

B-Engrossed
House Bill 4020

Ordered by the House March 5
Including House Amendments dated February 12 and March 5

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Higher Education and Workforce Development)

SUMMARY

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

Changes entities responsible for analyzing biennial performance reviews submitted by Engineering and Technology Industry Council and for controlling associated fund **and receiving appropriation moneys**.

Takes effect July 1, 2014.

A BILL FOR AN ACT

1
2 Relating to the Engineering and Technology Industry Council; creating new provisions; amending
3 ORS 351.663; repealing ORS 351.666 and 351.668; appropriating money; and prescribing an ef-
4 fective date.

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

6 **SECTION 1.** ORS 351.663 is amended to read:

7 351.663. (1) The Engineering and Technology Industry Council is established. A majority of the
8 council members are representatives of high technology companies in Oregon. The council shall be
9 consulted on the work plans and resource allocations for engineering education.

10 (2) The council shall establish criteria and measurements that will be used for determining in-
11 vestments made from the account [*designated by ORS 351.666*] **established under section 5 of this**
12 **2014 Act.**

13 (3) The criteria and measurements established by the council include:

14 (a) Responding to the urgent engineering educational needs of Oregon's fast growing high tech-
15 nology industry[, *especially in the Portland metropolitan area*].

16 (b) Increasing this state's faculty and program capacity to meet the graduate level, professional
17 education needs of engineers working in Oregon's high technology industry through investments in
18 public and private institutions.

19 (c) Creating additional opportunities for Oregonians to pursue education in electrical engineer-
20 ing, computer engineering and other engineering disciplines critical to the advancement of Oregon's
21 high technology industry.

22 (d) Investing relatively scarce state financial resources to:

23 (A) Address the high technology industry's most demonstrated and pressing needs;

24 (B) Produce the greatest amount of educational benefits with the least short-term and long-term
25 costs to the public;

26 (C) Avoid duplicating existing public or private resources; and

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

1 (D) Leverage existing and future private resources for the public benefit.

2 (e) Making all investments in public and private institutions through performance-based con-
3 tracts with measurable outcomes in order to ensure strong linkage between the most urgent engi-
4 neering education needs and implemented solutions.

5 (f) Maximizing the leverage of state investment funds to build faculty and program capacity and
6 share existing and new faculty and program resources.

7 (4) Priority is given to investments where private financial resources from Oregon high tech-
8 nology companies or individuals with significant interests in the growth of high technology in
9 Oregon are made available to augment public funds.

10 (5) The council must submit biennial performance reviews of all investments made to improve
11 engineering education with public funds in public and private institutions. The reviews must be
12 submitted to the [*Chancellor of the Oregon University System*] **Chief Education Officer** and the
13 [*State Board of Higher Education*] **Oregon Education Investment Board**.

14 **SECTION 2.** ORS 351.663, as amended by section 1 of this 2014 Act, is amended to read:

15 351.663. (1) The Engineering and Technology Industry Council is established. A majority of the
16 council members are representatives of high technology companies in Oregon. The council shall be
17 consulted on the work plans and resource allocations for engineering education.

18 (2) The council shall establish criteria and measurements that will be used for determining in-
19 vestments made from the [*account established under section 5 of this 2014 Act*] **Engineering and**
20 **Technology Industry Fund established under section 8 of this 2014 Act.**

21 (3) The criteria and measurements established by the council include:

22 (a) Responding to the urgent engineering educational needs of Oregon's fast growing high tech-
23 nology industry.

24 (b) Increasing this state's faculty and program capacity to meet the graduate level, professional
25 education needs of engineers working in Oregon's high technology industry through investments in
26 public and private institutions.

27 (c) Creating additional opportunities for Oregonians to pursue education in electrical engineer-
28 ing, computer engineering and other engineering disciplines critical to the advancement of Oregon's
29 high technology industry.

30 (d) Investing relatively scarce state financial resources to:

31 (A) Address the high technology industry's most demonstrated and pressing needs;

32 (B) Produce the greatest amount of educational benefits with the least short-term and long-term
33 costs to the public;

34 (C) Avoid duplicating existing public or private resources; and

35 (D) Leverage existing and future private resources for the public benefit.

36 (e) Making all investments in public and private institutions through performance-based con-
37 tracts with measurable outcomes in order to ensure strong linkage between the most urgent engi-
38 neering education needs and implemented solutions.

39 (f) Maximizing the leverage of state investment funds to build faculty and program capacity and
40 share existing and new faculty and program resources.

41 (4) Priority is given to investments where private financial resources from Oregon high tech-
42 nology companies or individuals with significant interests in the growth of high technology in
43 Oregon are made available to augment public funds.

44 (5) The council must submit biennial performance reviews of all investments made to improve
45 engineering education with public funds in public and private institutions. The reviews must be

1 submitted to the [*Chief Education Officer and the Oregon Education Investment Board*] **Higher Ed-**
2 **ucation Coordinating Commission.**

3 **SECTION 3. The amendments to ORS 351.663 by section 2 of this 2014 Act become oper-**
4 **ative on March 15, 2016.**

5 **SECTION 4. ORS 351.666 and 351.668 are repealed.**

6 **SECTION 5. (1) An account in the Oregon Education Investment Fund established under**
7 **section 3, chapter 519, Oregon Laws 2011, is established for the purpose of investments in**
8 **engineering education. Notwithstanding section 3, chapter 519, Oregon Laws 2011, interest**
9 **earned on moneys in the account is credited to the account.**

10 **(2) The Oregon Education Investment Board shall use the moneys in the account desig-**
11 **ned by this section solely for the purpose of investing in engineering education. The board**
12 **shall follow the criteria and measurements established by the Engineering and Technology**
13 **Industry Council in allocating moneys for investments in engineering education.**

14 **SECTION 6. (1) The account designated under ORS 351.666 for investments in engineering**
15 **education, within the Oregon University System Fund established under ORS 351.506, is**
16 **abolished.**

17 **(2) Any moneys remaining in the account on the effective date of this 2014 Act that are**
18 **unexpended, unobligated and not subject to any conditions shall be transferred to the ac-**
19 **count established under section 5 of this 2014 Act for the purpose of investments in engi-**
20 **neering education.**

21 **SECTION 7. Section 5 of this 2014 Act is repealed on March 15, 2016.**

22 **SECTION 8. (1) The Engineering and Technology Industry Fund is established in the**
23 **State Treasury, separate and distinct from the General Fund. Interest earned by the Engi-**
24 **neering and Technology Industry Fund shall be credited to the fund.**

25 **(2) Moneys in the fund are continuously appropriated to the Higher Education Coordi-**
26 **nating Commission. The commission shall use the moneys in the fund solely for the purpose**
27 **of investing in engineering education. The commission shall follow the criteria and meas-**
28 **urements established by the Engineering and Technology Industry Council in allocating**
29 **moneys for investments in engineering education.**

30 **SECTION 9. (1) The account established under section 5 of this 2014 Act for investments**
31 **in engineering education, within the Oregon Education Investment Fund established under**
32 **section 3, chapter 519, Oregon Laws 2011, is abolished.**

33 **(2) Any moneys remaining in the account on March 15, 2016, that are unexpended, un-**
34 **obligated and not subject to any conditions shall be transferred to the Engineering and**
35 **Technology Industry Fund established under section 8 of this 2014 Act.**

36 **SECTION 10. Sections 8 and 9 of this 2014 Act become operative on March 15, 2016.**

37 **SECTION 11. Notwithstanding any other provision of law, the General Fund appropriation**
38 **made to the Oregon Department of Administrative Services for use by the Oregon University**
39 **System by section 1 (2), chapter 564, Oregon Laws 2013, for the biennium beginning July 1,**
40 **2013, for state programs, is decreased by \$14,805,721 for transfer of funding for the Engi-**
41 **neering and Technology Industry Council to the Oregon Education Investment Board.**

42 **SECTION 12. Notwithstanding any other provision of law, there is appropriated to the**
43 **Oregon Education Investment Board, for the biennium beginning July 1, 2013, out of the**
44 **General Fund, the amount of \$14,805,721 for the account established in section 5 (1) of this**
45 **2014 Act for investments in engineering education.**

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SECTION 13. This 2014 Act takes effect July 1, 2014.

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