one-for-one exchange procedures.

17 “(3) In cases described in subsection (1)(a) of this section, the [*Department*
18 *of Community Colleges and Workforce Development*] **office** shall pay from
19 funds available therefor to the state that agrees to pay and does pay its per
20 capita state aid to eligible Oregon community colleges to the credit of the
21 community college or comparable institution educating the Oregon resident
22 an amount equal to the amount that would be available under ORS 341.626
23 if the Oregon resident were enrolled in a community college in this state.
24 From these same funds, the [*Department of Community Colleges and*
25 *Workforce Development*] **office** shall pay to the Oregon community colleges
26 admitting approved one-for-one exchange students as provided by subsection
27 (1)(b) of this section, from other states, an amount equal to the amount that
28 would be available under ORS 341.626 as if the enrolled one-for-one students
29 were Oregon residents. The [*Department of Community Colleges and*
30 *Workforce Development*] **office** shall not reimburse Oregon community col-

1 leges who admit students from other states under subsection (1)(c) of this
2 section.

3 “(4) If a state that has entered into the agreement to pay the per capita
4 state aid to eligible Oregon community colleges as described in subsections
5 (1) and (2) of this section does not make any payment agreed to, the agree-
6 ment terminates after the affected community college notifies the Higher
7 Education Coordinating Commission of the lack of payment. The termination
8 is effective 30 days after the [*state board*] **office** notifies the appropriate
9 agency of the other state that the agreement is terminated if no payment is
10 received by the end of the academic period for which tuition is assessed and
11 no payment is received at that time. The agreement may be reinstated by
12 mutual consent of the parties.

13 “(5) The Higher Education Coordinating Commission shall adopt rules
14 governing attendance in community colleges or comparable institutions in
15 other states for purposes of the reimbursement authorized under subsections
16 (1) and (2) of this section to assure that Oregon residents shall not be the
17 object of such reimbursement if they can obtain the same education within
18 the state without undue hardship.

19 **“SECTION 102.** ORS 341.547 is amended to read:

20 “341.547. (1) Each community college board shall give an individual,
21 written notice of reasonable assurance of continued employment to all em-
22 ployees who are to perform services in the same or a similar capacity during
23 a subsequent academic year or term or in the period immediately following
24 a recess period. [*Such*] **The** notice shall be given by May 30 of each year
25 for employees employed as of that date and as of the date of hire for em-
26 ployees employed subsequent to May 30.

27 “(2) No liability shall accrue from failure to give the notice required by
28 subsection (1) of this section or from the timing or contents thereof on the
29 part of the community college board. However, the [*State Board of*
30 *Education*] **Higher Education Coordinating Commission** shall enforce the

1 provisions of subsection (1) of this section.

2 “(3) Faculty members on annual or indefinite tenure, classified staff
3 members on regular status and management service employees are considered
4 to have been given notice for the purposes of this section.

5 **“SECTION 103.** ORS 341.551 is amended to read:

6 “341.551. (1) Notwithstanding any provision of ORS chapter 238 or 238A,
7 the [*Department of Community Colleges*] **Office of Post-Secondary Educa-**
8 **tion** and Workforce Development may establish and administer an optional
9 retirement plan for administrative employees of community college districts
10 who are eligible for membership in the Public Employees Retirement System.
11 Any community college district may participate in the plan by giving written
12 notice to the [*department*] **office.**

13 “(2) An administrative employee may make an election to participate in
14 the optional retirement plan if the community college district that employs
15 the employee is participating in the plan. The election must be made in the
16 following manner:

17 “(a) An administrative employee who is an active member of the Public
18 Employees Retirement System may make an election to participate in the
19 plan within 180 days after the community college district commences partic-
20 ipation in the plan, effective on the first day of the month following the
21 election.

22 “(b) An administrative employee who is hired after the community college
23 district commences participation in the plan may make an election to par-
24 ticipate in the plan within the first six months of employment, effective on
25 the first day of the month following six full months of employment.

26 “(3) An administrative employee who does not elect to participate in the
27 optional retirement plan remains or becomes a member of the Public Em-
28 ployees Retirement System in accordance with ORS chapters 238 and 238A.

29 “(4) An administrative employee may elect to participate in the optional
30 retirement plan only if at the time the election becomes effective the em-

1 ployee is not concurrently employed in a position with any participating
2 public employer other than the community college district in a position that
3 entitles the employee to membership in the Public Employees Retirement
4 System. Except as provided in subsection (9) of this section, employees who
5 elect to participate in the optional retirement plan are ineligible for active
6 membership in the Public Employees Retirement System for as long as those
7 employees are employed by a community college district that participates in
8 the plan, whether by reason of employment by the district or any other par-
9 ticipating public employer.

10 “(5)(a) An administrative employee who elects to participate in the op-
11 tional retirement plan, who has creditable service under ORS chapter 238 as
12 defined by ORS 238.005 and who is not vested shall be considered by the
13 Public Employees Retirement Board to be a terminated member under the
14 provisions of ORS 238.095 as of the effective date of the election, and the
15 amount credited to the member account of the member shall be transferred
16 directly to the optional retirement plan by the Public Employees Retirement
17 Board in the manner provided by subsection (6) of this section.

18 “(b) An administrative employee who elects to participate in the optional
19 retirement plan, who has creditable service under ORS chapter 238 as defined
20 by ORS 238.005 and who is vested shall be considered to be an inactive
21 member by the Public Employees Retirement Board and shall retain all the
22 rights, privileges and options under ORS chapter 238 unless the employee
23 makes a written request to the Public Employees Retirement Board for a
24 transfer of the amounts credited to the member account of the member to the
25 optional retirement plan. A request for a transfer must be made at the time
26 the member elects to participate in the optional retirement plan. Upon re-
27 ceiving the request, the Public Employees Retirement Board shall transfer
28 all amounts credited to the member account of the member directly to the
29 optional retirement plan and shall terminate all rights, privileges and
30 options of the employee under ORS chapter 238.

1 “(c) An administrative employee who elects to participate in the optional
2 retirement plan and who is not a vested member of the pension program of
3 the Oregon Public Service Retirement Plan as described in ORS 238A.115 on
4 the date that the election becomes effective shall be considered to be a ter-
5 minated member of the pension program by the Public Employees Retirement
6 Board as of the effective date of the election.

7 “(d) An administrative employee who elects to participate in the optional
8 retirement plan and who is a vested member of the pension program of the
9 Oregon Public Service Retirement Plan as described in ORS 238A.115 on the
10 date that the election becomes effective shall be considered an inactive
11 member of the pension program by the Public Employees Retirement Board
12 as of the effective date of the election. An employee who is subject to the
13 provisions of this paragraph retains all the rights, privileges and options of
14 an inactive member of the pension program. If the actuarial equivalent of the
15 employee’s benefit under the pension program at the time that the election
16 becomes effective is \$5,000 or less, the employee may make a written request
17 to the Public Employees Retirement Board for a transfer of the employee’s
18 interest under the pension program to the optional retirement plan. The re-
19 quest must be made at the time the member elects to participate in the op-
20 tional retirement plan. Upon receiving the request, the Public Employees
21 Retirement Board shall transfer the amount determined to be the actuarial
22 equivalent of the employee’s benefit under the pension program directly to
23 the optional retirement plan and shall terminate the membership of the em-
24 ployee in the pension program.

25 “(e) An administrative employee who elects to participate in the optional
26 retirement plan and who is a vested member of the individual account pro-
27 gram of the Oregon Public Service Retirement Plan as described in ORS
28 238A.320 on the date that the election becomes effective shall be considered
29 an inactive member of the individual account program by the Public Em-
30 ployees Retirement Board as of the effective date of the election. An em-

1 ployee who is subject to the provisions of this paragraph retains all the
2 rights, privileges and options of an inactive member of the individual ac-
3 count program. An administrative employee who elects to participate in the
4 optional retirement plan and who is a member of the individual account
5 program of the Oregon Public Service Retirement Plan may make a written
6 request to the Public Employees Retirement Board that all amounts in the
7 member's employee account, rollover account and employer account, to the
8 extent the member is vested in those accounts under ORS 238A.320, be
9 transferred to the optional retirement plan. The request must be made at the
10 time the member elects to participate in the optional retirement plan. Upon
11 receiving the request, the Public Employees Retirement Board shall transfer
12 the amounts directly to the optional retirement plan and shall terminate the
13 membership of the employee in the individual account program.

14 “(f) Notwithstanding paragraphs (b), (d) and (e) of this subsection, the
15 Public Employees Retirement Board shall not treat any employee as an in-
16 active member under the provisions of this subsection for the purpose of re-
17 ceiving any benefit under ORS chapter 238 or 238A that requires that the
18 employee be separated from all service with participating public employers
19 and with employers who are treated as part of a participating public
20 employer's controlled group under the federal laws and rules governing the
21 status of the Public Employees Retirement System and the Public Employees
22 Retirement Fund as a qualified governmental retirement plan and trust.

23 “(6) Any amounts transferred from the Public Employees Retirement Fund
24 under subsection (5) of this section shall be transferred directly to the op-
25 tional retirement plan by the Public Employees Retirement Board and shall
26 not be made available to the employee.

27 “(7) An employee participating in the optional retirement plan shall con-
28 tribute monthly an amount equal to the percentage of the employee's salary
29 that the employee would otherwise have contributed as an employee contri-
30 bution to the Public Employees Retirement System if the employee had not

1 elected to participate in the optional retirement plan.

2 “(8) A participating community college district shall contribute monthly
3 to the optional retirement plan the percentage of salary for each employee
4 participating in the plan that is equal to the percentage of salary that is
5 required to be made as the employer contribution under ORS 238A.220, less
6 any contributions made by reason of unfunded liabilities. The district may
7 make contributions under this subsection only during periods of time in
8 which the employee would be eligible for membership in the Public Employ-
9 ees Retirement System if the employee had not elected to participate in the
10 optional retirement plan.

11 “(9) An administrative employee who elects to participate in the optional
12 retirement plan may make an election to withdraw from the plan. An em-
13 ployee may make an election under this subsection only once. Upon with-
14 drawing from the plan:

15 “(a) All contributions made to the plan before the effective date of the
16 withdrawal remain credited to the employee;

17 “(b) The employee becomes a member of the Public Employees Retirement
18 System under ORS chapter 238A if the member meets all requirements for
19 membership under ORS chapter 238A; and

20 “(c) The employee is barred from ever again electing to participate in the
21 optional retirement plan.

22 “(10) For the purposes of this section, ‘administrative employee’ means a
23 president, vice president or dean, or a person holding a position that is the
24 equivalent of a president, vice president or dean.

25 **“SECTION 104.** ORS 341.565 is amended to read:

26 “341.565. (1) The [*State Board of Education*] **Higher Education Coordi-**
27 **nating Commission** shall constitute the boundary board for making any
28 changes in the boundaries of community college districts. The [*state board*]
29 **commission** on its own motion or on petition from a petitioning territory
30 may propose changes in the boundaries of a community college district. The

1 [state board] **commission** must find that the proposed change will have no
2 substantially adverse effect upon the ability of the affected districts to pro-
3 vide and continue their programs and is not made solely for tax advantages
4 to property owners in the district or area affected by the proposed change.
5 The [state board] **commission** may submit the question of a boundary change
6 to a vote of the electors of the territories affected by the boundary change.
7 The election must be held on the same day in both of the affected territories.

8 “(2) A petition shall be in a form prescribed by the [state board] **com-**
9 **mission** and must contain [such] **the** information [as] **that** the [state board
10 may require] **commission requires**. The petition shall contain a minimum
11 number of signatures as fixed by the [state board] **commission**.

12 “(3) Before any order changing boundaries of an existing district is en-
13 tered, the [state board] **commission** shall set dates for a public hearing in
14 the area to be included in the district or excluded from the district by the
15 proposed boundary change and in the case of annexation of new territory in
16 the principal town of the existing district and shall give notice in the man-
17 ner required in ORS 341.357. At the time set in the notice, the [state board]
18 **commission** or its authorized representative shall conduct a public hearing
19 on the motion or petition and may adjourn the hearing from time to time.

20 “(4) If, upon final hearing, the [state board] **commission** approves the
21 motion or petition or affirms the vote of the electors of the affected territo-
22 ries, the [state board] **commission** shall make an order describing the re-
23 vised boundaries of the district. The order becomes final when the order is
24 approved by the Legislative Assembly. If the order is not approved, the [state
25 board] **commission** may revise the order and resubmit the order to the
26 Legislative Assembly but not sooner than 60 days after the action of disap-
27 proval was taken.

28 “(5) Any division of assets and liabilities required by a change in the
29 boundaries of a district shall be made pursuant to ORS 341.573.

30 “(6) When the boundaries of a district are changed, if the final order of

1 the [state board] **commission** or an election held under ORS 341.569:

2 “(a) Occurs between July 1 and March 31, inclusive, the change takes
3 effect on the June 30 following the final order or election favoring the
4 change.

5 “(b) Occurs between April 1 and June 30, inclusive, the change takes ef-
6 fect on the June 30 of the following year.

7 “(7) For purposes of ad valorem taxation, a boundary change must be filed
8 in final approved form with the county assessor and the Department of
9 Revenue as provided in ORS 308.225.

10 **“SECTION 105.** ORS 341.569 is amended to read:

11 “341.569. (1) The [State Board of Education] **Higher Education Coordi-**
12 **nating Commission** shall submit the question of a proposed boundary
13 change to a vote if:

14 “(a) The [state board] **commission** enters the order to revise the bound-
15 aries of a community college district;

16 “(b) A remonstrance is filed with the [state board] **commission** within
17 20 days after the date on which the hearing under ORS 341.565 is adjourned
18 finally;

19 “(c) The remonstrance is signed by at least five percent of the electors
20 or at least 500 of the electors, whichever is less, in:

21 “(A) An area to be included in the district or excluded from the district
22 by the proposed boundary change; or

23 “(B) The existing community college district; and

24 “(d) The area to be included in the district is not surrounded by the ter-
25 ritory of a single community college district.

26 “(2) When necessary under subsection (1) of this section, the question
27 shall be submitted to the electors of the area or district filing a
28 remonstrance or in both if remonstrances meeting the requirements of sub-
29 section (1) of this section are filed from both.

30 “(3) If the proposed boundary change is defeated, the same or a substan-

1 tially similar change may not be considered until at least 12 months have
2 elapsed from the date of the election at which the change was defeated. If
3 the vote is favorable in the area or district from which a remonstrance was
4 filed, the [*state board*] **commission** shall declare the change effective on the
5 date determined under ORS 341.565.

6 **“SECTION 106.** ORS 341.573 is amended to read:

7 “341.573. (1) When changes in district boundaries are made by the
8 detachment of territory or an annexation of territory and another community
9 college district is affected, the boards of the districts shall make an equitable
10 division of the then existing assets and liabilities between the districts af-
11 fected by such change and provide the manner of consummating the division.

12 “(2) In case of failure to agree within 20 days from the time of such
13 change, the matter shall be decided by a board of arbitrators. The board of
14 arbitrators shall consist of one member appointed by each of the boards of
15 the affected districts and an additional member appointed by the other ap-
16 pointees.

17 “(3) In the event any such board fails to appoint an arbitrator within 30
18 days, the [*State Board of Education*] **Higher Education Coordinating**
19 **Commission** shall appoint such arbitrator. In the event the arbitrators se-
20 lected fail to appoint the additional arbitrator within 30 days after the ap-
21 pointment of the arbitrator last appointed, the [*State Board of Education*]
22 **commission** shall notify the judge senior in service of the circuit court of
23 the principal county. Within 10 days after receiving such notice, the judge
24 shall appoint one additional arbitrator.

25 “(4) Each member of the board of arbitrators shall be entitled to the sum
26 of \$100 per day for each day’s service, and necessary expenses, while serving
27 in the official capacity of the member. Expenses thus incurred shall be
28 equally apportioned among the districts concerned.

29 “(5) A party to an arbitration under this section may seek confirmation,
30 vacation, modification or correction of the arbitrator’s decision as provided

1 in ORS 36.700, 36.705 and 36.710. A court may vacate an award only if there
2 is a basis to vacate the award described in ORS 36.705 (1)(a) to (d). The court
3 may modify or correct an award only for the grounds given in ORS 36.710.

4 “(6) Assets include all property and moneys belonging to the district at
5 the time of division. Liabilities include all debts for which the respective
6 districts in their corporate capacities are liable at the time of division. In
7 determining the assets, property shall be estimated at its fair value. The as-
8 sets and liabilities shall be divided between the districts in proportion to the
9 last assessed value of the real and personal property. The district retaining
10 the real property shall pay the other districts concerned such sums as are
11 determined in accordance with the provisions of this section. All funds to
12 be apportioned during the current fiscal year, after such division, shall be
13 made in proportion to the number of persons in each district according to
14 the latest federal census.

15 **“SECTION 107.** ORS 341.577 is amended to read:

16 “341.577. (1) Notwithstanding any other provision of this chapter, when
17 the new territory annexed to an existing community college district is
18 greater in population than the original territory, based upon the latest fed-
19 eral census, the provisions of this section shall govern the community college
20 district for a period of not less than 10 years after the effective date of the
21 boundary change.

22 “(2) Program access and facilities for students shall be maintained in the
23 original territory for a period of not less than 20 years while programs and
24 facilities for students are developed in the new territory.

25 “(3)(a) After the approval by the electors of both the original territory
26 and the new territory of the boundary change, the mode of election of board
27 members shall be changed as provided in this subsection. The term of office
28 of a board member shall be four years. Electors of each of the seven zones
29 shall elect a board member.

30 “(b) No later than the 90th day after the boundary change election under

1 ORS 341.579 (1), five zones for the new territory shall be established by the
2 [*State Board of Education*] **Higher Education Coordinating Commission**.

3 “(c) No later than June 30, two zones for the original territory shall be
4 established by the [*State Board of Education*] **commission** before the
5 election of the first director to either zone as provided in this subsection.

6 “(d) Zones shall be established with the boundaries exclusively within the
7 original territory or exclusively within the new territory, and with the zones
8 as nearly equal in population as is feasible according to the latest federal
9 census.

10 “(e) An elector may sign a petition of nomination and may vote only for
11 a candidate from the zone in which the elector resides.

12 “(f) The four-year terms of office pertaining to the five numbered zones
13 of the original territory shall continue until the regularly scheduled June
14 30 termination date of each expires. A board member shall be nominated and
15 elected in the same numbered zone in the new territory at the regular dis-
16 trict election immediately preceding the June 30 date, and the director from
17 that zone shall take office on the July 1 following the date of election.

18 “(g) Board members nominated and elected to office by zone in the ori-
19 ginal territory, and any person elected or appointed to fill any vacancy in
20 such office, shall continue to hold office until the expiration of the board
21 member’s term.

22 “(h)(A) The two at-large board positions in the original territory shall
23 become the two zoned positions of the original territory after that June 30
24 on which the last zone of the original territory no longer is in effect.

25 “(B) At that time, the directors in office in the two at-large board posi-
26 tions in the original territory shall each be assigned that zone in which each
27 resides, if both reside in separate zones.

28 “(C) If the two directors reside in the same zone, then that director
29 elected by the greater number of votes between the two directors at large
30 shall hold the board position for the territory of the zone in which the di-

1 rector resided at the date of election, and the other director shall hold the
2 board position of the other zone.

3 “(D) [*Such*] **The** board members shall continue in office until their re-
4 spective terms of at-large election expire, provided any vacancy occurring in
5 a board member’s office before the expiration of such term shall be filled
6 until expiration by appointment by the board of a resident of the board
7 member’s zone.

8 “(4) The board shall appoint an advisory committee of seven members,
9 including three from the original territory and three from the new territory.
10 The board shall appoint a seventh, at-large member from a list of persons
11 nominated by the advisory committee. The at-large member shall be the
12 chairperson. The advisory committee members shall be appointed, and may
13 be reappointed, for terms of three years, and the terms shall be staggered so
14 that approximately one-third of the terms of the members end each year. The
15 board shall give deliberative consideration to all recommendations of the
16 advisory committee concerning policy related to district organization, edu-
17 cational services and facilities in regard to both the original territory and
18 the new territory.

19 “(5) Subject to ORS 294.414, members of the advisory committee shall be
20 appointed to the community college district budget committee. The commu-
21 nity college district budget committee shall review and recommend budgets
22 established and delineated by territory based on revenues and resources
23 available.

24 “(6) The chief administrative officer of the district shall maintain the
25 administrative office of the district in the original territory.

26 “(7) Collective bargaining shall be maintained uniformly across the ori-
27 ginal territory and new territory.

28 “(8) After receiving any recommendation of the advisory committee, the
29 board may continue one or more of the provisions of subsections (1) and (3)
30 to (7) of this section in effect for an indefinite period after the expiration

1 of the 10-year period referred to in subsection (1) of this section.

2 “(9) The original territory shall remain liable for the existing debt of the
3 community college district payable from ad valorem property taxes levied
4 specifically for the payment of such indebtedness.

5 “**SECTION 108.** ORS 341.579 is amended to read:

6 “341.579. (1) The [*State Board of Education*] **Higher Education Coordi-**
7 **nating Commission** shall submit the question of any boundary change per-
8 taining to a community college district subject to ORS 341.577 to a vote of
9 the electors held the same day in both the original territory and the new
10 territory.

11 “(2) If the proposed boundary change is defeated in either territory, the
12 same or a substantially similar change shall not be considered until at least
13 12 months have elapsed from the date of the election at which the proposed
14 change was defeated. If the vote is favorable in both the original territory
15 and the new territory, and subject to determination by the [*state board*]
16 **commission** that there is a legislative appropriation to the Community
17 College Support Fund established in ORS 341.620 to support the new district
18 resulting from the boundary change at a level commensurate with support
19 for other community college districts, then the [*state board*] **commission**
20 shall declare the change effective on the date determined under ORS 341.565.
21 Implementation of the [*state board's*] **commission's** order shall take place
22 only if the funds needed to accommodate the impact of annexation on other
23 local education districts are appropriated specifically for that purpose by the
24 Legislative Assembly or allocated by the Emergency Board.

25 “**SECTION 109.** ORS 341.626 is amended to read:

26 “341.626. (1) Subject to rules adopted by the [*State Board of Education*]
27 **Higher Education Coordinating Commission** and to ORS 291.232 to
28 291.260, the [*Commissioner for Community College Services*] **Office of Post-**
29 **Secondary Education and Workforce Development** shall distribute state
30 aid to each community college district and community college service dis-

1 trict.

2 “(2) The rules adopted by the [*State Board of Education*] **commission**
3 shall provide:

4 “(a) No state aid for hobby and recreation classes;

5 “(b) Procedures for proper and accurate record keeping;

6 “(c) Procedures that will insure reasonable year to year stability in the
7 delivery of appropriated moneys to the colleges; and

8 “(d) Procedures to insure that the full state appropriation is delivered to
9 the colleges.

10 “(3) Upon compliance with the rules adopted by the [*State Board of Edu-*
11 *cation*] **commission**, the [*commissioner*] **office** shall, as soon as practicable
12 following the receipt of required reports from the districts, prepare, certify
13 and transmit to the Oregon Department of Administrative Services the names
14 and the amounts due each district. The Oregon Department of Administrative
15 Services shall audit the amounts certified by the [*commissioner*] **office** and
16 draw its warrants on the State Treasury payable out of the General Fund to
17 the districts.

18 “**SECTION 110.** ORS 341.655 is amended to read:

19 “341.655. (1) As used in this section, ‘approved expenses’ means the oper-
20 ating expenses of community college districts for career and technical edu-
21 cation programs that have been approved by the [*Commissioner for*
22 *Community College Services*] **Office of Post-Secondary Education and**
23 **Workforce Development.**

24 “(2) Federal moneys received for purposes of reimbursing community col-
25 lege districts for career and technical education programs may be used by
26 the districts to pay approved expenses.

27 “**SECTION 111.** ORS 341.665 is amended to read:

28 “341.665. (1) The receiving community college shall be awarded funds from
29 the contracted out-of-district funds appropriated to the [*Department of Com-*
30 *munity Colleges*] **Office of Post-Secondary Education** and Workforce De-

1 velopment if the college operates the program under a contract with an
2 apprenticeship training committee and the contract is approved by the [*De-*
3 *partment of Community Colleges and Workforce Development*] **office**.

4 “(2) A community college district may submit full-time equivalencies
5 generated by apprenticeship programs to the [*Department of Community Col-*
6 *leges and Workforce Development*] **office** for reimbursement from the Com-
7 munity College Support Fund for purposes of ORS 341.626 but may not
8 submit for reimbursement those full-time equivalencies generated through
9 contracts under subsection (1) of this section.

10 “**SECTION 112.** ORS 341.721 is amended to read:

11 “341.721. (1) To provide funds to community college districts for the pur-
12 poses specified in Article XI-G of the Oregon Constitution, the State Treas-
13 urer may issue bonds at the request of the [*State Board of Education*] **Higher**
14 **Education Coordinating Commission** in accordance with the provisions
15 of ORS chapter 286A.

16 “(2) The State Treasurer may not issue bonds pursuant to Article XI-G
17 of the Oregon Constitution under subsection (1) of this section for a com-
18 munity college project unless a grant agreement has been entered into pur-
19 suant to ORS 341.735 between the [*Department of Community Colleges*] **Office**
20 **of Post-Secondary Education** and Workforce Development and the com-
21 munity college district that is receiving the bond proceeds.

22 “**SECTION 113.** Section 25, chapter 904, Oregon Laws 2009, is amended
23 to read:

24 “**Sec. 25.** (1) Pursuant to Article XI-G of the Oregon Constitution and
25 ORS 341.721 and ORS chapter 286A, the State Treasurer may sell, at the re-
26 quest of the [*State Board of Education*] **Higher Education Coordinating**
27 **Commission**, general obligation bonds of the State of Oregon of the kind
28 and character and within the limits prescribed by Article XI-G of the Oregon
29 Constitution, as the treasurer determines, but in no event may the treasurer
30 sell more than the aggregate principal sum of \$63,223,000 par value for the

1 biennium beginning July 1, 2009. The moneys realized from the sale of the
2 bonds shall be appropriated and may be expended for the purposes set forth
3 in section 7 [*of this 2009 Act*], **chapter 904, Oregon Laws 2009**, and section
4 3 (1), chapter 761, Oregon Laws 2007, and for payment for capitalized interest
5 and costs incidental to issuance of the bonds.

6 “(2) In compliance with the requirements of Article XI-G of the Oregon
7 Constitution, funds available under the expenditure limitation for bonds is-
8 sued pursuant to Article XI-G of the Oregon Constitution in section 7 (1)
9 [*of this 2009 Act*], **chapter 904, Oregon Laws 2009**, are matched with the
10 General Fund appropriation made under [*section 20, chapter 761, Oregon Laws*
11 *2007*] **ORS 341.753**, as amended by section 27 [*of this 2009 Act*], **chapter 904,**
12 **Oregon Laws 2009.**

13 “(3) In compliance with the requirements of Article XI-G of the Oregon
14 Constitution, funds available under the expenditure limitation for bonds is-
15 sued pursuant to Article XI-G of the Oregon Constitution in section 7 (2)
16 [*of this 2009 Act*], **chapter 904, Oregon Laws 2009**, are matched with the
17 General Fund appropriation made under [*section 21, chapter 761, Oregon Laws*
18 *2007*] **ORS 341.755**, as amended by section 28 [*of this 2009 Act*], **chapter 904,**
19 **Oregon Laws 2009.**

20 “(4) In compliance with the requirements of Article XI-G of the Oregon
21 Constitution, funds available under the expenditure limitation for bonds is-
22 sued pursuant to Article XI-G of the Oregon Constitution in section 7 (3)
23 [*of this 2009 Act*], **chapter 904, Oregon Laws 2009**, are matched with the
24 General Fund appropriation made under [*section 22, chapter 761, Oregon Laws*
25 *2007*] **ORS 341.757**, as amended by section 29 [*of this 2009 Act*], **chapter 904,**
26 **Oregon Laws 2009.**

27 “(5) In compliance with the requirements of Article XI-G of the Oregon
28 Constitution, funds available under the expenditure limitation for bonds is-
29 sued pursuant to Article XI-G of the Oregon Constitution in section 7 (4)
30 [*of this 2009 Act*], **chapter 904, Oregon Laws 2009**, are matched with the

1 General Fund appropriation made under [*section 26, chapter 787, Oregon Laws*
2 *2005*] **ORS 341.762**, as amended by section 30 [*of this 2009 Act*], **chapter 904,**
3 **Oregon Laws 2009.**

4 “(6) In compliance with the requirements of Article XI-G of the Oregon
5 Constitution, funds available under the expenditure limitation for bonds is-
6 sued pursuant to Article XI-G of the Oregon Constitution in section 7 (5)
7 [*of this 2009 Act*], **chapter 904, Oregon Laws 2009**, are matched with the
8 General Fund appropriation made under [*section 23, chapter 761, Oregon Laws*
9 *2007*] **ORS 341.766**, as amended by section 31 [*of this 2009 Act*], **chapter 904,**
10 **Oregon Laws 2009.**

11 “(7) In compliance with the requirements of Article XI-G of the Oregon
12 Constitution, funds available under the expenditure limitation for bonds is-
13 sued pursuant to Article XI-G of the Oregon Constitution in section 7 (6)
14 [*of this 2009 Act*], **chapter 904, Oregon Laws 2009**, are matched with the
15 General Fund appropriation made under [*section 27, chapter 787, Oregon Laws*
16 *2005*] **ORS 341.773**, as amended by section 26, chapter 761, Oregon Laws 2007,
17 and section 32 [*of this 2009 Act*], **chapter 904, Oregon Laws 2009.**

18 “(8) In compliance with the requirements of Article XI-G of the Oregon
19 Constitution, funds available under the expenditure limitation for bonds is-
20 sued pursuant to Article XI-G of the Oregon Constitution in section 7 (7)
21 [*of this 2009 Act*], **chapter 904, Oregon Laws 2009**, are matched with the
22 General Fund appropriation made under [*section 27, chapter 761, Oregon Laws*
23 *2007*] **ORS 341.775**, as amended by section 33 [*of this 2009 Act*], **chapter 904,**
24 **Oregon Laws 2009.**

25 “(9) In compliance with the requirements of Article XI-G of the Oregon
26 Constitution, funds available under the expenditure limitation for bonds is-
27 sued pursuant to Article XI-G of the Oregon Constitution in section 7 (8)
28 [*of this 2009 Act*], **chapter 904, Oregon Laws 2009**, are matched with the
29 General Fund appropriation made under [*section 34 of this 2009 Act*] **ORS**
30 **341.784.**

1 “(10) In compliance with the requirements of Article XI-G of the Oregon
2 Constitution, funds available under the expenditure limitation for bonds is-
3 sued pursuant to Article XI-G of the Oregon Constitution in section 7 (9)
4 [of this 2009 Act], **chapter 904, Oregon Laws 2009**, are matched with the
5 General Fund appropriation made under [section 35 of this 2009 Act] **ORS**
6 **341.787**.

7 “**SECTION 114.** Section 26, chapter 904, Oregon Laws 2009, is amended
8 to read:

9 “**Sec. 26.** Notwithstanding section 7 [of this 2009 Act], **chapter 904,**
10 **Oregon Laws 2009**, at the request of the [State Board of Education] **Higher**
11 **Education Coordinating Commission**, the State Treasurer may issue bonds
12 for a project listed in section 7, **chapter 904, Oregon Laws 2009** [of this 2009
13 Act]:

14 “(1) If the total amount from other revenues, including federal funds,
15 identified for the project in the expenditure limitation in section 7, **chapter**
16 **904, Oregon Laws 2009**, [of this 2009 Act] has been received by the Depart-
17 ment of Community Colleges and Workforce Development; or

18 “(2) After the department reports to the Emergency Board or the Joint
19 Committee on Ways and Means, if the total amount from other revenues,
20 including federal funds, identified for the project in the expenditure limita-
21 tion in section 7, **chapter 904, Oregon Laws 2009**, [of this 2009 Act] has not
22 been received by the department.

23 “**SECTION 115.** Section 14, chapter 2, Oregon Laws 2009, as amended by
24 section 11, chapter 906, Oregon Laws 2009, is amended to read:

25 “**Sec. 14.** (1) Pursuant to ORS 286A.560 to 286A.585, at the request of the
26 Oregon Department of Administrative Services, after the department consults
27 with the [Department of Community Colleges] **Office of Post-Secondary**
28 **Education** and Workforce Development, the State Treasurer is authorized
29 to issue lottery bonds for community college capital construction, deferred
30 maintenance, capital renewal, code compliance and safety projects.

1 “(2) The use of lottery bond proceeds is authorized based on the following
2 findings:

3 “(a) New buildings and facilities are needed in order that community
4 colleges have adequate facilities for teaching.

5 “(b) Having adequate community college buildings and facilities is essen-
6 tial to Oregon’s healthy economic growth.

7 “(c) Subsystems within community college buildings are wearing out and
8 must be replaced so that community colleges have adequate facilities for
9 teaching.

10 “(d) Having safe and fully functioning community college facilities is es-
11 sential to Oregon’s healthy economic growth.

12 “(3) The aggregate principal amount of lottery bonds issued pursuant to
13 subsection (1) of this section for:

14 “(a) Capital construction may not exceed the amount of \$8,600,000 and an
15 additional amount estimated by the State Treasurer to be necessary to pay
16 bond-related costs as defined in ORS 286A.560.

17 “(b) Deferred maintenance, capital renewal, code compliance and safety
18 projects may not exceed the amount of \$48,962,850 and an additional amount
19 estimated by the State Treasurer to be necessary to pay bond-related costs
20 as defined in ORS 286A.560.

21 “(4) Of the net proceeds of lottery bonds issued pursuant to this section
22 for the biennium beginning July 1, 2009, an amount not to exceed \$13,700,000
23 shall be deposited in the [*Department of Community Colleges*] **Office of**
24 **Post-Secondary Education** and Workforce Development Capital Con-
25 struction, Deferred Maintenance and Capital Repair Project Fund established
26 by section 15, chapter 2, Oregon Laws 2009.

27 “**SECTION 116.** Section 15, chapter 2, Oregon Laws 2009, as amended by
28 section 12, chapter 906, Oregon Laws 2009, and section 3, chapter 78, Oregon
29 Laws 2012, is amended to read:

30 “**Sec. 15.** (1) The [*Department of Community Colleges*] **Office of Post-**

1 **Secondary Education** and Workforce Development Capital Construction,
2 Deferred Maintenance and Capital Repair Project Fund is established sepa-
3 rate and distinct from the General Fund. Interest earned by the [*Department*
4 *of Community Colleges*] **Office of Post-Secondary Education** and
5 Workforce Development Capital Construction, Deferred Maintenance and
6 Capital Repair Project Fund shall be credited to the fund.

7 “(2) Net proceeds of lottery bonds issued pursuant to section 14, chapter
8 2, Oregon Laws 2009, and section 2, **chapter 78, Oregon Laws 2012**, [*of this*
9 *2012 Act*] shall be deposited into the [*Department of Community Colleges*]
10 **Office of Post-Secondary Education** and Workforce Development Capital
11 Construction, Deferred Maintenance and Capital Repair Project Fund. Mon-
12 eys in the fund are continuously appropriated to the [*Department of Com-*
13 *munity Colleges*] **Office of Post-Secondary Education** and Workforce
14 Development for the purpose of making grants to community college districts
15 for capital construction, deferred maintenance, capital renewal, code com-
16 pliance and safety projects.

17 **“SECTION 117.** Section 11, chapter 2, Oregon Laws 2009, as amended by
18 section 39, chapter 2, Oregon Laws 2011, is amended to read:

19 **“Sec. 11.** (1) There is established in the General Fund an account to be
20 known as the Chemeketa Community College Deferred Maintenance Account.
21 Moneys in the account shall be used for deferred maintenance, capital re-
22 newal, code compliance and safety projects for the Chemeketa Community
23 College District.

24 “(2) The account may consist of the following moneys that have been de-
25 posited in the account by the [*Department of Community Colleges*] **Office of**
26 **Post-Secondary Education** and Workforce Development at the request of
27 the Chemeketa Community College District for the purposes listed in sub-
28 section (1) of this section:

29 “(a) Moneys from federal and local governments;

30 “(b) Donations;

1 “(c) Community College Support Fund moneys transferred to the account
2 by the [*department*] **office** at the request of the community college district;

3 “(d) Building reserve funds of the community college district transferred
4 to the [*department*] **office** from the community college district; and

5 “(e) Proceeds from the sale of bonds issued by the community college
6 district.

7 “(3) Interest earned on moneys in the account shall be credited to the
8 account.

9 “(4) The account may not be credited with more than \$5,082,500 in do-
10 nations, Community College Support Fund moneys, proceeds from the sale
11 of bonds, building reserve funds, federal and local government funds and in-
12 terest.

13 “(5) Moneys in the account are continuously appropriated to the [*depart-*
14 *ment*] **office** and may be transferred to the Community College Capital
15 Construction Fund for the purpose of making distributions to the Chemeketa
16 Community College District for the purposes listed in subsection (1) of this
17 section.

18 “**SECTION 118.** Section 12, chapter 2, Oregon Laws 2009, as amended by
19 section 40, chapter 2, Oregon Laws 2011, is amended to read:

20 “**Sec. 12.** (1) There is established in the General Fund an account to be
21 known as the Clackamas Community College Deferred Maintenance Account.
22 Moneys in the account shall be used for deferred maintenance, capital re-
23 newal, code compliance and safety projects for the Clackamas Community
24 College District.

25 “(2) The account may consist of the following moneys that have been de-
26 posited in the account by the [*Department of Community Colleges*] **Office**
27 **Post-Secondary Education** and Workforce Development at the request of
28 the Clackamas Community College District for the purposes listed in sub-
29 section (1) of this section:

30 “(a) Moneys from federal and local governments;

1 “(b) Donations;

2 “(c) Community College Support Fund moneys transferred to the account
3 by the [*department*] **office** at the request of the community college district;

4 “(d) Building reserve funds of the community college district transferred
5 to the [*department*] **office** from the community college district; and

6 “(e) Proceeds from the sale of bonds issued by the community college
7 district.

8 “(3) Interest earned on moneys in the account shall be credited to the
9 account.

10 “(4) The account may not be credited with more than \$1,293,750 in do-
11 nations, Community College Support Fund moneys, proceeds from the sale
12 of bonds, building reserve funds, federal and local government funds and in-
13 terest.

14 “(5) Moneys in the account are continuously appropriated to the [*depart-*
15 *ment*] **office** and may be transferred to the Community College Capital
16 Construction Fund for the purpose of making distributions to the Clackamas
17 Community College District for the purposes listed in subsection (1) of this
18 section.

19 “**SECTION 119.** Section 13, chapter 2, Oregon Laws 2009, as amended by
20 section 41, chapter 2, Oregon Laws 2011, is amended to read:

21 “**Sec. 13.** (1) There is established in the General Fund an account to be
22 known as the Portland Community College Deferred Maintenance Account.
23 Moneys in the account shall be used for deferred maintenance, capital re-
24 newal, code compliance and safety projects for the Portland Community
25 College District.

26 “(2) The account may consist of the following moneys that have been de-
27 posited in the account by the [*Department of Community Colleges*] **Office of**
28 **Post-Secondary Education** and Workforce Development at the request of
29 the Portland Community College District for the purposes listed in sub-
30 section (1) of this section:

1 “(a) Moneys from federal and local governments;

2 “(b) Donations;

3 “(c) Community College Support Fund moneys transferred to the account
4 by the [*department*] **office** at the request of the community college district;

5 “(d) Building reserve funds of the community college district transferred
6 to the [*department*] **office** from the community college district; and

7 “(e) Proceeds from the sale of bonds issued by the community college
8 district.

9 “(3) Interest earned on moneys in the account shall be credited to the
10 account.

11 “(4) The account may not be credited with more than \$3,327,500 in do-
12 nations, Community College Support Fund moneys, proceeds from the sale
13 of bonds, building reserve funds, federal and local government funds and in-
14 terest.

15 “(5) Moneys in the account are continuously appropriated to the [*depart-*
16 *ment*] **office** and may be transferred to the Community College Capital
17 Construction Fund for the purpose of making distributions to the Portland
18 Community College District for the purposes listed in subsection (1) of this
19 section.

20 “**SECTION 120.** ORS 341.725 is amended to read:

21 “341.725. (1) The Community College Capital Construction Fund is estab-
22 lished separate and distinct from the General Fund. Interest earned on
23 moneys in the Community College Capital Construction Fund shall be cred-
24 ited to the fund.

25 “(2) Moneys in the Community College Capital Construction Fund are
26 appropriated continuously to the [*Department of Community Colleges*] **Office**
27 **of Post-Secondary Education** and Workforce Development and may be
28 disbursed by the [*department*] **office** for the purposes described in section 1
29 (2), Article XI-G of the Oregon Constitution pursuant to grant agreements
30 entered into between the [*department*] **office** and community college districts

1 under ORS 341.735.

2 **“SECTION 121.** ORS 341.728 is amended to read:

3 “341.728. (1) The Community College Bond Building Fund is established
4 separate and distinct from the General Fund.

5 “(2) The Community College Bond Building Fund shall consist of moneys
6 realized from the sale of bonds issued pursuant to Article XI-G of the Oregon
7 Constitution for the benefit of community college districts under ORS
8 341.721.

9 “(3) Moneys in the Community College Bond Building Fund are appro-
10 priated continuously to the [*Department of Community Colleges*] **Office of**
11 **Post-Secondary Education** and Workforce Development and may be dis-
12 bursed by the [*department*] **office** for the purposes described in section 1 (2),
13 Article XI-G of the Oregon Constitution, including payment of costs related
14 to issuing bonds and payment of debt service on bonds, pursuant to grant
15 agreements entered into between the [*department*] **office** and community
16 college districts under ORS 341.735.

17 “(4) Moneys in the Community College Bond Building Fund may be in-
18 vested as provided in ORS 286A.025 until needed for disbursement under
19 subsection (3) of this section. If a surplus remains in the fund after dis-
20 bursement, the surplus and earnings from temporary investments shall be
21 credited to the Community College Bond Sinking Fund.

22 **“SECTION 122.** ORS 341.731 is amended to read:

23 “341.731. (1) The Community College Bond Sinking Fund is established
24 separate and distinct from the General Fund. The Community College Bond
25 Sinking Fund shall be used to provide for payment of the principal and the
26 interest upon bonds issued under the authority of Article XI-G of the Oregon
27 Constitution for the benefit of community college districts under ORS
28 341.721.

29 “(2) Moneys in the fund are appropriated continuously to the [*Department*
30 *of Community Colleges*] **Office of Post-Secondary Education** and

1 Workforce Development.

2 “(3) The fund may be invested by the State Treasurer, and earnings on the
3 investments shall be credited to the fund.

4 “(4) The fund shall consist of all moneys received from ad valorem taxes
5 levied pursuant to ORS 291.445, all moneys that the Legislative Assembly
6 may provide in lieu of such taxes, all moneys received as accrued interest
7 upon bonds sold, all earnings from investments of the fund and the proceeds
8 of the sale of refunding bonds.

9 “(5) The [*department*] **office** may credit the fund with moneys received
10 from either a sale or interfund transfer of land, buildings or facilities.

11 “(6)(a) The [*department*] **office** may not use the fund for any purpose other
12 than the purposes for which the fund was created.

13 “(b) Notwithstanding paragraph (a) of this subsection, the [*department*]
14 **office** may transfer any surplus in the fund to other funds designated by the
15 [*department*] **office** if a balance remains in the fund and:

16 “(A) The purposes for which the fund was created have been fulfilled; and

17 “(B) A reserve sufficient to meet all existing and future obligations and
18 liabilities of the fund has been set aside.

19 “**SECTION 123.** ORS 341.735 is amended to read:

20 “341.735. (1) For the purposes of distributing moneys held in the Commu-
21 nity College Capital Construction Fund and the Community College Bond
22 Building Fund, the [*Department of Community Colleges*] **Office of Post-**
23 **Secondary Education** and Workforce Development shall enter into grant
24 agreements with each community college district for whose projects moneys
25 have been appropriated from the General Fund and are held pending dis-
26 bursement of the moneys. The grant agreements shall obligate the [*depart-*
27 *ment*] **office** to distribute to each community college district any funds the
28 district provides to the state to provide a General Fund match as required
29 by Article XI-G of the Oregon Constitution and shall also obligate the [*de-*
30 *partment*] **office** to distribute to each community college district any

1 amounts that are credited to the Community College Bond Building Fund for
2 a project of the district. The *[department]* **office** may impose reasonable
3 conditions and reporting and accounting requirements in a grant agreement
4 described in this section that are intended to ensure that the amounts dis-
5 tributed from the funds listed in this subsection will be used for the projects
6 for which the amounts were distributed.

7 “(2) The grant agreements shall also require that each community college
8 district that receives amounts from the funds listed in subsection (1) of this
9 section shall:

10 “(a) Return to the state any amounts distributed from the Community
11 College Bond Building Fund that are not required to complete the project
12 of that district. Except as provided in this paragraph, the *[department]* **office**
13 shall credit the returned amounts to the Community College Bond Sinking
14 Fund. If the *[department]* **office**, with the approval of the State Treasurer,
15 determines that the state’s costs may be reduced by applying the returned
16 amounts to other projects in lieu of issuing additional bonds for those
17 projects, the returned amounts may be credited to the Community College
18 Bond Building Fund.

19 “(b) Take any action as determined by the state’s bond counsel that is
20 necessary to maintain the excludability of the interest paid by the state on
21 the general obligation bonds that the state issues pursuant to Article XI-G
22 of the Oregon Constitution to fund the Community College Bond Building
23 Fund, that is necessary to obtain or maintain the ability of the state to re-
24 ceive federal interest subsidies on those bonds or that is necessary to obtain
25 or maintain any other tax-advantaged treatment under the Internal Revenue
26 Code.

27 “(3) The *[department]* **office** may collect fees from community college
28 districts that receive moneys under a grant agreement entered into under
29 this section to cover the costs relating to the administration of the distrib-
30 ution of proceeds from general obligation bonds issued pursuant to Article

1 XI-G of the Oregon Constitution to finance community college district
2 projects and for executing the responsibilities of the [*department*] **office** un-
3 der the grant agreement. The [*department*] **office** shall deposit any moneys
4 collected under this subsection in the [*Department of Community Colleges*]
5 **Office of Post-Secondary Education** and Workforce Development Account.

6 **“SECTION 124.** ORS 341.739 is amended to read:

7 “341.739. The [*Department of Community Colleges*] **Office of Post-**
8 **Secondary Education** and Workforce Development may receive bond coun-
9 sel services and financial advisory services through the Oregon University
10 System. If the [*Department of Community Colleges*] **Office of Post-**
11 **Secondary Education** and Workforce Development receives services
12 through the Oregon University System, the [*Department of Community Col-*
13 *leges*] **Office of Post-Secondary Education** and Workforce Development is
14 not obligated to obtain bond counsel services or financial advisory services
15 as otherwise prescribed in ORS 286A.130 and 286A.132.

16 **“SECTION 125.** ORS 341.751 is amended to read:

17 “341.751. (1) There is established in the General Fund an account to be
18 known as the Blue Mountain Community College Facilities Account. Moneys
19 in the account shall be used for the purposes described in Article XI-G of the
20 Oregon Constitution for the Blue Mountain Community College District.

21 “(2) The account may consist of the following moneys that have been de-
22 posited in the account by the [*Department of Community Colleges*] **Office of**
23 **Post-Secondary Education** and Workforce Development at the request of
24 the Blue Mountain Community College District for the purposes listed in
25 subsection (1) of this section:

26 “(a) Moneys from federal and local governments;

27 “(b) Donations;

28 “(c) Community College Support Fund moneys transferred to the account
29 by the [*department*] **office** at the request of the community college district;

30 “(d) Building reserve funds of the community college district transferred

1 to the [*department*] **office** from the community college district; and

2 “(e) Proceeds from the sale of bonds issued by the community college
3 district.

4 “(3) Interest earned on moneys in the account shall be credited to the
5 account.

6 “(4) The account may not be credited with more than \$1 in donations,
7 Community College Support Fund moneys, proceeds from the sale of bonds,
8 building reserve funds, federal and local government funds and interest.

9 “(5) Moneys in the account are continuously appropriated to the [*depart-*
10 *ment*] **office** and may be transferred to the Community College Capital
11 Construction Fund for the purpose of making distributions to the Blue
12 Mountain Community College District for the purposes listed in subsection
13 (1) of this section.

14 “**SECTION 126.** ORS 341.753 is amended to read:

15 “341.753. (1) There is established in the General Fund an account to be
16 known as the Central Oregon Community College Facilities Account. Mon-
17 eys in the account shall be used for the purposes described in Article XI-G
18 of the Oregon Constitution for the Central Oregon Community College Dis-
19 trict.

20 “(2) The account may consist of the following moneys that have been de-
21 posited in the account by the [*Department of Community Colleges*] **Office of**
22 **Post-Secondary Education** and Workforce Development at the request of
23 the Central Oregon Community College District for the purposes listed in
24 subsection (1) of this section:

25 “(a) Moneys from federal and local governments;

26 “(b) Donations;

27 “(c) Community College Support Fund moneys transferred to the account
28 by the [*department*] **office** at the request of the community college district;

29 “(d) Building reserve funds of the community college district transferred
30 to the [*department*] **office** from the community college district; and

1 “(e) Proceeds from the sale of bonds issued by the community college
2 district.

3 “(3) Interest earned on moneys in the account shall be credited to the
4 account.

5 “(4) The account may not be credited with more than \$11,478,000 in do-
6 nations, Community College Support Fund moneys, proceeds from the sale
7 of bonds, building reserve funds, federal and local government funds and in-
8 terest.

9 “(5) Moneys in the account are continuously appropriated to the [*depart-*
10 *ment*] **office** and may be transferred to the Community College Capital
11 Construction Fund for the purpose of making distributions to the Central
12 Oregon Community College District for the purposes listed in subsection (1)
13 of this section.

14 “**SECTION 127.** ORS 341.755 is amended to read:

15 “341.755. (1) There is established in the General Fund an account to be
16 known as the Chemeketa Community College Facility Account. Moneys in
17 the account shall be used for the purposes described in Article XI-G of the
18 Oregon Constitution for the Chemeketa Community College District.

19 “(2) The account may consist of the following moneys that have been de-
20 posited in the account by the [*Department of Community Colleges*] **Office of**
21 **Post-Secondary Education** and Workforce Development at the request of
22 the Chemeketa Community College District for the purposes listed in sub-
23 section (1) of this section:

24 “(a) Moneys from federal and local governments;

25 “(b) Donations;

26 “(c) Community College Support Fund moneys transferred to the account
27 by the [*department*] **office** at the request of the community college district;

28 “(d) Building reserve funds of the community college district transferred
29 to the [*department*] **office** from the community college district; and

30 “(e) Proceeds from the sale of bonds issued by the community college

1 district.

2 “(3) Interest earned on moneys in the account shall be credited to the
3 account.

4 “(4) The account may not be credited with more than \$11,880,000 in do-
5 nations, Community College Support Fund moneys, proceeds from the sale
6 of bonds, building reserve funds, federal and local government funds and in-
7 terest.

8 “(5) Moneys in the account are continuously appropriated to the [*depart-*
9 *ment*] **office** and may be transferred to the Community College Capital
10 Construction Fund for the purpose of making distributions to the Chemeketa
11 Community College District for the purposes listed in subsection (1) of this
12 section.

13 **“SECTION 128.** ORS 341.757 is amended to read:

14 “341.757. (1) There is established in the General Fund an account to be
15 known as the Clackamas Community College Facilities Account. Moneys in
16 the account shall be used for the purposes described in Article XI-G of the
17 Oregon Constitution for the Clackamas Community College District.

18 “(2) The account may consist of the following moneys that have been de-
19 posited in the account by the [*Department of Community Colleges*] **Office of**
20 **Post-Secondary Education** and Workforce Development at the request of
21 the Clackamas Community College District for the purposes listed in sub-
22 section (1) of this section:

23 “(a) Moneys from federal and local governments;

24 “(b) Donations;

25 “(c) Community College Support Fund moneys transferred to the account
26 by the [*department*] **office** at the request of the community college district;

27 “(d) Building reserve funds of the community college district transferred
28 to the [*department*] **office** from the community college district; and

29 “(e) Proceeds from the sale of bonds issued by the community college
30 district.

1 “(3) Interest earned on moneys in the account shall be credited to the
2 account.

3 “(4) The account may not be credited with more than \$13,156,250 in do-
4 nations, Community College Support Fund moneys, proceeds from the sale
5 of bonds, building reserve funds, federal and local government funds and in-
6 terest.

7 “(5) Moneys in the account are continuously appropriated to the [*depart-*
8 *ment*] **office** and may be transferred to the Community College Capital
9 Construction Fund for the purpose of making distributions to the Clackamas
10 Community College District for the purposes listed in subsection (1) of this
11 section.

12 **“SECTION 129.** ORS 341.759 is amended to read:

13 “341.759. (1) There is established in the General Fund an account to be
14 known as the Clatsop Community College Facilities Account. Moneys in the
15 account shall be used for the purposes described in Article XI-G of the
16 Oregon Constitution for the Clatsop Community College District.

17 “(2) The account may consist of the following moneys that have been de-
18 posited in the account by the [*Department of Community Colleges*] **Office of**
19 **Post-Secondary Education** and Workforce Development at the request of
20 the Clatsop Community College District for the purposes listed in subsection
21 (1) of this section:

22 “(a) Moneys from federal and local governments;

23 “(b) Donations;

24 “(c) Community College Support Fund moneys transferred to the account
25 by the [*department*] **office** at the request of the community college district;

26 “(d) Building reserve funds of the community college district transferred
27 to the [*department*] **office** from the community college district; and

28 “(e) Proceeds from the sale of bonds issued by the community college
29 district.

30 “(3) Interest earned on moneys in the account shall be credited to the

1 account.

2 “(4) The account may not be credited with more than \$11,500,000 in do-
3 nations, Community College Support Fund moneys, proceeds from the sale
4 of bonds, building reserve funds, federal and local government funds and in-
5 terest.

6 “(5) Moneys in the account are continuously appropriated to the [*depart-*
7 *ment*] **office** and may be transferred to the Community College Capital
8 Construction Fund for the purpose of making distributions to the Clatsop
9 Community College District for the purposes listed in subsection (1) of this
10 section.

11 **“SECTION 130.** ORS 341.762 is amended to read:

12 “341.762. (1) There is established in the General Fund an account to be
13 known as the Columbia Gorge Community College Facilities Account. Mon-
14 eys in the account shall be used for the purposes described in Article XI-G
15 of the Oregon Constitution for the Columbia Gorge Community College
16 District.

17 “(2) The account may consist of the following moneys that have been de-
18 posited in the account by the [*Department of Community Colleges*] **Office of**
19 **Post-Secondary Education** and Workforce Development at the request of
20 the Columbia Gorge Community College District for the purposes listed in
21 subsection (1) of this section:

22 “(a) Moneys from federal and local governments;

23 “(b) Donations;

24 “(c) Community College Support Fund moneys transferred to the account
25 by the [*department*] **office** at the request of the community college district;

26 “(d) Building reserve funds of the community college district transferred
27 to the [*department*] **office** from the community college district; and

28 “(e) Proceeds from the sale of bonds issued by the community college
29 district.

30 “(3) Interest earned on moneys in the account shall be credited to the

1 account.

2 “(4) The account may not be credited with more than \$15,500,000 in do-
3 nations, Community College Support Fund moneys, proceeds from the sale
4 of bonds, building reserve funds, federal and local government funds and in-
5 terest.

6 “(5) Moneys in the account are continuously appropriated to the [*depart-*
7 *ment*] **office** and may be transferred to the Community College Capital
8 Construction Fund for the purpose of making distributions to the Columbia
9 Gorge Community College District for the purposes listed in subsection (1)
10 of this section.

11 **“SECTION 131.** ORS 341.764 is amended to read:

12 “341.764. (1) There is established in the General Fund an account to be
13 known as the Klamath Community College Facilities Account. Moneys in the
14 account shall be used for the purposes described in Article XI-G of the
15 Oregon Constitution for the Klamath Community College District.

16 “(2) The account may consist of the following moneys that have been de-
17 posited in the account by the [*Department of Community Colleges*] **Office of**
18 **Post-Secondary Education** and Workforce Development at the request of
19 the Klamath Community College District for the purposes listed in sub-
20 section (1) of this section:

21 “(a) Moneys from federal and local governments;

22 “(b) Donations;

23 “(c) Community College Support Fund moneys transferred to the account
24 by the [*department*] **office** at the request of the community college district;

25 “(d) Building reserve funds of the community college district transferred
26 to the [*department*] **office** from the community college district; and

27 “(e) Proceeds from the sale of bonds issued by the community college
28 district.

29 “(3) Interest earned on moneys in the account shall be credited to the
30 account.

1 “(4) The account may not be credited with more than \$7,700,000 in do-
2 nations, Community College Support Fund moneys, proceeds from the sale
3 of bonds, building reserve funds, federal and local government funds and in-
4 terest.

5 “(5) Moneys in the account are continuously appropriated to the [*depart-*
6 *ment*] **office** and may be transferred to the Community College Capital
7 Construction Fund for the purpose of making distributions to the Klamath
8 Community College District for the purposes listed in subsection (1) of this
9 section.

10 **“SECTION 132.** ORS 341.766 is amended to read:

11 “341.766. (1) There is established in the General Fund an account to be
12 known as the Lane Community College Facilities Account. Moneys in the
13 account shall be used for the purposes described in Article XI-G of the
14 Oregon Constitution for the Lane Community College District.

15 “(2) The account may consist of the following moneys that have been de-
16 posited in the account by the [*Department of Community Colleges*] **Office of**
17 **Post-Secondary Education** and Workforce Development at the request of
18 the Lane Community College District for the purposes listed in subsection
19 (1) of this section:

20 “(a) Moneys from federal and local governments;

21 “(b) Donations;

22 “(c) Community College Support Fund moneys transferred to the account
23 by the [*department*] **office** at the request of the community college district;

24 “(d) Building reserve funds of the community college district transferred
25 to the [*department*] **office** from the community college district; and

26 “(e) Proceeds from the sale of bonds issued by the community college
27 district.

28 “(3) Interest earned on moneys in the account shall be credited to the
29 account.

30 “(4) The account may not be credited with more than \$14,750,000 in do-

1 nations, Community College Support Fund moneys, proceeds from the sale
2 of bonds, building reserve funds, federal and local government funds and in-
3 terest.

4 “(5) Moneys in the account are continuously appropriated to the [*depart-*
5 *ment*] **office** and may be transferred to the Community College Capital
6 Construction Fund for the purpose of making distributions to the Lane
7 Community College District for the purposes listed in subsection (1) of this
8 section.

9 **“SECTION 133.** ORS 341.768 is amended to read:

10 “341.768. (1) There is established in the General Fund an account to be
11 known as the Linn-Benton Community College Facilities Account. Moneys
12 in the account shall be used for the purposes described in Article XI-G of the
13 Oregon Constitution for the Linn-Benton Community College District.

14 “(2) The account may consist of the following moneys that have been de-
15 posited in the account by the [*Department of Community Colleges*] **Office of**
16 **Post-Secondary Education** and Workforce Development at the request of
17 the Linn-Benton Community College District for the purposes listed in sub-
18 section (1) of this section:

19 “(a) Moneys from federal and local governments;

20 “(b) Donations;

21 “(c) Community College Support Fund moneys transferred to the account
22 by the [*department*] **office** at the request of the community college district;

23 “(d) Building reserve funds of the community college district transferred
24 to the [*department*] **office** from the community college district; and

25 “(e) Proceeds from the sale of bonds issued by the community college
26 district.

27 “(3) Interest earned on moneys in the account shall be credited to the
28 account.

29 “(4) The account may not be credited with more than \$3,731,250 in do-
30 nations, Community College Support Fund moneys, proceeds from the sale

1 of bonds, building reserve funds, federal and local government funds and in-
2 terest.

3 “(5) Moneys in the account are continuously appropriated to the [*depart-*
4 *ment*] **office** and may be transferred to the Community College Capital
5 Construction Fund for the purpose of making distributions to the Linn-
6 Benton Community College District for the purposes listed in subsection (1)
7 of this section.

8 **“SECTION 134.** ORS 341.771 is amended to read:

9 “341.771. (1) There is established in the General Fund an account to be
10 known as the Mt. Hood Community College Facilities Account. Moneys in
11 the account shall be used for the purposes described in Article XI-G of the
12 Oregon Constitution for the Mt. Hood Community College District.

13 “(2) The account may consist of the following moneys that have been de-
14 posited in the account by the [*Department of Community Colleges*] **Office of**
15 **Post-Secondary Education** and Workforce Development at the request of
16 the Mt. Hood Community College District for the purposes listed in sub-
17 section (1) of this section:

18 “(a) Moneys from federal and local governments;

19 “(b) Donations;

20 “(c) Community College Support Fund moneys transferred to the account
21 by the [*department*] **office** at the request of the community college district;

22 “(d) Building reserve funds of the community college district transferred
23 to the [*department*] **office** from the community college district; and

24 “(e) Proceeds from the sale of bonds issued by the community college
25 district.

26 “(3) Interest earned on moneys in the account shall be credited to the
27 account.

28 “(4) The account may not be credited with more than \$2,500,000 in do-
29 nations, Community College Support Fund moneys, proceeds from the sale
30 of bonds, building reserve funds, federal and local government funds and in-

1 terest.

2 “(5) Moneys in the account are continuously appropriated to the [*depart-*
3 *ment*] **office** and may be transferred to the Community College Capital
4 Construction Fund for the purpose of making distributions to the Mt. Hood
5 Community College District for the purposes listed in subsection (1) of this
6 section.

7 **“SECTION 135.** ORS 341.773 is amended to read:

8 “341.773. (1) There is established in the General Fund an account to be
9 known as the Oregon Coast Community College Facilities Account. Moneys
10 in the account shall be used for the purposes described in Article XI-G of the
11 Oregon Constitution for the Oregon Coast Community College District.

12 “(2) The account may consist of the following moneys that have been de-
13 posited in the account by the [*Department of Community Colleges*] **Office of**
14 **Post-Secondary Education** and Workforce Development at the request of
15 the Oregon Coast Community College District for the purposes listed in
16 subsection (1) of this section:

17 “(a) Moneys from federal and local governments;

18 “(b) Donations;

19 “(c) Community College Support Fund moneys transferred to the account
20 by the [*department*] **office** at the request of the community college district;

21 “(d) Building reserve funds of the community college district transferred
22 to the [*department*] **office** from the community college district; and

23 “(e) Proceeds from the sale of bonds issued by the community college
24 district.

25 “(3) Interest earned on moneys in the account shall be credited to the
26 account.

27 “(4) The account may not be credited with more than \$9,500,000 in do-
28 nations, Community College Support Fund moneys, proceeds from the sale
29 of bonds, building reserve funds, federal and local government funds and in-
30 terest.

1 “(5) Moneys in the account are continuously appropriated to the [*depart-*
2 *ment*] **office** and may be transferred to the Community College Capital
3 Construction Fund for the purpose of making distributions to the Oregon
4 Coast Community College District for the purposes listed in subsection (1)
5 of this section.

6 **“SECTION 136.** ORS 341.775 is amended to read:

7 “341.775. (1) There is established in the General Fund an account to be
8 known as the Portland Community College Facilities Account. Moneys in the
9 account shall be used for the purposes described in Article XI-G of the
10 Oregon Constitution for the Portland Community College District.

11 “(2) The account may consist of the following moneys that have been de-
12 posited in the account by the [*Department of Community Colleges*] **Office of**
13 **Post-Secondary Education** and Workforce Development at the request of
14 the Portland Community College District for the purposes listed in sub-
15 section (1) of this section:

16 “(a) Moneys from federal and local governments;

17 “(b) Donations;

18 “(c) Community College Support Fund moneys transferred to the account
19 by the [*department*] **office** at the request of the community college district;

20 “(d) Building reserve funds of the community college district transferred
21 to the [*department*] **office** from the community college district; and

22 “(e) Proceeds from the sale of bonds issued by the community college
23 district.

24 “(3) Interest earned on moneys in the account shall be credited to the
25 account.

26 “(4) The account may not be credited with more than \$15,500,000 in do-
27 nations, Community College Support Fund moneys, proceeds from the sale
28 of bonds, building reserve funds, federal and local government funds and in-
29 terest.

30 “(5) Moneys in the account are continuously appropriated to the [*depart-*

1 *ment*] **office** and may be transferred to the Community College Capital
2 Construction Fund for the purpose of making distributions to the Portland
3 Community College District for the purposes listed in subsection (1) of this
4 section.

5 **“SECTION 137.** ORS 341.777 is amended to read:

6 “341.777. (1) There is established in the General Fund an account to be
7 known as the Rogue Community College Medford Instructional Facility Ac-
8 count. Moneys in the account shall be used for the purposes described in
9 Article XI-G of the Oregon Constitution for a joint instructional facility in
10 Medford for Southern Oregon University and the Rogue Community College
11 District.

12 “(2) The account may consist of the following moneys that have been de-
13 posited in the account by the [*Department of Community Colleges*] **Office of**
14 **Post-Secondary Education** and Workforce Development at the request of
15 the Rogue Community College District for the purposes listed in subsection
16 (1) of this section:

17 “(a) Moneys from federal and local governments;

18 “(b) Donations;

19 “(c) Community College Support Fund moneys transferred to the account
20 by the [*department*] **office** at the request of the community college district;

21 “(d) Building reserve funds of the community college district transferred
22 to the [*department*] **office** from the community college district; and

23 “(e) Proceeds from the sale of bonds issued by the community college
24 district.

25 “(3) Interest earned on moneys in the account shall be credited to the
26 account.

27 “(4) The account may not be credited with more than \$4,100,000 in do-
28 nations, Community College Support Fund moneys, proceeds from the sale
29 of bonds, building reserve funds, federal and local government funds and in-
30 terest.

1 “(5) Moneys in the account are continuously appropriated to the [*depart-*
2 *ment*] **office** and may be transferred to the Community College Capital
3 Construction Fund for the purpose of making distributions to the Rogue
4 Community College District for the purposes listed in subsection (1) of this
5 section.

6 **“SECTION 138.** ORS 341.779 is amended to read:

7 “341.779. (1) There is established in the General Fund an account to be
8 known as the Southwestern Oregon Community College Curry County Fa-
9 cilities Account. Moneys in the account shall be used for the purposes de-
10 scribed in Article XI-G of the Oregon Constitution for the Southwestern
11 Oregon Community College District.

12 “(2) The account may consist of the following moneys that have been de-
13 posited in the account by the [*Department of Community Colleges*] **Office of**
14 **Post-Secondary Education** and Workforce Development at the request of
15 the Southwestern Oregon Community College District for the purposes listed
16 in subsection (1) of this section:

17 “(a) Moneys from federal and local governments;

18 “(b) Donations;

19 “(c) Community College Support Fund moneys transferred to the account
20 by the [*department*] **office** at the request of the community college district;

21 “(d) Building reserve funds of the community college district transferred
22 to the [*department*] **office** from the community college district; and

23 “(e) Proceeds from the sale of bonds issued by the community college
24 district.

25 “(3) Interest earned on moneys in the account shall be credited to the
26 account.

27 “(4) The account may not be credited with more than \$2,300,000 in do-
28 nations, Community College Support Fund moneys, proceeds from the sale
29 of bonds, building reserve funds, federal and local government funds and in-
30 terest.

1 “(5) Moneys in the account are continuously appropriated to the [*depart-*
2 *ment*] **office** and may be transferred to the Community College Capital
3 Construction Fund for the purpose of making distributions to the South-
4 western Oregon Community College District for the purposes listed in sub-
5 section (1) of this section.

6 **“SECTION 139.** ORS 341.782 is amended to read:

7 “341.782. (1) There is established in the General Fund an account to be
8 known as the Tillamook Bay Community College Facilities Account. Moneys
9 in the account shall be used for the purposes described in Article XI-G of the
10 Oregon Constitution for the Tillamook Bay Community College District.

11 “(2) The account may consist of the following moneys that have been de-
12 posited in the account by the [*Department of Community Colleges*] **Office of**
13 **Post-Secondary Education** and Workforce Development at the request of
14 the Tillamook Bay Community College District for the purposes listed in
15 subsection (1) of this section:

16 “(a) Moneys from federal and local governments;

17 “(b) Donations;

18 “(c) Community College Support Fund moneys transferred to the account
19 by the [*department*] **office** at the request of the community college district;

20 “(d) Building reserve funds of the community college district transferred
21 to the [*department*] **office** from the community college district; and

22 “(e) Proceeds from the sale of bonds issued by the community college
23 district.

24 “(3) Interest earned on moneys in the account shall be credited to the
25 account.

26 “(4) The account may not be credited with more than \$4,900,000 in do-
27 nations, Community College Support Fund moneys, proceeds from the sale
28 of bonds, building reserve funds, federal and local government funds and in-
29 terest.

30 “(5) Moneys in the account are continuously appropriated to the [*depart-*

1 *ment*] **office** and may be transferred to the Community College Capital
2 Construction Fund for the purpose of making distributions to the Tillamook
3 Bay Community College District for the purposes listed in subsection (1) of
4 this section.

5 **“SECTION 140.** ORS 341.784 is amended to read:

6 “341.784. (1) There is established in the General Fund an account to be
7 known as the Treasure Valley Community College Facilities Account. Mon-
8 eys in the account shall be used for the purposes described in Article XI-G
9 of the Oregon Constitution for the Treasure Valley Community College Dis-
10 trict.

11 “(2) The account may consist of the following moneys that have been de-
12 posited in the account by the [*Department of Community Colleges*] **Office of**
13 **Post-Secondary Education** and Workforce Development at the request of
14 the Treasure Valley Community College District for the purposes listed in
15 subsection (1) of this section:

16 “(a) Moneys from federal and local governments;

17 “(b) Donations;

18 “(c) Community College Support Fund moneys transferred to the account
19 by the [*department*] **office** at the request of the community college district;

20 “(d) Building reserve funds of the community college district transferred
21 to the [*department*] **office** from the community college district; and

22 “(e) Proceeds from the sale of bonds issued by the community college
23 district.

24 “(3) Interest earned on moneys in the account shall be credited to the
25 account.

26 “(4) The account may not be credited with more than \$3,000,000 in do-
27 nations, Community College Support Fund moneys, proceeds from the sale
28 of bonds, building reserve funds, federal and local government funds and in-
29 terest.

30 “(5) Moneys in the account are continuously appropriated to the [*depart-*

1 *ment*] **office** and may be transferred to the Community College Capital
2 Construction Fund for the purpose of making distributions to the Treasure
3 Valley Community College District for the purposes listed in subsection (1)
4 of this section.

5 **“SECTION 141.** ORS 341.787 is amended to read:

6 “341.787. (1) There is established in the General Fund an account to be
7 known as the Umpqua Community College Facilities Account. Moneys in the
8 account shall be used for the purposes described in Article XI-G of the
9 Oregon Constitution for the Umpqua Community College District.

10 “(2) The account may consist of the following moneys that have been de-
11 posited in the account by the [*Department of Community Colleges*] **Office of**
12 **Post-Secondary Education** and Workforce Development at the request of
13 the Umpqua Community College District for the purposes listed in subsection
14 (1) of this section:

15 “(a) Moneys from federal and local governments;

16 “(b) Donations;

17 “(c) Community College Support Fund moneys transferred to the account
18 by the [*department*] **office** at the request of the community college district;

19 “(d) Building reserve funds of the community college district transferred
20 to the [*department*] **office** from the community college district; and

21 “(e) Proceeds from the sale of bonds issued by the community college
22 district.

23 “(3) Interest earned on moneys in the account shall be credited to the
24 account.

25 “(4) The account may not be credited with more than \$8,500,000 in do-
26 nations, Community College Support Fund moneys, proceeds from the sale
27 of bonds, building reserve funds, federal and local government funds and in-
28 terest.

29 “(5) Moneys in the account are continuously appropriated to the [*depart-*
30 *ment*] **office** and may be transferred to the Community College Capital

1 Construction Fund for the purpose of making distributions to the Umpqua
2 Community College District for the purposes listed in subsection (1) of this
3 section.

4 **“SECTION 142.** ORS 341.933 is amended to read:

5 “341.933. The [*State Board of Education*] **Higher Education Coordinat-**
6 **ing Commission** shall adopt by rule standards governing the distribution
7 of state funds to community college districts for capital construction
8 projects. The standards shall include, but need not be limited to, the fol-
9 lowing provisions:

10 “(1) No state funds shall be used for the construction of student or faculty
11 housing, facilities for spectators at athletic events, recreational facilities,
12 student health facilities or noninstructional portions of student centers; and

13 “(2) State funds shall be matched by substantial contributions from non-
14 state sources, which may include tuition, property taxes, bond issues, gifts
15 and grants.

16 **“SECTION 143.** ORS 341.937 is amended to read:

17 “341.937. In preparing budget requests for each biennium, after consulta-
18 tion with the community colleges and their respective representatives of the
19 community of persons with disabilities at the colleges, the [*State Board of*
20 *Education*] **Higher Education Coordinating Commission** shall include
21 amounts for capital improvements that will be applied to the substantial re-
22 duction and eventual elimination of barriers to access by persons with disa-
23 bilities.

24 **“SECTION 144.** ORS 344.070 is amended to read:

25 “344.070. (1) The Oregon Department of Administrative Services may draw
26 warrants upon any state fund to which federal funds for training or educa-
27 tion have been credited, in payment of vouchers approved by the Super-
28 intendent of Public Instruction or the [*Commissioner for Community College*
29 *Services*] **Office of Post-Secondary Education and Workforce Develop-**
30 **ment** pursuant to rules of the [*State Board of Education*] **Higher Education**

1 **Coordinating Commission**, in favor of school districts, education service
2 districts and community college districts, for such sums, not exceeding
3 \$100,000 for a single district in the aggregate, as the [*state board*] **commis-**
4 **sion**, by rule, shall determine. The warrants, upon delivery [*thereof*] to the
5 districts, shall constitute advances from state funds to enable the districts
6 more readily to effectuate the purposes set forth in any federal law or regu-
7 lation pertaining to career and technical education or other education or
8 training sponsored by the federal government.

9 “(2) The districts to which moneys are advanced shall be responsible for
10 the full repayment to the state of all sums advanced. The advances are not
11 within any limitation upon indebtedness prescribed by law for districts. The
12 moneys advanced to districts may not exceed in the aggregate the moneys
13 to the credit of the state fund from which they are paid, and shall constitute
14 advances to the recipient district in anticipation of verified vouchers to be
15 supplied therefor. The advances are to be used as revolving funds for the
16 payment of the costs of career and technical education programs. The ad-
17 vances shall be made only in those cases in which the federal government
18 defrays all or part of the cost of such programs.

19 **“SECTION 145.** ORS 344.080 is amended to read:

20 “344.080. (1) All reimbursement vouchers for claims paid from the revolv-
21 ing funds mentioned in ORS 344.070 shall be approved by the Superintendent
22 of Public Instruction or the [*Commissioner for Community College Services*]
23 **Office of Post-Secondary Education and Workforce Development** pur-
24 suant to rules of the [*State Board of Education*] **Higher Education Coor-**
25 **inating Commission**. When vouchers are so approved, warrants covering
26 the same shall be drawn by the Oregon Department of Administrative Ser-
27 vices, payable from the appropriate fund, and be used to reimburse the re-
28 volving funds.

29 “(2) The districts receiving [*such*] **the** advances shall maintain their ac-
30 counts and records so as to disclose at all times the true status of the unpaid

1 vouchers issued for the reimbursement of the funds, the district warrants
2 drawn against the funds advanced and the balances to the credit [*thereof*]
3 **of the funds.**

4 “(3) The revolving funds and accounts shall be subject to examination and
5 audit by the state in the manner provided by law for other state funds and
6 accounts. The [*State Board of Education*] **commission** may require an audit
7 of the revolving accounts and shall take proper precautions as to the safety
8 of, and accountability for, all funds advanced.

9 “(4) The [*State Board of Education*] **commission** may require the filing
10 with it of a bond of a corporate surety duly licensed to transact business in
11 this state to insure the proper handling of and responsibility for any funds
12 advanced. The bond shall be cumulative and supplemental to fidelity insur-
13 ance coverage already held by the district concerned. The state may have
14 recourse to any and all fidelity bonds of clerks or other financial officers of
15 the district to protect such advances.

16 **“SECTION 146.** ORS 344.090 is amended to read:

17 “344.090. When it appears to the Superintendent of Public Instruction or
18 the [*Commissioner for Community College Services*] **Office of Post-**
19 **Secondary Education and Workforce Development** that the training and
20 educational programs for which funds are advanced under ORS 344.070 have
21 been completed, or that the need for [*such*] **the** advances or revolving funds
22 no longer exists, or that the sums advanced are not being properly handled
23 or accounted for, the superintendent or [*commissioner*] **office** may require
24 that all or part of the amounts advanced to any district shall be returned,
25 with any interest earned, to the state funds or accounts from which the
26 amounts originally were withdrawn. Upon receipt of notification from the
27 superintendent or [*commissioner*] **office** that funds advanced are to be re-
28 turned, the district concerned shall immediately repay the same to the State
29 Treasurer, for credit to the proper fund or account. To the extent that funds
30 advanced are so repaid, security or protection theretofore required by the

1 [State Board of Education] **Higher Education Coordinating Commission**
2 under ORS 344.080 (4) to insure the safety of such funds may be released.

3 **“SECTION 147.** ORS 344.125 is amended to read:

4 “344.125. (1) Representatives from the Department of Education, the [De-
5 partment of Community Colleges] **Office of Post-Secondary Education** and
6 Workforce Development and the Bureau of Labor and Industries shall meet
7 at least four times each year for the purpose of promoting collaboration be-
8 tween the agencies on issues related to career and technical education.

9 “(2) Issues to be addressed by the agencies shall include the development
10 and implementation of long-term goals that:

11 “(a) Ensure that career and technical education programs are available
12 at the public schools of this state, are founded on partnerships with business
13 and industry and receive appropriate investments of time, money and other
14 resources.

15 “(b) Develop regional centers of partnerships between public schools,
16 community colleges, state institutions of higher education, businesses, unions
17 and other entities and ensure that every student of this state has access to
18 a regional center in person or online.

19 “(c) Implement accelerated college credit programs that allow students to
20 move seamlessly from public schools to post-secondary education or training
21 to the workforce.

22 “(d) Increase professional development opportunities for teachers and
23 learning opportunities for students through industry mentorships,
24 internships, summer programs, after-school programs and career-based stu-
25 dent leadership opportunities.

26 “(e) Establish partnerships between public and private entities for the
27 purpose of educating students, parents, teachers, school advisors,
28 policymakers and the general public about the benefits and opportunities
29 related to career and technical education.

30 “(3) The agencies identified in subsection (1) of this section shall make

1 a joint report each year to the appropriate legislative committees concerning
2 progress on the development and implementation of the goals described in
3 subsection (2) of this section and may submit recommendations for legis-
4 lation that will promote opportunities related to career and technical edu-
5 cation.

6 **“SECTION 148.** Section 5, chapter 904, Oregon Laws 2009, is amended to
7 read:

8 **“Sec. 5.** The [*State Board of Higher Education*] **Higher Education Co-**
9 **ordinating Commission** shall determine **by rule how** [*the capital renewal,*
10 *code compliance and safety projects to be undertaken with*] moneys made
11 available under section 6 (1)(a), **chapter 904, Oregon Laws 2009, shall be**
12 **allocated to universities listed in ORS 352.002** [*of this 2009 Act on the*
13 *basis of the board’s determination of the most critical capital renewal, code*
14 *compliance and safety needs. In determining the capital renewal, code compli-*
15 *ance and safety needs, the board shall give priority to projects that protect the*
16 *health and safety of occupants and maintain the structural integrity of facili-*
17 *ties*].

18 **“SECTION 149.** Section 9, chapter 904, Oregon Laws 2009, as amended
19 by section 6, chapter 99, Oregon Laws 2010, and section 2, chapter 15, Oregon
20 Laws 2011, is amended to read:

21 **“Sec. 9.** (1) Except as provided in subsection (3) of this section, the
22 project approvals and expenditure limitations in chapter 904, Oregon Laws
23 2009, and the expenditure limitations established by the Emergency Board
24 during the biennium beginning July 1, 2009, for capital construction or ac-
25 quisition projects of the Oregon University System, **public universities**
26 **with governing boards** and of the [*Department of Community Colleges*] **Of-**
27 **ice of Post-Secondary Education** and Workforce Development for com-
28 munity colleges, expire on June 30, 2015, unless otherwise noted or unless
29 changed by the Legislative Assembly.

30 “(2) The project approvals and expenditure limitations established by

1 section 2 (5)(b), (e) and (i), chapter 725, Oregon Laws 2003, and section 2
2 (3)(h), chapter 845, Oregon Laws 2001, for capital construction or acquisition
3 projects of the Oregon University System expire on June 30, 2011, unless
4 otherwise changed by the Legislative Assembly.

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

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

16 **“SECTION 150.** ORS 348.040 is amended to read:

17 “348.040. As used in ORS 348.040 to 348.070, unless the context requires
18 otherwise:

19 “(1) ‘Eligible student’ means a person who is a resident of this state, as
20 determined by the [*Oregon Student Access Commission*] **Office of Post-**
21 **Secondary Education and Workforce Development**, at the time of appli-
22 cation for a loan under ORS 348.040 to 348.070:

23 “(a) Who is enrolled in or has applied for enrollment in a qualified school;

24 “(b) Who has demonstrated a satisfactory level of achievement in the high
25 school or other school on the record of which the application for enrollment
26 is based or in which the applicant is enrolled; and

27 “(c) Who can show the necessity for financial assistance in order to con-
28 tinue the applicant’s education.

29 “(2) ‘Qualified school’ means a school within this state that is a:

30 “(a) Four-year, nonprofit, generally accredited institution of higher edu-

1 cation;

2 “(b) Accredited public or private community college or education center,
3 or one recognized by a state educational agency;

4 “(c) Career school that is approved by the [*Superintendent of Public In-*
5 *struction*] **office**;

6 “(d) Medical or dental program offered by the Oregon Health and Science
7 University;

8 “(e) Veterinary program offered by Oregon State University; or

9 “(f) Institution that is, in the opinion of the [*commission*] **office**, compa-
10 rable to [*such*] **the** institutions, colleges, centers or schools.

11 “(3) ‘Qualified school’ may include an institution, college, center or school
12 not located in this state if the [*commission*] **office** certifies that the course
13 is not available in this state.

14 “**SECTION 151.** ORS 348.040, as amended by section 41, chapter 104,
15 Oregon Laws 2012, is amended to read:

16 “348.040. As used in ORS 348.040 to 348.070, unless the context requires
17 otherwise:

18 “(1) ‘Eligible student’ means a person who is a resident of this state, as
19 determined by the [*Oregon Student Access Commission*] **Office of Post-**
20 **Secondary Education and Workforce Development**, at the time of appli-
21 cation for a loan under ORS 348.040 to 348.070:

22 “(a) Who is enrolled in or has applied for enrollment in a qualified school;

23 “(b) Who has demonstrated a satisfactory level of achievement in the high
24 school or other school on the record of which the application for enrollment
25 is based or in which the applicant is enrolled; and

26 “(c) Who can show the necessity for financial assistance in order to con-
27 tinue the applicant’s education.

28 “(2) ‘Qualified school’ means a school within this state that is a:

29 “(a) Four-year, nonprofit, generally accredited institution of higher edu-
30 cation;

1 “(b) Accredited public or private community college or education center,
2 or one recognized by a state educational agency;

3 “(c) Career school that is approved by the [*Higher Education Coordinating*
4 *Commission*] **office**;

5 “(d) Medical or dental program offered by the Oregon Health and Science
6 University;

7 “(e) Veterinary program offered by Oregon State University; or

8 “(f) Institution that is, in the opinion of the [*commission*] **office**, compa-
9 rable to [*such*] **the** institutions, colleges, centers or schools.

10 “(3) ‘Qualified school’ may include an institution, college, center or school
11 not located in this state if the [*commission*] **office** certifies that the course
12 is not available in this state.

13 **“SECTION 152.** ORS 348.050 is amended to read:

14 “348.050. (1) Upon approval of the loan application of an eligible student
15 by the [*Oregon Student Access Commission*] **Office of Post-Secondary Ed-**
16 **ucation and Workforce Development**, the Department of State Lands may
17 loan an amount from the Common School Fund to the student in compliance
18 with ORS 348.040 to 348.070. The loan shall be evidenced by a written obli-
19 gation but no additional security shall be required. Notwithstanding any
20 provision in this section, the department may require cosigners on the loans.

21 “(2) Loans granted under ORS 348.040 to 348.070 to eligible students by
22 the department shall:

23 “(a) Not exceed \$1,000 in a single academic year to an undergraduate
24 student.

25 “(b) Not exceed \$4,000 in a single academic year to a graduate or profes-
26 sional student.

27 “(c) Not exceed \$16,000 for all loans made to a student under ORS 348.040
28 to 348.070.

29 “(3) Payment of interest shall be as follows:

30 “(a) Medical and dental student borrowers at the Oregon Health and

1 Science University and veterinary student borrowers at Oregon State Uni-
2 versity shall be assessed at least six percent interest per annum on the un-
3 paid balance from the date of the note. Interest payments by these borrowers
4 shall be deferred until they cease to be enrolled. During the interest
5 deferment period, the [*Oregon Student Access Commission*] **office** shall pay
6 the department the negotiated rate of interest on an annual basis. The bor-
7 rower shall reimburse the commission for these interest payments as pro-
8 vided in subsection (4) of this section. These borrowers shall commence
9 direct payment of accruing interest to the department at the time they cease
10 to be enrolled.

11 “(b) All other borrowers are required to pay at least seven percent inter-
12 est per annum on the unpaid balance from the date of the loan as provided
13 in subsection (4) of this section.

14 “(c) The [*commission*] **office** shall pay annually to the department a
15 maximum of three percent per annum on the unpaid balance of all medical,
16 dental and veterinary student borrower loans. The rate of this special pay-
17 ment may vary annually and will be negotiated by the [*commission*] **office**
18 and the department.

19 “(d) The interest rates to be charged the borrower for the school year as
20 stated in paragraphs (a) and (b) of this subsection shall be negotiated by the
21 department and the [*commission*] **office**.

22 “(4)(a) Repayment of the principal and accruing and deferred interest on
23 loans shall be commenced not later than 12 months after the student’s
24 graduation or other termination of the student’s education.

25 “(b) Notwithstanding any other provision of this section, medical, dental
26 and veterinary student borrowers who enter approved post-graduate study
27 programs shall commence repayment of the principal and the accruing and
28 deferred interest on loans no later than 12 months following the completion
29 of the post-graduate study program or 60 months from when the loan was
30 originally granted, whichever is sooner.

1 “(c) Repayment shall be completed in a maximum of 120 months from the
2 time repayment is commenced. However, nothing in this section is intended
3 to prevent repayment without penalty at an earlier date than provided in this
4 section or to prohibit the department, with the consent of the [*Oregon Stu-*
5 *dent Access Commission*] **office**, from extending the repayment period to a
6 date other than permitted by this subsection.

7 “(5) Notwithstanding any other provision of this section, the department
8 may loan an amount from the Common School Fund to a student under
9 guaranteed programs authorized by the Higher Education Act of 1965, as
10 amended, commonly known as the Guaranteed Student Loan Program and the
11 Parent’s Loans for Undergraduate Students Program. Neither the limitations
12 on amounts set forth in subsection (2) of this section nor the subsidies au-
13 thorized by subsection (3) of this section apply to [*such*] **the** loans. ORS
14 327.484 does not apply to [*such*] **the** loans.

15 “**SECTION 153.** ORS 348.070, as amended by section 42, chapter 104,
16 Oregon Laws 2012, is amended to read:

17 “348.070. [*To assist the Oregon Student Access Commission and the De-*
18 *partment of State Lands in determining the qualification of schools, the Higher*
19 *Education Coordinating Commission*] **The Office of Post-Secondary Edu-**
20 **cation and Workforce Development** shall maintain a listing of career
21 schools offering professional and technical training that meets the occupa-
22 tional needs of the student.

23 “**SECTION 154.** ORS 348.095 is amended to read:

24 “348.095. From funds available therefor, the [*Oregon Student Access Com-*
25 *mission*] **Office of Post-Secondary Education and Workforce Develop-**
26 **ment** shall reimburse the Department of State Lands for any loss resulting
27 from default of a student loan under ORS 348.040 to 348.070. Funds appro-
28 priated under ORS 348.050 to pay interest to the department on loans to
29 medical, dental and veterinary students shall also be available to reimburse
30 the department for any loss resulting from default of a student loan under

1 ORS 348.040 to 348.070.

2 **“SECTION 155.** ORS 348.180 is amended to read:

3 “348.180. As used in this section and ORS 348.186, 348.205, 348.230, 348.250,
4 348.260 and 348.285:

5 “(1) ‘Cost of education’ includes but is not limited to, tuition, fees and
6 living expenses.

7 “(2) ‘Eligible post-secondary institution’ means:

8 “(a) A public university [*listed in ORS 352.002*];

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

10 “(c) The Oregon Health and Science University; or

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

13 “(3) ‘Qualified student’ means any resident student who plans to attend
14 an eligible post-secondary institution and who:

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

17 “(b) Is enrolled in an eligible program as defined by rule of the [*Oregon*
18 *Student Access Commission*] **Higher Education Coordinating**
19 **Commission**; and

20 “(c) Is making satisfactory academic progress as defined by rule of the
21 [*commission*] **commission**.

22 **“SECTION 156.** ORS 348.186 is amended to read:

23 “348.186. (1) In addition to any other form of student financial aid au-
24 thorized by law, the [*Oregon Student Access Commission*] **Office of Post-**
25 **Secondary Education and Workforce Development** shall award, to the
26 extent funds are made available, an Oregon Achievement Grant to any
27 qualified student who:

28 “(a) Commences at least half-time study toward a degree at the eligible
29 post-secondary institution within three years of high school graduation; and

30 “(b) While a resident of Oregon, has scored at or above a level determined

1 by the [commission] **office** on a nationally recognized college admissions test.

2 “(2) Any qualified student receiving an Oregon Achievement Grant under
3 subsection (1) of this section must use the grant for the purpose of study in
4 an eligible program, as defined by rule of the **Higher Education Coordi-**
5 **nating** Commission, at an eligible post-secondary institution.

6 “(3) The [commission] **office** may not award an Oregon Achievement
7 Grant to a qualified student who is enrolled in a course of study required
8 for and leading to a degree in theology, divinity or religious education.

9 “(4) Each Oregon Achievement Grant shall be renewed yearly provided
10 that the recipient has maintained satisfactory progress, as determined by the
11 [commission] **office**, toward a first associate or baccalaureate degree.

12 “(5) Notwithstanding subsection (4) of this section, no Oregon Achieve-
13 ment Grant shall be renewed after a qualified student has reached the num-
14 ber of credit hours required to graduate with a baccalaureate degree at the
15 institution the student is attending.

16 **“SECTION 157.** ORS 348.205 is amended to read:

17 “348.205. (1) The Oregon Opportunity Grant program is established within
18 the [*Oregon Student Access Commission*] **Office of Post-Secondary Educa-**
19 **tion and Workforce Development.**

20 “(2) Under the program, the cost of education of a qualified student shall
21 be shared by the student, the family of the student, the federal government
22 and the state.

23 “(3) The [commission] **office** shall determine the cost of education of a
24 qualified student based on the type of eligible post-secondary institution the
25 student is attending. The cost of education equals:

26 “(a) For a student attending a community college, the average cost of
27 education of attending a community college in this state;

28 “(b) For a student attending a public university [*under the direction of the*
29 *State Board of Higher Education*], the average cost of education of attending
30 a public university [*under the direction of the board*];

1 “(c) For a student attending a two-year Oregon-based, generally accred-
2 ited, not-for-profit institution of higher education, the average cost of edu-
3 cation of attending a community college in this state; and

4 “(d) For a student attending the Oregon Health and Science University
5 or a four-year Oregon-based, generally accredited, not-for-profit institution
6 of higher education, the average cost of education of attending [*an institution*
7 *under the direction of the board*] **a public university**.

8 “(4)(a) The [*commission*] **office** shall determine the amount of the student
9 share. The student share shall be based on:

10 “(A) The type of eligible post-secondary institution the student is attend-
11 ing;

12 “(B) The number of hours of work that the [*commission*] **office** determines
13 may be reasonably expected from the student; and

14 “(C) The amount of loans that the [*commission*] **office** determines would
15 constitute a manageable debt burden for the student.

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

18 “(c) The student share for a student who attends a community college
19 may not exceed the amount that the [*commission*] **office** determines a student
20 may earn based on the number of hours of work reasonably expected from
21 the student under paragraph (a) of this subsection.

22 “(d) The student share for a student who attends an eligible post-
23 secondary institution that is not a community college may not exceed the
24 sum of the amount that the [*commission*] **office** determines a student may
25 receive as loans plus the amount a student may earn based on the number
26 of hours of work reasonably expected from the student under paragraph (a)
27 of this subsection.

28 “(5) The [*commission*] **office** shall determine the amount of the family
29 share. The family share shall be based on the resources of the family.

30 “(6) The [*commission*] **office** shall determine the amount of the federal

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

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

8 “(b) The [commission] **office** shall establish a minimum amount that a
9 student may receive as a state share. If the [commission] **office** determines
10 that the amount of the state share of a student is below the minimum
11 amount, the student may not receive the state share.

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

19 “(8)(a) The **Higher Education Coordinating** Commission shall adopt
20 rules that prioritize current foster children and former foster children for
21 receiving Oregon Opportunity Grants when the Oregon Opportunity Grant
22 program does not have sufficient funding to serve all eligible Oregon stu-
23 dents.

24 “(b) For the purposes of this subsection, ‘former foster child’ has the
25 meaning given that term in ORS 351.293.

26 “**SECTION 158.** ORS 348.210 is amended to read:

27 “348.210. (1) In addition to any other scholarships provided by law, the
28 [Oregon Student Access Commission] **Office of Post-Secondary Education**
29 **and Workforce Development** may award scholarships at Eastern Oregon
30 University to resident undergraduate students applying for enrollment in the

1 university or who are pursuing courses therein. The number of students who
2 receive scholarships under this subsection may not exceed two and one-half
3 percent of the number of students who are enrolled at the university. The
4 scholarships shall be awarded upon the basis of a record of high intellectual
5 standing and deportment in the school or institution where the applicant has
6 received or is receiving preparatory training, the necessity for financial as-
7 sistance and other qualifications of such nature that the awarding of schol-
8 arships will operate not only to the advantage of the applicant but to the
9 people of Oregon. A scholarship awarded under this subsection may not ex-
10 ceed in value the amount of the tuition and other fees, including the fees
11 that are levied against the recipient of the scholarship by [*the State Board*
12 *of Higher Education at*] the university.

13 “(2) The [*commission*] **office** may award tuition and fee-exempting schol-
14 arships to students from foreign nations who are enrolled in public univer-
15 sities listed in ORS 352.002. A student may not receive a scholarship under
16 this subsection that exceeds the amount of tuition and fees owed by the
17 student.

18 “(3) The value of scholarships awarded each year under subsection (2) of
19 this section may not exceed in aggregate an amount equal to 10 percent of
20 the amount of tuition and fees paid in the preceding year [*to the Oregon*
21 *University System*] by students enrolled in public universities listed in ORS
22 352.002 who were not Oregon residents.

23 **“SECTION 159.** ORS 348.230 is amended to read:

24 “348.230. (1) In addition to any other financial aid provided by law, the
25 [*Oregon Student Access Commission*] **Office of Post-Secondary Education**
26 **and Workforce Development** may award to qualified residents of this state
27 scholastic grants in any eligible post-secondary institution.

28 “(2) A qualified applicant is one who has an achievement of high intel-
29 lectual standing and deportment in the school or institution on the records
30 of which the application is based, and who demonstrates, to the satisfaction

1 of the [*commission*] **office**, that the applicant has superior capacity to profit
2 by post-high-school education.

3 “(3) If the recipient of a grant under this section meets the standards for
4 renewal of that grant, the grant may be renewed, upon application of the
5 recipient, until the recipient has received a total of four undergraduate years
6 under this section or until the recipient has completed an undergraduate
7 course of study, whichever is less.

8 “(4) Nothing in subsection (3) of this section shall be construed to mean
9 that the [*commission*] **office** may not increase or reduce the amount of the
10 grant upon application for renewal.

11 “(5) No grant shall be made to any student enrolled in a course of study
12 required for and leading to a degree in theology, divinity or religious edu-
13 cation.

14 “**SECTION 160.** ORS 348.250 is amended to read:

15 “348.250. (1) Grants established under ORS 348.230 and 348.260 shall be
16 awarded by the [*Oregon Student Access Commission*] **Office of Post-**
17 **Secondary Education and Workforce Development** in the manner pro-
18 vided in this section.

19 “(2) Persons interested in obtaining a grant established under ORS 348.230
20 and 348.260 may apply to the [*commission*] **office** for a grant.

21 “(3) The [*commission*] **office** shall screen or cause to be screened the ap-
22 plications and shall determine for each available grant the person best
23 qualified to receive that grant. A qualified applicant is eligible to receive a
24 grant established under ORS 348.230 and 348.260 if:

25 “(a) The applicant’s financial need is such that in the opinion of the
26 [*commission*] **office** financial aid is warranted; and

27 “(b) The applicant plans to be a student at the eligible post-secondary
28 institution where the grant is to be used.

29 “(4) The [*commission*] **office** shall not discriminate for or against any
30 applicant for a grant.

1 “(5) Nothing in ORS 348.210 to 348.260, 348.505 to 348.615, 348.696 and
2 348.992 shall be construed to require any institution to admit a grant recip-
3 ient or to attempt to control or influence the policies of the institution.

4 “(6) Whenever funds are not available to award grants to all qualified
5 students, the [*commission*] **office** may give priority to applicants who are or
6 plan to be full-time students at the eligible post-secondary institution where
7 the grant is to be used. A student shall be considered to be a full-time stu-
8 dent if the combination of credit hours at more than one eligible post-
9 secondary institution equals full-time attendance, according to the
10 institution disbursing the grant funds.

11 “(7) As used in this section, ‘discriminate’ has the meaning given ‘dis-
12 crimination’ in ORS 659.850.

13 **“SECTION 161.** ORS 348.260 is amended to read:

14 “348.260. (1) In addition to any other form of student financial aid au-
15 thorized by law, the [*Oregon Student Access Commission*] **Office of Post-**
16 **Secondary Education and Workforce Development** may award Oregon
17 Opportunity Grants to qualified students.

18 “(2) The amount of a grant shall equal the state share of a qualified
19 student’s cost of education as determined by the [*commission*] **office** under
20 ORS 348.205.

21 “(3) Grant funds necessary to meet matching requirements for federal
22 funds under the Leveraging Educational Assistance Partnership Program and
23 Special Leveraging Educational Assistance Partnership Program of the
24 United States Department of Education may also be used to award grants to
25 qualified students in any eligible post-secondary institution approved by the
26 [*commission*] **office**.

27 “(4) Grants may be awarded under this section to qualified students en-
28 rolled for any term, including summer term. The [*commission*] **office** may
29 prescribe a specific date by which a student must apply to the [*commission*]
30 **office** to qualify for a grant only if the [*commission*] **office** determines that

1 the total amount available to award as the state share to all qualified stu-
2 dents is not sufficient to cover the total state share amount scheduled to be
3 awarded to all students.

4 “(5) If a qualified student receiving a grant under this section meets the
5 standards for renewal of the grant, the grant may be renewed upon applica-
6 tion until the qualified student has received the equivalent of four full-time
7 undergraduate years of grant funding for an eligible program as defined by
8 the [commission] **office**.

9 “(6) A qualified student who receives a grant under this section must at-
10 tend the eligible post-secondary institution upon which the grant application
11 is based unless the [commission] **office** authorizes the grant to be used at a
12 different eligible post-secondary institution. A qualified student who receives
13 a grant under this section may attend more than one eligible post-secondary
14 institution if the grant application was based on the qualified student at-
15 tending more than one eligible post-secondary institution.

16 “(7) The [commission] **office** may not make a grant to any qualified stu-
17 dent enrolled in a course of study required for and leading to a degree in
18 theology, divinity or religious education.

19 **“SECTION 162.** ORS 348.265 is amended to read:

20 “348.265. (1) In addition to any other form of student financial aid au-
21 thorized by law, the [*Oregon Student Access Commission*] **Office of Post-**
22 **Secondary Education and Workforce Development** may award grants to
23 qualified residents of this state who are enrolled in the professional medical,
24 nursing or dental programs at the Oregon Health and Science University.

25 “(2) A qualified applicant for a grant under this section is one who plans
26 to attend the Oregon Health and Science University but whose financial ca-
27 pacity and that of the applicant’s family to contribute to the educational
28 costs are not adequate to meet such costs, as determined by the
29 [commission] **office**.

30 “(3) Grants may be received by a student each year of attendance de-

1 pending on the continuing need of the student for *[such]* **the** grant.

2 “(4) No grant awarded under this section shall exceed the amount of the
3 difference between the award year tuition and fees assessed and the tuition
4 and fees assessed for that program in the academic year 1976-1977.

5 **“SECTION 163.** ORS 348.270 is amended to read:

6 “348.270. (1) In addition to any other scholarships provided by law, the
7 *[commission]* **Office of Post-Secondary Education and Workforce Devel-**
8 **opment** shall award scholarships in any public university listed in ORS
9 352.002, in the Oregon Health and Science University, in any community
10 college operated under ORS chapter 341, or in any Oregon-based regionally
11 accredited independent institution, to any student applying for enrollment
12 or who is enrolled therein, who is:

13 “(a) The natural child, adopted child or stepchild of any public safety of-
14 ficer who, in the line of duty, was killed or so disabled, as determined by the
15 *[commission]* **Office of Post-Secondary Education and Workforce Devel-**
16 **opment**, that the income of the public safety officer is less than that earned
17 by public safety officers performing duties comparable to those performed at
18 the highest rank or grade attained by the public safety officer; or

19 “(b) A current foster child or former foster child who enrolls in an insti-
20 tution of higher education as an undergraduate student not later than three
21 years from the date the student was removed from the care of the Depart-
22 ment of Human Services, the date the student graduated from high school
23 or the date the student received the equivalent of a high school diploma,
24 whichever date is earliest.

25 “(2) Scholarships awarded under this section to students who are depen-
26 dents of public safety officers or who are current foster children or former
27 foster children shall equal the amount of tuition and all fees levied by the
28 institution against the recipient of the scholarship. However, scholarships
29 awarded to students who attend independent institutions *[shall]* **may** not
30 exceed the amount of tuition and all fees levied by the University of Oregon.

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

7 “(4) If [*the*] a student who is a current foster child or former foster child
8 or who is the dependent of a public safety officer with a disability continues
9 to remain enrolled in a public university listed in ORS 352.002 or a commu-
10 nity college or an independent institution within the State of Oregon, the
11 student shall be entitled to renewal of the scholarship until the student has
12 received the equivalent of four years of undergraduate education.

13 “(5) The [*commission*] **Office of Post-Secondary Education and**
14 **Workforce Development** may require proof of [*the*] a student’s relationship
15 to a public safety officer described in subsection (1) of this section or proof
16 that [*the*] a student is a current foster child or former foster child.

17 “(6) As used in this section:

18 “(a) ‘Former foster child’ means an individual who, for a total of 12 or
19 more months while between the ages of 16 and 21, was a ward of the court
20 pursuant to ORS 419B.100 (1)(b) to (e) and in the legal custody of the De-
21 partment of Human Services for out-of-home placement.

22 “(b) ‘Public safety officer’ means:

23 “(A) A firefighter or police officer as those terms are defined in ORS
24 237.610.

25 “(B) A member of the Oregon State Police.

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

27 “(D) An authorized tribal police officer as defined in section 1, chapter
28 644, Oregon Laws 2011.

29 “**SECTION 164.** ORS 348.270, as amended by section 51, chapter 644,
30 Oregon Laws 2011, is amended to read:

1 “348.270. (1) In addition to any other scholarships provided by law, the
2 [commission] **Office of Post-Secondary Education and Workforce Devel-**
3 **opment** shall award scholarships in any public university listed in ORS
4 352.002, in the Oregon Health and Science University, in any community
5 college operated under ORS chapter 341, or in any Oregon-based regionally
6 accredited independent institution, to any student applying for enrollment
7 or who is enrolled therein, who is:

8 “(a) The natural child, adopted child or stepchild of any public safety of-
9 ficer who, in the line of duty, was killed or so disabled, as determined by the
10 [commission] **office**, that the income of the public safety officer is less than
11 that earned by public safety officers performing duties comparable to those
12 performed at the highest rank or grade attained by the public safety officer;
13 or

14 “(b) A current foster child or former foster child who enrolls in an insti-
15 tution of higher education as an undergraduate student not later than three
16 years from the date the student was removed from the care of the Depart-
17 ment of Human Services, the date the student graduated from high school
18 or the date the student received the equivalent of a high school diploma,
19 whichever date is earliest.

20 “(2) Scholarships awarded under this section to students who are depen-
21 dents of public safety officers or who are current foster children or former
22 foster children shall equal the amount of tuition and all fees levied by the
23 institution against the recipient of the scholarship. However, scholarships
24 awarded to students who attend independent institutions [shall] **may** not
25 exceed the amount of tuition and all fees levied by the University of Oregon.

26 “(3) If [the] **a** student who is the dependent of a deceased public safety
27 officer continues to remain enrolled in a public university listed in ORS
28 352.002 or a community college or an independent institution within the
29 State of Oregon, the student shall be entitled to renewal of the scholarship
30 until the student has received the equivalent of four years of undergraduate

1 education and four years of post-graduate education.

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

8 “(5) The [commission] **office** may require proof of [the] a student’s re-
9 lationship to a public safety officer described in subsection (1) of this section
10 or proof that [the] a student is a current foster child or former foster child.

11 “(6) As used in this section:

12 “(a) ‘Former foster child’ means an individual who, for a total of 12 or
13 more months while between the ages of 16 and 21, was a ward of the court
14 pursuant to ORS 419B.100 (1)(b) to (e) and in the legal custody of the De-
15 partment of Human Services for out-of-home placement.

16 “(b) ‘Public safety officer’ means:

17 “(A) A firefighter or police officer as those terms are defined in ORS
18 237.610.

19 “(B) A member of the Oregon State Police.

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

21 “**SECTION 165.** ORS 348.280 is amended to read:

22 “348.280. (1) The [*Oregon Student Access Commission*] **Office of Post-**
23 **Secondary Education and Workforce Development** shall:

24 “[1] (a) Determine which students are eligible to receive scholarships
25 under ORS 348.270.

26 “[2] (b) Grant the appropriate scholarships under ORS 348.270.

27 “[3] (c) Make necessary rules for application and distribution of the
28 benefits available under ORS 348.270 and this section.

29 “(d) **In awarding scholarships pursuant to its authority under ORS**
30 **348.520, give priority to students who are eligible to receive scholar-**

1 **ships under ORS 348.270.**

2 “[4] (2) **The Higher Education Coordinating Commission shall es-**
3 **tablish rules and procedures necessary to carry out the provisions of ORS**
4 **348.270 and this section, including but not limited to the usual and custom-**
5 **ary rules for analyzing financial need.**

6 “[5] *In awarding scholarships pursuant to its authority under ORS*
7 *348.520, give priority to students who are eligible to receive scholarships under*
8 *ORS 348.270.]*

9 **“SECTION 166.** ORS 348.282 is amended to read:

10 “348.282. As used in this section and ORS 348.283:

11 “(1) ‘Armed Forces of the United States’ means:

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

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

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

18 “(2) ‘Public post-secondary institution’ means:

19 “(a) A public university [*under the direction of the State Board of Higher*
20 *Education*]; and

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

22 “(3) ‘Veteran’ has the meaning given that term in ORS 408.225.

23 **“SECTION 167.** ORS 348.283 is amended to read:

24 “348.283. (1) There is established within the [*Oregon Student Access*
25 *Commission*] **Office of Post-Secondary Education and Workforce Devel-**
26 **opment** the Oregon Troops to Teachers program. Through the program, the
27 [*commission*] **office** shall pay for all of the resident tuition charges of a
28 veteran imposed by a public post-secondary institution, provided the veteran:

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

30 “(b) Is a resident of Oregon; and

1 “(c) Agrees to teach:

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

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

6 “(2) An award under subsection (1) of this section shall be used for the
7 purpose of paying resident tuition. The [*commission*] **office** may not award
8 funds under subsection (1) of this section for the purpose of paying for books,
9 supplies, housing, food or any other costs associated with attending a public
10 post-secondary institution.

11 “(3) The [*commission*] **office** shall adopt rules necessary for the imple-
12 mentation and administration of this section in consultation with the De-
13 partment of Education and the Oregon University System.

14 “**SECTION 168.** ORS 348.285 is amended to read:

15 “348.285. (1) In addition to any other form of student financial aid au-
16 thorized by law, the [*Oregon Student Access Commission*] **Office of Post-**
17 **Secondary Education and Workforce Development** may award, to the
18 extent funds are made available, an Oregon Roadmap to Language Excellence
19 Scholarship to a qualified student.

20 “(2) The [*Oregon Student Access Commission*] **office** may:

21 “(a) Award an initial Oregon Roadmap to Language Excellence Scholar-
22 ship for up to \$2,000 to a qualified student who:

23 “(A) Is a United States citizen or a noncitizen legally residing in the
24 United States;

25 “(B) Has received a diploma from a high school in this state or the
26 equivalent;

27 “(C) Is attending an eligible post-secondary institution in this state;

28 “(D) Is pursuing an Associate of Arts or more advanced degree; and

29 “(E) Demonstrates proficiency in speaking, reading and writing in a na-
30 tural, human-based language other than English, excluding computer-based

1 languages, musical notation and Esperanto.

2 “(b) Award a subsequent Oregon Roadmap to Language Excellence
3 Scholarship for up to \$2,000 to a student receiving a scholarship under par-
4 agraph (a) of this subsection who has demonstrated a measurable gain of
5 proficiency in speaking, reading and writing skills in the same language for
6 which the scholarship was awarded during the previous academic year.

7 “(c) Award a reduced subsequent Oregon Roadmap to Language Excel-
8 lence Scholarship to a student receiving a scholarship under paragraph (a)
9 of this subsection who has not demonstrated a measurable gain of proficiency
10 in speaking, reading and writing skills in the same language for which the
11 scholarship was awarded during the previous academic year. The reduced
12 scholarship is for \$500 less than the amount of the scholarship awarded the
13 previous academic year. The [*commission*] **office** may not award a reduced
14 subsequent scholarship for consecutive academic years.

15 “(3) The maximum amount of scholarships awarded to a person under this
16 section may not exceed \$8,000.

17 “(4) The [*commission*] **office** may award scholarships under this section
18 to a person for the year of the initial scholarship and the next three con-
19 secutive years. The **Higher Education Coordinating** Commission shall
20 adopt rules allowing a waiver of the requirement that the scholarships be
21 awarded in consecutive years for students with approved leaves of absence
22 for appropriate reasons such as illness, emergency, military service and other
23 appropriate reasons as determined by the commission.

24 “(5) The [*commission*] **office** may not award scholarships under this sec-
25 tion to a student who is enrolled in a course of study required for and
26 leading to a degree in theology, divinity or religious education.

27 “(6) The **Higher Education Coordinating** Commission shall adopt rules:

28 “(a) Establishing priority for Oregon Roadmap to Language Excellence
29 Scholarships when funds are not available to award scholarships to all
30 qualified students.

1 “(b) Setting standards for appropriate levels of language proficiency and
2 improved language proficiency needed for eligible students to qualify for
3 scholarships under this section.

4 “(c) Choosing an assessment method for measuring language proficiency
5 in speaking, reading and writing for the purposes of paragraph (b) of this
6 subsection. The assessment method must comply with the American Council
7 on the Teaching of Foreign Languages proficiency guidelines, and must
8 measure only Intermediate-Mid level language skills and higher.

9 **“SECTION 169.** ORS 348.290 is amended to read:

10 “348.290. The [*Oregon Student Access Commission*] **Office of Post-**
11 **Secondary Education and Workforce Development** shall apply the in-
12 terest on the amount transferred to the Oregon Student Assistance Fund
13 under section 4, chapter 377, Oregon Laws 1985, to provide financial aid, as
14 defined in ORS 348.505, to students to study barbering, hairdressing,
15 manicure and esthetics at eligible post-secondary schools.

16 **“SECTION 170.** ORS 348.310 is amended to read:

17 “348.310. (1) The [*Oregon Student Access Commission*] **Office of Post-**
18 **Secondary Education and Workforce Development** is authorized to make
19 loans to all qualified applicants, from the fund created in ORS 348.390 (1),
20 to assist in financing the cost of a program of study leading to the degree
21 of Doctor of Medicine or to the degree of Doctor of Osteopathic Medicine.

22 “(2) The [*commission*] **office** shall:

23 “(a) Develop criteria for the preparation of applications and procedures
24 for the submission, evaluation, priority selection and award of loans provided
25 for in ORS 348.310 to 348.390; **and**

26 “(b) Determine the number and amount of loans and loan renewals[;
27 *and*].

28 “[*(c)*] **(3) The Higher Education Coordinating Commission shall** adopt
29 such rules as may be necessary to implement ORS 348.310 to 348.390.

30 **“SECTION 171.** ORS 348.320 is amended to read:

1 “348.320. (1) A person shall be eligible for a loan under ORS 348.310 to
2 348.390 if the person is:

3 “(a) A bona fide resident of this state;

4 “(b) Accepted for enrollment, or is a student in good standing in the
5 professional medical program at an accredited medical school located in the
6 United States or in an accredited school of osteopathic medicine;

7 “(c) As a result of personal financial resources, unable to pursue a pro-
8 gram of study in the absence of a loan or would be unable to do so without
9 great hardship; and

10 “(d) Desirous of practicing medicine in a rural community in this state,
11 and in an area which meets the qualifications of a medical shortage area.

12 “(2) The person desiring consideration for a loan under ORS 348.310 to
13 348.390 shall apply to the [*Oregon Student Access Commission*] **Office of**
14 **Post-Secondary Education and Workforce Development.**

15 “(3) The person desiring consideration for a loan under ORS 348.310 to
16 348.390 shall agree in writing to practice medicine in a medical shortage area
17 as defined by the Oregon Health Authority, for a period equal to the period
18 covered by the loan, but no less than two years.

19 **“SECTION 172.** ORS 348.330 is amended to read:

20 “348.330. In addition to any other financial aid provided by law, the
21 [*Oregon Student Access Commission*] **Office of Post-Secondary Education**
22 **and Workforce Development** may grant loans in the following amounts:

23 “(1) Persons in their first or second year of study, or the equivalent
24 [*thereof*] **of their first or second year of study**, are eligible for an amount
25 not to exceed \$5,000 per academic year.

26 “(2) Persons in their third or fourth year of study, or the equivalent
27 [*thereof*] **of their third or fourth year of study**, are eligible for an amount
28 not to exceed \$7,500 per academic year.

29 **“SECTION 173.** ORS 348.340 is amended to read:

30 “348.340. (1) The [*Oregon Student Access Commission is further authorized*

1 to] **Office of Post-Secondary Education and Workforce Development**
2 **may** establish and administer cost-sharing loan fund programs which provide
3 for assistance, in conjunction with community agencies or organizations,
4 selected and approved by the [commission] **office** in a rural community in the
5 state having a population of fewer than 7,500 persons. Participation in
6 [such] a program **established under this subsection** shall be on a matching
7 funds basis between the Rural Medical Education Loan Fund and the ap-
8 proved community agency and shall fund the educational costs, fees and
9 charges of a specific, eligible student, who shall be approved by the partic-
10 ipating community and the [commission] **office**.

11 “(2) Funds provided from the Rural Medical Education Loan Fund under
12 subsection (1) of this section shall not exceed 75 percent of the total amount
13 calculated to be necessary to fund one person for one year, in an approved
14 school as determined by the [commission] **office**.

15 “(3) The eligibility requirements for persons participating in [the] a pro-
16 gram established in subsection (1) of this section shall be the same as the
17 requirements for eligibility in the loan program under ORS 348.320.

18 “(4) Upon completion of the program of study and training for licensure,
19 the person receiving funds under this section shall not be required to repay
20 such funds if the person practices medicine in the community providing the
21 matching funds. The person shall practice medicine one year for each year
22 that funds were provided, but in no event shall the person practice less than
23 two years.

24 “**SECTION 174.** ORS 348.350 is amended to read:

25 “348.350. (1) The [*Oregon Student Access Commission*] **Office of Post-**
26 **Secondary Education and Workforce Development** is authorized to es-
27 tablish and administer a cost-sharing program to train intern and residency
28 physicians as may be arranged by contract with an accredited training hos-
29 pital within this state. The cost sharing shall be limited to general practice
30 internships and family practice residencies. The [commission] **office** may pay

1 up to \$18,000 to an institution for each intern or resident position which is
2 reserved for training students who are planning to enter medical practice in
3 rural areas.

4 “(2) Funds for programs established under subsection (1) of this section
5 shall be paid from the Rural Medical Education Loan Fund.

6 “(3) No money appropriated under this section shall be used for any pro-
7 gram at the Oregon Health and Science University. The center shall be re-
8 quired to give priority admissions to recipients under ORS 348.310 to 348.390
9 in its family practice residency programs.

10 **“SECTION 175.** ORS 348.360 is amended to read:

11 “348.360. Each loan granted under ORS 348.330 and 348.340 is renewable
12 annually. The [*Oregon Student Access Commission*] **Office of Post-**
13 **Secondary Education and Workforce Development** shall renew the loans
14 upon application by the recipient when the [*commission*] **office** finds that the
15 applicant has successfully completed the required work for the preceding
16 academic year and is a student in good standing, is a resident of this state
17 and is in a financial condition that warrants the continuation of [*such*] **the**
18 aid.

19 **“SECTION 176.** ORS 348.370 is amended to read:

20 “348.370. (1) [*Persons*] **A person** receiving funds under ORS 348.310 to
21 348.390 shall not be required to repay the funds if the person practices med-
22 icine in a rural community in this state having a population of fewer than
23 7,500 persons and which meets the qualifications of a medical shortage area.

24 “(2) The fund recipient shall practice medicine in the area designated
25 under subsection (1) of this section at the rate of one year for each year the
26 funds were provided to that recipient, but in no event shall any recipient
27 practice medicine in an area less than two years.

28 “(3) Any person receiving funds under ORS 348.310 to 348.390 who fails
29 to complete the course of study, shall be required to repay the amount re-
30 ceived to the Rural Medical Education Loan Fund. Ten percent interest shall

1 be charged on the unpaid balance, accrued from the date the loan was
2 granted.

3 “(4) Any person receiving funds under ORS 348.310 to 348.390 who com-
4 pletes the course of study and requirements for licensure but fails to fulfill
5 the obligations required by the loan, shall repay the amount received to the
6 Rural Medical Education Loan Fund. Ten percent interest shall be charged
7 on the unpaid balance, accrued from the date the loan was granted. Addi-
8 tionally, a penalty fee, equal to 25 percent of the total amount of funds re-
9 ceived shall be assessed against the person. No interest shall accrue on the
10 penalty.

11 “(5) Any funds received by the Rural Medical Education Loan Fund under
12 subsections (3) to (6) of this section shall be used by the [*Oregon Student*
13 *Access Commission*] **Office of Post-Secondary Education and Workforce**
14 **Development** for the purpose of carrying out the provisions of ORS 348.310
15 to 348.390.

16 “(6) The [*commission*] **office** may waive any interest or penalty assessed
17 under subsections (3) to (6) of this section in case of undue hardship.

18 “**SECTION 177.** ORS 348.390 is amended to read:

19 “348.390. (1) There is established in the State Treasury a fund, separate
20 and distinct from the General Fund, to be known as the Rural Medical Ed-
21 ucation Loan Fund, which may be invested in the same manner as the
22 Oregon Student Assistance Fund. This fund may receive funds from state and
23 private sources for the purpose of making loans to student residents of this
24 state who are determined to be eligible to receive funds under ORS 348.310
25 to 348.390. Interest earned by the fund shall be credited to the fund.

26 “(2) All funds for and relating to loans received by the [*Oregon Student*
27 *Access Commission*] **Office of Post-Secondary Education and Workforce**
28 **Development**, including repayments, interest and penalties, for the Rural
29 Medical Education Loan Fund, except moneys appropriated from the State
30 Treasury for a specified period of time, are continuously appropriated to the

1 Rural Medical Education Loan Fund for the purposes for which the fund was
2 created.

3 **“SECTION 178.** ORS 348.427 is amended to read:

4 “348.427. (1) To encourage community service participation among stu-
5 dents in institutions of higher education, there is established a higher edu-
6 cation community service voucher program within the [*Oregon Student*
7 *Access Commission*] **Office of Post-Secondary Education and Workforce**
8 **Development.** The [*commission*] **office** shall allocate the amount available
9 to it for the purposes under ORS 348.427 to 348.436 by awarding the
10 institution’s share of the amount to each institution of higher education in
11 this state that is eligible for or whose students are eligible for financial aid
12 under Title IV, Part B, of the Higher Education Act of 1965 as amended. The
13 institution’s share shall be based on the proportion of its enrollment of
14 full-time students to the enrollment of full-time students in all institutions
15 of higher education in this state.

16 “(2) An institution of higher education in this state that receives an
17 amount under subsection (1) of this section shall award amounts from the
18 institution’s share to various academic departments in the institution.
19 Vouchers awarded to eligible voucher recipients shall be in \$35 denomi-
20 nations for each eight hours of eligible community service. Priority shall be
21 given to otherwise eligible applicants who have applied previously but not
22 been awarded a place in the voucher program.

23 “(3) In order to be eligible, a voucher recipient must perform approved
24 services for at least 20 hours per week in one term for a state or local gov-
25 ernment entity or a nonprofit social service agency recognized as tax-exempt
26 under section 501(c)(3) of the Internal Revenue Code of 1986. However, a
27 voucher recipient shall not be assigned duties that are performed by a public
28 employee if the assignment would displace the public employee. A voucher
29 recipient may be assigned within the institution to assist in maintaining the
30 program authorized by ORS 348.427 to 348.436.

1 “(4) A voucher recipient is eligible for the voucher awards for only one
2 term as an undergraduate student. In addition to the vouchers, the recipient
3 shall receive graded academic credit to be determined by the institution.
4 However, participation in the program does not replace any practicum or
5 internship required for a degree.

6 **“SECTION 179.** ORS 348.429 is amended to read:

7 “348.429. (1) In addition to any other student assistance provided by the
8 law, the [*Oregon Student Access Commission*] **Office of Post-Secondary**
9 **Education and Workforce Development** shall award vouchers to eligible
10 students participating in the program.

11 “(2) The total of all vouchers earned by a student under this section in
12 one term shall not exceed an amount equal to the average tuition and asso-
13 ciated fees charged annually to full-time resident undergraduate students by
14 public universities listed in ORS 352.002.

15 “(3) Vouchers shall be provided in \$35 denominations for each eight hours
16 of eligible community service.

17 “(4) The [*commission*] **office** shall:

18 “(a) Determine and approve which community service organizations and
19 services within the programs of such organizations are eligible for partic-
20 ipation in the program.

21 “(b) Accept the students that the institutions consider eligible for vouch-
22 ers under ORS 348.427 to 348.436.

23 “(c) Provide payment for vouchers presented by the program students at
24 eligible institutions.

25 “(d) Establish procedures necessary to carry out the provisions of ORS
26 348.427 to 348.436[, *including adopting necessary rules*].

27 “(5) Funds received in redemption of the vouchers granted pursuant to
28 ORS 348.427 to 348.436 shall not be considered personal income for the pur-
29 poses of ORS 316.037.

30 “(6) The vouchers authorized by ORS 348.427 to 348.436 shall first become

1 available when funds are available therefor from sources other than the
2 General Fund, as determined by the [*commission*] **office**.

3 “(7) **The Higher Education Coordinating Commission shall adopt**
4 **any rules necessary for the office to carry out the provisions of ORS**
5 **348.427 to 348.436.**

6 “**SECTION 180.** ORS 348.436 is amended to read:

7 “348.436. There is established in the State Treasury a fund, separate and
8 distinct from the General Fund, to be known as the Community Service
9 Voucher Fund, which may be invested in the same manner as the Oregon
10 Student Assistance Fund. This fund may receive moneys from federal, state
11 or private sources for the purpose of providing payment for the redemption
12 of vouchers authorized by ORS 348.427 to 348.436 and for the administration
13 of the community service voucher program. This fund, including the interest
14 earnings thereon, if any, is continuously appropriated to the [*Oregon Student*
15 *Access Commission*] **Office of Post-Secondary Education and Workforce**
16 **Development** for those purposes for which such funds were provided to or
17 received or collected by the [*commission*] **office**.

18 “**SECTION 181.** ORS 348.444 is amended to read:

19 “348.444. (1) There is created the Nursing Faculty Loan Repayment Pro-
20 gram, to be administered by the [*Oregon Student Access Commission*] **Office**
21 **of Post-Secondary Education and Workforce Development**. The purpose
22 of the program is to provide loan repayments on behalf of nurse educators
23 at nursing schools in Oregon who have earned a master’s or doctoral degree
24 from an accredited nursing education program.

25 “(2) The **Higher Education Coordinating** Commission shall by rule
26 adopt, in consultation with the Oregon State Board of Nursing and the
27 Oregon Center for Nursing, criteria for participation in the Nursing Faculty
28 Loan Repayment Program.

29 “**SECTION 182.** ORS 348.448 is amended to read:

30 “348.448. (1) To be eligible to participate in the Nursing Faculty Loan

1 Repayment Program, a nurse educator or prospective nurse educator shall
2 submit a letter of interest to the [*Oregon Student Access Commission*] **Office**
3 **of Post-Secondary Education and Workforce Development.**

4 “(2) At the end of each school year in which a nurse practices as a nurse
5 educator in Oregon, the [*commission*] **office** shall pay an amount not to ex-
6 ceed the lesser of 20 percent of the total of the nurse’s outstanding qualifying
7 loans or \$10,000 as adjusted under subsection (4) of this section.

8 “(3) The [*commission*] **office** may make the annual payments under this
9 section for up to:

10 “(a) Three years for a nurse educator who has earned a master’s degree;
11 or

12 “(b) Five years for a nurse educator who has earned a doctoral degree.

13 “(4)(a) The [*commission*] **office** shall adjust annually the maximum dollar
14 amount allowed under subsection (2) of this section by multiplying that
15 amount by a cost-of-living adjustment as specified in this subsection.

16 “(b) The cost-of-living adjustment applied to the maximum dollar amount
17 allowed under subsection (2) of this section shall be equal to the ratio of the
18 seasonally adjusted United States City Average Consumer Price Index for
19 All Urban Consumers as published by the Bureau of Labor Statistics of the
20 United States Department of Labor for April of that calendar year divided
21 by the value of the same index for April 2009.

22 “(c) If the value of the dollar amount determined under paragraph (a) of
23 this subsection is not a multiple of \$100, the [*commission*] **office** shall round
24 the dollar amount to the next lower multiple of \$100.

25 **“SECTION 183.** ORS 348.500 is amended to read:

26 “348.500. (1) The [*Oregon Student Access Commission*] **Office of Post-**
27 **Secondary Education and Workforce Development** may establish Access
28 to Student Assistance Programs in Reach of Everyone (ASPIRE) to provide
29 information about financial aid and education and training options beyond
30 high school to students in Oregon secondary schools. The goals of the pro-

1 grams are to:

2 “(a) Provide mentoring and resources to help students access education
3 and training beyond high school;

4 “(b) Help high schools build a sustainable community of volunteer men-
5 tors; and

6 “(c) Educate students and families about the scholarship application pro-
7 cess and other options for paying for post-secondary education.

8 “(2) The programs shall bring together students, school staff, community
9 volunteers and parents to help students overcome obstacles to their contin-
10 uing education. The programs may provide training, technical assistance and
11 other resources to Oregon high schools on how to establish a volunteer-based
12 program. Adult volunteers who are trained through the program may provide
13 mentoring, training and encouragement to students about post-secondary
14 options and financial aid.

15 “**SECTION 184.** ORS 348.505 is amended to read:

16 “348.505. As used in ORS 348.500 to 348.695[:],

17 “[*(1) ‘Commission’ means the Oregon Student Access Commission.*]

18 “[*(2) ‘financial aid’ includes loans, grants, scholarships, work opportu-
19 nities and other forms of financial aid to assist students in completing their
20 post-high-school education.*]

21 “**SECTION 185.** ORS 348.520 is amended to read:

22 “348.520. The [*Oregon Student Access Commission*] **Office of Post-
23 Secondary Education and Workforce Development** shall:

24 “(1) Make available to qualified persons financial aid from financial
25 sources available to the [*commission*] **office**.

26 “(2) Determine qualifications of persons to receive financial aid.

27 “(3) Maintain reports and records on persons applying for and receiving
28 financial aid from the [*commission*] **office**.

29 “(4) Withhold any financial aid if the recipient thereof fails to maintain
30 the standards established for receipt of that aid.

1 “(5) Recommend to the Legislative Assembly not less than once every
2 biennium matters relating to the establishment, administration, modification,
3 transfer, reduction or cancellation of financial aid.

4 “(6) Prior to implementing changes to the Oregon Opportunity Grant
5 program, report to the Higher Education Coordinating Commission and the
6 Legislative Assembly or the Emergency Board any proposed change:

7 “(a) That increases or decreases the total amount awarded as Oregon
8 Opportunity Grants that was approved as part of the budget enacted by the
9 Legislative Assembly for the [*Oregon Student Access Commission*] **office**; and

10 “(b) To the methodology used to determine the student share, family share
11 or state share under ORS 348.205.

12 “(7) Encourage the establishment of financial aid programs by private
13 agencies.

14 “(8) Collect and disseminate information pertaining to all types of avail-
15 able financial aid.

16 “(9) Review the administrative practices and evaluate the effectiveness
17 of all public and private post-secondary financial aid programs in Oregon.

18 “(10) Disburse state appropriations for financial aid in such a manner as
19 to maximize its role in cooperative coordination of financial aid programs.

20 “**SECTION 186.** ORS 348.530 is amended to read:

21 “348.530. (1) The [*Oregon Student Access Commission*] **Office of Post-**
22 **Secondary Education and Workforce Development** may:

23 “[1] (a) Negotiate for and contract with private and governmental
24 agencies for the establishment of financial aid programs.

25 “[2] (b) Receive gifts of any type, including gifts of stock and real
26 property, for the purpose of establishing, continuing and increasing financial
27 aid.

28 “[3] (c) Administer any form of financial aid submitted to and accepted
29 for administration by the commission.

30 “[4] (d) Authorize payment from funds appropriated therefor, of costs,

1 commissions, attorney fees and other reasonable expenses, including refund
2 of overpayment of fees, that are related to and necessary for making and
3 protecting guaranteed loans and recovering moneys and loans and manage-
4 ment of property acquired in connection with such loans.

5 “[5] (e) Sue and be sued.

6 “[6] Pursuant to ORS chapter 183, adopt such rules as may be necessary
7 to carry out the provisions of ORS 348.040 to 348.280, 348.500 to 348.695 and
8 348.992.]

9 “[7] (f) Cooperatively coordinate all types of financial aid activities.

10 “[8] (g) Establish a State of Oregon scholar program to recognize stu-
11 dents with outstanding academic achievement and other demonstrated attri-
12 butes. The students will not necessarily receive financial aid.

13 “[9] (h) Guarantee loans by eligible lending institutions to student res-
14 idents of the State of Oregon who are enrolled or accepted for enrollment
15 at any eligible institution, nonresident students enrolled or accepted for en-
16 rollment in an institution of higher education or community college in
17 Oregon, and parents of those students, under the provisions of the Higher
18 Education Act of 1965 as amended.

19 “[10] (i) Deny financial aid to any student owing a refund or in default
20 on financial aid previously made available to that student.

21 “[11] (j) Establish and implement any program permitted under federal
22 law to guaranty agencies, including administrative garnishment and wage
23 withholding under Public Law 102-164, section 605.

24 **“(2) The Higher Education Coordinating Commission shall adopt**
25 **any rules necessary for the office carry out the provisions of ORS**
26 **348.040 to 348.280, 348.500 to 348.695 and 348.992.**

27 **“SECTION 187.** ORS 348.560 is amended to read:

28 “348.560. Subject to any applicable provisions of the State Personnel Re-
29 lations Law, the [*Oregon Student Access Commission*] **Office of Post-**
30 **Secondary Education and Workforce Development** may employ and fix

1 the compensation of any employees [*it deems*] **the office considers** necessary
2 for the effective conduct of the work under its charge. The [*commission*] **of-**
3 **office** may also arrange with [*the Oregon University System*] **a public uni-**
4 **versity or community college** for use of staff and office space [*under the*
5 *jurisdiction of the Oregon University System*] **of the public university or**
6 **community college.**

7 **“SECTION 188.** ORS 348.563 is amended to read:

8 “348.563. For the purpose of requesting a state or nationwide criminal
9 records check under ORS 181.534, the [*Oregon Student Access Commission*]
10 **Office of Post-Secondary Education and Workforce Development** may
11 require the fingerprints of a person who:

12 “(1)(a) Is employed or applying for employment by the [*commission*]
13 **office**; or

14 “(b) Provides services or seeks to provide services to the [*commission*]
15 **office** as a contractor or volunteer; and

16 “(2) Is, or will be, working or providing services in a position:

17 “(a) In which the person has direct access to facilities where students
18 reside or to persons under 18 years of age, elderly persons or persons with
19 disabilities;

20 “(b) In which the person is providing information technology services and
21 has control over, or access to, information technology systems that would
22 allow the person to harm the information technology systems or the infor-
23 mation contained in the systems;

24 “(c) In which the person has access to information, the disclosure of
25 which is prohibited by state or federal laws, rules or regulations or infor-
26 mation that is defined as confidential under state or federal laws, rules or
27 regulations; or

28 “(d) That has payroll functions or in which the person has responsibility
29 for receiving, receipting or depositing money or negotiable instruments, for
30 billing, collections or other financial transactions or for purchasing or sell-

1 ing property or has access to property held in trust or to private property
2 in the temporary custody of the state.

3 **“SECTION 189.** ORS 348.570 is amended to read:

4 “348.570. (1) There is established in the State Treasury a fund, separate
5 and distinct from the General Fund, to be known as the Oregon Student
6 Assistance Fund for investment as provided by ORS 293.701 to 293.820 and
7 for the payment of the expenses of the [*Oregon Student Access Commission*]
8 **Office of Post-Secondary Education and Workforce Development** in
9 carrying out the purposes of ORS 348.210 to 348.250, 348.285, 348.505 to
10 348.615, 348.696 and 348.992. Interest earned by the fund shall be credited to
11 the fund.

12 “(2) There is established in the State Treasury a fund, separate and dis-
13 tinct from the General Fund, to be known as the Alternative Student Loan
14 Program Fund for investment as provided by ORS 293.701 to 293.820 and for
15 the payment of expenses of the [*commission*] **office** in carrying out the pur-
16 poses of ORS 348.625 to 348.695. This fund, including the interest earnings
17 on the fund, if any, is continuously appropriated to the [*commission*] **office**
18 for those purposes for which such funds were provided to, received or col-
19 lected by the [*commission*] **office**.

20 “(3)(a) There is established in the General Fund an account to be known
21 as the Nursing Services Account. Funds in the account shall be used for the
22 payment of expenses of the Nursing Services Program created in ORS
23 442.540.

24 “(b) The account shall consist of:

25 “(A) Funds appropriated to the [*Oregon Student Access Commission*] **of-**
26 **fice** for deposit into the account;

27 “(B) Collections and penalties received by the [*commission*] **office** under
28 ORS 442.545; and

29 “(C) Any donations or grants received by the [*commission*] **office** for
30 purposes of the Nursing Services Program.

1 “(c) Any funds in the account that are not expended in any biennium shall
2 be retained in the account and may be expended in subsequent biennia.

3 “(4) There is established in the State Treasury a fund, separate and dis-
4 tinct from the General Fund, to be known as the Foster Youth Scholarship
5 Fund. Moneys received from appropriations, donations and grants shall be
6 credited to the fund. Moneys in the fund are continuously appropriated to
7 the [*Oregon Student Access Commission*] **office** for the purposes of invest-
8 ment, as provided by ORS 293.701 to 293.820, and for carrying out the pro-
9 visions of ORS 348.270 (1)(b). Interest earned by the fund shall be credited
10 to the fund.

11 “(5) There is established in the State Treasury a fund, separate and dis-
12 tinct from the General Fund, to be known as the ASPIRE Program Fund.
13 Moneys received from donations and grants shall be credited to the ASPIRE
14 Program Fund. Moneys in the fund are continuously appropriated to the
15 [*Oregon Student Access Commission*] **office** for the purposes of investment,
16 as provided by ORS 293.701 to 293.820, and for carrying out the provisions
17 of ORS 348.500. Interest earned by the fund shall be credited to the fund.

18 “(6)(a) There is established in the State Treasury the Nursing Faculty
19 Loan Repayment Fund, separate and distinct from the General Fund. Interest
20 earned on the Nursing Faculty Loan Repayment Fund shall be credited to
21 the fund. Moneys in the fund are continuously appropriated to the [*Oregon*
22 *Student Access Commission*] **office** for carrying out ORS 348.440 to 348.448.
23 The Nursing Faculty Loan Repayment Fund consists of:

24 “(A) Moneys appropriated to the [*commission*] **office** for the Nursing
25 Faculty Loan Repayment Program created in ORS 348.444; and

26 “(B) Grants, gifts or donations received by the [*commission*] **office** for the
27 program.

28 “(b) Any unexpended funds in the fund at the end of a biennium shall be
29 retained in the fund and may be expended in subsequent biennia.

30 “**SECTION 190.** ORS 348.580 is amended to read:

1 “348.580. (1) Subject to the terms of the governing instruments and ap-
2 plicable law, the [*Oregon Student Access Commission*] **Office of Post-**
3 **Secondary Education and Workforce Development** may enter into
4 agreements with one or more community foundations in Oregon to assume
5 the management of the privately funded student aid programs of the [*com-*
6 *mission*] **office**. The [*commission*] **office** may transfer to the community
7 foundation any or all gifts or scholarship grants received by the
8 [*commission*] **office** from any private donor.

9 “(2) All gifts or scholarship grant funds received by the [*commission*] **of-**
10 **fice** that are not transferred to community foundations pursuant to sub-
11 section (1) of this section shall be placed in the hands of the State Treasurer,
12 who is designated as the custodian thereof and who may hold, in the manner
13 provided by law, the principal and interest on the gifts and grants. Funds
14 may be withdrawn periodically by the [*commission*] **office** to provide for ad-
15 ministrative expenditures and make payments upon scholarships awarded by
16 the [*commission*] **office**.

17 “(3) As used in this section, ‘community foundation’ means an organiza-
18 tion that is:

19 “(a) A community trust or foundation within the meaning of section 170
20 of the Internal Revenue Code of 1986 and section 1.170A-9(e)(10) of the
21 Treasury Regulations thereunder;

22 “(b) Exempt from federal income tax under section 501(c)(3) of the Inter-
23 nal Revenue Code of 1986; and

24 “(c) Not a private foundation within the meaning of section 509 of the
25 Internal Revenue Code of 1986.

26 “**SECTION 191.** ORS 348.590 is amended to read:

27 “348.590. All funds for and relating to student aid programs received by
28 the [*Oregon Student Access Commission*] **Office of Post-Secondary Educa-**
29 **tion and Workforce Development** pursuant to federal grant or from any
30 other source, except moneys appropriated from the State Treasury for a

1 specified period of time, hereby are continuously appropriated to the [*com-*
2 *mission*] **office** for the purposes for which such funds were provided and re-
3 ceived by the [*commission*] **office**.

4 **“SECTION 192.** ORS 348.592 is amended to read:

5 “348.592. (1) The [*Oregon Student Access Commission*] **Office of Post-**
6 **Secondary Education and Workforce Development** may obtain loan
7 cancellation insurance for any person holding a loan under this section and
8 ORS 348.505 to 348.530 and 348.570.

9 “(2) [*Such*] **The** insurance shall insure the life of the student who borrows
10 under this section and ORS 348.505 to 348.530 and 348.570 for the amount of
11 the principal and interest due on the loan and the State of Oregon shall be
12 named as the beneficiary. If the borrower dies before repaying the loan, the
13 insurance shall be used to pay the balance of the loan and the [*commission*]
14 **office** shall issue a satisfaction of the obligation.

15 “(3) The Oregon Department of Administrative Services shall procure bids
16 for the purchasing of insurance in compliance with the laws governing the
17 purchase and furnishing of services to state agencies.

18 **“SECTION 193.** ORS 348.608 is amended to read:

19 “348.608. (1) Each year, on a date prescribed by the Higher Education
20 Coordinating Commission, a school that obtains an exemption under ORS
21 348.604 or a school that, on July 14, 2005, met the criteria and followed
22 procedures to obtain a religious exemption adopted by rule by the Oregon
23 Student Access Commission and that offered only degrees with approved ti-
24 tles in theology or religious occupations, shall submit to the [*commission*]
25 **Office of Post-Secondary Education and Workforce Development** a
26 statement that reads: ‘(Name of School) hereby certifies that the school re-
27 mains in compliance with all conditions for a religious exemption from ORS
28 348.594 to 348.615.’

29 “(2) A school that obtains an exemption under ORS 348.604 or a school
30 that, on July 14, 2005, met the criteria and followed procedures to obtain a

1 religious exemption adopted by rule by the Oregon Student Access Commis-
2 sion and that offered only degrees with approved titles in theology or reli-
3 gious occupations remains exempt unless the [commission] **office** suspends
4 or revokes the exemption.

5 “(3) The [commission] **office** may suspend or revoke an exemption if:

6 “(a) After the notice and opportunity to cure provided in subsection (4)
7 of this section, a school fails to provide the statement required by subsection
8 (1) of this section;

9 “(b) The [commission] **office** has received a complaint from a student or
10 former student of the school that the school is failing to comply with a
11 condition for exemption under ORS 348.604, the [commission] **office** deter-
12 mines that the complaint is valid, the school has been provided with notice
13 and opportunity to cure as required by subsection (4) of this section and the
14 school fails to comply with the condition listed in the notice; or

15 “(c) After the notice and opportunity to cure provided in subsection (4)
16 of this section, a school is in violation of ORS 348.605.

17 “(4) The [commission] **office** shall provide notice of and 90 days to cure
18 a school’s:

19 “(a) Failure to provide the statement required by subsection (1) of this
20 section;

21 “(b) Failure to maintain compliance with a condition for exemption under
22 ORS 348.604 if the [commission] **office** has received a complaint from a stu-
23 dent or former student of the school that the school is failing to comply with
24 a condition for exemption under ORS 348.604 and the [commission] **office** has
25 determined the complaint is valid; or

26 “(c) Violation of ORS 348.605.

27 “(5) A school may appeal the denial, suspension or revocation of an ex-
28 emption to the [commission] **office**.

29 “(6) A school may appeal the [commission’s] **office’s** decision that a fac-
30 ulty member does not possess sufficient compensatory qualifications to sub-

1 stitute for an academic degree in the field in which the faculty member
2 teaches.

3 “(7) The [*commission*] **office** shall conduct an appeal under this section
4 as a contested case under ORS chapter 183.

5 “(8)(a) If a school appeals the denial, suspension or revocation of an ex-
6 emption and the [*commission*] **office** upholds the denial, suspension or revo-
7 cation, the [*commission*] **office** shall provide the school 90 days to cure the
8 grounds for the denial, suspension or revocation. If the school does not cure
9 the grounds for the denial, suspension or revocation within 90 days after the
10 [*commission*] **office** upholds the denial, suspension or revocation, then the
11 denial, suspension or revocation becomes effective 90 days after the issuance
12 of the decision on the appeal by the [*commission*] **office**.

13 “(b) If a school does not appeal the denial, suspension or revocation of
14 an exemption to the [*commission*] **office** and the school does not cure the
15 grounds for the denial, suspension or revocation within the period of time
16 to appeal the decision to the [*commission*] **office**, then the denial, suspension
17 or revocation becomes effective upon the expiration of the period of time to
18 appeal.

19 **“SECTION 194.** ORS 348.611 is amended to read:

20 “348.611. (1) As used in this section:

21 “(a) ‘Career pathways certificate of completion program’ means a certif-
22 ication program that:

23 “(A) Is offered at a community college;

24 “(B) Provides a specified proficiency in specific skills to meet an identi-
25 fied employment need;

26 “(C) Is provided in a grouping of 12 to 44 quarter credits, or an equivalent
27 number of credits;

28 “(D) Is wholly contained within an associate degree program or a similar
29 certification program of 45 or more quarter credits, or an equivalent number
30 of credits, that was reviewed and approved as provided by ORS 348.603 (2);

1 and

2 “(E) Satisfies the requirements for a career pathways certificate of com-
3 pletion program, as prescribed by the [*Department of Community Colleges*]
4 **Office of Post-Secondary Education** and Workforce Development.

5 “(b) ‘Program authority’ means:

6 “(A) The governing body of a community college; or

7 “(B) The designee of the governing body of a community college that has
8 authority related to the offering of a career pathways certificate of com-
9 pletion program at the community college.

10 “(2)(a) At least 30 business days prior to a community college seeking
11 final approval from the [*State Board of Education*] **Higher Education Co-**
12 **ordinating Commission** to offer a new career pathways certificate of com-
13 pletion program, the program authority shall provide notice of intent to offer
14 the program to the [*Department of Community Colleges*] **Office of Post-**
15 **Secondary Education** and Workforce Development. The notice of intent
16 must be in the form required by the [*department*] **office** and may be provided
17 electronically.

18 “(b) Upon receiving a notice of intent described in paragraph (a) of this
19 subsection, the [*department*] **office** shall immediately provide electronic no-
20 tice to any private institution that may be affected by the offering of a new
21 career pathways certificate of completion program.

22 “(3) A private institution that objects to the offering of a career pathways
23 certificate of completion program must provide a notice of objection to the
24 program authority within 12 business days of receiving the notice of intent
25 under subsection (2) of this section.

26 “(4) If a program authority receives a notice of objection as provided by
27 subsection (3) of this section, the program authority must:

28 “(a) Within three business days after the last date by which a private
29 institution may provide a notice of objection, offer all private institutions
30 that provided a notice of objection the opportunity to participate in a meet-

1 ing described in subsection (5) of this section; and

2 “(b) Postpone the seeking of final approval from the [*State Board of Ed-*
3 *ucation*] **Higher Education Coordinating Commission** for the career
4 pathways certificate of completion program until the requirements of sub-
5 section (6) of this section have been satisfied.

6 “(5)[(a)] A community college that provided a notice of intent under sub-
7 section (2) of this section and a private institution that provided a notice
8 of objection under subsection (3) of this section shall participate in a meet-
9 ing for the purpose of avoiding detrimental duplication or a significantly
10 adverse impact by:

11 “[A] (a) Identifying opportunities for collaboration in programs;

12 “[B] (b) Forming agreements or partnerships for offering programs; or

13 “[C] (c) Developing ideas for modifying programs.

14 “[b] *The program authority or the private institution may invite the Higher*
15 *Education Coordinating Commission or any other third party to join a meeting*
16 *or to act as a mediator of a meeting.*]

17 “(6) A program authority may seek final approval from the [*State Board*
18 *of Education*] **Higher Education Coordinating Commission** for a program
19 following a postponement described in subsection (4) of this section if:

20 “(a) An agreement is reached between the program authority and all of
21 the private institutions that participated in the meeting described in sub-
22 section (5) of this section; or

23 “(b) The program authority and the private institutions that participated
24 in the meeting described in subsection (5) of this section are unable to reach
25 an agreement within 15 business days.

26 “(7) Notwithstanding the timelines prescribed by subsections (3), (4) and
27 (6) of this section, the program authority and the private institutions may
28 mutually agree to adjust the timelines.

29 **“SECTION 195.** ORS 348.616 is amended to read:

30 “348.616. (1) The [*Oregon Student Access Commission*] **Higher Education**

1 **Coordinating Commission** shall develop and adopt rules that provide the
2 minimum criteria that an employer must meet in order for the employer's
3 scholarship program for employees and dependents to be certified as eligible
4 for the employee and dependent scholarship program tax credit provided un-
5 der ORS 348.621. The commission shall adopt rules to determine:

6 “(a) The types of educational programs, institutions and expenses related
7 to the programs and institutions for which scholarships may be offered to
8 employees and dependents, and scholarship moneys expended on their behalf;

9 “(b) The types of employees and dependents to whom scholarships must
10 be offered;

11 “(c) The minimum and maximum annual dollar amounts of a scholarship
12 that would be a qualified scholarship under ORS 315.237;

13 “(d) The minimum annual number of hours of instruction that a scholar-
14 ship beneficiary must commit to in order to be eligible for a scholarship; and

15 “(e) [*Such*] **Any** other requirements as the commission may provide.

16 “(2) An employer must employ at least four full-time equivalent employees
17 but no more than 250 employees in order to be certified as eligible for the
18 employee and dependent scholarship program tax credit under ORS 348.621.

19 “(3) An employer seeking to claim the tax credit provided under ORS
20 315.237 must apply to the [*commission*] **Office of Post-Secondary Educa-**
21 **tion and Workforce Development** for both employee and dependent schol-
22 arship program certification under ORS 348.618 and tax credit certification
23 under ORS 348.621.

24 “**SECTION 196.** ORS 348.618 is amended to read:

25 “348.618. (1) An application for employee and dependent scholarship pro-
26 gram certification shall be filed by the employer establishing the program.
27 The application shall be filed with the [*Oregon Student Access Commission*]
28 **Office of Post-Secondary Education and Workforce Development** at
29 least three months prior to the close of the first tax year for which a tax
30 credit under ORS 315.237 will be claimed.

1 “(2) The application shall be filed on a form prescribed by the
2 [commission] **office** and shall contain the information required by the [com-
3 mission] **office**, including:

4 “(a) The date on which the proposed employee and dependent scholarship
5 program will first be available to the employer’s employees and their depen-
6 dents;

7 “(b) The total number of employees of the employer;

8 “(c) The total number of employees who will be eligible, or whose depen-
9 dents will be eligible, to participate in the program;

10 “(d) The criteria to be used by the employer in determining the eligibility
11 of an employee or an employee’s dependent for a scholarship under the pro-
12 gram; and

13 “(e) The annual limit, if any, on the amount of funds to be used for
14 scholarships under the program.

15 “(3) The [commission] **office** shall certify an application that describes an
16 employee and dependent scholarship program that is in compliance with the
17 rules adopted by the **Higher Education Coordinating** Commission under
18 ORS 348.616 (1) [and (2)], if made by an employer that meets the employment
19 requirements of ORS 348.616 (1) and (2).

20 “(4) The [commission] **office** shall certify or reject an application within
21 60 days of receipt of the application and shall notify the employer of the
22 [commission’s] **office’s** determination.

23 “(5) An employer whose application has been rejected by the
24 [commission] **office** shall be afforded an opportunity to amend the applica-
25 tion to address the [commission’s] **office’s** objections to the original appli-
26 cation.

27 “(6) In the case of an employer whose proposed employee and dependent
28 scholarship program has been certified by the [commission] **office**, the [com-
29 mission] **office** shall send a letter of program certification to the employer.
30 The letter of program certification shall set forth or incorporate by reference

1 the statements made in the application being certified.

2 “(7) A letter of program certification issued under this section shall re-
3 main valid until the employer changes the terms of eligibility for a scholar-
4 ship under the program, changes the minimum or maximum amount of a
5 scholarship under the program or ceases to be an employer.

6 **“SECTION 197.** ORS 348.621 is amended to read:

7 “348.621. (1) An application for tax credit certification shall be filed by
8 an employer that has obtained program certification under ORS 348.618 or
9 that has applied for program certification and is awaiting such certification
10 by the [*Oregon Student Access Commission*] **Office of Post-Secondary Ed-**
11 **ucation and Workforce Development.**

12 “(2) The application for tax credit certification shall be filed by the em-
13 ployer with the [*commission*] **office**. The application shall be filed at the time
14 prescribed by the [*commission*] **office**, but no later than October 1 of the
15 calendar year in which begins the tax year for which a credit under ORS
16 315.237 will be claimed.

17 “(3) The application shall be filed on a form prescribed by the
18 [*commission*] **office** and shall contain the information required by the [*com-*
19 *mission*] **office**, including the amount of scholarship moneys the employer
20 has provided or intends to provide to employees or dependents during the
21 calendar year for which tax credit certification is being sought and the
22 number of employees employed by the employer for the calendar year.

23 “(4) The [*commission*] **office** shall consider applications in the chrono-
24 logical order in which the applications are received and shall approve ap-
25 plications to the extent the amount set forth in the application, when added
26 to the total amount already certified by the [*commission*] **office** for the cal-
27 endar year under this section, does not exceed \$1 million.

28 “(5) An employer may not receive tax credit certification:

29 “(a) For an amount that is greater than \$1 million;

30 “(b) If the employer employs fewer than four full-time equivalent em-

1 ployees for the calendar year; or

2 “(c) If the employer employs more than 250 employees for the calendar
3 year.

4 “(6) The [*commission*] **office** shall send written notice of the amount of
5 the tax credit certification, or written notice that no amount is being certi-
6 fied, to the employer and to the Department of Revenue within 60 days of
7 the date an application is filed under this section.

8 “(7) The employer shall keep the written certification in the employer’s
9 records for at least five years and shall furnish the certification to the De-
10 partment of Revenue if requested.

11 **“SECTION 198.** ORS 348.625 is amended to read:

12 “348.625. As used in ORS 348.570 and 348.625 to 348.695:

13 “(1) ‘Alternative student loan program’ means a program established by
14 the [*Oregon Student Access Commission*] **Office of Post-Secondary Educa-**
15 **tion and Workforce Development** to fund loans to eligible students, or to
16 qualifying parents of eligible students, to help meet expenses of eligible stu-
17 dents of attending post-secondary educational institutions; provided, how-
18 ever, that alternative student loan program loans may be made only to
19 students who have applied for student financial aid under Title IV, Part B
20 of the Higher Education Act of 1965, as amended, and have received infor-
21 mation on their eligibility for programs under that Act, or the parents of
22 students who have made such application and received such information.

23 “(2) ‘Eligible student’ means a student enrolled in an eligible post-
24 secondary educational institution located in Oregon or a student who is an
25 Oregon resident and who is enrolled in an eligible post-secondary educa-
26 tional institution located outside of Oregon. The [*commission*] **office** shall
27 determine, among other things, what constitutes enrollment and which post-
28 secondary educational institutions are eligible institutions under the alter-
29 native student loan program.

30 “(3) ‘Lender’ means an insured institution as defined in ORS 706.008 that

1 is authorized to do business in Oregon and which has entered into an
2 agreement with the [*commission*] **office** to originate, service and administer
3 alternative student loans in the manner authorized by ORS 348.570 and
4 348.625 to 348.695.

5 **“SECTION 199.** ORS 348.630 is amended to read:

6 “348.630. (1) Loans may be made under the alternative student loan pro-
7 gram to an eligible student or to a parent of an eligible student.

8 “(2) Loans made under the alternative student loan program shall not
9 exceed the eligible costs of education as determined by the [*Oregon Student*
10 *Access Commission*] **Office of Post-Secondary Education and Workforce**
11 **Development**, minus other financial aid received, or \$10,000, whichever is
12 less, for any eligible student during a single calendar year. Total loans made
13 for any eligible student under the alternative student loan program shall not
14 exceed \$40,000.

15 “(3) Under the alternative student loan program, borrowers shall undergo
16 a credit check by the lender or by the [*commission*] **office** and shall be
17 creditworthy or provide a creditworthy cosigner.

18 **“SECTION 200.** ORS 348.635 is amended to read:

19 “348.635. In consultation with private sector lenders, the [*Oregon Student*
20 *Access Commission*] **Office of Post-Secondary Education and Workforce**
21 **Development** shall establish the terms and conditions, including but not
22 limited to maturities and repayment provisions, of student loans for which
23 the [*commission*] **office** shall provide funding. The [*commission*] **office** may
24 also set standards of academic achievement which borrowers must maintain
25 to receive loans.

26 **“SECTION 201.** ORS 348.640 is amended to read:

27 “348.640. (1) The [*Oregon Student Access Commission*] **Office of Post-**
28 **Secondary Education and Workforce Development** shall provide funding
29 to lenders pursuant to contracts which shall provide, among other things, the
30 terms and conditions under which private sector lenders, using funding made

1 available by the [commission] **office**, shall originate, service and administer
2 loans pursuant to the alternative student loan program. Lenders shall receive
3 and process loan applications from borrowers, perform credit analysis, ap-
4 prove or deny loan requests, and for loans which are approved, originate,
5 document, administer and service [such] **the** loans. The [commission] **office**
6 shall make provision for payment to lenders of the reasonable costs of orig-
7 ination, servicing and administration of loans. Payment may be made directly
8 by borrowers or by the [commission] **office**, as the [commission] **office** may
9 determine.

10 “(2) Loans shall be structured in such a manner that anticipated payments
11 of principal and interest shall permit timely repayment of the revenue bonds
12 to be issued by the State of Oregon pursuant to ORS 348.570 and 348.625 to
13 348.695. As a condition of participation in the alternative student loan pro-
14 gram by private sector lenders, the [commission] **office** shall procure from
15 each such lender a guarantee or letter of credit ensuring that the [commis-
16 sion] **office** shall receive full and timely repayment of principal of and in-
17 terest due on loans originated, serviced and administered by the lender. The
18 [commission] **office** shall provide by contract for payment by the
19 [commission] **office** or by borrowers, as the [commission] **office** may deter-
20 mine, of the reasonable costs of such guarantees or letters of credit. It is the
21 intention of ORS 348.570 and 348.625 to 348.695 that participating private
22 sector lenders, not the [commission] **office**, shall bear the entire risk of loss,
23 nontimely repayment or nonpayment of alternative student loan program
24 loans.

25 **“SECTION 202.** ORS 348.655 is amended to read:

26 “348.655. In consultation with the [*Oregon Student Access Commission*]
27 **Office of Post-Secondary Education and Workforce Development**, the
28 State Treasurer may issue revenue bonds in an amount not to exceed \$30
29 million annually, the proceeds of which shall be used to provide funding for
30 loans to be made pursuant to the alternative student loan program. Interest

1 on the bonds shall be exempt from personal income taxation by the State of
2 Oregon.

3 **“SECTION 203.** ORS 348.660 is amended to read:

4 “348.660. (1) If the State Treasurer, in consultation with the [*Oregon*
5 *Student Access Commission*] **Office of Post-Secondary Education and**
6 **Workforce Development**, determines that revenue bonds should be issued
7 under ORS 348.570 and 348.625 to 348.695:

8 “(a) The State Treasurer, in consultation with the [*commission*] **office**,
9 may authorize and issue in the name of the State of Oregon revenue bonds
10 secured by revenues from repayment of loans to finance or refinance in
11 whole or part the costs of the loan program. Refunding bonds may be issued
12 to refinance [*such*] **the** revenue bonds.

13 “(b) The State Treasurer, in consultation with the [*commission*] **office**,
14 shall designate the underwriter, trustee and bond counsel and enter into
15 appropriate agreements with each to carry out the provisions of ORS 348.570
16 and 348.625 to 348.695.

17 “(2) Any trustee designated by the State Treasurer, in consultation with
18 the [*commission*] **office**, must agree to furnish financial statements and audit
19 reports for each bond issue.

20 “(3) In determining whether to issue revenue bonds under ORS 348.570
21 and 348.625 to 348.695, the State Treasurer, in consultation with the [*com-*
22 *mission*] **office**, shall consider:

23 “(a) The bond market for the types of bonds proposed for issuance.

24 “(b) The terms and conditions of the proposed issue.

25 “(c) [*Such*] **Any** other relevant factors as the State Treasurer, in consul-
26 tation with the [*commission*] **office**, considers necessary to protect the fi-
27 nancial integrity of the state.

28 **“SECTION 204.** ORS 348.665 is amended to read:

29 “348.665. Bonds authorized under ORS 348.570 and 348.625 to 348.695 shall
30 be issued in accordance with the provisions of ORS chapter 286A. The State

1 Treasurer, in consultation with the [*Oregon Student Access Commission*]
2 **Office of Post-Secondary Education and Workforce Development**, may
3 establish special accounts or subaccounts in the Alternative Student Loan
4 Program Fund created by ORS 348.570 and may pledge the assets or the
5 revenues, or any portion [*thereof*], **of the assets or revenues** of the alter-
6 native student loan program.

7 **“SECTION 205.** ORS 348.670 is amended to read:

8 “348.670. The administrative expenses of the State Treasurer and the
9 [*Oregon Student Access Commission*] **Office of Post-Secondary Education**
10 **and Workforce Development** shall be charged against bond proceeds or
11 repayment revenues.

12 **“SECTION 206.** ORS 348.675 is amended to read:

13 “348.675. The State Treasurer, in consultation with the [*Oregon Student*
14 *Access Commission, shall have the power, whenever refunding is considered*
15 *expedient, to*] **Office of Post-Secondary Education and Workforce De-**
16 **velopment may** refund any bonds by the issuance of new bonds, whether the
17 bonds to be refunded have or have not matured. The refunding bonds may
18 be exchanged for bonds to be refunded and the proceeds applied to the pur-
19 chase, redemption or payment of [*such*] **the** bonds.

20 **“SECTION 207.** ORS 348.685 is amended to read:

21 “348.685. The official action authorizing the issuance of bonds under ORS
22 348.570 and 348.625 to 348.695 may contain covenants, notwithstanding that
23 such covenants may limit the exercises of powers conferred by ORS 348.570
24 and 348.625 to 348.695 in the following respects and in such other respects
25 as the state, acting through the State Treasurer, in consultation with the
26 [*Oregon Student Access Commission*] **Office of Post-Secondary Education**
27 **and Workforce Development**, or the designee [*thereof*] **of the office** may
28 decide:

29 “(1) The use and disposition of the revenues from repayment;

30 “(2) The creation and maintenance of special accounts or subaccounts in

1 the Alternative Student Loan Program Fund created by ORS 348.570 and the
2 regulation, use and disposition thereof;

3 “(3) The purpose or purposes to which the proceeds of sale of bonds may
4 be applied and the use and disposition of such proceeds;

5 “(4) The events of default and the rights and liabilities arising thereon
6 and the terms and conditions upon which the holders of any bonds may bring
7 any suit or action on such bonds or on any coupons appurtenant thereto;

8 “(5) The issuance of other or additional bonds or instruments payable
9 from or constituting a charge against the revenues from repayment;

10 “(6) The keeping of books of account and the inspection and audit
11 [*thereof*] **of books of account**;

12 “(7) The terms and conditions upon which any or all of the bonds shall
13 become or may be declared due before maturity and the terms and conditions
14 upon which such declaration and its consequences may be waived;

15 “(8) The rights, liabilities, powers and duties arising upon the breach of
16 any covenants, conditions or obligations;

17 “(9) The appointing of and vesting in a trustee or trustees of the right to
18 hold or dispose of any funds, accounts, revenues or assets of the alternative
19 student loan program, to receive or assign any pledge [*thereof*] **of the funds,**
20 **accounts, revenues or assets** or to enforce any covenants made to secure
21 or to pay the bonds, the powers and duties of such trustee or trustees, and
22 the limitation of the liabilities of the trustee or trustees;

23 “(10) The terms and conditions upon which the holder or holders of the
24 bonds, or the holders of any proportion or percentage of them, may enforce
25 any covenants made under ORS 348.570 and 348.625 to 348.695; and

26 “(11) A procedure by which the terms of any official action authorizing
27 bonds or of any other contract with bondholders, including but not limited
28 to an indenture of trust or similar instrument, may be amended or abrogated,
29 and the amount of bonds **to which** the holders [*of which*] may consent
30 [*thereto*], and the manner in which [*such*] **the** consent may be given.

1 **“SECTION 208.** ORS 348.690 is amended to read:

2 “348.690. (1) Revenue bonds issued under ORS 348.570 and 348.625 to
3 348.695:

4 “(a) Shall not be payable from nor charged upon any funds other than the
5 revenue pledged to the payment thereof, except as provided in this section,
6 nor shall the state be subject to any liability thereon. No holder or holders
7 of such bonds shall ever have the right to compel any exercise of the taxing
8 power of the state to pay any such bonds or the interest thereon, nor to en-
9 force payment thereof against any property of the state.

10 “(b) Shall not constitute a charge, lien or encumbrance, legal or equitable,
11 upon any property of the state other than the Alternative Student Loan
12 Program Fund created by ORS 348.570, any account or subaccount thereof
13 or student loans, if any, owned or acquired by the [*Oregon Student Access*
14 *Commission*] **Office of Post-Secondary Education and Workforce Devel-**
15 **opment** pursuant to the alternative student loan program.

16 “(2) Each bond issued under ORS 348.570 and 348.625 to 348.695 shall re-
17 cite in substance that the bond, including interest [*thereon*] **on the bond**, is
18 payable solely from the revenue pledged to the payment [*thereof*] **of the**
19 **bond**. No such bond shall constitute a debt of the state or a lending of the
20 credit of the state within the meaning of any constitutional or statutory
21 limitation. However, nothing in ORS 348.570 and 348.625 to 348.695 is in-
22 tended to impair the rights of holders of bonds to enforce covenants made
23 for the security [*thereof*] **of the bonds** as provided in ORS 348.685.

24 **“SECTION 209.** ORS 348.696 is amended to read:

25 “348.696. Pursuant to section 4 (4)(d), Article XV of the Oregon Consti-
26 tution, the Education Stability Fund is established separate and distinct from
27 the General Fund. Moneys in the Education Stability Fund shall be invested
28 as provided in ORS 293.701 to 293.790. All declared earnings on moneys in
29 the fund shall be transferred and are appropriated continuously as follows:

30 “(1) 75 percent to the Oregon Education Fund established by ORS 348.716;

1 and

2 “(2) 25 percent to the [*Oregon Student Access Commission*] **Office of**
3 **Post-Secondary Education and Workforce Development** for the Oregon
4 Opportunity Grant program under ORS 348.260.

5 **“SECTION 210.** ORS 348.849 is amended to read:

6 “348.849. (1) There is established the Oregon 529 College Savings Board
7 to administer ORS 348.841 to 348.873.

8 “(2) The board shall consist of:

9 “(a) The State Treasurer or a designee of the State Treasurer;

10 “(b) A member of the [*State Board of*] Higher Education **Coordinating**
11 **Commission**, to be selected by the [*State Board of Higher Education*] **com-**
12 **mission**;

13 “(c) A representative of accredited private colleges and universities lo-
14 cated in this state, who shall be appointed by the State Treasurer; and

15 “(d) Two public members, who by reason of their education and experience
16 are qualified to serve, and who shall be appointed by the State Treasurer.

17 “(3) The State Treasurer shall designate the board chairperson from
18 among the members of the board. The chairperson shall serve at the pleasure
19 of the State Treasurer.

20 “(4)(a) The board member who is a member of the [*State Board of Higher*
21 *Education*] **commission** shall serve at the pleasure of the [*State Board of*
22 *Higher Education*] **commission** but may not serve on the board following the
23 end of the member’s term on the [*State Board of Higher Education*] **com-**
24 **mission**.

25 “(b) The representative of private colleges and universities and the public
26 members of the board shall serve at the pleasure of the State Treasurer for
27 a term of office of three years. These members of the board may be reap-
28 pointed to subsequent terms.

29 “(5) The State Treasurer and the [*Oregon University System*] **Office of**
30 **Post-Secondary Education and Workforce Development** shall provide

1 staff and assistance to the board in the administration of the Oregon 529
2 College Savings Network as directed by the board.

3 “(6) A member of the board is entitled to compensation and expenses as
4 provided in ORS 292.495.

5 “(7) A majority of the members of the board constitutes a quorum for the
6 transaction of business.

7 **“SECTION 211.** ORS 348.890 is amended to read:

8 “348.890. (1) The [*Higher Education Coordinating Commission*] **Office of**
9 **Post-Secondary Education and Workforce Development** shall provide
10 policy direction to implement regional partnership proposals and any other
11 joint program or activity approved by the [*State Board of Education and the*
12 *State Board of*] Higher Education **Coordinating Commission**.

13 “(2) Notwithstanding ORS 351.063 (3), the [*Department of Community*
14 *Colleges*] **Office of Post-Secondary Education** and Workforce
15 Development, **a public university with a governing board** and the Oregon
16 University System may use appropriations from the General Fund to imple-
17 ment agreements approved by the Higher Education Coordinating Commis-
18 sion that provide direct aid to a student, or other incentives that encourage
19 shared use of facilities, programs and other resources of public universities
20 listed in ORS 352.002 and community colleges.

21 **“SECTION 212.** ORS 348.900 is amended to read:

22 “348.900. (1) The Employment Department, in consultation with health
23 care industry employers, shall perform a statewide and regional needs as-
24 sessment for health care occupations to identify emerging occupations and
25 occupations for which there is high demand or a shortage of workers. The
26 assessment shall be performed as necessary on a periodic basis, as determined
27 by the department, in consultation with industry employers. To perform the
28 needs assessment, the department may consider any reliable data sources
29 available to the department.

30 “(2) Based on the needs assessment, the Higher Education Coordinating

1 Commission shall inform the community colleges, public universities listed
2 in ORS 352.002, Oregon Health and Science University and health care in-
3 dustry employers of the identified statewide needs and invite the develop-
4 ment of health care education programs that are responsive to those needs.

5 “(3) When approving health care education programs, the [*State Board of*
6 *Education, the State Board of Higher Education*] **commission** and the
7 Oregon Health and Science University Board of Directors shall use the
8 statewide needs assessment to evaluate whether a program fulfills statewide
9 needs. If [*a board*] **the commission** determines there is a statewide need, the
10 [*board*] **commission** shall facilitate the:

11 “(a) Coordination of new health care education programs and existing
12 health care education programs that are similar to the new health care ed-
13 ucation programs to address the statewide need; and

14 “(b) Alignment of health care education programs relating to statewide
15 access, student transferability between programs, course articulation and
16 common student learning outcomes for health care education programs.

17 “(4) In the development and approval of health care education programs,
18 community colleges, public universities, Oregon Health and Science Univer-
19 sity, the [*State Board of Education, the State Board of Higher Education*]
20 **commission** and the Oregon Health and Science University Board of Di-
21 rectors shall consider issues related to statewide access, student
22 transferability between programs, course articulation and common student
23 learning outcomes for health care education programs. The community col-
24 leges, public universities, Oregon Health and Science University and
25 [*boards*] **commission** shall continue to provide and improve upon an effec-
26 tive articulation and transfer framework for students in Oregon’s post-
27 secondary sectors.

28 “**SECTION 213.** ORS 351.049 is amended to read:

29 “351.049. (1) The State Board of Higher Education shall forward all
30 mission statements of the public universities [*listed in ORS 352.002*] **in the**

1 **Oregon University System** to the Higher Education Coordinating Com-
2 mission for approval.

3 “(2) **A public university with a governing board shall forward the**
4 **university’s mission statement to the commission for approval.**

5 “**SECTION 214.** ORS 351.063 is amended to read:

6 “351.063. (1) The State Board of Higher Education shall set enrollment
7 fees for each public university [*listed in ORS 352.002*] **in the Oregon Uni-**
8 **versity System.** Enrollment fees include tuition for education and services
9 and any other charges found by the State Board of Higher Education to be
10 necessary to carry out the educational program of the Oregon University
11 System.

12 “(2) The State Board of Higher Education shall, by rule, establish a pro-
13 cess under which each public university **in the Oregon University System**
14 may develop and submit proposed enrollment fees for board consideration.
15 The process must provide for participation of enrolled students and the re-
16 cognized student government of the public university.

17 “(3) Each public university [*listed in ORS 352.002*] is authorized to offer
18 fee remissions to its students, including remissions offered on the basis of
19 need, from any authorized source of revenue. Moneys appropriated from the
20 General Fund may not be used to fund fee remissions to students of the
21 public university.

22 “**SECTION 215.** ORS 351.064 is amended to read:

23 “351.064. The Higher Education Coordinating Commission may set limits
24 on the enrollment fees [*established by the State Board of Higher Education*
25 *under ORS 351.063 (1)*] **at public universities.**

26 “**SECTION 216.** ORS 351.077 is amended to read:

27 “351.077. (1) [*Pursuant to ORS 342.447, the Chancellor of the Oregon Uni-*
28 *versity System*] **The Office of Post-Secondary Education and Workforce**
29 **Development** shall ensure the implementation of the plans developed **by the**
30 **State Board of Higher Education under ORS 342.447** for recruitment of

1 minority teachers.

2 “(2) The [*chancellor*] **office** shall report biennially to the [*State Board*
3 *of*] Higher Education **Coordinating Commission** and the Legislative As-
4 sembly on the implementation and results of the plans. The report may in-
5 clude recommendations on ways in which the Legislative Assembly can assist
6 in increasing the number of minority teachers.

7 **“SECTION 217.** ORS 351.203 is amended to read:

8 “351.203. (1) The State Board of Higher Education **and the governing**
9 **boards of public universities** shall cooperate with the Education and
10 Workforce Policy Advisor in the development of a state comprehensive edu-
11 cation plan including post-secondary education and in review of the
12 [*board’s*] **boards’** programs and [*budget*] **budgets**. The [*board*] **boards** shall
13 submit in timely fashion to the advisor [*such*] **the** data [*as is appropriate*
14 *in*] **the advisor requests in** a form prescribed by the advisor.

15 “(2) The [*board*] **boards** shall cooperate with the mediation process ad-
16 ministered by the Higher Education Coordinating Commission pursuant to
17 ORS 348.603 and, if a negotiated resolution cannot be reached by mediation,
18 comply with the decisions of the commission regarding proposed new post-
19 secondary programs and proposed new post-secondary locations, including
20 those proposed by Oregon Health and Science University in cooperation with
21 [*the State Board of Higher Education*] **public universities** under ORS
22 353.440.

23 **“SECTION 218.** ORS 351.643, as amended by section 8, chapter 106,
24 Oregon Laws 2012, is amended to read:

25 “351.643. (1) A student at a public university [*listed in ORS 352.002*] who
26 is a member of the military, a member of the commissioned corps of the
27 National Oceanic and Atmospheric Administration or a member of the Public
28 Health Service of the United States Department of Health and Human Ser-
29 vices detailed by proper authority for duty with the Army or Navy of the
30 United States and who is ordered to federal or state active duty for more

1 than 30 consecutive days has the following rights:

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

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

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

9 “(C) Continue and complete the course for full credit, subject to the pro-
10 visions of subsection (3) of this section;

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

13 “(c) If the student elects to withdraw from the public university, the right
14 to be readmitted and reenrolled at the public university within one year after
15 release from active duty without a requirement of redetermination of admis-
16 sion eligibility; and

17 “(d) The right to continuation of scholarships and grants awarded to the
18 student that were funded by the public university or the [*Oregon Student*
19 *Access Commission*] **Office of Post-Secondary Education and Workforce**
20 **Development** before the student was ordered to active duty.

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

23 “(a) Give the student academic credit for the course from which the stu-
24 dent withdraws;

25 “(b) Give the student a failing grade or a grade of incomplete or make
26 any other negative annotation on the student’s record; or

27 “(c) Alter the student’s grade point average due to the student’s with-
28 drawal from the course.

29 “(3) A student who elects to continue and complete a course for full credit
30 under subsection (1)(a)(C) of this section is subject to the following condi-

1 tions:

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

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

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

11 “(4) The [*State Board of*] Higher Education **Coordinating Commission**
12 shall adopt rules for the administration of this section.

13 “(5) As used in this section, ‘member of the military’ means a person who
14 is a member of:

15 “(a) The Oregon National Guard or the National Guard of any other state
16 or territory; or

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

19 **“SECTION 219.** ORS 351.647 is amended to read:

20 “351.647. The Legislative Assembly finds that:

21 “(1) It is in the interest of this state and its people that Oregon residents
22 have access to the post-secondary institutions in the Northwest [*which*] **that**
23 best provide for the educational needs of those students;

24 “(2) The people of Oregon and their post-secondary institutions benefit
25 through the provision of access to Oregon colleges and universities for stu-
26 dents from the state of Washington and from the enhanced economic and
27 cultural well-being of the northwest region;

28 “(3) The state should reduce or eliminate the nonresident tuition barriers
29 [*which*] **that** might exist between the states of Oregon and Washington to
30 restrict or inhibit enrollment of residents of one of these states in a com-

1 munity college or public college or university in the other state;

2 “(4) The general policy statement on reduction of admission and tuition
3 barriers between the states of Oregon and Washington shall not apply to
4 students at the Oregon Health and Science University, where enrollment
5 priority shall continue to be given to qualified Oregon residents; and

6 “(5) The [*State Board of Higher Education and the*] Higher Education
7 Coordinating Commission shall develop plans to carry out the intent of this
8 policy within the appropriations available, and shall report to the appropri-
9 ate legislative review agency before implementing the plan.

10 “**SECTION 220.** ORS 351.718 is amended to read:

11 “351.718. [(1)] The members of the Higher Education Coordinating Com-
12 mission must be residents of this state who are well informed on the princi-
13 ples of higher education.

14 “[*(2) A member of the State Board of Higher Education, Oregon Health and*
15 *Science University Board of Directors or the governing board of a community*
16 *college district may not serve as a member of the Higher Education Coordi-*
17 *nating Commission.*]

18 “**SECTION 221.** ORS 352.730 is amended to read:

19 “352.730. (1) The [*Oregon Student Access Commission*] **Office of Post-**
20 **Secondary Education and Workforce Development** may enter into con-
21 tracts with private and independent institutions of higher education for the
22 performance of nonsectarian educational services to assist the state in pro-
23 viding educational opportunities for Oregon students.

24 “(2) The [*commission*] **office** may accept grants, gifts, bequests, and de-
25 vises of real and personal property to carry out the purposes of ORS 352.710
26 to 352.760.

27 “(3) No funds disbursed pursuant to ORS 352.710 to 352.760 shall be used
28 by any recipient for any religious purpose.

29 “**SECTION 222.** ORS 352.740 is amended to read:

30 “352.740. Payments to private and independent institutions of higher edu-

1 cation under contracts entered into under ORS 352.730 shall be determined
2 by the [*Oregon Student Access Commission*] **Office of Post-Secondary Ed-**
3 **ucation and Workforce Development** on a uniform rate for every 45
4 quarter hours, or equivalent, of approved and registered course work in
5 nonsectarian subjects completed by undergraduate students enrolled in the
6 institutions who are residents of Oregon, and shall not exceed the actual cost
7 to the institution of providing such educational services. This uniform rate
8 shall apply to the estimated 45-hour units for each institution upon which
9 the legislative appropriation is based for that year, or the actual 45-hour
10 units for each institution, whichever is the lesser. Any remaining funds shall
11 be distributed among those institutions whose actual 45-hour units exceed
12 the estimate. The distribution to each institution shall be according to the
13 uniform rate established for the 45-hour units or an amount equal to the
14 ratio that the excess units bear to 45. However, if insufficient funds are
15 available for such a distribution, then the distribution shall be according to
16 the ratio that the total number of 45-hour units in excess of the estimate
17 bears to the total amount of funds remaining undistributed, multiplied by the
18 number of excess 45-hour units, if any, at each institution.

19 **SECTION 223.** ORS 352.750 is amended to read:

20 “352.750. In accordance with any applicable provisions of ORS chapter
21 183, the [*Oregon Student Access Commission*] **Higher Education Coordi-**
22 **nating Commission** may make such reasonable rules and regulations as are
23 necessary or proper to carry out ORS 352.710 to 352.760.

24 **SECTION 224.** ORS 353.200, as amended by section 9, chapter 106,
25 Oregon Laws 2012, is amended to read:

26 “353.200. (1) A student at the Oregon Health and Science University who
27 is a member of the military, a member of the commissioned corps of the
28 National Oceanic and Atmospheric Administration or a member of the Public
29 Health Service of the United States Department of Health and Human Ser-
30 vices detailed by proper authority for duty with the Army or Navy of the

1 United States and who is ordered to federal or state active duty for more
2 than 30 consecutive days has the following rights:

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

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

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

10 “(C) Continue and complete the course for full credit, subject to the pro-
11 visions of subsection (3) of this section;

12 “(b) The right to a credit described in ORS 353.202 for all amounts paid
13 for room, board, tuition and fees;

14 “(c) If the student elects to withdraw from the university, the right to be
15 readmitted and reenrolled at the university within one year after release
16 from active duty without a requirement of redetermination of admission el-
17 igibility; and

18 “(d) The right to continuation of scholarships and grants awarded to the
19 student that were funded by the university or the [*Oregon Student Access*
20 *Commission*] **Office of Post-Secondary Education and Workforce Devel-**
21 **opment** before the student was ordered to active duty.

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

24 “(a) Give the student academic credit for the course from which the stu-
25 dent withdraws;

26 “(b) Give the student a failing grade or a grade of incomplete or make
27 any other negative annotation on the student’s record; or

28 “(c) Alter the student’s grade point average due to the student’s with-
29 drawal from the course.

30 “(3) A student who elects to continue and complete a course for full credit

1 under subsection (1)(a)(C) of this section is subject to the following condi-
2 tions:

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

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

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

12 “(4) The Oregon Health and Science University Board of Directors shall
13 adopt rules for the administration of this section.

14 “(5) As used in this section, ‘member of the military’ means a person who
15 is a member of:

16 “(a) The Oregon National Guard or the National Guard of any other state
17 or territory; or

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

20 “**SECTION 225.** ORS 353.440 is amended to read:

21 “353.440. The Legislative Assembly finds that:

22 “(1) Public universities [*in the Oregon University System*] and other edu-
23 cational sectors have academic programs that are related to or integrated
24 with the programs of Oregon Health and Science University.

25 “(2) It is in the best interest of the state that a coordinated approach be
26 taken to these related and integrated academic programs.

27 “(3) In order to best ensure the continued harmony of such academic
28 programs, the Oregon Health and Science University, **public universities**
29 **with governing boards** and the Oregon University System shall coordinate
30 such programs and shall advise each other of the following proposed changes

1 to such academic programs:

2 “(a) Creation or significant revision, such as a merger or closure, of de-
3 gree programs;

4 “(b) Creation or significant revision, such as a merger or closure, of
5 schools; and

6 “(c) Creation or significant revision of major academic policies.

7 “(4) The Oregon Health and Science University and the Higher Education
8 Coordinating Commission shall coordinate and advise each other of the fol-
9 lowing types of proposed changes to their related or integrated academic
10 programs:

11 “(a) Coordination of strategic plans for achieving higher education goals;

12 “(b) Seeking advice and input from each other on modifications to statu-
13 tory educational missions;

14 “(c) Working to develop a statewide educational data system;

15 “(d) Collaborating as necessary on the creation of any new degree pro-
16 grams; and

17 “(e) Notifying each other and commenting on tuition rate changes.

18 “(5) In order to further the coordination described by this section, Oregon
19 Health and Science University officers shall maintain a role in the appro-
20 priate committees of the State Board of Higher Education, the Higher Edu-
21 cation Coordinating Commission, **public universities with governing**
22 **boards** and the Oregon University System.

23 “**SECTION 226.** ORS 353.606 is amended to read:

24 “353.606. (1) There is created the Oregon Nursing Shortage Coalition
25 Committee.

26 “(2) The committee consists of 10 members, as follows:

27 “(a) Two members who represent the Oregon State Board of Nursing ap-
28 pointed by the board.

29 “(b) Two members who represent the Northwest Organization of Nurse
30 Executives appointed by the Oregon State Board of Nursing from a list of

1 persons submitted to the board by the Northwest Organization of Nurse
2 Executives.

3 “(c) Two members who represent the Oregon Nurses Association ap-
4 pointed by the Oregon State Board of Nursing from a list of persons sub-
5 mitted to the board by the Oregon Nurses Association.

6 “(d) One member appointed by the Oregon State Board of Nursing who
7 represents Oregon-based, generally accredited, not-for-profit private insti-
8 tutions of higher education from a list of persons submitted to the board by
9 the Oregon Independent Colleges Association.

10 “(e) Two members appointed by the [*Commissioner for Community College*
11 *Services*] **Director of the Office of Post-Secondary Education and**
12 **Workforce Development** from a list of persons submitted to the [*commis-*
13 *sioner*] **Office of Post-Secondary Education and Workforce Develop-**
14 **ment** by the Oregon Community College Association.

15 “(f) One member who represents Oregon Health and Science University
16 appointed by the university.

17 “(3) When appointing members to the committee, the Oregon State Board
18 of Nursing, the [*Commissioner for Community College Services*] **Director of**
19 **the Office of Post-Secondary Education and Workforce Development**
20 and Oregon Health and Science University shall ensure that there is at least
21 one member from each of the following areas of the state:

22 “(a) Rural western Oregon.

23 “(b) Coastal Oregon.

24 “(c) Eastern Oregon.

25 “(d) Urban areas.

26 “(4) The term of office of each member is four years, but a member serves
27 at the pleasure of the appointing authority. Before the expiration of the term
28 of a member, the appointing authority shall appoint a successor whose term
29 begins on July 1 next following. A member is eligible for reappointment. If
30 there is a vacancy for any cause, the appointing authority shall make an

1 appointment to become immediately effective for the unexpired term.

2 “(5) The committee shall elect one of its members to serve as chairperson
3 and another to serve as vice chairperson, for the terms and with the duties
4 and powers necessary for the performance of the functions of such offices
5 as the committee determines.

6 “(6) The committee shall meet at times and places specified by the call
7 of the chairperson or of a majority of the members of the committee.

8 “(7) A majority of the members of the committee constitutes a quorum for
9 the transaction of business.

10 “(8) Members of the committee are entitled to actual and necessary travel
11 expenses in the manner and amounts provided for in ORS 292.495. Claims for
12 expenses incurred in performing functions of the committee shall be paid out
13 of funds received by Oregon Health and Science University for that purpose.

14 “(9) Oregon Health and Science University shall provide staff support to
15 the committee.

16 **“SECTION 227.** ORS 358.575 is amended to read:

17 “358.575. (1) The voting members of the Oregon Heritage Commission
18 shall be representatives of:

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

21 “(b) Heritage interests reflected in community institutions, libraries, mu-
22 seums, architecture, archaeology and historic preservation.

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

24 “(a) One member designated by the Director of the Department of Land
25 Conservation and Development;

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

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

28 **Coordinating Commission;**

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

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

1 “(f) The Executive Director of the Oregon Historical Society or a designee
2 of the executive director;

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

4 “(h) The Coordinator of the State Historical Records Advisory Board or
5 a designee of the coordinator; and

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

7 **“SECTION 228.** ORS 399.255 is amended to read:

8 “399.255. (1) Subject to the availability of funds, the Oregon Military
9 Department shall contract with the [*Oregon Student Access Commission*]
10 **Office of Post-Secondary Education and Workforce Development** to
11 disburse to qualified applicants, awards made to the applicants on behalf of
12 the Oregon National Guard Scholarship Program as determined by the
13 Oregon Military Department.

14 “(2) If the qualified applicant who receives a scholarship under ORS
15 399.245 to 399.265 meets the standards of the Oregon Military Department for
16 renewal of the scholarship, the scholarship may be renewed upon application
17 until the applicant has received a scholarship for a total of four undergrad-
18 uate years.

19 “(3) A qualified applicant who receives a scholarship under ORS 399.245
20 to 399.265 must attend the qualified institution of higher education upon
21 which the scholarship application was based unless the [*commission*] **office**
22 authorizes the scholarship to be used at a different institution.

23 “(4) No scholarship shall be made to any student enrolled in a course of
24 study required for or leading to a degree in theology, divinity or religious
25 education.

26 **“SECTION 229.** ORS 399.265 is amended to read:

27 “399.265. A qualified applicant may be awarded a scholarship under ORS
28 399.245 to 399.265 before completing the national guard service requirement.
29 However, if an applicant fails to fulfill the service requirement, the applicant
30 shall pay to the [*Oregon Student Access Commission*] **Office of Post-**

1 **Secondary Education and Workforce Development** the amount of the
2 scholarship received plus interest for each year for which a scholarship was
3 awarded but for which the service requirement was not met.

4 **“SECTION 230.** ORS 399.275 is amended to read:

5 “399.275. (1) As used in this section and ORS 399.280:

6 “(a) ‘Eligible post-secondary institution’ has the meaning given that term
7 in ORS 348.180.

8 “(b) ‘Surviving family member’ means a spouse or dependent of a member
9 of the Oregon National Guard who is killed while on active duty.

10 “(2) Subject to the availability of funds, the Oregon Military Department
11 may contract with the [*Oregon Student Access Commission*] **Office of Post-**
12 **Secondary Education and Workforce Development** to:

13 “(a) Disburse to eligible post-secondary institutions the dollar amount of
14 tuition waivers authorized by this section and approved for payment by the
15 department; and

16 “(b) Provide to the department a compilation of the total dollar amount
17 of the tuition waivers approved for each academic term included in the con-
18 tract.

19 “(3) The department shall regularly provide to the [*commission*] **office** the
20 names of members of the Oregon National Guard and surviving family
21 members for whom tuition waivers may be approved.

22 “(4) Any member of the Oregon National Guard or surviving family
23 member who registers for classes at an eligible post-secondary institution
24 may receive a tuition waiver of up to 100 percent of the resident tuition
25 charges imposed by that institution, except that in the case of a not-for-profit
26 independent institution, the tuition waiver may not exceed 100 percent of the
27 resident tuition at Oregon State University.

28 “(5)(a) A member of the Oregon National Guard may receive the tuition
29 waiver authorized by this section at any time if the member maintains sat-
30 isfactory performance with the Oregon National Guard and pursues a course

1 of study in the eligible post-secondary institution in a manner that satisfies
2 the usual requirements of the institution.

3 “(b) A surviving family member may receive the tuition waiver authorized
4 by this section if the surviving family member pursues a course of study in
5 the eligible post-secondary institution in a manner that satisfies the usual
6 requirements of the institution.

7 “(c) The member of the Oregon National Guard or surviving family
8 member is responsible for payment of the balance of the tuition charges not
9 provided for by the tuition waiver program.

10 “(6) When determining to whom the tuition waivers shall be granted,
11 priority shall be given to those members of the Oregon National Guard who
12 have previously received tuition waivers while serving in the Oregon Na-
13 tional Guard and surviving family members who have previously received
14 tuition waivers.

15 “(7) The department shall apply qualifications and limitations to the tui-
16 tion waiver program that are consistent with efficient and effective program
17 management as determined by the Adjutant General.

18 “**SECTION 231.** ORS 408.506 is amended to read:

19 “408.506. The Department of Human Services, the Department of Trans-
20 portation, the Housing and Community Services Department, the Employ-
21 ment Department, the Department of Justice, the Judicial Department, [*the*
22 *Oregon University System,*] the Bureau of Labor and Industries, the [*Depart-*
23 *ment of Community Colleges*] **Office of Post-Secondary Education** and
24 Workforce Development and the Department of Veterans’ Affairs shall part-
25 ner with the Oregon Military Department to provide reintegration services
26 for veterans throughout this state through regional strategies.

27 “**SECTION 232.** ORS 411.894 is amended to read:

28 “411.894. (1) The Oregon JOBS Individual Education Account is estab-
29 lished to improve the position of JOBS Plus participants in the workforce
30 by increasing their access to continuing education. Employer contributions

1 to the account under this section shall be used to pay for education expenses
2 for the individual as provided in subsection (2) of this section.

3 “(2)(a) After the participant has participated in the JOBS Plus Program
4 for 30 days, the employer shall pay, in addition to the participant wage, one
5 dollar for each participant hour worked into the participant’s individual ed-
6 ucation account. Contributions to such an account shall be tax deferred or
7 tax-exempt to the extent permitted by federal and state law.

8 “(b) Any participant for whom an Oregon JOBS Individual Education
9 Account contribution is made shall be eligible for access to education bene-
10 fits from that participant’s individual education account for up to five years
11 after the participant has left the JOBS Plus Program and has held a full-
12 time, unsubsidized job for at least 30 days.

13 “(c) When any participant has qualified for use of that participant’s in-
14 dividual education account, an amount equal to that participant’s individual
15 education account balance shall be transferred to the [*Oregon Student Access*
16 *Commission*] **Office of Post-Secondary Education and Workforce Devel-**
17 **opment** for that participant’s use. Only one individual education account
18 shall be created for any participant. Each account shall be administered by
19 the [*commission*] **office** and shall be used for continuing education and
20 training for the participant and the participant’s immediate family.

21 “(3)(a) The [*commission*] **office** may use any interest earned by an indi-
22 vidual education account transferred to the [*commission*] **office** under this
23 section for payment of expenses incurred by the [*commission*] **office** in car-
24 rying out its duties under this section.

25 “(b) The Department of Human Services shall transfer any interest earned
26 by the Oregon JOBS Individual Education Account to the General Fund for
27 general governmental purposes. The department shall transfer the interest
28 no later than the close of each fiscal year in which the interest is earned.

29 “(4) Any unexpended or unobligated moneys remaining in an individual
30 education account five years after the participant has left the JOBS Plus

1 Program are appropriated and transferred to the [*commission*] **office** for the
2 Oregon Opportunity Grant program on that date.

3 **SECTION 233.** ORS 418.653 is amended to read:

4 “418.653. (1) Subject to the availability of funds therefor, there is created
5 an Oregon Youth Conservation Corps that shall provide emergency services,
6 public conservation, rehabilitation and improvement programs. The corps
7 shall be headed by a program director, and shall be administered through the
8 [*Department of Community Colleges and Workforce Development*] **Office of**
9 **Post-Secondary Education and Workforce Development.**

10 “(2) Upon implementation of subsection (1) of this section, there shall be
11 created an Oregon Youth Conservation Corps Advisory Committee to consist
12 of nine members, three to be appointed by the President of the Senate, three
13 to be appointed by the Speaker of the House of Representatives and three
14 public members to be appointed by the Governor. No more than one Senator
15 and one Representative shall be appointed.

16 “(3) Committee members may receive reimbursement of necessary and ac-
17 tual expenses under ORS 292.495 (2), but may not receive compensation under
18 ORS 292.495 (1) or otherwise for participation as a committee member.

19 “(4) Committee members may be removed by the appointing authority.
20 Vacancies shall be filled by the appointing authority. Committee members
21 shall serve for a term of three years and may be reappointed for an addi-
22 tional consecutive term.

23 “(5) The advisory committee established under subsection (2) of this sec-
24 tion shall advise the program director on the implementation of ORS 418.650
25 to 418.663.

26 **SECTION 234.** ORS 418.658, as amended by section 43, chapter 104,
27 Oregon Laws 2012, is amended to read:

28 “418.658. (1) The program director of the Oregon Youth Conservation
29 Corps shall establish a separate program known as the Oregon Community
30 Stewardship Corps. In addition to the established purposes of the Oregon

1 Youth Conservation Corps, the purpose of the Oregon Community
2 Stewardship Corps is to promote community service activities throughout the
3 state for a broad cross section of Oregon disadvantaged and at-risk youth
4 through programs that also include appropriate educational and job training
5 opportunities for participants.

6 “(2) In addition to projects submitted under ORS 418.660 (1), projects of
7 the Oregon Community Stewardship Corps may include, but shall not be
8 limited to:

9 “(a) Child care services.

10 “(b) Elderly and disabled care services.

11 “(c) Literacy education programs.

12 “(d) Recycling and other waste reduction services.

13 “(3) The Oregon Community Stewardship Corps shall offer employment
14 and educational opportunities of at least three but not more than 12 months’
15 duration for selected participants.

16 “(4) Under rules adopted by the Higher Education Coordinating Commis-
17 sion, participants who successfully complete any 12-month program under
18 this section shall be eligible for \$1,500 in tuition vouchers that can be used
19 at any career school or post-secondary educational institution that is quali-
20 fied to receive assistance through the [*Oregon Student Access Commission*]
21 **Office of Post-Secondary Education and Workforce Development.**

22 “(5) All Oregonians who are at least 13 years of age and under 25 years
23 of age are eligible to participate in the program. To ensure that Oregon
24 Community Stewardship Corps participants represent a broad cross section
25 of Oregonians, special emphasis shall be given to recruiting school dropouts
26 and other disadvantaged and at-risk youth, according to criteria established
27 by the Oregon Youth Conservation Corps Advisory Committee.

28 “(6) To the extent practicable, the program director shall enlist state and
29 federal agencies, local government, nonprofit organizations and private
30 businesses, and any combination of such entities, to act as sponsors for pro-

1 grams administered under this section. Selection of sponsors shall be based
2 on criteria that include the following:

3 “(a) The availability of other resources on a matching basis, including
4 contributions from private sources, other federal, state and local agencies,
5 and moneys available through the federal Workforce Investment Act of 1998
6 (29 U.S.C. 2801 et seq.);

7 “(b) The provision of related educational and job training programs to
8 participants, including but not limited to school and college coursework,
9 General Educational Development (GED) tests equivalency training, project-
10 related education and professional training;

11 “(c) Assurances that proposed projects will not displace existing employ-
12 ees or duplicate existing private or government programs; and

13 “(d) Assurances that proposed projects are devoted to the enhancement
14 of the community and are not based in maintenance activities and that these
15 projects meet an identified need.

16 “(7) In consultation with the advisory committee and the [*Commissioner*
17 *for Community College Services*] **Office of Post-Secondary Education and**
18 **Workforce Development**, the program director shall make grants for pro-
19 grams administered under this section.

20 “**SECTION 235.** ORS 418.660 is amended to read:

21 “418.660. (1) The programs established under ORS 418.650 to 418.663 may
22 include, but shall not be limited to, projects such as:

23 “(a) Rangeland conservation, rehabilitation and improvement;

24 “(b) Endangered species and other wildlife habitat conservation, rehabili-
25 tation and improvement;

26 “(c) Urban revitalization;

27 “(d) Historical and cultural site preservation and maintenance;

28 “(e) Recreational area development, maintenance, improvement and
29 beautification;

30 “(f) Road and trail maintenance and improvement;

- 1 “(g) Soil conservation work, including erosion control;
- 2 “(h) Flood, drought and storm damage assistance and relief;
- 3 “(i) Stream, lake, waterfront harbor and port improvement and pollution
- 4 control;
- 5 “(j) Fish culture and habitat maintenance and improvement;
- 6 “(k) Insect, disease, rodent and other pestilence control;
- 7 “(L) Improvement of abandoned railroad land and right of way;
- 8 “(m) Land reclamation and improvement, including strip-mined lands,
- 9 public landscape work and tree planting programs;
- 10 “(n) Energy conservation projects including assistance in the performance
- 11 of energy efficiency audits, weatherization and renewable resource enhance-
- 12 ment;
- 13 “(o) Emergency assistance in times of natural or other disaster; and
- 14 “(p) Recycling projects.

15 “(2) In consultation with the Oregon Youth Conservation Corps Advisory

16 Committee and the [*Commissioner for Community College Services*] **Office**

17 **of Post-Secondary Education and Workforce Development**, the program

18 director of the Oregon Youth Conservation Corps shall ensure that projects

19 selected under ORS 418.650 to 418.663 shall be consistent with all other pro-

20 visions of applicable state and federal law relating to the management,

21 oversight and administration of affected public lands.

22 “**SECTION 236.** ORS 418.657 is amended to read:

23 “418.657. (1) In consultation with the Oregon Youth Conservation Corps

24 Advisory Committee and the [*Commissioner for Community College Services*]

25 **Office of Post-Secondary Education and Workforce Development**, the

26 program director of the Oregon Youth Conservation Corps shall:

27 “(a) Establish eligibility criteria for participants. Such criteria shall not

28 render the program ineligible for federal funds. Participants shall be lawful

29 permanent residents of the state.

30 “(b) Establish criteria in order to make the required determination that

1 enrollment in the corps was not the reason that an individual ceased at-
2 tendance at a secondary school.

3 “(c) Assume that application of the eligibility and participation criteria
4 results in enrollment of at least 75 percent disadvantaged and at-risk youth
5 among the total number of participants.

6 “(2) The program director, in consultation with the [*Commissioner for*
7 *Community College Services*] **office**, may take the following actions, includ-
8 ing but not limited to:

9 “(a) Applying for and accepting grants or contributions of funds from any
10 public or private source;

11 “(b) Making agreements with any local, state or federal agency to utilize
12 any service, material or property of any such agency, where such agreements
13 are considered reasonable and necessary; and

14 “(c) Purchasing or contracting for necessary private services, equipment,
15 materials and property where such are needed to carry out the projects ap-
16 proved for and undertaken by the corps.

17 “(3) The [*State Board of Education*] **Higher Education Coordinating**
18 **Commission** may adopt all necessary rules to carry out the purposes and
19 objectives of the program and to regulate the standards of conduct and other
20 operating guidelines for corps members and other personnel.

21 “(4) Corps members are exempt from:

22 “(a) State Personnel Relations Law; and

23 “(b) ORS 279C.800 to 279C.870.

24 “**SECTION 237.** ORS 421.084 is amended to read:

25 “421.084. (1) The Administrator of Correctional Education shall adminis-
26 ter an adult basic skills development program for all individuals in the cus-
27 tody of the Department of Corrections. The program shall:

28 “(a) Test individuals for basic reading and mathematics skills or, for in-
29 dividuals with limited English language proficiency, English speaking skills.
30 Testing for basic intelligence, learning disabilities, developmental disabilities

1 and adaptive behavior skills shall be administered as needed except that the
2 administrator may accept equivalent test results from other sources.

3 “(b) Except as provided in subsection (2) of this section, be mandatory for
4 all individuals testing below a 8.0 grade equivalency on a standardized
5 reading test approved by the National Reporting System for Adult Education
6 of the United States Department of Education and by the Adult Basic Skills
7 Program of the [*Department of Community Colleges and Workforce Develop-*
8 *ment*] **Office of Post-Secondary Education and Workforce**
9 **Development.**

10 “(c) Provide progress testing and certification.

11 “(d) Provide strong incentives for entering the program and for achieving
12 the minimum reading level and, for those individuals with demonstrated
13 ability, provide incentives for making progress toward earning a General
14 Educational Development (GED) certificate.

15 “(e) Maintain records of an individual’s achievement in the program and
16 make those records available to the State Board of Parole and Post-Prison
17 Supervision.

18 “(2) Testing for basic skills and participation in the adult basic skills
19 development program are not required for inmates:

20 “(a) Sentenced to or otherwise confined by the Department **of Cor-**
21 **rections** for less than one year;

22 “(b) Sentenced to life imprisonment without parole;

23 “(c) Sentenced to death;

24 “(d) With developmental disabilities; or

25 “(e) Who are specifically exempted by the Department of Corrections for
26 security or health reasons.

27 **“SECTION 238.** ORS 442.540 is amended to read:

28 “442.540. (1) There is created the Nursing Services Program, to be ad-
29 ministered by the [*Oregon Student Access Commission*] **Office of Post-**
30 **Secondary Education and Workforce Development** pursuant to rules

1 adopted by the **Higher Education Coordinating** Commission. The purpose
2 of the program is to provide loan repayments on behalf of nurses who agree
3 to practice in nursing critical shortage areas.

4 “(2) To be eligible to participate in the program, a nurse or prospective
5 nurse shall submit a letter of interest to the [*commission*] **Office of Post-**
6 **Secondary Education and Workforce Development**. Applicants who are
7 selected for participation according to criteria adopted by the commission
8 under subsection (3) of this section shall sign a letter of agreement stipu-
9 lating that the applicant agrees to abide by the terms of the program de-
10 scribed in ORS 442.545.

11 “(3) The commission shall by rule adopt, in consultation with the Oregon
12 State Board of Nursing and the Office of Rural Health, criteria for partic-
13 ipation in the program.

14 “(4) The Oregon State Board of Nursing by rule shall annually identify,
15 in consultation with the Office of Rural Health, those areas that are con-
16 sidered nursing critical shortage areas.

17 “(5) Amounts paid to the [*commission*] **Office of Post-Secondary Edu-**
18 **cation and Workforce Development** as penalties under ORS 442.545 shall
19 be credited and deposited in the Nursing Services Account created under
20 ORS 348.570. The commission, in consultation with the Oregon State Board
21 of Nursing, by rule shall allow waiver of all or part of any fees or penalties
22 owed to the [*commission*] **Office of Post-Secondary Education and**
23 **Workforce Development** due to circumstances that prevent a nurse from
24 fulfilling a service obligation under ORS 442.545.

25 **“SECTION 239.** ORS 442.545 is amended to read:

26 “442.545. (1) A nurse or prospective nurse applicant who is a graduate of
27 an accredited nursing program with a baccalaureate or associate degree and
28 who wishes to participate in the Nursing Services Program established under
29 ORS 442.540 shall agree that:

30 “(a) For each year of nursing school, the applicant designates an agreed

1 amount, not to exceed \$8,800 or the amount determined under subsection (2)
2 of this section, as a qualifying loan for the program.

3 “(b) In the four years following the execution of a Nursing Services Pro-
4 gram agreement with the [*Oregon Student Access Commission*] **Office of**
5 **Post-Secondary Education and Workforce Development**, a nurse agrees
6 to practice for at least two full years in a nursing critical shortage area in
7 Oregon.

8 “(c) For not less than two nor more than four years that the nurse prac-
9 tices in a nursing critical shortage area, the [*commission*] **office** shall an-
10 nually pay:

11 “(A) For full-time practice, an amount equal to 25 percent of the total of
12 all qualifying loans made to the nurse.

13 “(B) For half-time practice, an amount equal to 12.5 percent of the total
14 of all qualifying loans made to the nurse.

15 “(d) If the nurse does not complete the full service obligation set forth in
16 paragraphs (b) and (c) of this subsection, the [*commission*] **office** shall collect
17 100 percent of any payments made by the [*commission*] **office** to the nurse
18 under the Nursing Services Program. In addition, the [*commission*] **office**
19 shall assess against the nurse a penalty equal to 50 percent of the qualifying
20 loans and interest paid by the [*commission*] **office**.

21 “(2)(a) On July 1 of each year, beginning in 2002 and ending in 2007, the
22 [*commission*] **office** shall adjust the maximum dollar amount allowed under
23 subsection (1)(a) of this section as a qualifying loan by multiplying the
24 amount by a cost-of-living adjustment as specified in this subsection.

25 “(b) The cost-of-living adjustment applied on July 1 each year by the
26 [*commission*] **office** shall be equal to the ratio of the seasonally adjusted
27 United States City Average Consumer Price Index for All Urban Consumers
28 as published by the Bureau of Labor Statistics of the United States Depart-
29 ment of Labor for April of the calendar year divided by the value of the same
30 index for April 2001.

1 “(c) Beginning on July 1, 2008, the [*commission*] **office** shall use the
2 cost-of-living adjustment calculated for July 1, 2007.

3 “(d) If the value of the dollar amount determined under paragraph (a) of
4 this subsection is not a multiple of \$100, the [*commission*] **office** shall round
5 the dollar amount to the next lower multiple of \$100.

6 “**SECTION 240.** ORS 458.525, as amended by section 65, chapter 37,
7 Oregon Laws 2012, is amended to read:

8 “458.525. (1) The Interagency Council on Hunger and Homelessness is es-
9 tablished. The Director of the Housing and Community Services Department
10 shall chair the council. In addition to the director, the council shall consist
11 of 15 members as follows:

12 “(a) One member representing each of the following:

13 “(A) The Housing and Community Services Department.

14 “(B) The Department of Corrections.

15 “(C) The Oregon Business Development Department.

16 “(D) The Early Learning Council.

17 “(E) The Department of Education.

18 “(F) The State Department of Agriculture.

19 “(G) The Employment Department.

20 “(H) The Department of Veterans’ Affairs.

21 “(I) The Department of Transportation.

22 “(J) The Oregon Youth Authority.

23 “(K) The [*Department of Community Colleges and Workforce*
24 *Development*] **Office of Post-Secondary Education and Workforce De-**
25 **velopment.**

26 “(L) The Department of Justice.

27 “(M) The Oregon Health Authority.

28 “(b) Two members representing the Department of Human Services. Of the
29 two members representing that department:

30 “(A) One shall have expertise on issues affecting services to adults and

1 families.

2 “(B) One shall have expertise on issues affecting services to seniors and
3 to persons with disabilities.

4 “(2) Each council member must be the administrative head of the listed
5 agency or an employee of that agency who is designated by the administra-
6 tive head and who has an agency policy-making role affecting hunger, food
7 programs, nutrition, homelessness or related issues.

8 “(3) The Hunger Relief Task Force shall adopt recommendations and
9 proposals as the task force deems appropriate. The council shall be respon-
10 sible for receiving the recommendations and proposals adopted by the task
11 force and the recommendations of any state body relating to the issue of
12 homelessness, and for forwarding the recommendations and proposals to state
13 agencies or other public or private organizations for action that the council
14 deems appropriate:

15 “(a) To ensure the coordination of state agency hunger relief efforts and
16 homelessness relief efforts;

17 “(b) To ensure that food and nutrition programs, other hunger relief ef-
18 forts and homelessness relief efforts operate efficiently and effectively;

19 “(c) To monitor the utilization of federal hunger relief efforts and
20 homelessness relief efforts and provide outreach to expand underutilized
21 programs; and

22 “(d) To encourage the coordination of state and local programs, public
23 and private antipoverty programs affecting food distribution and programs
24 for assisting the homeless.

25 “(4) The Director of the Housing and Community Services Department, in
26 collaboration with the Director of Human Services, shall convene council
27 meetings at least quarterly.

28 “(5) The Director of the Housing and Community Services Department
29 shall provide the council with staff support the director deems appropriate,
30 by using Housing and Community Services Department employees or by

1 contract. The director shall also provide the council with supplies as the
2 director deems appropriate.

3 **“SECTION 241.** ORS 461.543 is amended to read:

4 “461.543. (1) Except as otherwise specified in subsection (5) of this section,
5 the Sports Lottery Account is continuously appropriated to and shall be used
6 by the [*State Board of*] Higher Education **Coordinating Commission** to
7 fund sports programs at public universities listed in ORS 352.002. Seventy
8 percent of the revenues in the fund shall be used to fund nonrevenue
9 producing sports and 30 percent shall be used for revenue producing sports.
10 Of the total amount available in the fund, at least 50 percent shall be made
11 available for women’s athletics.

12 “(2) The [*board*] **commission** shall allocate moneys in the Sports Lottery
13 Account among the public universities, giving due consideration to:

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

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

18 “(3) As used in subsections (1) to (3) of this section, ‘revenue producing
19 sport’ is a sport that produces net revenue over expenditures during a cal-
20 endar year or if its season extends into two calendar years, produces net
21 revenue over expenditures during the season.

22 “(4) An amount equal to one percent of the moneys transferred to the
23 Administrative Services Economic Development Fund from the State Lottery
24 Fund shall be allocated from the Administrative Services Economic Devel-
25 opment Fund to the Sports Lottery Account.

26 “(5) The amounts received by the Sports Lottery Account shall be allo-
27 cated as follows:

28 “(a) Eighty-eight percent for the purposes specified in subsections (1) to
29 (3) of this section, but not to exceed \$8 million annually, adjusted annually
30 pursuant to the Consumer Price Index, as defined in ORS 327.006.

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

5 “(c) All additional money to the [*Oregon Student Access Commission*]
6 **Office of Post-Secondary Education and Workforce Development** for
7 the Oregon Opportunity Grant program under ORS 348.260.

8 **“SECTION 242.** ORS 468A.245 is amended to read:

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

17 **“SECTION 243.** ORS 471.580 is amended to read:

18 “471.580. (1) As used in this section:

19 “(a) ‘Alcohol equivalence’ means the amount of ethanol that would be
20 expected to be present in a beverage based on the standard drink measure-
21 ment used by the Centers for Disease Control and Prevention.

22 “(b) ‘Education provider’ means:

23 “(A) A community college, as defined in ORS 341.005, offering a food or
24 beverage career program approved by the State Board of Education;

25 “(B) A career school, as defined in ORS 345.010, offering a food or
26 beverage career program approved by the [*Oregon Student Assistance Com-*
27 *mission or the State Board of Education*] **Office of Post-Secondary Educa-**
28 **tion and Workforce Development;**

29 “(C) [*An institution of higher education listed in ORS 352.002*] **A public**
30 **university** offering a food or beverage career program approved by the [*State*

1 *Board of Higher Education]* **Higher Education Coordinating**
2 **Commission;** or

3 “(D) A private and independent institution of higher education, as defined
4 in ORS 352.720, offering a food or beverage career program that qualifies for
5 payment under ORS 352.740.

6 “(c) ‘Food or beverage career program’ means a course of study designed
7 to qualify a person for a career in the food service industry or alcoholic
8 beverage industry, including but not limited to a course of study in culinary
9 arts, viticulture, winemaking, enology, brewing or restaurant management.

10 “(2) The charging or payment of tuition or a special fee for enrollment
11 in a class that is part of a food or beverage career program or in a workshop
12 or seminar concerning matters related to food or beverage industry
13 workforce training, offered by an education provider, that includes the con-
14 sumption of alcoholic beverages for educational purposes, is not a sale or
15 purchase of, or other exchange of consideration for, alcoholic beverages.

16 “(3) Notwithstanding ORS 471.130, 471.406, 471.410 and 471.475, an educa-
17 tion provider may serve alcoholic beverages to a person who is 18, 19 or 20
18 years of age and may allow the person to possess and consume alcoholic
19 beverages on a licensed or unlicensed premises that the education provider
20 uses for educational purposes if:

21 “(a) The person is enrolled as a student in a required or elective class
22 that is part of a food or beverage career program offered by the education
23 provider;

24 “(b) The alcoholic beverages are served to, and possessed and consumed
25 by, the person for educational purposes as part of the class curriculum or a
26 workshop or seminar concerning food or beverage workforce training;

27 “(c) The service, possession and consumption of the alcoholic beverages
28 are supervised by a faculty or staff member of the education provider who
29 is 21 years of age or older;

30 “(d) The person does not purchase the alcoholic beverages; and

1 “(e) The amount served to the person for consumption purposes during
2 any two-hour class, workshop or seminar period does not exceed two ounces
3 of alcohol equivalence.

4 “(4) Notwithstanding ORS 471.130 or 471.410, a person may serve alcoholic
5 beverages to another person who is 18, 19 or 20 years of age on premises that
6 an education provider uses for educational purposes if:

7 “(a) The person served is enrolled as a student in a required or elective
8 class that is part of a food or beverage career program offered by the edu-
9 cation provider;

10 “(b) The alcoholic beverages are served to, and consumed by, the person
11 for educational purposes as part of the class curriculum or, with the ap-
12 proval of the education provider, as part of a workshop or seminar concern-
13 ing food or beverage workforce training;

14 “(c) The service and consumption of the alcoholic beverages are super-
15 vised by a faculty or staff member of the education provider who is 21 years
16 of age or older;

17 “(d) The person served does not purchase the alcoholic beverages; and

18 “(e) The amount served to the person for consumption purposes during
19 any two-hour class period does not exceed two ounces of alcohol equivalence.

20 “(5) Notwithstanding ORS 471.130 or 471.410 or the prohibitions in ORS
21 471.430, a person who is 18, 19 or 20 years of age may possess and consume
22 alcoholic beverages on a licensed or unlicensed premises that an education
23 provider uses for educational purposes if:

24 “(a) The person is enrolled as a student in a required or elective class
25 that is part of a food or beverage career program offered by the education
26 provider;

27 “(b) The person possesses and consumes the alcoholic beverages for edu-
28 cational purposes as part of the class curriculum or, with the approval of the
29 education provider, as part of a workshop or seminar concerning food or
30 beverage workforce training;

1 “(c) The person possesses and consumes the alcoholic beverages under the
2 supervision of a faculty or staff member of the education provider who is 21
3 years of age or older;

4 “(d) The person does not purchase the alcoholic beverages; and

5 “(e) The amount consumed by the person during any two-hour class,
6 workshop or seminar period does not exceed two ounces of alcohol equiv-
7 alence.

8 “(6) Notwithstanding ORS 471.410, a person who exercises control over
9 private real property may allow a person who is 18, 19 or 20 years of age to
10 remain on the property after the person who is 18, 19 or 20 years of age
11 consumes an alcoholic beverage on the property in accordance with this
12 section.

13 “(7) Subsections (3) to (5) of this section do not affect the ability of an
14 education provider, a licensee or a permittee to make alcoholic beverages
15 available to a person 21 years of age or older in accordance with this chapter
16 or the ability of a person 21 years of age or older to possess or consume al-
17 coholic beverages in accordance with this chapter.

18 “**SECTION 244.** ORS 471.580, as amended by section 44, chapter 104,
19 Oregon Laws 2012, is amended to read:

20 “471.580. (1) As used in this section:

21 “(a) ‘Alcohol equivalence’ means the amount of ethanol that would be
22 expected to be present in a beverage based on the standard drink measure-
23 ment used by the Centers for Disease Control and Prevention.

24 “(b) ‘Education provider’ means:

25 “(A) A community college, as defined in ORS 341.005, offering a food or
26 beverage career program approved by the State Board of Education;

27 “(B) A career school, as defined in ORS 345.010, offering a food or
28 beverage career program approved by the [*Oregon Student Assistance Com-
29 mission or the Higher Education Coordinating Commission*] **Office of Post-
30 Secondary Education and Workforce Development;**

1 “(C) [*An institution of higher education listed in ORS 352.002*] **A public**
2 **university** offering a food or beverage career program approved by the [*State*
3 *Board of Higher Education*] **Higher Education Coordinating**
4 **Commission**; or

5 “(D) A private and independent institution of higher education, as defined
6 in ORS 352.720, offering a food or beverage career program that qualifies for
7 payment under ORS 352.740.

8 “(c) ‘Food or beverage career program’ means a course of study designed
9 to qualify a person for a career in the food service industry or alcoholic
10 beverage industry, including but not limited to a course of study in culinary
11 arts, viticulture, winemaking, enology, brewing or restaurant management.

12 “(2) The charging or payment of tuition or a special fee for enrollment
13 in a class that is part of a food or beverage career program or in a workshop
14 or seminar concerning matters related to food or beverage industry
15 workforce training, offered by an education provider, that includes the con-
16 sumption of alcoholic beverages for educational purposes, is not a sale or
17 purchase of, or other exchange of consideration for, alcoholic beverages.

18 “(3) Notwithstanding ORS 471.130, 471.406, 471.410 and 471.475, an educa-
19 tion provider may serve alcoholic beverages to a person who is 18, 19 or 20
20 years of age and may allow the person to possess and consume alcoholic
21 beverages on a licensed or unlicensed premises that the education provider
22 uses for educational purposes if:

23 “(a) The person is enrolled as a student in a required or elective class
24 that is part of a food or beverage career program offered by the education
25 provider;

26 “(b) The alcoholic beverages are served to, and possessed and consumed
27 by, the person for educational purposes as part of the class curriculum or a
28 workshop or seminar concerning food or beverage workforce training;

29 “(c) The service, possession and consumption of the alcoholic beverages
30 are supervised by a faculty or staff member of the education provider who

1 is 21 years of age or older;

2 “(d) The person does not purchase the alcoholic beverages; and

3 “(e) The amount served to the person for consumption purposes during
4 any two-hour class, workshop or seminar period does not exceed two ounces
5 of alcohol equivalence.

6 “(4) Notwithstanding ORS 471.130 or 471.410, a person may serve alcoholic
7 beverages to another person who is 18, 19 or 20 years of age on premises that
8 an education provider uses for educational purposes if:

9 “(a) The person served is enrolled as a student in a required or elective
10 class that is part of a food or beverage career program offered by the edu-
11 cation provider;

12 “(b) The alcoholic beverages are served to, and consumed by, the person
13 for educational purposes as part of the class curriculum or, with the ap-
14 proval of the education provider, as part of a workshop or seminar concern-
15 ing food or beverage workforce training;

16 “(c) The service and consumption of the alcoholic beverages are super-
17 vised by a faculty or staff member of the education provider who is 21 years
18 of age or older;

19 “(d) The person served does not purchase the alcoholic beverages; and

20 “(e) The amount served to the person for consumption purposes during
21 any two-hour class period does not exceed two ounces of alcohol equivalence.

22 “(5) Notwithstanding ORS 471.130 or 471.410 or the prohibitions in ORS
23 471.430, a person who is 18, 19 or 20 years of age may possess and consume
24 alcoholic beverages on a licensed or unlicensed premises that an education
25 provider uses for educational purposes if:

26 “(a) The person is enrolled as a student in a required or elective class
27 that is part of a food or beverage career program offered by the education
28 provider;

29 “(b) The person possesses and consumes the alcoholic beverages for edu-
30 cational purposes as part of the class curriculum or, with the approval of the

1 education provider, as part of a workshop or seminar concerning food or
2 beverage workforce training;

3 “(c) The person possesses and consumes the alcoholic beverages under the
4 supervision of a faculty or staff member of the education provider who is 21
5 years of age or older;

6 “(d) The person does not purchase the alcoholic beverages; and

7 “(e) The amount consumed by the person during any two-hour class,
8 workshop or seminar period does not exceed two ounces of alcohol equiv-
9 alence.

10 “(6) Notwithstanding ORS 471.410, a person who exercises control over
11 private real property may allow a person who is 18, 19 or 20 years of age to
12 remain on the property after the person who is 18, 19 or 20 years of age
13 consumes an alcoholic beverage on the property in accordance with this
14 section.

15 “(7) Subsections (3) to (5) of this section do not affect the ability of an
16 education provider, a licensee or a permittee to make alcoholic beverages
17 available to a person 21 years of age or older in accordance with this chapter
18 or the ability of a person 21 years of age or older to possess or consume al-
19 coholic beverages in accordance with this chapter.

20 **“SECTION 245.** ORS 576.768 is amended to read:

21 “576.768. (1) The report submitted by the Oregon Wine Board under ORS
22 182.472 must include a description of the long term strategic plan created by
23 the board and a description of the progress made in implementing the state-
24 wide strategic objectives of the board during the most recent biennium.

25 “(2) Notwithstanding ORS 182.462:

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

29 “(b) The board shall adopt rules specifying the procedures, criteria and
30 timelines for the preparation and approval of the annual plans and budget

1 for promotion and for research.

2 “(c) The Director of the Oregon Business Development Department shall
3 review the budget and plans submitted under this section. In reviewing the
4 annual plans and budget, the director shall consider whether the information
5 supplied by the board is factual and consistent with ORS 576.750 to 576.775
6 and the positive development of the Oregon wine grape growing and wine
7 making industries. The director shall either approve the budget and plans
8 prior to the commencement of the next fiscal year or disapprove and return
9 the budget and plans to the board with conditions necessary for approval
10 prior to the commencement of the next fiscal year. In reviewing the budget
11 and plans, the director may consult with and receive coordinated support
12 from:

13 “(A) The State Department of Agriculture;

14 “(B) The Oregon Tourism Commission;

15 “(C) The Oregon University System;

16 “(D) The [*Department of Community Colleges and Workforce Development*]
17 **Office of Post-Secondary Education and Workforce Development**; and

18 “(E) The Oregon Liquor Control Commission.

19 “**SECTION 246.** ORS 657.350 is amended to read:

20 “657.350. The Director of the Employment Department, in consultation
21 with the [*Department of Community Colleges and Workforce Development*]
22 **Office of Post-Secondary Education and Workforce Development**, shall
23 promulgate rules as necessary for the administration of ORS 657.335 to
24 657.360, including but not limited to procedures for approval, undertaking
25 periodic reviews for continued approval, or for disapproval of career and
26 technical training for an individual.

27 “**SECTION 247.** ORS 657.665 is amended to read:

28 “657.665. (1) Except as provided in subsections (2) to (4) of this section,
29 all information in the records of the Employment Department pertaining to
30 the administration of the unemployment insurance, employment service and

1 labor market information programs:

2 “(a) Is confidential and for the exclusive use and information of the Di-
3 rector of the Employment Department in administering the unemployment
4 insurance, employment service and labor market information programs in
5 Oregon.

6 “(b) May not be used in any court action or in any proceeding pending
7 in the court unless the director or the state is a party to the action or pro-
8 ceeding or unless the proceeding concerns the establishment, enforcement or
9 modification of a support obligation and support services are being provided
10 by the Division of Child Support or the district attorney pursuant to ORS
11 25.080.

12 “(c) Is exempt from disclosure under ORS 192.410 to 192.505.

13 “(2) The Employment Department shall disclose information:

14 “(a) To any claimant or legal representative, at a hearing before an ad-
15 ministrative law judge, to the extent necessary for the proper presentation
16 of an unemployment insurance claim.

17 “(b) Upon request to the United States Secretary of Labor. The Employ-
18 ment Department shall disclose the information in a form and containing the
19 information that the United States Secretary of Labor may require. The in-
20 formation disclosed is confidential and may not be used for any other pur-
21 pose.

22 “(c) Pursuant to section 303(a)(7) of the Social Security Act, upon request
23 to any agency of the United States charged with the administration of public
24 works or assistance through public employment. Under this paragraph, the
25 Employment Department shall disclose the name, address, ordinary occupa-
26 tion and employment status of each recipient of unemployment insurance
27 benefits and a statement of the recipient’s right to further benefits under this
28 chapter. The information disclosed is confidential and may not be used for
29 any other purpose.

30 “(d) Pursuant to section 303(c)(1) of the Social Security Act, to the Rail-

1 road Retirement Board. Under this paragraph, the Employment Department
2 shall disclose unemployment insurance records. The information disclosed is
3 confidential and may not be used for any other purpose. The costs of dis-
4 closing information under this paragraph shall be paid by the board.

5 “(e) Pursuant to section 303(d) of the Social Security Act, upon request
6 to officers and employees of the United States Department of Agriculture and
7 to officers or employees of any state Supplemental Nutrition Assistance
8 Program agency for the purpose of determining an individual’s eligibility for
9 or the amount of supplemental nutrition assistance. The information dis-
10 closed is confidential and may not be used for any other purpose. The costs
11 of disclosing information under this paragraph shall be paid by the United
12 States Department of Agriculture.

13 “(f) Pursuant to section 303(e)(1) and (2)(A)(ii) of the Social Security Act,
14 to state or local child support enforcement agencies enforcing child support
15 obligations under Title IV-D of the Social Security Act for the purposes of
16 establishing child support obligations, locating individuals owing child sup-
17 port obligations and collecting child support obligations from those individ-
18 uals. The information disclosed is confidential and may not be used for any
19 other purpose. The costs of disclosing information under this paragraph shall
20 be paid by the child support enforcement agency.

21 “(g) Pursuant to sections 303(f) and 1137 of the Social Security Act, to
22 agencies participating in the income and eligibility verification system for
23 the purpose of verifying an individual’s eligibility for benefits, or the amount
24 of benefits, under unemployment insurance, temporary assistance for needy
25 families, Medicaid, the Supplemental Nutrition Assistance Program, Supple-
26 mental Security Income, child support enforcement or Social Security pro-
27 grams. The information disclosed is confidential and may not be used for any
28 other purpose. The costs of disclosing information under this paragraph shall
29 be paid by the requesting agency.

30 “(h) Pursuant to section 303(h) of the Social Security Act and section

1 3304(a)(16)(B) of the Federal Unemployment Tax Act, to the United States
2 Department of Health and Human Services National Directory of New Hires.
3 The information disclosed is confidential and may not be used for any other
4 purpose. The costs of disclosing information under this paragraph shall be
5 paid by the United States Department of Health and Human Services.

6 “(i) Pursuant to section 303(i) of the Social Security Act, to officers and
7 employees of the United States Department of Housing and Urban Develop-
8 ment and to representatives of a public housing agency for the purpose of
9 determining an individual’s eligibility for benefits, or the amount of benefits,
10 under a housing assistance program of the United States Department of
11 Housing and Urban Development. The information disclosed is confidential
12 and may not be used for any other purpose. The costs of disclosing informa-
13 tion under this paragraph shall be paid by the United States Department of
14 Housing and Urban Development or the public housing agency.

15 “(j) Pursuant to regulations of the United States Secretary of Health and
16 Human Services issued under section 3304(a)(16)(A) of the Federal Unem-
17 ployment Tax Act, and except as required by section 303 of the Social Secu-
18 rity Act, to the state, a political subdivision or a federally recognized Indian
19 tribe that has signed an agreement with the Department of Human Services
20 to administer Part A of Title IV of the Social Security Act for the purpose
21 of determining an individual’s eligibility for assistance, or the amount of
22 assistance, under a program funded under Part A of Title IV of the Social
23 Security Act. The information disclosed is confidential and may not be used
24 for any other purpose.

25 “(k) Upon request, to the United States Attorney’s Office. Under this
26 paragraph, the Employment Department may disclose an individual’s em-
27 ployment and wage information in response to a federal grand jury subpoena
28 or for the purpose of collecting civil and criminal judgments, including
29 restitution and special assessment fees. The information disclosed is confi-
30 dential and may not be used for any other purpose. The costs of disclosing

1 information under this paragraph shall be paid by the United States
2 Attorney's Office.

3 “(3) The Employment Department may disclose information secured from
4 employing units:

5 “(a) To agencies of this state, federal agencies and local government
6 agencies to the extent necessary to properly carry out governmental plan-
7 ning, performance measurement, program analysis, socioeconomic analysis
8 and policy analysis functions performed under applicable law. The informa-
9 tion disclosed is confidential and may not be disclosed by the agencies in any
10 manner that would identify individuals, claimants, employees or employing
11 units. If the information disclosed under this paragraph is not prepared for
12 the use of the Employment Department, the costs of disclosing the informa-
13 tion shall be paid by the agency requesting the information.

14 “(b) As part of a geographic information system. Points on a map may be
15 used to represent economic data, including the location, employment size
16 class and industrial classification of businesses in Oregon. Information pre-
17 sented as part of a geographic information system may not give specific de-
18 tails regarding a business's address, actual employment or proprietary
19 information. If the information disclosed under this paragraph is not pre-
20 pared for the use of the Employment Department, the costs of disclosing the
21 information shall be paid by the party requesting the information.

22 “(c) In accordance with ORS 657.673.

23 “(4) The Employment Department may:

24 “(a) Disclose information to public employees in the performance of their
25 duties under state or federal laws relating to the payment of unemployment
26 insurance benefits, the provision of employment services and the provision
27 of labor market information.

28 “(b) At the discretion of the Director of the Employment Department and
29 subject to an interagency agreement, disclose information to public officials
30 in the performance of their official duties administering or enforcing laws

1 within their authority and to the agents or contractors of public officials.
2 The public official shall agree to assume responsibility for misuse of the in-
3 formation by the official's agent or contractor.

4 “(c) Disclose information pursuant to an informed consent, received from
5 an employer or claimant, to disclose the information.

6 “(d) Disclose information to partners under the federal Workforce In-
7 vestment Act of 1998 for the purpose of administering state workforce pro-
8 grams under the Act. The information disclosed is confidential and may not
9 be used for any other purpose. The costs of disclosing information under this
10 paragraph shall be paid by the requesting partner.

11 “(e) Disclose the names and addresses of employing units to the Bureau
12 of Labor and Industries for the purpose of disseminating information to em-
13 ploying units. The names and addresses disclosed are confidential and may
14 not be used for any other purpose. If the information disclosed under this
15 paragraph is not prepared for the use of the Employment Department, the
16 costs of disclosing the information shall be paid by the bureau.

17 “(f) Disclose information to the Commissioner of the Bureau of Labor and
18 Industries for the purpose of performing duties under ORS 279C.800 to
19 279C.870, 658.005 to 658.245 or 658.405 to 658.503 or ORS chapter 652, 653 or
20 659A. The information disclosed may include the names and addresses of
21 employers and employees and payroll data of employers and employees. The
22 information disclosed is confidential and may not be used for any other
23 purpose. If the information disclosed under this paragraph is not prepared
24 for the use of the Employment Department, the costs of disclosing the in-
25 formation shall be paid by the bureau.

26 “(g) Disclose information required under ORS 657.660 (3) and (4) to the
27 Public Employees Retirement System for the purpose of determining the el-
28 igibility of members of the retirement system for disability retirement al-
29 lowances under ORS chapter 238. The information disclosed is confidential
30 and may not be used for any other purpose. The costs of disclosing informa-

1 tion under this paragraph shall be paid by the Public Employees Retirement
2 System.

3 “(h) Disclose to the Oregon Business Development Commission informa-
4 tion required by the commission in performing its duty under ORS 285A.050
5 to verify changes in employment levels following direct employer partic-
6 ipation in Oregon Business Development Department programs or indirect
7 participation through municipalities under ORS 285B.410 to 285B.482. The
8 information disclosed to the commission may include an employer’s employ-
9 ment level, total subject wages payroll and whole hours worked. The infor-
10 mation disclosed is confidential and may not be used for any other purpose.
11 The commission may not disclose the information in any manner that would
12 identify an employing unit or employee except to the extent necessary to
13 carry out the commission’s duty under ORS 285A.050. If the information
14 disclosed under this paragraph is not prepared for the use of the Employment
15 Department, the costs of disclosing the information shall be paid by the
16 commission.

17 “(i) Disclose information to the Department of Revenue for the purpose
18 of performing its duties under ORS 293.250 or under the revenue and tax laws
19 of this state. The information disclosed may include the names and addresses
20 of employers and employees and payroll data of employers and employees.
21 The information disclosed is confidential and may not be disclosed by the
22 Department of Revenue in any manner that would identify an employing unit
23 or employee except to the extent necessary to carry out the department’s
24 duties under ORS 293.250 or in auditing or reviewing any report or return
25 required or permitted to be filed under the revenue and tax laws adminis-
26 tered by the department. The Department of Revenue may not disclose any
27 information received to any private collection agency or for any other pur-
28 pose. If the information disclosed under this paragraph is not prepared for
29 the use of the Employment Department, the costs of disclosing the informa-
30 tion shall be paid by the Department of Revenue.

1 “(j) Disclose information to the Department of Consumer and Business
2 Services for the purpose of performing its duties under ORS chapters 654 and
3 656. The information disclosed may include the name, address, number of
4 employees and industrial classification code of an employer and payroll data
5 of employers and employees. The information disclosed is confidential and
6 may not be disclosed by the Department of Consumer and Business Services
7 in any manner that would identify an employing unit or employee except to
8 the extent necessary to carry out the department’s duties under ORS chap-
9 ters 654 and 656, including administrative hearings and court proceedings in
10 which the Department of Consumer and Business Services is a party. If the
11 information disclosed under this paragraph is not prepared for the use of the
12 Employment Department, the costs of disclosing the information shall be
13 paid by the Department of Consumer and Business Services.

14 “(k) Disclose information to the Construction Contractors Board for the
15 purpose of performing its duties under ORS chapter 701. The information
16 disclosed to the board may include the names and addresses of employers and
17 status of their compliance with this chapter. If the information disclosed
18 under this paragraph is not prepared for the use of the Employment De-
19 partment, the costs of disclosing the information shall be paid by the board.

20 “(L) Disclose information to the State Fire Marshal to assist the State
21 Fire Marshal in carrying out duties under ORS 453.307 to 453.414. The in-
22 formation disclosed may include the name, address, telephone number and
23 industrial classification code of an employer. The information disclosed is
24 confidential and may not be disclosed by the State Fire Marshal in any
25 manner that would identify an employing unit except to the extent necessary
26 to carry out duties under ORS 453.307 to 453.414. If the information disclosed
27 under this paragraph is not prepared for the use of the Employment De-
28 partment, the costs of disclosing the information shall be paid by the office
29 of the State Fire Marshal.

30 “(m) Disclose information to the [*Oregon Student Access Commission*]

1 **Office of Post-Secondary Education and Workforce Development** for
2 the purpose of performing the [*commission's*] **office's** duties under ORS
3 chapter 348 and Title IV of the Higher Education Act of 1965. The informa-
4 tion disclosed may include the names and addresses of employers and em-
5 ployees and payroll data of employers and employees. The information
6 disclosed is confidential and may not be disclosed by the [*commission*] **office**
7 in any manner that would identify an employing unit or employee except to
8 the extent necessary to carry out the [*commission's*] **office's** duties under
9 ORS chapter 348 or Title IV of the Higher Education Act of 1965. If the in-
10 formation disclosed under this paragraph is not prepared for the use of the
11 Employment Department, the costs of disclosing the information shall be
12 paid by the [*commission*] **office**.

13 “(n) Disclose information to the Department of Transportation to assist
14 the Department of Transportation in carrying out the duties of the Depart-
15 ment of Transportation relating to collection of delinquent and liquidated
16 debts, including taxes, under ORS 184.610 to 184.666, 184.670 to 184.733 and
17 805.263, ORS chapter 319 and the Oregon Vehicle Code. The information
18 disclosed may include the names and addresses of employers and employees
19 and payroll data of employers and employees. The information disclosed is
20 confidential and may not be disclosed by the Department of Transportation
21 in any manner that would identify an employing unit or employee except to
22 the extent necessary to carry out the Department of Transportation's duties
23 relating to collection of delinquent and liquidated debts or in auditing or
24 reviewing any report or return required or permitted to be filed under the
25 revenue and tax laws administered by the Department of Transportation. The
26 Department of Transportation may not disclose any information received to
27 any private collection agency or for any other purpose. If the information
28 disclosed under this paragraph is not prepared for the use of the Employment
29 Department, the costs of disclosing the information shall be paid by the De-
30 partment of Transportation.

1 “(o) Disclose information to the Department of Human Services and the
2 Oregon Health Authority to assist the Department of Human Services and
3 the Oregon Health Authority in the collection of debts that the Department
4 of Human Services and the Oregon Health Authority are authorized by law
5 to collect. The information disclosed may include the names, addresses and
6 payroll data of employers and employees. The information disclosed is con-
7 fidential and may not be disclosed by the Department of Human Services or
8 the Oregon Health Authority in a manner that would identify an employing
9 unit or employee except to the extent necessary for the collection of debts
10 as described in this paragraph. The Department of Human Services and the
11 Oregon Health Authority may not disclose information received under this
12 paragraph to a private collection agency or use the information for a purpose
13 other than the collection of debts as described in this paragraph. If the in-
14 formation disclosed under this paragraph is not prepared for the use of the
15 Employment Department, the costs of disclosing the information shall be
16 paid by the Department of Human Services or the Oregon Health Authority.

17 “(p) Disclose to the Alcohol and Drug Policy Commission information
18 required by the commission in evaluating and measuring the performance of
19 alcohol and drug prevention and treatment programs under ORS 430.242 or
20 the impact of the programs on employment. The information disclosed to the
21 commission may include total subject wages payroll and whole hours worked.
22 The information disclosed under this paragraph is confidential and may not
23 be used for any other purpose. The commission may not disclose the infor-
24 mation in any manner that would identify an employing unit or employee
25 except to the extent necessary to carry out the commission’s duties under
26 ORS 430.242. If the information disclosed under this paragraph is not pre-
27 pared for the use of the Employment Department, the costs of disclosing the
28 information shall be paid by the commission.

29 “(q) Disclose to any person establishment level information secured pur-
30 suant to this chapter from federal, state and local government employing

1 units. If the information disclosed under this paragraph is not prepared for
2 the use of the Employment Department, the costs of disclosing the informa-
3 tion shall be paid by the party requesting the information.

4 “(r) Disclose to any person the industrial classification code assigned to
5 an employing unit. If the information disclosed under this paragraph is not
6 prepared for the use of the Employment Department, the costs of disclosing
7 the information shall be paid by the party requesting the information.

8 “(5) Any officer appointed by or any employee of the Director of the
9 Employment Department who discloses confidential information, except with
10 the authority of the director, pursuant to rules or as otherwise required by
11 law, may be disqualified from holding any appointment or employment with
12 the Employment Department.

13 “(6) Any person or any officer or employee of an entity to whom infor-
14 mation is disclosed by the Employment Department under this section who
15 divulges or uses the information for any purpose other than that specified
16 in the provision of law or agreement authorizing the use or disclosure may
17 be disqualified from performing any service under contract or disqualified
18 from holding any appointment or employment with the state agency that
19 engaged or employed that person, officer or employee. The Employment De-
20 partment may immediately cancel or modify any information sharing agree-
21 ment with an entity when a person or an officer or employee of that entity
22 discloses confidential information, other than as specified in law or agree-
23 ment.

24 **“SECTION 248.** ORS 657.734 is amended to read:

25 “657.734. (1) As used in this section:

26 “(a) ‘Public body’ has the meaning given that term in ORS 192.410.

27 “(b) ‘System participant’ means:

28 “(A) Mandatory partners under the federal Workforce Investment Act of
29 1998 (enacted as P.L. 105-220 and codified as 29 U.S.C. 2801 et seq.) and other
30 one-stop system partners, which may include public bodies and private or-

1 ganizations; and

2 “(B) Public bodies and private organizations that have been approved by
3 the Director of the Employment Department, in consultation with the Edu-
4 cation and Workforce Policy Advisor, to participate in the Performance Re-
5 porting Information System.

6 “(2) There is established the Performance Reporting Information System
7 for the purpose of collecting, analyzing and sharing statistical and demo-
8 graphic data for the development and reporting of workforce system per-
9 formance measures.

10 “(3) The Performance Reporting Information System is intended to share
11 the data described in subsection (2) of this section, by agreement, with all
12 system participants.

13 “(4) The Director of the Employment Department shall administer and, in
14 consultation with the Education and Workforce Policy Advisor, oversee the
15 development of the Performance Reporting Information System. System par-
16 ticipants shall be designated as participants in the system by rule of the
17 Employment Department, in consultation with the Education and Workforce
18 Policy Advisor. A system participant shall enter into an interagency or other
19 applicable agreement with the director that:

20 “(a) Establishes protocols for the collection and sharing of data in the
21 system;

22 “(b) Establishes safeguards for protecting the confidentiality of data in
23 the system;

24 “(c) Includes provisions regarding informed consent for sharing informa-
25 tion obtained from individuals; and

26 “(d) Provides for the sharing of costs for developing and maintaining the
27 system.

28 “(5)(a) All individual record information in the Performance Reporting
29 Information System is confidential and may not be disclosed as a public re-
30 cord under the provisions of ORS 192.410 to 192.505. As administrator of the

1 system, the director may view all data or individual record information in
2 the system. System participants may not allow public access to information
3 received from the system that identifies a particular individual unless re-
4 quired by law. System participants shall limit the disclosure of, or refuse to
5 disclose, aggregate or summary level information when a small number of
6 aggregated records or some other factor creates a reasonable risk that the
7 identity of individuals may be discovered or disclosed.

8 “(b) System participants shall provide information in a format that en-
9 codes identifying data, including the client’s Social Security number, using
10 a formula unique to the system participant. In disclosing Social Security
11 numbers to the system, system participants shall comply with any state and
12 federal laws that govern the collection and use of Social Security numbers
13 by the system participant and any additional requirements specified by the
14 director, in consultation with the Education and Workforce Policy Advisor,
15 that are included in the agreement entered into under subsection (4) of this
16 section.

17 “(6) The information in the Performance Reporting Information System
18 is not a public record for purposes of ORS 192.410 to 192.505. For purposes
19 of ORS 192.410 to 192.505, the information submitted to the system and the
20 information received from the system is a public record, and the custodian
21 of such information is the system participant that submits or receives the
22 information. If the system participant receiving the information is not a
23 public body, the department shall keep a copy of the system information sent
24 to that system participant and shall be the custodian of that copy for pur-
25 poses of ORS 192.410 to 192.505. As custodian, the department shall limit the
26 disclosure of, or refuse to disclose, aggregate or summary level information
27 when a small number of aggregated records or some other factor creates a
28 reasonable risk that the identity of individuals may be discovered or dis-
29 closed. The department shall refer all other requests for disclosure of system
30 information to the public body that is the custodian of the information.

1 “(7) The department may charge a reasonable fee under ORS 192.440 for
2 the disclosure of reports containing only aggregate data to individuals, pub-
3 lic bodies or private organizations.

4 “(8) If a system participant prepares or acquires a record that is confi-
5 dential under federal or state law, including ORS 192.502 (2), the system
6 participant does not violate state confidentiality laws by providing the in-
7 formation described in this section to the Performance Reporting Information
8 System. Notwithstanding the provisions of ORS 279C.815 (4), 279C.850 (3),
9 657.665 and 660.339, the Bureau of Labor and Industries, the [*Department of*
10 *Community Colleges and Workforce Development*] **Office of Post-Secondary**
11 **Education and Workforce Development** and the Employment Department
12 are authorized to provide information to the system.

13 “(9) Any individual who, without proper authority, discloses confidential
14 information under this section may be disqualified from holding any ap-
15 pointment or employment with the State of Oregon. The department shall
16 adopt by rule procedures to prevent disclosure of confidential information
17 submitted to the Performance Reporting Information System.

18 **“SECTION 249.** ORS 659.855 is amended to read:

19 “659.855. (1) Any public elementary or secondary school determined by the
20 Superintendent of Public Instruction [*or any community college determined*
21 *by the Commissioner for Community College Services*] to be in noncompliance
22 with provisions of ORS 659.850 and this section shall be subject to appro-
23 priate sanctions, which may include withholding of all or part of state
24 funding, as established by rule of the State Board of Education.

25 **“(2) Any community college determined by the Director of the Of-**
26 **fice of Post-Secondary Education and Workforce Development to be**
27 **in noncompliance with provisions of ORS 659.850 and this section shall**
28 **be subject to appropriate sanctions, which may include withholding**
29 **of all or part of state funding, as established by rule of the Higher**
30 **Education Coordinating Commission.**

1 “[2] (3) Any public university listed in ORS 352.002 determined by the
2 Chancellor of the Oregon University System to be in noncompliance with
3 provisions of ORS 659.850 and this section shall be subject to appropriate
4 sanctions, which may include withholding of all or part of state funding, as
5 established by rule of the [*State Board of Higher Education*] **Higher Edu-
6 cation Coordinating Commission.**

7 “(4) **Any public university with a governing board determined by the
8 Director of the Office of Post-Secondary Education and Workforce
9 Development to be in noncompliance with provisions of ORS 659.850
10 and this section shall be subject to appropriate sanctions, which may
11 include withholding of all or part of state funding, as established by
12 rule of the Higher Education Coordinating Commission.**

13 “[3] (5) Any public charter school determined by the sponsor of the
14 school or the superintendent to be in noncompliance with the provisions of
15 ORS 659.850 and this section shall be subject to appropriate sanctions, which
16 may include the withholding of all or part of state funding by the sponsor
17 or superintendent, as established by rule of the State Board of Education.

18 “**SECTION 250.** ORS 660.300 is amended to read:

19 “660.300. As used in ORS 660.300 to 660.364:

20 “(1) ‘Chief elected official’ means a county commissioner, a county judge
21 or the mayor of the City of Portland.

22 “[2] ‘*Department*’ means the *Department of Community Colleges and
23 Workforce Development* .]

24 “[3] (2) ‘Federal Act’ or ‘federal Workforce Investment Act’ means the
25 federal Workforce Investment Act of 1998 (enacted as P.L. 105-220 and codi-
26 fied as 29 U.S.C. 2801 et seq.).

27 “[4] (3) ‘Local workforce investment area’ means the City of Portland
28 or a county when the city or county has been designated as a local workforce
29 investment area under ORS 660.324. ‘Local workforce investment area’ may
30 include two or more counties that have joined together to form a local

1 workforce investment area and that have been designated as a local
2 workforce investment area under ORS 660.324.

3 “[5] (4) ‘Local workforce investment board’ means a board established
4 pursuant to section 2832 of the federal Workforce Investment Act of 1998.

5 “[6] (5) ‘Participant’ means a person receiving services under Title I-B
6 of the federal Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.).

7 “[7] (6) ‘Participant records’ means records relating to matters such as
8 grades, conduct, personal and academic evaluations, results of psychometric
9 testing, counseling, disciplinary actions, if any, and other personal matters.

10 “[8] (7) ‘Title I-B’ means the adult, dislocated worker and youth pro-
11 grams delivered under the federal Workforce Investment Act of 1998 (29
12 U.S.C. 2801 et seq.).

13 **“SECTION 251.** ORS 660.312 is amended to read:

14 “660.312. (1) The Governor shall be responsible for a coordinated and
15 comprehensive response to education and workforce issues. The Governor
16 shall appoint an Education and Workforce Policy Advisor, who serves at the
17 pleasure of the Governor. The advisor shall, with the advice of such advisory
18 committees as may be appointed or assigned, advise the Governor on policy,
19 planning and coordination for education and workforce development in
20 Oregon.

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

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

24 “(b) Providing general direction and serving as a liaison between state
25 and local efforts in education, training and workforce development;

26 “(c) Ensuring, through collaboration with the leadership of local
27 workforce investment boards and regional workforce committees, the align-
28 ment of statewide, local and regional strategic plans, and the periodic re-
29 porting of performance in the implementation of such plans; and

30 “(d) Consulting with local workforce investment boards and regional

1 workforce committees on the development and implementation of a workforce
2 performance measurement system.

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

5 “(a) The Department of Education;

6 “(b) The Oregon University System **and public universities with gov-**
7 **erning boards;**

8 “(c) The Oregon Business Development Department;

9 “(d) The [*Department of Community Colleges and Workforce Development*]
10 **Office of Post-Secondary Education and Workforce Development;**

11 “(e) The Employment Department;

12 “(f) The Department of Human Services;

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

14 “(h) The Department of Corrections; **and**

15 “[*i*] *The Oregon Student Access Commission; and*]

16 “[*j*] (i) The Teacher Standards and Practices Commission.

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

19 “(a) Businesses and industry organizations;

20 “(b) Labor and labor organizations;

21 “(c) Local education providers;

22 “(d) Local government;

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

24 “(f) Community-based organizations;

25 “(g) Public-private partnership organizations;

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

28 “(i) Regional workforce committees, local workforce investment boards
29 and regional investment boards.

30 “(5) The advisor shall meet, on a regularly scheduled basis, with the local

1 workforce investment boards, regional workforce committees and such others
2 as necessary to ensure that local interests are represented. The advisor shall
3 seek input, advice and feedback on policy issues affecting state, regional and
4 local education and workforce development from interested parties and other
5 committees formed under ORS 660.306, 660.312 and 660.315.

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

8 **“SECTION 252.** ORS 660.318 is amended to read:

9 “660.318. (1) To implement and oversee state implementation of Title I-B,
10 the [*Department of Community Colleges and Workforce Development*] **Office**
11 **of Post-Secondary Education and Workforce Development** may:

12 “(a) Receive federal youth activities funds allotted to this state by the
13 Secretary of Labor pursuant to Title I-B and allocate those funds that are
14 not reserved according to an allocation formula recommended by the State
15 Workforce Investment Board and approved by the Governor.

16 “(b) Receive federal adult employment and training activities funds al-
17 lotted to this state by the Secretary of Labor pursuant to Title I-B and al-
18 locate those funds that are not reserved according to an allocation formula
19 recommended by the State Workforce Investment Board and approved by the
20 Governor.

21 “(c) Receive federal dislocated worker funds allotted to this state by the
22 Secretary of Labor pursuant to Title I-B and allocate those funds that are
23 not reserved according to an allocation formula recommended by the State
24 Workforce Investment Board and approved by the Governor.

25 “(d) Establish a procedure for use by local workforce investment boards
26 to identify eligible providers of training services according to section 2864
27 of the federal Act and to maintain the list of providers identified as eligible
28 by the boards in all local workforce investment areas in this state.

29 “(e) Receive the comprehensive strategic plan developed and implemented
30 by each local workforce investment board and review the plan, with input

1 from representatives of state and local workforce programs, to determine if
2 the plan meets the requirements of section 2833 of the federal Act and state
3 policy.

4 “(f) Approve the plans, after review by the State Workforce Investment
5 Board, that are found to meet the requirements of Title I-B and review and
6 approve any amendments to the plans.

7 “(g) Carry out the required and allowable activities described in section
8 2864 of the federal Act with the advice of the Education and Workforce
9 Policy Advisor.

10 “(h) Pursuant to ORS 660.339, establish procedures to maintain the
11 confidentiality of the names and records of participants in workforce pro-
12 grams for which the [*department*] **office** is responsible, including circum-
13 stances under which the names and records may be disclosed.

14 “(i) Establish a method to set performance standards for the Secretary of
15 Labor as required under section 2871 of the federal Act.

16 “(j) Perform planning functions related to Title I-B programs and per-
17 formance reporting.

18 “(2)(a) Subject to the availability of funds from the federal Workforce
19 Investment Act, the [*Department of Community Colleges and Workforce De-*
20 *velopment*] **office** shall create and operate a summer youth employment pro-
21 gram that reestablishes meaningful summer work experience for persons
22 between the ages of 14 and 24 and that meets the requirements for funding
23 under the federal Act.

24 “(b) Programs funded under this subsection:

25 “(A) Must include representatives of the business community in the
26 planning, implementation and evaluation of the program.

27 “(B) May provide for private and public sector employment opportunities.

28 “(C) Shall be managed by local workforce investment boards in a manner
29 that coordinates regional state-sponsored youth work experience programs.

30 “(c) Local workforce investment boards responsible for managing pro-

1 grams created under this subsection shall provide training for business, labor
2 and education leaders in use of best practices that assure positive summer
3 work experiences for participants.

4 “(3) The [*Department of Community Colleges and Workforce Development*]
5 **office** shall collaborate with the State Workforce Investment Board and lo-
6 cal workforce investment boards to collect data on summer work experience
7 programs that identify successful summer work experiences and allow for the
8 identification and dissemination of promising practices.

9 “(4) The [*department*] **Higher Education Coordinating Commission**, in
10 consultation with the State Workforce Investment Board, may adopt rules
11 pursuant to ORS chapter 183 to implement this section.

12 **“SECTION 253.** ORS 660.339 is amended to read:

13 “660.339. (1) All participant records maintained by the local workforce
14 investment boards or any public or private agency involved in Title I-B
15 programs shall be confidential and except as provided in ORS 660.300 to
16 660.364 shall be open for inspection only in accordance with such rules as
17 the [*Department of Community Colleges and Workforce Development*] **Office**
18 **of Post-Secondary Education and Workforce Development** shall adopt.

19 “(2) A participant may provide written consent for the examination or
20 release of any record pertaining to the participant.

21 “(3) All information contained in participant files shall be available for
22 inspection by the participant, and the participant’s parent or legal guardian
23 if the participant is under 18 years of age. Participant behavioral records
24 shall be released only in the presence of an individual qualified to explain
25 or interpret the records.

26 “(4) The [*department*] **Higher Education Coordinating Commission**
27 may adopt rules to provide the circumstances under which participant names
28 or records may be made available for inspection when:

29 “(a) Ordered by a court of competent jurisdiction.

30 “(b) Necessary to protect the health or safety of a participant or another.

1 “(c) Necessary to provide information to state and local agencies admin-
2 istering ORS 412.001 to 412.161 and 412.991 and ORS chapters 418 and 657,
3 other programs under the federal Workforce Investment Act of 1998 and
4 other mandatory programs under this state’s one-stop service delivery system.

5 “(d) Necessary for program staff work or studies of a statistical or de-
6 mographic nature.

7 “(e) Necessary to carry out the planning and coordinating functions be-
8 tween state and local agencies under Title I-B of the federal Workforce In-
9 vestment Act, other applicable state laws or those functions assigned by the
10 Education and Workforce Policy Advisor.

11 “**SECTION 254.** ORS 660.340 is amended to read:

12 “660.340. (1) There is created in the [*Department of Community Colleges*
13 *and Workforce Development*] **Office of Post-Secondary Education and**
14 **Workforce Development** the Oregon Employer Workforce Training Pro-
15 gram. Subject to the availability of funding, the [*department*] **office** shall
16 create and operate, and local workforce investment boards shall manage, the
17 program for the purpose of:

18 “(a) Assisting businesses and consortia of businesses in implementing
19 projects that identify and provide cost-effective solutions to the issues of
20 employee training, retention and advancement;

21 “(b) Maximizing the utilization of public and private resources for pro-
22 viding training to employed persons in skills that are responsive to the need
23 of businesses and industries in Oregon to become and to remain competitive
24 on the national and international level; and

25 “(c) Responding to the need of workers in Oregon to develop current job
26 skills necessary to meet the current and future needs of employers.

27 “(2)(a) Businesses in industries identified in the plans developed by local
28 workforce investment boards as required by ORS 660.327 are eligible to par-
29 ticipate in projects selected for participation in the program.

30 “(b) Priority for approval of projects submitted under this subsection shall

1 be given to businesses in industries that have the greatest impact on the
2 local economy and emerging green jobs.

3 “(3) Local workforce investment boards shall:

4 “(a) Identify businesses and consortia of businesses for potential partic-
5 ipation in the program;

6 “(b) Develop and implement an application process for projects proposed
7 for the program;

8 “(c) Notwithstanding the provisions of the Public Contracting Code, use
9 an open and competitive procurement process for agreements entered into
10 with participants in the program;

11 “(d) Require that businesses participating in a project provide private
12 sector funding equal to the amount of state funding provided for the project;
13 and

14 “(e) Track and report to the [*department*] **office** the outcomes of projects
15 implemented in the local workforce investment area, including, but not lim-
16 ited to:

17 “(A) The number of businesses participating in approved projects;

18 “(B) The number and types of projects completed;

19 “(C) The number of employees receiving training;

20 “(D) The number of jobs retained or created by the businesses partic-
21 ipating in the project; and

22 “(E) The value of the private sector funding provided.

23 “(4) The [*department*] **Higher Education Coordinating Commission**
24 shall adopt rules necessary for the implementation and operation of the
25 program created under subsection (1) of this section. The rules shall include,
26 but are not limited to, a process by which moneys may be appropriated and
27 allocated to the local workforce investment boards to support projects iden-
28 tified by the local workforce investment boards under subsection (3) of this
29 section.

30 **“SECTION 255.** ORS 660.341 is amended to read:

1 “660.341. The Oregon Employer Workforce Training Fund is established
2 in the State Treasury, separate and distinct from the General Fund. Interest
3 earned by the Oregon Employer Workforce Training Fund shall be credited
4 to the fund. Moneys in the fund are continuously appropriated to the [*De-*
5 *partment of Community Colleges and Workforce Development*] **Office of**
6 **Post-Secondary Education and Workforce Development** for the purposes
7 of ORS 660.340.

8 **“SECTION 256.** ORS 660.343 is amended to read:

9 “660.343. (1) There is created in the [*Department of Community Colleges*
10 *and Workforce Development*] **Office of Post-Secondary Education and**
11 **Workforce Development** the Oregon National Career Readiness Certif-
12 ication Program to certify the workplace and college readiness skills of
13 Oregonians and to better prepare Oregonians for continued education and
14 workforce training, successful employment and career advancement in a
15 demand-driven, skills-based economy.

16 “(2) Program services may be offered through public high schools, com-
17 munity colleges, local and regional career centers and any other institutions
18 determined to be appropriate by the [*department*] **office** to residents of
19 Oregon and to employees of businesses located in Oregon.

20 “(3) Services provided by the program shall include, but are not limited
21 to:

22 “(a) An assessment process that identifies the proficiency level of program
23 participants in work-ready skills including, but not limited to, reading, ap-
24 plied mathematics, locating information and any additional skills determined
25 by the [*department*] **office** to be necessary to meet business and industry skill
26 demands;

27 “(b) Targeted instruction and remedial skills training to provide work-
28 ready skills in which program participants are not proficient, as determined
29 by the assessment process described in paragraph (a) of this subsection, and
30 that have been identified by the [*department*] **office** as work-ready skills re-

1 quired by local employers;

2 “(c) Issuance of a National Career Readiness Certificate to program par-
3 ticipants who demonstrate proficiency in work-ready skills, as determined by
4 the assessment process described in paragraph (a) of this subsection, and who
5 satisfy any other requirements for certification [*adopted by the department*
6 *by rule*] **determined by the office**;

7 “(d) Providing information to school districts, community colleges and
8 community college service districts about the National Career Readiness
9 Certificate and the assessments, targeted instruction and remedial skills
10 training available through the program; and

11 “(e) An online database that:

12 “(A) Serves as the repository for National Career Readiness Certificate
13 attainment data.

14 “(B) Provides online access to program data that enables employers to
15 determine the work skill proficiency level of individual program participants
16 and to locate certified individuals on a statewide or regional basis.

17 “(C) Provides individual program participants the opportunity for career
18 exploration, continuing education, job readiness practice and job searches.

19 “(D) Provides individual program participants the opportunity to opt out
20 of the database in accordance with rules adopted by the [*department*] **Higher**
21 **Education Coordinating Commission**.

22 “(4) The [*Department of Community Colleges and Workforce Development*]
23 **Higher Education Coordinating Commission**, after consultation with the
24 State Workforce Investment Board, the Department of Education and the
25 State Board of Education, shall adopt rules for the implementation and ad-
26 ministration of the program created under subsection (1) of this section.

27 “(5) By September 1 of each year, school districts, community colleges and
28 community college service districts shall report to the [*Department of Com-*
29 *munity Colleges and Workforce Development*] **office** the rate of participation
30 in and the total number of students enrolled in the district or community

1 college who utilized the services provided by the program in the most re-
2 cently concluded school year.

3 “(6) The [*Department of Community Colleges and Workforce Development*]
4 **office** shall submit a report on program outcomes and recommendations for
5 improving and funding the program to the appropriate interim legislative
6 committees and to the Governor by December 1 of each year. The report shall
7 include a summary of the information required under subsection (5) of this
8 section.

9 **“SECTION 257.** ORS 660.346 is amended to read:

10 “660.346. (1)(a) The [*Department of Community Colleges and Workforce*
11 *Development*] **Office of Post-Secondary Education and Workforce De-**
12 **velopment**, in collaboration with the Employment Department and the State
13 Workforce Investment Board, shall develop and implement a demand-driven,
14 skills-based integrated workforce delivery system focused on skills and talent
15 development.

16 “(b) The integrated workforce delivery system implemented under para-
17 graph (a) of this subsection must include, and the [*Department of Community*
18 *Colleges and Workforce Development*] **office** shall maintain, a workforce
19 training inventory of prioritized occupations.

20 “(c) The [*Department of Community Colleges and Workforce Development*]
21 **office** shall prioritize recommendations for the allocation of workforce
22 training resources by the integrated workforce delivery system based on oc-
23 cupational prioritization data developed by the Employment Department.

24 “(2) The [*Department of Community Colleges and Workforce Development*]
25 **Higher Education Coordinating Commission** shall adopt rules necessary
26 for the implementation and administration of the integrated workforce de-
27 livery system developed under subsection (1) of this section.

28 **“SECTION 258.** ORS 660.349 is amended to read:

29 “660.349. (1)(a) There is created in the [*Department of Community Colleges*
30 *and Workforce Development*] **Office of Post-Secondary Education and**

1 **Workforce Development** a program to make grants to pilot projects to
2 promote hands-on experience and education in the fundamentals and core
3 competencies in architecture, construction trades and engineering for high
4 school juniors and seniors.

5 “(b) Pilot projects funded by the program created under this subsection
6 shall be based on collaborative efforts between local school districts, com-
7 munity colleges, business organizations and labor organizations that provide
8 participants the opportunity for education and training in skills required to
9 meet the workforce development needs of local, regional and statewide em-
10 ployers.

11 “(c) The [*department*] **office** may apply for and receive grants and gifts
12 from public and private sources to fund grants provided under this section.

13 “(2) The program created under subsection (1) of this section for making
14 grants to pilot projects shall ensure that:

15 “(a) Local communities are informed about the availability of the grants;

16 “(b) The pilot projects are geographically distributed throughout Oregon;

17 “(c) Urban and rural participants have equal opportunity to access qual-
18 ity educational opportunities;

19 “(d) Representatives of related, ongoing community efforts assist in the
20 implementation of architecture, construction trades and engineering educa-
21 tion and training; and

22 “(e) The program and timelines are designed to minimize barriers to re-
23 ceiving funds.

24 “(3) When considering applications for grants, the program shall give
25 priority to pilot projects that:

26 “(a) Provide access for high school juniors and seniors to architecture,
27 construction trades and engineering education and training through the ef-
28 forts of local and regional career centers and public-private consortia;

29 “(b) In combination with other projects receiving funds, contribute to ar-
30 chitecture, construction trades and engineering education and training op-

1 opportunities in every part of the state;

2 “(c) Use private and federal funds;

3 “(d) Facilitate sharing of resources through public-private partnerships
4 including collaboration among local school districts, community colleges,
5 business organizations and labor organizations;

6 “(e) Have a long-term strategic plan and lack only the necessary financial
7 resources;

8 “(f) Help students connect education and training with career planning
9 and job opportunities through local and regional career centers implemented
10 under the federal Workforce Investment Act;

11 “(g) Provide articulated secondary and post-secondary education programs
12 that are designed to lead to a degree or industry-specific skills certification;
13 and

14 “(h) Establish short-term training programs that meet the immediate
15 needs of local and regional employers.

16 “(4)(a) The [*department*] **office** shall include in the program created under
17 subsection (1) of this section a process for the certification of instructors for
18 the program to provide education and practical experience in architecture,
19 construction trades and engineering.

20 “(b) The [*department*] **Higher Education Coordinating Commission**
21 shall adopt by rule requirements for the certification of instructors described
22 in paragraph (a) of this subsection.

23 “(c) Notwithstanding the requirements adopted under paragraph (b) of
24 this subsection, a person qualified to serve as an instructor in a state-
25 recognized apprenticeship program is qualified for certification as an in-
26 structor for projects implemented under this section.

27 **“SECTION 259.** ORS 660.352 is amended to read:

28 “660.352. There is established in the State Treasury, separate and distinct
29 from the General Fund, the Youth Employment Enhancement Fund. Moneys
30 in the fund are appropriated continuously to the [*Department of Community*

1 *Colleges and Workforce Development*] **Office of Post-Secondary Education**
2 **and Workforce Development** for the purposes of ORS 660.349.

3 **“SECTION 260.** ORS 660.353 is amended to read:

4 “660.353. (1) There is created in the [*Department of Community Colleges*
5 *and Workforce Development*] **Office of Post-Secondary Education and**
6 **Workforce Development** the Oregon Youth Employment Program. Subject
7 to the availability of funding, the [*department*] **office** shall create and oper-
8 ate, and local workforce investment boards shall manage, the program to
9 provide meaningful work experience and workforce training for persons be-
10 tween the ages of 14 and 24.

11 “(2) The program shall provide to participants in the program case man-
12 agement and support services that include, but are not limited to:

13 “(a) Developing an individual development plan for the participant that
14 outlines work readiness, career and educational goals;

15 “(b) Work readiness instruction;

16 “(c) At least 12 weeks of paid internships or other work experience; and

17 “(d) Academic support for earning high school graduation credit, com-
18 pletion of a General Educational Development (GED) certificate program or
19 earning college credit for work experience or internships provided through
20 the program.

21 “(3) The program:

22 “(a) Plan, implementation procedures and evaluation criteria shall be de-
23 scribed in the local plan developed by a local workforce investment board
24 under ORS 660.327.

25 “(b) May provide for public and private sector employment opportunities.

26 “(4) Local workforce investment boards responsible for managing the
27 program shall ensure appropriate training and positive work experiences for
28 participants.

29 “(5) The [*department*] **office** shall collaborate with the local workforce
30 investment boards to collect data on youth work experience programs that

1 identify successful work experiences and allow for the identification and
2 dissemination of the most promising practices. The data collected shall also
3 include the number of participants in the program, the number of partic-
4 ipants that complete the program, the cost of internships and other work
5 experiences provided, the academic credit earned by participants and the
6 number of General Educational Development (GED) certificates earned by
7 participants.

8 “(6) The [*department*] **Higher Education Coordinating Commission**
9 shall adopt rules necessary for the implementation and operation of the
10 program created under subsection (1) of this section. The rules shall include,
11 but are not limited to, establishing eligibility criteria for persons partic-
12 ipating in the program.

13 **“SECTION 261.** ORS 660.354 is amended to read:

14 “660.354. The Oregon Youth Employment Fund is established in the State
15 Treasury, separate and distinct from the General Fund. Interest earned by
16 the Oregon Youth Employment Fund shall be credited to the fund. Moneys
17 in the fund are continuously appropriated to the [*Department of Community*
18 *Colleges and Workforce Development*] **Office of Post-Secondary Education**
19 **and Workforce Development** for the purposes of ORS 660.353.

20 **“SECTION 262.** ORS 680.515, as amended by section 9, chapter 43, Oregon
21 Laws 2012, is amended to read:

22 “680.515. (1) Subject to the provisions of ORS 676.612, upon application
23 accompanied by payment of required fees, the Oregon Health Licensing
24 Agency shall issue a license to practice denture technology to an applicant
25 who:

26 “(a) Provides to the agency official transcripts verifying completion of an
27 associate degree program in denture technology, or the equivalent in formal,
28 post-secondary education, approved by the agency in consultation with the
29 [*Oregon Student Access Commission*] **Office of Post-Secondary Education**
30 **and Workforce Development** and the Department of Education.

1 “(b) Provides to the agency documentation of 1,000 hours of supervised
2 clinical practice in denture technology, completed while enrolled in or after
3 having completed a course of study offered in a post-secondary educational
4 institution, or through equivalent supervised experience, as determined by
5 the agency in consultation with the [commission] **office** and the department.

6 “(c) Passes a written and a practical examination prescribed, recognized
7 or approved by the State Board of Denture Technology. An applicant who
8 fails the practical examination must complete additional hours of clinical
9 and laboratory training in an approved work experience program, as deter-
10 mined by the board, to qualify for reexamination.

11 “(d) Meets other requirements established by the agency by rule.

12 “(2) The educational program required by subsection (1)(a) of this section
13 must include pertinent courses in anatomy, including histology, microbiol-
14 ogy, physiology, pharmacology, pathology emphasizing periodontology, dental
15 materials, medical emergencies, geriatrics, professional ethics, clinical
16 denture technology and denture laboratory technology.

17 “(3) Notwithstanding subsection (1)(a) of this section, the board may ac-
18 cept educational training obtained in any other state or country if, upon
19 review of satisfactory evidence, the agency determines that the educational
20 program in the other state or country meets the educational standards pre-
21 scribed under this section.

22 “(4) An applicant meets the requirements of subsection (1)(a) or (b) of this
23 section if the applicant provides the agency with documentation of military
24 training or experience that the agency determines is substantially equivalent
25 to the training or experience required by subsection (1)(a) or (b) of this sec-
26 tion.

27 “(5) Notwithstanding subsection (1)(c) of this section, the agency may
28 adopt rules providing for waiver of the practical examination requirement.

29 “(6) The agency may adopt rules allowing for issuance of a temporary li-
30 cense to practice denture technology.

1 **“SECTION 263.** ORS 684.040, as amended by section 14, chapter 43,
2 Oregon Laws 2012, is amended to read:

3 “684.040. (1) Any person applying for a license to practice chiropractic in
4 this state shall make application to the State Board of Chiropractic Exam-
5 iners, [*upon such*] **on a** form and in [*such*] **the** manner [*as may be provided*
6 *by*] the board **provides**. The application must be accompanied by
7 nonrefundable fees of:

8 “(a) \$150; and

9 “(b) The amount established by the board by rule under ORS 181.534.

10 “(2) Each applicant shall furnish to the board:

11 “(a) Evidence satisfactory to the board of the applicant’s good moral
12 character.

13 “(b) A certificate of proficiency in the fundamental sciences (Part I, taken
14 subsequent to January 1, 1971) issued to the applicant by the National Board
15 of Chiropractic Examiners.

16 “(c) Evidence of successful completion of at least two years of liberal arts
17 and sciences study, in any college or university accredited by either the
18 Northwest Association of Schools and Colleges or a like regional association
19 or in any college or university in Oregon approved for granting degrees by
20 the [*Oregon Student Access Commission*] **Office of Post-Secondary Educa-**
21 **tion and Workforce Development.**

22 “(d) A diploma and transcript, certified by the registrar, or other docu-
23 ments satisfactory to the State Board of Chiropractic Examiners evidencing
24 graduation from a chiropractic school or college approved by the board under
25 the board’s academic standards, or from a school accredited by the Council
26 on Chiropractic Education or its successor agency, under standards that are
27 accepted and adopted biennially by the board in the version applied to that
28 school by the accrediting agency.

29 “(e) A statement of any other health care provider license in this state
30 held by the applicant, with identifying information required by the State

1 Board of Chiropractic Examiners.

2 “(3) An applicant meets the requirements of subsection (2)(c) or (d) of this
3 section if the applicant provides the State Board of Chiropractic Examiners
4 with documentation of military training or experience that the board deter-
5 mines is substantially equivalent to the education required by subsection
6 (2)(c) or (d) of this section.

7 “(4) The State Board of Chiropractic Examiners may waive the require-
8 ments of subsection (2)(c) of this section for any applicant for a license to
9 practice chiropractic if the applicant is licensed in another state and prac-
10 ticed chiropractic in that state, but the applicant must pass the examination
11 authorized by ORS 684.050 or by ORS 684.052.

12 **“SECTION 264.** ORS 685.060 is amended to read:

13 “685.060. (1) The minimum educational requirements for a license under
14 the provisions of this chapter are:

15 “(a) At least two years’ satisfactory liberal arts and sciences study, or
16 either, in a college or university accredited by either the Northwest Associ-
17 ation of Schools and Colleges or a like regional association or in a college
18 or university in Oregon approved for granting degrees by the [*Oregon Stu-*
19 *dent Access Commission*] **Office of Post-Secondary Education and**
20 **Workforce Development** as evidenced by certificate or transcript of credits
21 from the college or university; and

22 “(b) Graduation from an accredited naturopathic school or college.

23 “(2)(a) The areas of study required of an applicant for a license to prac-
24 tice naturopathic medicine in this state include basic sciences, clinical sci-
25 ences and any naturopathic subjects specified by the Oregon Board of
26 Naturopathic Medicine by rule.

27 “(b) The Oregon Board of Naturopathic Medicine may not include major
28 surgery as a required area of study under paragraph (a) of this subsection.

29 **“SECTION 265.** ORS 759.445 is amended to read:

30 “759.445. (1) There is established in the State Treasury, separate and dis-

1 tinct from the General Fund, the Connecting Oregon Communities Fund.
2 Moneys in the fund shall consist of amounts deposited in the fund under ORS
3 759.405 and any other moneys deposited by a telecommunications carrier that
4 elects to be subject to ORS 759.405 and 759.410, including amounts deposited
5 pursuant to a performance assurance plan implemented by a telecommuni-
6 cations carrier in connection with an application under 47 U.S.C. 271, as in
7 effect on January 1, 2002. Interest earned on moneys in the fund shall accrue
8 to the fund. Moneys in the fund may be invested as provided in ORS 293.701
9 to 293.820. Moneys in the fund shall be used to provide access to advanced
10 telecommunications technology in elementary schools and high schools, col-
11 leges and universities, community colleges, public television corporations,
12 rural health care providers, public libraries and other eligible persons.

13 “(2) Two dedicated accounts shall be established within the Connecting
14 Oregon Communities Fund for purposes of supporting education and public
15 access to advanced telecommunications services. The first \$25 million of the
16 moneys deposited in the Connecting Oregon Communities Fund in both 2000
17 and 2001 shall be appropriated to the School Technology Account established
18 under subsection (3) of this section. Except as provided in subsection (8) of
19 this section, any additional moneys available in the fund shall be appropri-
20 ated to the Public Access Account established under subsection (4) of this
21 section.

22 “(3) There is established the School Technology Account within the Con-
23 necting Oregon Communities Fund. The purpose of the School Technology
24 Account is to improve access to advanced telecommunications services for
25 students attending public school in kindergarten through grade 12. Moneys
26 in the account shall be expended as provided in section 34, chapter 1093,
27 Oregon Laws 1999.

28 “(4)(a) There is established the Public Access Account within the Con-
29 necting Oregon Communities Fund. The purpose of the Public Access Ac-
30 count is to improve access to advanced telecommunications services for

1 community colleges, universities, public libraries and rural health care pro-
2 viders.

3 “(b) If funding has not been provided from other sources, the first \$3
4 million available in the Public Access Account shall be transferred to the
5 Oregon University System for the purpose of funding the Oregon Wide Area
6 Network project to provide and expand Internet access for the Oregon Uni-
7 versity System **and public universities with governing boards**. The
8 Oregon University System shall complete an audit of bandwidth utilization
9 and report to the Joint Legislative Committee on Information Management
10 and Technology during the Seventy-first Legislative Assembly in the manner
11 provided in ORS 192.245.

12 “(c) Following the transfer of funds described in paragraph (b) of this
13 subsection, the next \$1 million available in the Public Access Account shall
14 be transferred to the Oregon University System for Oregon State University
15 for the purpose of providing virtual access to persons with disabilities.

16 “(d) Following the transfer of funds as described in paragraphs (b) and (c)
17 of this subsection, the next \$2 million available in the Public Access Account
18 shall be transferred to the [*Department of Community Colleges and Workforce*
19 *Development*] **Office of Post-Secondary Education and Workforce De-**
20 **velopment** for distribution to community colleges for the purpose of devel-
21 oping connectivity and distance education programs.

22 “(e) Following the transfer of funds described in paragraphs (b) to (d) of
23 this subsection, the next \$4 million available in the Public Access Account
24 shall be transferred to the Oregon University System **and public universi-**
25 **ties with governing boards**.

26 “(f) Following the transfer of funds described in paragraphs (b) to (e) of
27 this subsection, the next \$5.5 million available in the Public Access Account
28 shall be transferred to the Oregon Public Broadcasting Corporation for the
29 purpose of digitizing the state television network, using the Oregon Enter-
30 prise Network when possible.

1 “(g) Following the transfer of funds described in paragraphs (b) to (f) of
2 this subsection, the next \$500,000 available in the Public Access Account
3 shall be transferred to the Southern Oregon Public Television Corporation
4 for the purpose of digitizing the state television network, using the Oregon
5 Enterprise Network when possible.

6 “(h) Following the transfer of funds described in paragraphs (b) to (g) of
7 this subsection, a public university listed in ORS 352.002 or the Oregon
8 Health and Science University may apply for one-time matching funds up to
9 \$1 million from the Public Access Account to endow a telecommunications
10 chair for the purpose of increasing research and development of advanced
11 telecommunications services applications. Only one chair may be endowed
12 under this paragraph.

13 “(5)(a) The Oregon Business Development Commission shall approve ex-
14 penditure of any remaining moneys in the Public Access Account consistent
15 with this section and ORS 759.430.

16 “(b) Community colleges, public universities listed in ORS 352.002, public
17 libraries, public television corporations and rural health care providers may
18 apply to the Oregon Business Development Commission for funding from the
19 Public Access Account under this subsection.

20 “(c) Funds received from the account shall be used for the purchase of
21 advanced telecommunications services, equipment or recurring costs of tele-
22 communications connectivity. Priority shall be given to collaborative
23 projects that improve access to advanced telecommunications services.

24 “(d) Funds available in the Public Access Account under this subsection
25 are continuously appropriated to the Oregon Business Development Depart-
26 ment for the purposes described in this subsection.

27 “(6) Public libraries and rural health care providers must apply for federal
28 universal service support in order to be eligible for a grant from the Public
29 Access Account.

30 “(7) The video transport and network management services purchased

1 with funds made available under this section shall be purchased through the
2 Oregon Department of Administrative Services.

3 “(8) Any moneys deposited in the Connecting Oregon Communities Fund
4 under subsection (1) of this section pursuant to a performance assurance plan
5 implemented by a telecommunications carrier in connection with an appli-
6 cation under 47 U.S.C. 271, as in effect on January 1, 2002, shall be placed
7 in the School Technology Account to be expended as provided in section 34,
8 chapter 1093, Oregon Laws 1999.

9 **“SECTION 266.** Section 3, chapter 797, Oregon Laws 2001, is amended to
10 read:

11 **“Sec. 3.** Subject to available funding, if a building evaluated under sec-
12 tion 2 (4) [*of this 2001 Act*], **chapter 797, Oregon Laws 2001**, is found by a
13 board to pose an undue risk to life safety during a seismic event, the State
14 Board of Higher Education, **governing board of a public university**, local
15 school district board, community college board or education service district
16 board, as appropriate, shall develop a plan for seismic rehabilitation of the
17 building or for other actions to reduce the risk. For a board that is subject
18 to ORS 291.224, the board’s plan to rehabilitate or take other action to re-
19 duce the seismic risk of a building must be included in the capital con-
20 struction program of the board. A board that is subject to ORS 291.224 shall
21 rank the relative benefit of projects to reduce seismic risk in comparison
22 with other life safety and code requirement projects. Subject to availability
23 of funding, all seismic rehabilitations or other actions to reduce seismic risk
24 must be completed before January 1, 2032. If the building is listed on a na-
25 tional or state register of historic places or properties or is designated as a
26 landmark by local ordinance, the plan for seismic rehabilitation or other
27 action shall be developed in a manner that gives consideration to preserving
28 the character of the building.

29 **“SECTION 267.** ORS 345.010, as amended by section 20, chapter 104,
30 Oregon Laws 2012, is amended to read:

1 “345.010. As used in ORS 345.010 to 345.450 and 345.992 to 345.997:

2 “(1) ‘Agent’ means a person employed by or for a career school for the
3 purpose of procuring students, enrollees or subscribers by solicitation in any
4 form, made at a place or places other than the school office or place of
5 business of such school.

6 “(2) ‘Barbering’ has the meaning given that term in ORS 690.005.

7 “(3) ‘Career school’ or ‘school’ means any private proprietary professional,
8 technical, home study, correspondence, business or other school instruction,
9 organization or person that offers any instruction or training for the purpose
10 or purported purpose of instructing, training or preparing persons for any
11 profession.

12 “(4) ‘Esthetics’ has the meaning given in ORS 690.005.

13 “(5) ‘Hair design’ has the meaning given in ORS 690.005.

14 “(6) ‘License’ means the authority the career school has been granted to
15 operate under ORS 345.010 to 345.450.

16 “(7) ‘Nail technology’ has the meaning given in ORS 690.005.

17 “(8) ‘Registration’ means the approval by the [*Higher Education Coordi-*
18 *nating Commission*] **Office of Post-Secondary Education and Workforce**
19 **Development** of a teacher or agent to instruct in or to represent the school.

20 “**SECTION 268.** ORS 345.020, as amended by section 23, chapter 104,
21 Oregon Laws 2012, is amended to read:

22 “345.020. (1) The [*Higher Education Coordinating Commission*] **Office of**
23 **Post-Secondary Education and Workforce Development** shall administer
24 ORS 345.010 to 345.450 and 345.992 to 345.997 and shall enforce all laws and
25 rules relating to the licensing of career schools and agents.

26 “(2) The [*commission*] **office** may establish procedures whereby schools
27 become eligible to participate in federal student assistance programs if ap-
28 proved by the United States Department of Education.

29 “(3) Members and employees of the [*commission*] **office** may not have fi-
30 nancial interests in any career school and may not act as agents or employ-

1 ees [thereof] of a career school.

2 **“SECTION 269.** ORS 345.030, as amended by section 24, chapter 104,
3 Oregon Laws 2012, is amended to read:

4 “345.030. (1) A person may not open, conduct or do business as a career
5 school in this state without obtaining a license under ORS 345.010 to 345.450.

6 “(2) Except as provided in subsection (8) of this section, the [*Higher Ed-*
7 *ucation Coordinating Commission*] **Office of Post-Secondary Education**
8 **and Workforce Development** may issue a license to conduct a career
9 school only after the applicant has presented proof satisfactory to the [*com-*
10 *mission*] **office** that the applicant complies with applicable standards adopted
11 under ORS 345.325 and 670.280. For the purpose of this subsection, ORS
12 670.280 applies to individuals who hold positions of authority or control in
13 the operation of the school and to its faculty members and agents.

14 “(3) A career school licensed in any other state must be licensed in this
15 state before establishing a physical presence in this state such as offices or
16 agents, or both, for the purpose of solicitation of students.

17 “(4) In determining whether to issue a license to a career school, the
18 [*commission*] **office** may consider the prior history of the applicant in oper-
19 ating other career schools. The prior history of operating other career
20 schools includes, but is not limited to:

21 “(a) Conduct by the applicant that is cause for probation of a licensee or
22 for suspension or revocation of a license as provided in ORS 345.120 (2);

23 “(b) Failure to comply with ORS 345.010 to 345.450 or rules adopted under
24 ORS 345.010 to 345.450; and

25 “(c) The history of the applicant in operating career schools in other
26 states.

27 “(5) The [*commission*] **office** may not issue a license to or renew the li-
28 cense of a career school until the applicant provides all of the following to
29 the [*commission*] **office**:

30 “(a) A financial statement, certified true and accurate and signed by the

1 owner of the school;

2 “(b) Proof of compliance with the tuition protection policy established by
3 the [commission] **office** pursuant to ORS 345.110; and

4 “(c) Fingerprints of individuals as described in subsection (6) of this sec-
5 tion.

6 “(6)(a) Except as provided in paragraph (c) of this subsection, an applicant
7 for an initial issuance of a license or a renewal of a license must provide to
8 the [commission] **office** the fingerprints of faculty members and agents of the
9 school and individuals who hold positions of authority or control in the op-
10 eration of the school if the career school will be enrolling or does enroll
11 persons under 18 years of age.

12 “(b) In addition to requirements provided under paragraph (a) of this
13 subsection, the [commission] **office** may require a career school to provide
14 the fingerprints of any agents of the school who will have contact with
15 persons under 18 years of age on behalf of the career school.

16 “(c) An applicant is not required to provide fingerprints under paragraph
17 (a) or (b) of this subsection if the [commission] **office** has conducted a state
18 or nationwide criminal records check on the person within the three years
19 preceding the date of the application.

20 “(d) Fingerprints acquired under this subsection may be used only for the
21 purpose of requesting a state or nationwide criminal records check under
22 ORS 181.534.

23 “(7) Notwithstanding ORS 345.325 (10), the [commission] **office** may place
24 a school on probation or deny, suspend or revoke a license if the
25 [commission] **office** finds that an individual who holds a position of author-
26 ity or control in the operation of the school was convicted of a crime listed
27 in ORS 342.143.

28 “(8) The [commission] **office** may issue a conditional license to a career
29 school that meets the requirements of subsection (5) of this section but that
30 does not comply with the applicable standards adopted by rule under ORS

1 345.325. A conditional license issued under this subsection is effective for a
2 period prescribed by the [*commission*] **office**, which may not exceed 90 days.

3 “(9)(a) Except as provided in paragraph (b) of this subsection, a career
4 school license is nontransferable. The licensee must give 30 days of notice
5 to the [*commission*] **office** when transferring ownership of a career school.

6 “(b) The [*commission*] **office** may transfer a career school license or allow
7 the ownership of a career school to transfer with less than 30 days of notice
8 if:

9 “(A) The owner of the school dies, is incapacitated or is incarcerated; or

10 “(B) Other circumstances render the owner unable to operate the career
11 school.

12 “(10) Each career school shall display its license in a prominent place.

13 **“SECTION 270.** ORS 345.040, as amended by section 25, chapter 104,
14 Oregon Laws 2012, is amended to read:

15 “345.040. (1) A person may not act in this state as an agent for a career
16 school domiciled within or outside this state, unless the [*Higher Education*
17 *Coordinating Commission*] **Office of Post-Secondary Education and**
18 **Workforce Development** has approved the agent’s registration as a part
19 of the school’s license under ORS 345.010 to 345.450. [*No person shall*] **A**
20 **person may not** act as an agent for a career school unless and until the
21 career school has obtained a license.

22 “(2) For the purposes of licensing and student protection, persons acting
23 as agents for a career school domiciled within or outside this state are em-
24 ployees of the school and shall be included under the school’s bonding or
25 student protection policy, or both. Agents shall perform their duties and
26 conduct their business in accordance with ORS 345.010 to 345.450.

27 “(3) An agent shall be a person who has attained the age of 18 years, is
28 of good moral character and is otherwise competent and qualified to safe-
29 guard and protect the interests of the public.

30 **“SECTION 271.** ORS 345.060, as amended by section 26, chapter 104,

1 Oregon Laws 2012, is amended to read:

2 “345.060. (1) Every agent for a career school not domiciled in this state
3 shall be held to have appointed the [*executive officer*] **Director** of the [*Higher*
4 *Education Coordinating Commission*] **Office of Post-Secondary Education**
5 **and Workforce Development** as agent to accept service of all summonses,
6 pleadings, writs and processes in all actions or proceedings brought against
7 the applicant in this state. Service upon the [*executive officer*] **director** shall
8 be taken and held in all courts to be as valid and binding as if personal
9 service [*thereof*] had been made upon the applicant within this state.

10 “(2) When any summons, pleading, writ or process is served on the [*exec-*
11 *utive officer*] **director**, service shall be by duplicate copies. One of the du-
12 plicates shall be filed in the office of the [*executive officer*] **director** and the
13 other immediately forwarded by certified mail to the agent [*thereby*] affected
14 **by** or [*therein*] named **in the summons, pleading, writ or process**, at the
15 agent’s last-known post-office address. If service is of a summons, the
16 plaintiff [*therein*] also shall cause the agent to be served [*therewith*] **with**
17 **the summons** in a manner provided by ORCP 7.

18 “**SECTION 272.** ORS 345.070, as amended by section 27, chapter 104,
19 Oregon Laws 2012, is amended to read:

20 “345.070. [*The*] **An** employing school shall issue an identification creden-
21 tial to each agent registered under ORS 345.010 to 345.450 in the form and
22 size prescribed by the [*Higher Education Coordinating Commission*] **Office**
23 **of Post-Secondary Education and Workforce Development**. Each agent
24 shall carry the credential at all times while engaged as an agent of the
25 school.

26 “**SECTION 273.** ORS 345.080, as amended by section 28, chapter 104,
27 Oregon Laws 2012, is amended to read:

28 “345.080. (1) Before issuing any licenses under ORS 345.010 to 345.450, the
29 [*Higher Education Coordinating Commission*] **Office of Post-Secondary**
30 **Education and Workforce Development** shall collect the following

1 nonrefundable, annual license fees:

2 “

3 In-State Schools

| 4 <u>Tuition Income Range</u> | 5 <u>Fee</u> |
|-------------------------------|--------------|
| 6 \$ 0 - 15,000 | \$ 450 |
| 7 15,001 - 50,000 | 600 |
| 8 50,001 - 125,000 | 750 |
| 9 125,001 - 250,000 | 1,050 |
| 10 250,001 - 500,000 | 1,350 |
| 11 500,001 - 750,000 | 1,650 |
| 12 750,001 - 1,000,000 | 1,950 |
| 13 Over 1,000,000 | 2,250 |

14 Out-of-State Schools

| 14 <u>Tuition Income Range</u> | 15 <u>Fee</u> |
|--------------------------------|---------------|
| 16 \$ 0 - 50,000 | \$ 1,350 |
| 17 50,001 - 250,000 | 1,650 |
| 18 250,001 - 500,000 | 1,950 |
| 19 500,001 - 750,000 | 2,250 |
| 20 750,001 - 1,000,000 | 2,550 |
| 21 Over 1,000,000 | 2,850 |

21 “

22 “(2) The **Higher Education Coordinating** Commission may adopt, by
23 rule, fees for teacher registration and fees for providing copies of student
24 transcripts maintained by the [commission] **office**.

25 “(3) The commission may adopt, by rule, fees for conducting a state or
26 nationwide criminal background check under ORS 181.534 and may collect
27 fees for each criminal records check. Fees collected as provided by this sub-
28 section are in addition to any other fees collected by the [commission]
29 **office**.

30 “(4) All fees collected under this section shall be paid to the credit of the

1 [commission] office. [Such] The moneys are continuously appropriated to the
2 [commission] office and shall be used for the administration of the licensing
3 program under ORS 345.010 to 345.450.

4 **“SECTION 274.** ORS 345.110, as amended by section 29, chapter 104,
5 Oregon Laws 2012, is amended to read:

6 “345.110. (1) The Tuition Protection Fund is established separate and
7 distinct from the General Fund. Interest earned by the fund shall be credited
8 to the fund. Proceeds of the fund are continuously appropriated to the
9 [Higher Education Coordinating Commission] **Office of Post-Secondary**
10 **Education and Workforce Development** to protect students when a career
11 school ceases to provide educational services and for administrative expenses
12 incurred under subsection (5) of this section.

13 “(2) The [commission] office shall maintain and administer the fund and
14 **the Higher Education Coordinating Commission** shall adopt by rule
15 procedures governing the administration and maintenance of the fund, in-
16 cluding requirements relating to contributions to and claims against the
17 fund.

18 “(3) Each career school shall pay to the Tuition Protection Fund an ini-
19 tial capitalization deposit in amounts and within time limits established by
20 rule of the commission. Thereafter, each school shall make installment pay-
21 ments based on a matrix adopted by rule of the commission. In establishing
22 the amount and frequency of payments, the commission may consider the
23 enrollment and financial condition of each school and such other factors as
24 the commission considers appropriate. The [commission] office may deny,
25 suspend or revoke the license of a school which fails to make payments or
26 fails to conform to other requirements of this section or rules adopted by the
27 commission under this section.

28 “(4) The [commission] office shall deposit moneys received under this
29 section with the State Treasurer in the Tuition Protection Fund.

30 “(5) The [commission] office may disburse moneys from the fund by checks

1 or orders drawn upon the State Treasurer in conformance with rules of the
2 commission and only for tuition protection purposes, including the
3 [commission's] office's costs in administering and maintaining the fund.

4 “(6) The [commission] office may enter into contracts to carry out the
5 purposes of the fund. The provisions of ORS 279.835 to 279.855 and ORS
6 chapters 279A and 279B do not apply to contracts entered into under this
7 subsection.

8 **“SECTION 275.** ORS 345.115, as amended by section 30, chapter 104,
9 Oregon Laws 2012, is amended to read:

10 “345.115. (1) The enrollment agreement entered into between a person and
11 a career school for the purpose of obtaining instruction or training shall
12 contain a schedule for the refund of tuition, deposits and fees when the
13 person does not complete the course or program of instruction or training
14 which was the subject of the contract. No action or suit may be brought by
15 a career school or its assigns if the enrollment agreement does not contain
16 this refund schedule. This provision shall not limit the career school's right
17 to defend any action or suit brought by any person on a contract which does
18 not contain such a schedule.

19 “(2) The refund schedule required by subsection (1) of this section shall
20 be established by the [*Higher Education Coordinating Commission*] **Office**
21 **of Post-Secondary Education and Workforce Development** in consulta-
22 tion with the advisory committee appointed under ORS 345.330. In estab-
23 lishing the refund schedule, the [commission] office shall consider:

24 “(a) The reasonable, obligated and fixed costs of the career school, in-
25 cluding but not limited to rent, personnel and nonreturnable supplies.

26 “(b) The method of instruction.

27 “(c) The reasonable value of services performed prior to cancellation of
28 the course or program.

29 “(3) The [commission] office may establish varying refund schedules when
30 the difference in services performed necessitates separate schedules.

1 “(4) Nothing in this section is intended to prevent a career school from
2 requiring an advance deposit of tuition on behalf of the person intending to
3 enroll in a course or program offered by or through the career school.
4 However, the advance deposit shall be limited to 20 percent of the total tui-
5 tion and fees, excluding federal and state financial aid, unless the **Higher**
6 **Education Coordinating** Commission determines by rule that larger ad-
7 vance deposits are appropriate.

8 “(5) A school shall be considered in default of the enrollment agreement
9 when a course or program is discontinued or canceled or the school closes
10 prior to completion of contracted services. When a school is in default, stu-
11 dent tuition may be refunded on a pro rata basis if the [*commission*] **office**
12 determines that the school has made provision for students enrolled at the
13 time of default to complete a comparable program at another institution at
14 no additional tuition cost to the student beyond the original contract with
15 the defaulting school. If the school does not make such provision, a total
16 refund of all tuition and fees shall be made to the students.

17 **“SECTION 276.** ORS 345.117, as amended by section 31, chapter 104,
18 Oregon Laws 2012, is amended to read:

19 “345.117. Any enrollment agreement used within this state as a contract
20 for instruction between a career school and a student shall have printed or
21 stamped upon it: ‘Any inquiry a student may have regarding this contract
22 may be made in writing to the school (name and address), or to the [*Higher*
23 *Education Coordinating Commission*] **Office of Post-Secondary Education**
24 **and Workforce Development** (current address).’

25 **“SECTION 277.** ORS 345.120, as amended by section 32, chapter 104,
26 Oregon Laws 2012, is amended to read:

27 “345.120. (1) On the written complaint of any person, the [*Higher Educa-*
28 *tion Coordinating Commission*] **Office of Post-Secondary Education and**
29 **Workforce Development** shall, and on the [*commission’s*] **office’s** own mo-
30 tion may, investigate the actions of any career school or agent, or any person

1 who assumes to act in either capacity within this state.

2 “(2) As a result of the investigation, and in addition to any penalty that
3 may be imposed under ORS 345.992, the [*commission*] **office** may place a
4 licensee on probation or may suspend or revoke any license issued under
5 ORS 345.010 to 345.450 when the licensee has:

6 “(a) Obtained a license by misrepresentation.

7 “(b) Violated ORS 345.010 to 345.450 or any applicable rule.

8 “(c) Ceased to engage in the business authorized by the license.

9 “(d) Willfully used or employed any method, act or practice declared un-
10 lawful by ORS 646.608.

11 “(3) When notice of suspension or revocation is issued, the licensee shall
12 be notified and, upon request, shall be granted a contested case hearing un-
13 der ORS 183.310 (2).

14 “(4) A licensee placed on probation must be formally notified by the
15 [*commission*] **office** that it has deficiencies that must be corrected within a
16 time specified in the notice.

17 “(5) A licensee whose license is suspended is prohibited from advertising,
18 recruiting or enrolling students but may remain in operation to complete
19 training of students enrolled on the effective date of the suspension.

20 “(6) A licensee whose license has been revoked is not authorized to con-
21 tinue in operation on and after the effective date of the revocation.

22 “**SECTION 278.** ORS 345.330, as amended by section 34, chapter 104,
23 Oregon Laws 2012, is amended to read:

24 “345.330. (1) The [*Higher Education Coordinating Commission*] **Office of**
25 **Post-Secondary Education and Workforce Development** shall appoint a
26 representative advisory committee consisting of 11 members who shall serve
27 for terms of three years ending June 30. Of the membership of the commit-
28 tee:

29 “(a) Seven members shall be persons affiliated with career schools as
30 owners, directors, administrators, instructors or representatives, but not

1 more than one member shall represent an out-of-state career school.

2 “(b) Four members shall be persons who are not eligible under paragraph
3 (a) of this subsection. At least one of these members shall have graduated
4 from a career school.

5 “(2) The advisory committee appointed under subsection (1) of this section
6 shall:

7 “(a) Make recommendations to the [*commission*] **office** concerning the
8 need for professional and technical instructional and training facilities, the
9 types of instruction and training needed and by whom these can best be
10 provided.

11 “(b) Recommend standards for career schools as provided in ORS 345.325
12 which are consistent with the purposes of such schools.

13 “(c) Investigate and present findings to the [*commission*] **office** on the
14 administration and operation of laws relating to career schools. However, the
15 investigations and findings of the advisory committee do not affect the au-
16 thority of the [*commission*] **office** to issue, deny, suspend or revoke the li-
17 cense of any career school.

18 “(d) Consult with the [*commission*] **office** in determining the refund
19 schedule under ORS 345.115.

20 “(e) Make recommendations to the **Higher Education Coordinating**
21 **Commission** concerning rule development for ORS 345.010 to 345.450 and
22 345.992 to 345.997.

23 “(3) Members of the advisory committee are entitled to compensation and
24 expenses as provided in ORS 292.495 from funds appropriated to the [*com-*
25 *mission*] **office** for purposes of administering ORS 345.010 to 345.450.

26 “**SECTION 279.** ORS 345.430, as amended by section 37, chapter 104,
27 Oregon Laws 2012, is amended to read:

28 “345.430. At the request of the Board of Cosmetology, the [*Higher Edu-*
29 *cation Coordinating Commission*] **Office of Post-Secondary Education and**
30 **Workforce Development** shall determine whether a person from out-of-state

1 or out-of-country seeking a certificate in hair design, barbering, esthetics or
2 nail technology is qualified to take the test of the Board of Cosmetology. A
3 determination shall be made by an evaluation of academic transcripts, ap-
4 prenticeship records and work experience documentation. If documentation
5 is not available, the [commission] **office** may refer the person to a career
6 school for evaluation and recommendation.

7 **“SECTION 280.** ORS 345.450, as amended by section 38, chapter 104,
8 Oregon Laws 2012, is amended to read:

9 “345.450. (1) In addition to the fees required by ORS 345.080, before issu-
10 ing any license under ORS 345.010 to 345.450 to a school teaching hair de-
11 sign, barbering, esthetics or nail technology, and annually thereafter, the
12 [Higher Education Coordinating Commission] **Office of Post-Secondary**
13 **Education and Workforce Development** shall collect a nonrefundable an-
14 nual inspection fee of \$100.

15 “(2) The inspection fee collected under subsection (1) of this section shall
16 be transferred to the Oregon Health Licensing Agency for inspections per-
17 formed under ORS 345.440.

18 **“SECTION 281.** ORS 345.995, as amended by section 39, chapter 104,
19 Oregon Laws 2012, is amended to read:

20 “345.995. (1) After consultation with the advisory committee established
21 under ORS 345.330, the Higher Education Coordinating Commission shall
22 adopt by rule a schedule or schedules establishing the amount of civil pen-
23 alty that may be imposed for a particular violation of ORS 345.010 to 345.450.
24 No civil penalty shall exceed \$500 per violation. The commission shall con-
25 sult with the Attorney General before adopting the schedule of penalties for
26 violations of ORS 345.120 (2)(d).

27 “(2) In imposing a penalty for violation of ORS 345.010 to 345.450 pursuant
28 to the schedule or schedules authorized by this section, the [commission]
29 **Office of Post-Secondary Education and Workforce Development** shall
30 consider the following factors:

1 “(a) The past history of the person incurring a penalty in taking all fea-
2 sible steps or procedures necessary or appropriate to correct any violation.

3 “(b) Any prior violations of ORS 345.010 to 345.450 or rules adopted pur-
4 suant thereto.

5 “(c) The economic and financial conditions of the person incurring a
6 penalty.

7 “(3) The penalty imposed under this section may be remitted or mitigated
8 upon such terms and conditions as the [*commission*] **office** considers proper
9 and consistent with the public welfare.

10 “(4) The [*commission*] **office** may impose penalties which may be remitted
11 or mitigated on condition that a particular violation not continue or occur
12 after a certain period not to exceed 15 days.

13 “**SECTION 282.** ORS 690.225, as amended by section 45, chapter 104,
14 Oregon Laws 2012, is amended to read:

15 “690.225. (1) In addition to any other duties prescribed by law, the Oregon
16 Health Licensing Agency shall provide for the inspection of facilities and
17 schools licensed to teach practitioner skills under ORS 345.010 to 345.450.

18 “(2) Inspections conducted under this section shall determine whether the
19 facilities comply with the health, safety, infection control and licensing rules
20 of the Board of Cosmetology and whether the schools comply with the
21 health, safety and infection control requirements under ORS 345.010 to
22 345.450 and rules of the agency. A report of the results of the inspection shall
23 be submitted to the [*Higher Education Coordinating Commission*] **Office of**
24 **Post-Secondary Education and Workforce Development.**

25 “**SECTION 283.** ORS 294.456 is amended to read:

26 “294.456. (1)(a) After the public hearing required under ORS 294.453 (1)
27 and consideration of matters discussed at the public hearing, the governing
28 body of a municipal corporation shall enact the ordinances or resolutions
29 necessary to adopt the budget, to make the appropriations, to determine,
30 make and declare the ad valorem property tax amount or rate to be certified

1 to the assessor for either the ensuing year or each of the years of the ensuing
2 budget period and to itemize and categorize the ad valorem property tax
3 amount or rate as required under ORS 310.060.

4 “(b) The governing body may amend the budget estimates and proposed
5 ad valorem property tax amount or rate in the budget document before
6 adoption under paragraph (a) of this subsection and after adoption if the
7 post-adoption amendments are adopted prior to the commencement of the
8 fiscal year or budget period to which the budget relates.

9 “(c) Notwithstanding paragraph (b) of this subsection, unless the amended
10 budget document is republished pursuant to ORS 294.438 or 294.448 in the
11 same manner as the original budget and another public hearing is held pur-
12 suant to ORS 294.453 (1), or except to the extent ad valorem property taxes
13 may be increased under ORS 294.476:

14 “(A) The amount of estimated expenditures for each fund in an annual
15 budget may not be increased by more than \$5,000 or 10 percent of the esti-
16 mated expenditures, whichever is greater;

17 “(B) The amount of estimated expenditures for each fund in a biennial
18 budget may not be increased by more than \$10,000 or 10 percent of the esti-
19 mated expenditures, whichever is greater; and

20 “(C) The amount or rate of the total ad valorem property taxes to be
21 certified by the municipal corporation to the assessor may not exceed the
22 amount approved by the budget committee.

23 “(2)(a) After a public hearing under ORS 294.453 (2) or (3), receipt of the
24 certification of the tax supervising and conservation commission, if required,
25 and consideration of any orders, recommendations or objections made by the
26 tax supervising and conservation commission in accordance with law, the
27 governing body of a municipal corporation shall enact the ordinances or re-
28 solutions necessary to adopt the budget, to make the appropriations, to de-
29 termine, make and declare the ad valorem property tax amount or rate for
30 either the ensuing fiscal year or each of the fiscal years of the ensuing

1 budget period and to itemize and categorize the ad valorem property tax
2 amount or rate as required under ORS 310.060.

3 “(b) The action taken by the governing body under paragraph (a) of this
4 subsection on each order, recommendation or objection made by the com-
5 mission, with the reasons for the action, must be included in the ordinance
6 or resolution adopting the budget.

7 “(c) The governing body shall send a certified copy of the ordinance or
8 resolution to the commission within 15 days after the date the ordinance or
9 resolution is adopted.

10 “(d) The governing body may amend the budget estimates, appropriations
11 and ad valorem property tax amount or rate in the budget document before
12 adoption under paragraph (a) of this subsection and after adoption if the
13 post-adoption amendments are adopted prior to the commencement of the
14 fiscal year or budget period to which the budget relates.

15 “(e) Notwithstanding paragraph (d) of this subsection, unless the amended
16 budget document is resubmitted to the tax supervising and conservation
17 commission for another public hearing and for recommendations or ob-
18 jections of the commission, or except to the extent ad valorem property taxes
19 may be increased under ORS 294.476:

20 “(A) The amount of estimated expenditures for each fund in an annual
21 budget may not be increased by more than \$5,000 or 10 percent of the esti-
22 mated expenditures, whichever is greater;

23 “(B) The amount of estimated expenditures for each fund in a biennial
24 budget may not be increased by more than \$10,000 or 10 percent of the esti-
25 mated expenditures, whichever is greater; and

26 “(C) The amount or rate of the total ad valorem property taxes to be
27 certified by the municipal corporation to the assessor may not exceed the
28 amount shown in the budget document at the time of the budget hearing.

29 “(3)(a) Except as provided in subsections (4) and (5) of this section, the
30 appropriations required under subsections (1) and (2) of this section must

1 contain:

2 “(A) One amount for each organizational unit or program of each fund
3 that is the total of all amounts for personnel services, materials and services
4 and capital outlay attributable to the organizational unit or program; and

5 “(B) Separate amounts in each fund for operating expenses for personnel
6 services, materials and services and capital outlay that cannot be allocated
7 to a particular organizational unit or program and for debt service, special
8 payments, interfund revenue transfers and operating contingencies.

9 “(b) Separate amounts for activities within an organizational unit or
10 program may be appropriated separately.

11 “(c) For a municipal corporation to which the terms ‘organizational
12 unit’ and ‘program’ do not apply, the appropriations must contain separate
13 amounts for personnel services, materials and services, capital outlay, debt
14 service, special payments, interfund revenue transfers and operating contin-
15 gencies for each fund.

16 “(4) For a school district or an education service district, the appropri-
17 ations required under subsections (1) and (2) of this section must contain
18 separate amounts in each major fund for each major function, as prescribed
19 by the Department of Education in consultation with the Department of
20 Revenue, including instruction, support services, enterprise and community
21 services, facilities acquisition and construction, interfund revenue transfers,
22 debt service and operating contingencies.

23 “(5) For a community college district, the appropriations required under
24 subsections (1) and (2) of this section must contain separate amounts in each
25 fund for:

26 “(a) Each major function, as prescribed by the [*Department of Community*
27 *Colleges*] **Office of Post-Secondary Education** and Workforce Development
28 in consultation with the Department of Revenue, including instruction, in-
29 structional support, student services, community services, college support
30 services, interfund transfers, debt service and operating contingencies;

1 “(b) Each major function as required under subsection (4) of this section;
2 or

3 “(c) Each program or each object classification required under subsection
4 (3) of this section.

5 “(6) Except as provided in ORS 294.338, 294.463, 294.466, 294.471, 294.473
6 and 294.478, after the governing body has enacted the ordinances or resolu-
7 tions necessary to adopt the budget as required under this section, an ex-
8 penditure, or encumbrance if encumbrance accounting is used, of public
9 money may not be made for any purpose in an amount greater than the
10 amount appropriated.

11 “(7) The governing body of a municipal corporation shall record the
12 amount or rate of ad valorem property taxes to be certified and the purposes
13 for which the taxes will be used. Except as provided in ORS 294.476, the
14 municipal corporation may not certify ad valorem property taxes in an
15 amount or rate greater than the amount or rate recorded for the purposes
16 indicated.

17 “(8)(a) The governing body of a municipal corporation shall determine,
18 make and declare ad valorem property taxes under subsections (1) and (2)
19 of this section as a rate per \$1,000 of assessed value if the taxes are operat-
20 ing taxes or rate-based local option taxes.

21 “(b) The governing body shall determine, make and declare ad valorem
22 property taxes under subsections (1) and (2) of this section as an amount if
23 the taxes are certified as amount-based local option taxes, to pay principal
24 and interest on exempt bonded indebtedness or to pay other government ob-
25 ligations described in section 11 (5), Article XI of the Oregon Constitution.

26 **“SECTION 284.** ORS 326.011 is amended to read:

27 “326.011. In establishing policy for the administration and operation of
28 the public elementary and secondary schools [*and public community*
29 *colleges*] in the State of Oregon and in carrying out its duties as prescribed
30 by law, the State Board of Education shall consider the goals of modern ed-

1 ucation, the requirements of a sound, comprehensive curriculum best suited
2 to the needs of the students and the public and any other factors consistent
3 with the maintenance of a modern and efficient elementary and secondary
4 school system [*and community college program*].

5 **“SECTION 285.** ORS 327.495 is amended to read:

6 “327.495. All moneys received by the State Board of Education for dis-
7 tribution to school districts[, *community college districts and any institutions*
8 *of higher education*] in this state for the purpose of carrying out experimental
9 and demonstration programs to improve teaching and teacher education in
10 this state are hereby continuously appropriated for such purpose.

11 **“SECTION 286.** ORS 341.115 is amended to read:

12 “341.115. (1) If the vote is in favor of the formation of the community
13 college district and establishes a permanent rate limit for operating taxes for
14 the district, the [*State Board of Education*] **Office of Post-Secondary Ed-**
15 **ucation and Workforce Development:**

16 “(a) Shall proclaim [*not later than the second regular meeting of the state*
17 *board following the board’s*] **the office’s** determination from the election re-
18 sults that a community college district has been formed; and

19 “(b) Shall furnish any affected county assessor with a copy of the proc-
20 lamation.

21 “(2) If the location of the community college or zone boundaries are
22 specified on the ballot, and the vote favors formation, the [*state board*] **office**
23 shall include such location and boundaries in its proclamation.

24 “(3) If the vote is in favor of the formation of a community college district
25 but opposed to a permanent rate limit at the rate submitted, the district shall
26 not be formed.

27 **“SECTION 287.** ORS 341.420 is amended to read:

28 “341.420. (1)(a) Subject to the requirements of subsection (2) of this sec-
29 tion, the name of any community college district or community college may
30 be changed by resolution of the district board of education. The district

1 board shall submit the proposed name change to the [*State Board of Educa-*
2 *tion*] **Office of Post-Secondary Education and Workforce Development**
3 for its approval or disapproval. If the proposed name change is approved by
4 the [*state board*] **office**, it shall be submitted to a public hearing in the dis-
5 trict. If the [*state board*] **office** disapproves the proposed name change, the
6 district board may rescind its resolution or revise it to reflect a different
7 name which must be submitted to the [*state board*] **office** for its approval
8 or disapproval.

9 “(b) If the proposed name is approved by the [*state board*] **office**, notice
10 of the hearing shall be given as provided in ORS 341.357. The proposed
11 change shall take effect 21 days after the final adjournment of the public
12 hearing unless a remonstrance is filed under subsection (2) of this section.

13 “(2) If a remonstrance to the proposed name change is filed with the dis-
14 trict board within 20 days after the final adjournment of the public hearing
15 under subsection (1) of this section, the district board must submit the
16 question of the proposed name change to the electors of the district unless
17 the board rescinds its resolution. The remonstrance must be signed by at
18 least five percent or at least 50, whichever is less, of the electors of the
19 district. The proposed name change shall be submitted to the electors at the
20 regular school election next following adoption of the resolution.

21 “(3) If the majority of votes cast at the election favor the change, it shall
22 take effect upon the canvass and return of the vote. If the majority of votes
23 cast oppose the change, it shall not take effect.

24 “**SECTION 288.** ORS 348.604 is amended to read:

25 “348.604. Upon application from a school, as defined in ORS 348.594, the
26 Higher Education Coordinating Commission shall grant an exemption from
27 ORS 348.594 to 348.615 to the school if the school:

28 “(1) Is, or is operated by, a nonprofit corporation;

29 “(2) Offers only associate, bachelor’s or master’s degrees with titles in
30 theology or religious occupations, or, if the school also offers doctoral de-

1 grees, offers doctoral degrees in theology or religious occupations that have
2 been approved by a federally recognized accrediting organization;

3 “(3) Teaches students with faculty members who:

4 “(a) Hold degrees:

5 “(A) From a school that, at the time of the conferral of the degrees, was
6 accredited by a federally recognized accrediting organization, held an ex-
7 emption under this section, or was a school that, on July 14, 2005, met the
8 criteria and followed procedures to obtain a religious exemption adopted by
9 rule by the Oregon Student Access Commission and that offered only degrees
10 with approved titles in theology or religious occupations;

11 “(B) That are at least one level above the degree level of the program in
12 which the faculty members teach or that are the terminal degrees in the field
13 in which the faculty members teach; and

14 “(C) That are not honorary degrees; or

15 “(b) Possess sufficient compensatory qualifications to substitute for aca-
16 demic degrees in the fields in which the faculty members teach;

17 “(4) Offers a curriculum:

18 “(a) Of a duration and level that is comparable to the curriculums offered
19 by schools that are not exempt under this section; and

20 “(b) That, with higher degrees, increases the difficulty of the work ex-
21 pected of students;

22 “(5) Requires students to complete academic assignments and to demon-
23 strate learning appropriate to the curriculum;

24 “(6) Awards credit toward degrees proportionate to the work done by
25 students;

26 “(7) Offers admission:

27 “(a) To a student:

28 “(A) With a high school diploma or an equivalent credential; or

29 “(B) Who completed the equivalent of a high school education through
30 home study; and

1 “(b) Based on evidence that the student can reasonably expect to complete
2 a degree and benefit from the education offered;

3 “(8) Provides or arranges for faculty members and students to have access
4 to information that supports instruction and stimulates research or inde-
5 pendent study in all areas of the curriculum;

6 “(9) Provides accurate and appropriate credit transcripts to students of
7 the school and accurate and appropriate diplomas to graduates of the school;

8 “(10) Charges tuition by the credit hour or other fixed rate for instruction
9 during an academic term and does not charge tuition or fees for the award
10 of a degree or charge a single fee for an entire degree program;

11 “(11) Provides the oversight required by the **Higher Education Coordi-**
12 **nating** Commission over a faculty member or administrator who has:

13 “(a) Been convicted of a felony; or

14 “(b) Violated a state or federal law related to the operation of a school;

15 “(12) Provides facilities that permit private communication between fac-
16 ulty members and students;

17 “(13) Provides a number of faculty members that is adequate for the
18 number of students enrolled;

19 “(14) Provides clear and accurate information to students about the
20 school’s expectations of students in the school’s courses;

21 “(15) Ensures that a student who is pursuing a degree is making contin-
22 uous progress toward the degree;

23 “(16) Before a student enrolls in the school, informs the student that a
24 school to which the student might transfer retains the discretion whether to
25 accept the transfer of credits earned at the school;

26 “(17) Provides official transcripts of faculty members to the [*commission*]
27 **Office of Post-Secondary Education and Workforce Development**; and

28 “(18) Pays the fee imposed by ORS 348.607.

29 “**SECTION 289.** ORS 417.799, as amended by section 109, chapter 37,
30 Oregon Laws 2012, is amended to read:

1 “417.799. (1) The Department of Human Services is responsible for coor-
2 dinating statewide planning for delivery of services to runaway and homeless
3 youth and their families.

4 “(2) The department shall recommend policies that integrate a system of
5 services and support for runaway and homeless youth into the state’s
6 continuum of care for children who are 0 through 18 years of age.

7 “(3) The department may work with the Youth Development Council, the
8 Employment Department, the Housing and Community Services Department,
9 [*the Department of Community Colleges and Workforce Development,*] the De-
10 partment of Education and the Oregon Youth Authority to develop a com-
11 prehensive and coordinated approach for services and support for runaway
12 and homeless youth and their families.

13 “(4) In addition to the entities listed in subsection (3) of this section, the
14 department shall include representatives of youth, nonprofit organizations
15 and statewide coalitions related to runaway and homeless youth services and
16 supports in the joint process described in subsection (3) of this section.

17 “(5) The department may enter into and renew contracts with providers
18 for the provision of services to runaway and homeless youth and their fami-
19 lies.

20 “**SECTION 290.** ORS 433.283 is amended to read:

21 “433.283. (1) The Oregon Health Authority may require each community
22 college to require that students involved in clinical experiences in allied
23 health programs, practicum experiences in education and child care programs
24 and membership on intercollegiate sports teams have current immunizations
25 for measles prior to each student’s participation. The requirement shall apply
26 only to those students born on or after January 1, 1957.

27 “(2) The [*State Board of Education*] **Higher Education Coordinating**
28 **Commission** by rule shall define clinical experiences in allied health pro-
29 grams, practicum experiences in education and child care programs and
30 membership on intercollegiate sports teams at the community colleges. The

1 Oregon Health Authority by rule shall establish immunization schedules and
2 may further limit the students and programs to which the requirement ap-
3 plies. Each community college shall develop procedures to implement and
4 maintain this requirement.

5 “(3) The authority may conduct validation surveys to ensure compliance
6 with this section. Community colleges shall be required to keep immuniza-
7 tion records only while the student is involved in the program.

8 “**SECTION 291.** ORS 659.850 is amended to read:

9 “659.850. (1) As used in this section, ‘discrimination’ means any act that
10 unreasonably differentiates treatment, intended or unintended, or any act
11 that is fair in form but discriminatory in operation, either of which is based
12 on race, color, religion, sex, sexual orientation, national origin, marital sta-
13 tus, age or disability. ‘Discrimination’ does not include enforcement of an
14 otherwise valid dress code or policy, as long as the code or policy provides,
15 on a case-by-case basis, for reasonable accommodation of an individual based
16 on the health and safety needs of the individual.

17 “(2) A person may not be subjected to discrimination in any public ele-
18 mentary, secondary or community college education program or service,
19 school or interschool activity or in any higher education program or service,
20 school or interschool activity where the program, service, school or activity
21 is financed in whole or in part by moneys appropriated by the Legislative
22 Assembly.

23 “(3) The State Board of Education and the [*State Board of Higher Edu-*
24 *cation*] **Higher Education Coordinating Commission** shall establish rules
25 necessary to ensure compliance with subsection (2) of this section in the
26 manner required by ORS chapter 183.

27 “**SECTION 292.** ORS 659.860 is amended to read:

28 “659.860. (1) Any person claiming to be aggrieved by unlawful discrimi-
29 nation as prohibited by ORS 659.850 may file a civil action in circuit court
30 for equitable relief or, subject to the terms and conditions of ORS 30.265 to

1 30.300, damages, or both. The court may order such other relief as may be
2 appropriate. Damages shall be \$200 or actual damages, whichever is greater.

3 “(2) The action authorized by this section shall be filed within one year
4 of the filing of a grievance.

5 “(3) No action shall be filed unless, within 180 days of the alleged dis-
6 crimination, a grievance has been filed with the school district board, public
7 charter school governing body, community college board of education, **Office**
8 **of Post-Secondary Education and Workforce Development** or State
9 Board of Higher Education.

10 “(4) No action may be filed until 90 days after filing a grievance unless
11 only injunctive relief is sought pursuant to ORCP 79. The right to temporary
12 or preliminary injunctive relief shall be independent of the right to pursue
13 any administrative remedy available to complainants pursuant to ORS
14 659.850.

15 “(5) No action may be filed if the school district board, public charter
16 school governing body, community college board of education, **Office of**
17 **Post-Secondary Education and Workforce Development** or State Board
18 of Higher Education has obtained a conciliation agreement with the person
19 filing the grievance or if a final determination of a grievance has been made
20 except as provided in ORS 183.480.

21 “(6) Notwithstanding the filing of a grievance, pursuant to subsection (3)
22 of this section, any person seeking to maintain an action under this section
23 shall also file a notice of claim within 180 days of the alleged discrimination
24 as required by ORS 30.275.

25 “(7) The court shall award reasonable attorney fees to a prevailing
26 plaintiff in any action under this section. The court may award reasonable
27 attorney fees and expert witness fees incurred by a defendant who prevails
28 in the action if the court determines that the plaintiff had no objectively
29 reasonable basis for asserting a claim or no objectively reasonable basis for
30 appealing an adverse decision of a trial court.

1 “(8) Nothing in this section is intended to reduce the obligations of the
2 education agencies under this section and ORS 659.850 and 659.855.

3 **“SECTION 293.** ORS 687.011 is amended to read:

4 “687.011. As used in ORS 687.011 to 687.250, 687.895 and 687.991:

5 “(1) ‘Board’ means the State Board of Massage Therapists.

6 “(2) ‘Certified class’ means a class that is approved by the board and is
7 offered:

8 “(a) By a person or institution licensed as a career school under ORS
9 345.010 to 345.450;

10 “(b) By a community college and approved by the [*State Board of Educa-*
11 *tion*] **Office of Post-Secondary Education and Workforce Development;**

12 “(c) By an accredited college or university; or

13 “(d) In another state and licensed or approved by the appropriate agency
14 in that state.

15 “(3) ‘Fraud or misrepresentation’ means knowingly giving misinformation
16 or a false impression through the intentional misstatement of, concealment
17 of or failure to make known a material fact or by other means.

18 “(4) ‘Manual’ means the use of the hands or the feet, or both, or any part
19 of the body in the performance of massage.

20 “(5) ‘Massage’ or ‘massage therapy’ means the use on the human body of
21 pressure, friction, stroking, tapping or kneading, vibration or stretching by
22 manual or mechanical means or gymnastics, with or without appliances such
23 as vibrators, infrared heat, sun lamps and external baths, and with or with-
24 out lubricants such as salts, powders, liquids or creams for the purpose of,
25 but not limited to, maintaining good health and establishing and maintaining
26 good physical condition.

27 “(6) ‘Massage therapist’ means a person licensed under ORS 687.011 to
28 687.250, 687.895 and 687.991 to practice massage.

29 “(7) ‘Practice of massage’ means the performance of massage:

30 “(a) For purposes other than sexual contact, as defined in ORS 167.002 (5);

1 and

2 “(b) For compensation.

3 “(8) ‘Preceptor’ means a licensed massage therapist who contracts with
4 an approved school or program of massage to provide direct on-site clinical
5 supervision of a massage student enrolled in a certified class.

6 “(9) ‘Supervision’ means:

7 “(a) The process of overseeing and directing the training of massage stu-
8 dents as set forth in rules of the board;

9 “(b) The process of overseeing and directing a licensee being disciplined
10 by the board; or

11 “(c) Voluntary consultation with, and education of, less experienced li-
12 censed massage therapists or practitioners in related fields.

13 “(10) ‘Treatment’ means the selection, application and practice of massage
14 or massage therapy essential to the effective execution and management of
15 a plan of care.

16 “(11) ‘Unprofessional or dishonorable conduct’ means a behavior, practice
17 or condition that is contrary to the ethical standards adopted by the board.

18 “**SECTION 294.** Section 11, chapter 79, Oregon Laws 2012, is amended to
19 read:

20 “**Sec. 11.** Notwithstanding any other law limiting expenditures, the fol-
21 lowing amounts are established for a six-year period beginning July 1, 2011,
22 as the maximum limit for payment of expenses under this section from lot-
23 tery bond proceeds collected or received by the [*Department of Community*
24 *Colleges*] **Office of Post-Secondary Education** and Workforce Development
25 pursuant to section 2, chapter 78, Oregon Laws 2012 (Enrolled House Bill
26 5201), for community college districts for capital construction, deferred
27 maintenance, capital renewal, code compliance and safety projects:

28 “ _____

29 Lottery Bonds

30 (1) Blue Mountain Community College

| | | |
|----|--------------------------------------|--------------|
| 1 | Veterinary Assistant | |
| 2 | Certificate Program..... | \$ 465,037 |
| 3 | (2) Central Oregon Community College | |
| 4 | Math and Science Laboratories, | |
| 5 | Redmond Campus | \$ 500,000 |
| 6 | (3) Chemeketa Community College | |
| 7 | CTE/STEM Facilities Improvement | |
| 8 | Project | \$ 1,000,000 |
| 9 | (4) Clackamas Community College | |
| 10 | Industrial Technology and Science | |
| 11 | Workforce Advancement | \$ 800,000 |
| 12 | (5) Clatsop Community College | |
| 13 | Welding and Fabrication | |
| 14 | Program | \$ 281,785 |
| 15 | (6) Columbia Gorge Community College | |
| 16 | CGCC Rural Clinical Simulation | |
| 17 | Center Essential Capital | |
| 18 | Equipment Replacement | \$ 297,193 |
| 19 | (7) Klamath Community College | |
| 20 | Culinary Arts, AAS; Foodservice | |
| 21 | Systems; Administration and | |
| 22 | Management | \$ 300,000 |
| 23 | (8) Lane Community College | |
| 24 | Science, Technology, Engineering | |
| 25 | and Math Classrooms and Labs | \$ 1,000,000 |
| 26 | (9) Linn-Benton Community College | |
| 27 | Advanced Transportation | |
| 28 | Technology Center..... | \$ 800,000 |
| 29 | (10) Mt. Hood Community College | |
| 30 | Lab and Classroom Additions | |

1 and Upgrades \$ 800,000

2 (11) Oregon Coast Community College

3 Renovations to Allied Health

4 Training Center and Science

5 Laboratory \$ 273,235

6 (12) Portland Community College

7 Trades Training Center \$ 1,000,000

8 (13) Rogue Community College

9 Manufacturing and

10 Fabrication Flex Lab \$ 500,000

11 (14) Southwestern Oregon Community College

12 Renovate Labs and Classrooms

13 for STEM and CTE Support..... \$ 387,200

14 (15) Tillamook Bay Community College

15 Ag and Natural Resources

16 Learning Lab..... \$ 300,000

17 (16) Treasure Valley Community College

18 Science and Technology

19 Classrooms and Labs and

20 Agriculture Livestock Center

21 Classroom and Lab \$ 500,000

22 (17) Umpqua Community College

23 Douglas County CTE/STEM

24 Centers \$ 400,000

25 “ _____

26 “**SECTION 295.** Section 3, chapter 94, Oregon Laws 2012, is amended to

27 read:

28 “**Sec. 3.** (1) The STEM Fund is established in the State Treasury, separate

29 and distinct from the General Fund. Interest earned by the STEM Fund shall

30 be credited to the fund. Moneys in the STEM Fund are continuously appro-

1 priated to the [*Oregon Student Access Commission*] **Office of Post-**
2 **Secondary Education and Workforce Development** for the purpose of
3 providing scholarships to students to encourage study in science, technology,
4 engineering and mathematics.

5 “(2) The Oregon Student Access Commission may accept grants, do-
6 nations, contributions or gifts from any source for deposit in the STEM
7 Fund.

8 **“SECTION 296.** Section 1, chapter 96, Oregon Laws 2012, is amended to
9 read:

10 **“Sec. 1.** (1) The Higher Education Coordinating Commission shall work
11 with the State Board of Higher Education, community college districts and
12 independent for-profit and not-for-profit institutions of higher education to
13 carry out the following goals:

14 “(a) Increase the number of students who receive academic credit for prior
15 learning and the number of students who receive academic credit for prior
16 learning that counts toward their major or toward earning their degree,
17 certificate or credential, while ensuring that credit is awarded only for high
18 quality course-level competencies;

19 “(b) Increase the number and type of academic credits accepted for prior
20 learning in institutions of higher education, while ensuring that credit is
21 awarded only for high quality course-level competencies;

22 “(c) Develop transparent policies and practices in awarding academic
23 credit for prior learning to be adopted by the governing boards of public
24 universities, community colleges and independent institutions of higher edu-
25 cation;

26 “(d) Improve prior learning assessment practices across all institutions
27 of higher education;

28 “(e) Create tools to develop faculty and staff knowledge and expertise in
29 awarding academic credit for prior learning and to share exemplary policies
30 and practices among institutions of higher education;

1 “(f) Develop articulation agreements when patterns of academic credit for
2 prior learning are identified for particular programs and pathways; and

3 “(g) Develop outcome measures to track progress on the goals outlined in
4 this section.

5 “(2) The Higher Education Coordinating Commission shall appoint an
6 advisory committee to coordinate implementation of the goals in subsection
7 (1) of this section. The committee shall include:

8 “(a) A member recommended for appointment by the State Board of
9 Higher Education representing public universities in this state.

10 “(b) A member recommended for appointment by the [*State Board of Ed-*
11 *ucation*] **Office of Post-Secondary Education and Workforce Develop-**
12 **ment** representing community colleges in this state.

13 “(c) A member representing independent not-for-profit institutions of
14 higher education located in this state.

15 “(d) A member representing for-profit institutions of higher education of-
16 fering degree programs to students in this state.

17 “(e) A member representing the business community.

18 “(f) A member representing the labor community.

19 “(g) A member who is a student at a two-year or four-year institution of
20 higher education located in this state.

21 “(h) Other members appointed by the Higher Education Coordinating
22 Commission based upon a demonstrated interest in and knowledge of prior
23 learning programs.

24 “(3) The Higher Education Coordinating Commission shall submit an an-
25 nual report to the Legislative Assembly no later than December 31 of each
26 calendar year, in the manner prescribed by ORS 192.245, reporting on
27 progress toward meeting the goals set forth in subsection (1) of this section.

28 “(4) For the purposes of this section, ‘prior learning’ means the knowledge
29 and skills gained through work and life experience, through military training
30 and experience and through formal and informal education and training from

1 institutions of higher education in the United States and in other nations.

2 **“SECTION 297.** Section 4 of this 2013 Act is amended to read:

3 **“Sec. 4.** In administrating and enforcing the post-secondary laws of this
4 state, the Director of the Department of Post-Secondary Education and
5 Workforce Development shall establish the administrative policies of the
6 department in accordance with the rules and policies of the [*Oregon Educa-*
7 *tion Investment Board and*] Higher Education Coordinating Commission.

8 **“SECTION 298.** Section 10, chapter 519, Oregon Laws 2011, as amended
9 by section 1, chapter 37, Oregon Laws 2012, is amended to read:

10 **“Sec. 10. (1)** Sections 1, 2, 3, 5, 6 and 7, chapter 519, Oregon Laws 2011,
11 are repealed on March 15, 2016.

12 **“(2) The amendments to section 4 of this 2013 Act by section 297 of**
13 **this 2013 Act become operative on March 15, 2016.**

14

15 **“HIGHER EDUCATION COORDINATING COMMISSION**

16

17 **“SECTION 299.** ORS 351.715 is amended to read:

18 “351.715. (1) There is established a Higher Education Coordinating Com-
19 mission, consisting of [*15*] **17** members appointed by the Governor.

20 “(2) The Governor shall appoint:

21 “(a) One student at a public university listed in ORS 352.002;

22 **“(b) One faculty member at a public university listed in ORS 352.002;**

23 “[*b*] (c) One student at a community college in this state;

24 **“(d) One faculty member at a community college in this state;**

25 “[*c*] (e) At least one member from each congressional district in this
26 state;

27 “[*d*] (f) At least four members who represent employers in Oregon, at
28 least two of whom represent small employers and at least two of whom rep-
29 resent large employers; and

30 “[*e*] (g) At least one member who serves on a district school board as

1 defined in ORS 332.002.

2 “(3) The Governor shall solicit recommendations from the Speaker of the
3 House of Representatives for at least three members and from the President
4 of the Senate for at least three members.

5 “(4) The Governor may appoint members who satisfy more than one of the
6 qualifications for membership listed in subsection (2) of this section.

7 “(5) The term of office of each member is four years, except that the term
8 of office for the two student members is two years. A member serves at the
9 pleasure of the Governor. Before the expiration of the term of a member, the
10 Governor shall appoint a successor whose term begins on July 1 next fol-
11 lowing. A member is eligible for reappointment. If there is a vacancy for any
12 cause, the Governor shall make an appointment to become immediately ef-
13 fective for the unexpired term.

14 “(6) The appointment of the commission is subject to confirmation by the
15 Senate in the manner prescribed in ORS 171.562 and 171.565.

16 “(7) A member of the commission is entitled to compensation and expenses
17 as provided in ORS 292.495.

18 “**SECTION 300.** Section 2, chapter 637, Oregon Laws 2011, is amended to
19 read:

20 “**Sec. 2.** Notwithstanding the term of office specified by [*section 1 of this*
21 *2011 Act*] **ORS 351.715**, [*of*] the **terms of office of the** members [*first ap-*
22 *pointed to*] **servng on** the Higher Education Coordinating Commission[:]
23 **expire on June 30, 2013.**

24 “[*(1) Five, including the two student members, shall serve for a term ending*
25 *June 30, 2014.*]

26 “[*(2) Five shall serve for a term ending June 30, 2015.*]

27 “[*(3) Five shall serve for a term ending June 30, 2016.*]

28 “**SECTION 301.** **Notwithstanding the term of office specified by ORS**
29 **351.715, of the members first appointed after the effective date of this**
30 **2013 Act to the Higher Education Coordinating Commission:**

