
MEMORANDUM

Legislative Fiscal Office
900 Court St. NE, Room H-178
Salem, Oregon 97301
Phone 503-986-1828
FAX 503-373-7807

To: Information Technology Subcommittee

From: Sean McSpaden, Legislative Fiscal Office
(503) 986-1835

Date: June 16, 2015

Subject: HB 3099
Work Session Recommendations

HB 3099 relates to state information technology. The bill would transfer certain duties, functions and powers related to enterprise information technology (IT) and telecommunications from the Oregon Department of Administrative Services (DAS) to the State Chief Information Officer (CIO). The measure provides that the State CIO is the primary information technology and telecommunications advisor to the Governor and that State CIO duties are specified by the Governor. The bill also makes changes to existing statutes to clarify the respective duties, functions and powers of DAS and the DAS Director for enterprise IT operations and IT procurement and of the State CIO for enterprise IT planning, policy, rulemaking, standards setting, oversight.

Materials related to HB3099 are posted on OLIS.

The A13 Amendment makes further changes to existing statutes to transfer the duties, functions and powers of DAS and the DAS Director for enterprise IT and telecommunications operations and service delivery to the State CIO. The amendment modifies proposed changes to ORS 184.477 to give the State CIO flexibility in enforcing terms and conditions of IT contracts. The A13 Amendment also deletes specific proposed changes to ORS 279A.050 and ORS 291.047. The effect of these DOJ requested deletions is to revert back to existing statutory language. In addition, the A13 Amendment deletes specific proposed changes to ORS 279A.050 and modifies definitions proposed in ORS 291.039. The effect of these Secretary of State (SOS) requested deletions and modifications is to maintain existing SOS and Oregon State Treasury (OST) independent authorities and exemptions. Further, the amendment modifies ORS 291.038 requiring SOS and OST to work in collaboration with the State CIO to develop and adopt IT related plans, policies and standards for SOS and OST that are, to the extent possible, compatible with plans, policies and standards adopted by the State CIO for all other state agencies within the executive branch. SOS and OST will also be required to submit adopted plans, policies, and standards, copies of IT audits and quality assurance reports, and an annual report on all IT initiatives and IT procurements with an estimated cost exceeding \$1 million to the LFO. Finally, the A13 Amendment deletes specific proposed changes to chapter 782, Oregon Laws 2009. The effect of these Oregon Business Development Department (OBDD) requested changes is to maintain the current placement of the Oregon Broadband Advisory Council (OBAC) within the OBDD.

Amendment

LFO recommends adoption of the A13 amendment.

Motion #1:

Move to recommend Full Committee adoption of the A13 Amendment to HB3099.

Motion #2:

Move HB 3099 to the General Government Subcommittee with the recommendation that it also recommend to the Full Committee that the measure be amended by the A13 amendment.

PRELIMINARY STAFF MEASURE SUMMARY**Joint Committee On Ways and Means**

Fiscal: Fiscal impact issued
Revenue: Revenue impact issued

Action Date:

Action:

Meeting Dates:

Prepared By: Sean McSpaden, Budget Analyst

WHAT THE MEASURE DOES:

Provides that State Chief Information Officer (CIO) is the primary advisor to the Governor on information technology (IT) and telecommunications. Provides that State CIO duties are specified by the Governor. Transfers authority for IT and telecommunications policy, including planning, rulemaking, standard setting, and oversight from Department of Administrative Services (DAS) to State CIO. Retains DAS authority and responsibility for statewide IT and telecommunications operations and services but requires those operations and services to be provided in a manner consistent with the rules, policies and standards adopted by the State CIO. Retains DAS authority for IT procurement. Provides authority for State CIO to review IT solicitation documents and all IT procurements over \$1 million, and to direct state agencies to include State CIO as contracting party on behalf of state. Provides authority for State CIO to approve, modify or stop IT projects and approve, suspend or cancel IT contracts over \$1 million.

ISSUES DISCUSSED:**EFFECT OF COMMITTEE AMENDMENT:**

Makes further changes to existing statutes to transfer the duties, functions and powers of DAS and the DAS Director for statewide IT and telecommunications operations and service delivery to the State CIO. Modifies proposed changes to ORS 184.477 to give the State CIO flexibility in enforcing terms and conditions of IT contracts. Deletes specific proposed changes to ORS 279A.050 and ORS 291.047 to revert back to existing statutory language. Deletes specific proposed changes to ORS 279A.050 and modifies definitions proposed in ORS 291.039 to maintain existing Secretary of State (SOS) and Oregon State Treasury (OST) independent authorities and exemptions. Modifies ORS 291.038 to require SOS and OST to work with the State CIO to develop and adopt IT related plans, policies and standards for their offices that are, to the extent possible, compatible with plans, rules, policies and standards adopted by the State CIO for all other state agencies within the executive branch. Requires SOS and OST to submit specified documents and reports to the LFO. Deletes specific proposed changes to chapter 782, Oregon Laws 2009 to maintain current placement of the Oregon Broadband Advisory Council within the Oregon Business Development Department.

BACKGROUND:

DAS oversees state agency implementation of the policy and financial decisions made by the Governor and the Oregon Legislature and supports other state agencies by providing a variety of centralized and shared services, including human resources, accounting, procurement, information technology and telecommunications, printing, leasing property and administering the state government motor pool. Statewide policy and service delivery functions relating to information technology (IT), geographic information systems, information security and telecommunications are currently housed within DAS, with limited authority and responsibility for planning, policy, rulemaking and oversight given to the State CIO via delegation from the DAS Director or by the Legislative Assembly in House Bill 3258 (2013). Under current law (ORS 291.039), the State CIO is appointed by the Governor and the Office of the State CIO is housed within DAS.

**PROPOSED AMENDMENTS TO
A-ENGROSSED HOUSE BILL 3099**

1 On page 1 of the printed A-engrossed bill, line 3, after “182.124,” insert
2 “182.126,” and after “182.132,” insert “184.305,”.

3 In line 4, after “279B.075,” insert “283.100,”.

4 In line 5, after “291.047,” insert “291.055,”.

5 In line 6, delete “3,”.

6 In line 21, after “182.124,” insert “182.126,” and after “182.132,” insert
7 “184.305,”.

8 In line 22, after “279B.075,” insert “283.100,”.

9 In line 24, after “291.047,” insert “291.055,” and delete “3,”.

10 On page 2, delete lines 11 through 37 and insert:

11 **“SECTION 2. (1) The Director of the Oregon Department of Ad-**
12 **ministrative Services shall:**

13 **“(a) Manage and organize the Oregon Department of Administrative**
14 **Services to ensure that the department fulfills the duties, implements**
15 **the functions and exercises the powers that remain to the department**
16 **with respect to enterprise information technology and telecommuni-**
17 **cations in a manner that is consistent with the manner in which the**
18 **State Chief Information Officer fulfills the duties, implements the**
19 **functions and exercises the powers that are imposed upon, transferred**
20 **to and vested in the State Chief Information Officer under section 1**
21 **of this 2015 Act;**

22 **“(b) Deliver to the State Chief Information Officer all records and**

1 property within the jurisdiction of the director that relate to the du-
2 ties, functions and powers transferred by section 1 of this 2015 Act; and

3 “(c) Transfer to the State Chief Information Officer those employ-
4 ees engaged primarily in fulfilling the duties, implementing the func-
5 tions and exercising the powers transferred by section 1 of this 2015
6 Act.

7 “(2) The State Chief Information Officer shall take possession of the
8 records and property and shall take charge of the employees and em-
9 ploy the employees in fulfilling the duties, implementing the functions
10 and exercising the powers transferred under section 1 of this 2015 Act
11 without a reduction in the employees’ compensation but subject to
12 change or termination of employment or compensation as provided by
13 law.

14 “(3) The Governor shall resolve any dispute between the State Chief
15 Information Officer and the department that relates to transfers of
16 records, property and employees, or the apportionment of duties,
17 functions and powers under section 1 of this 2015 Act, and with respect
18 to the director’s management of the department in accordance with
19 subsection (1)(a) of this section. The Governor’s decision under this
20 subsection is final.

21 **“SECTION 3. (1) The unexpended balances of amounts the Oregon**
22 **Department of Administrative Services is authorized to expend during**
23 **the biennium beginning July 1, 2015, from revenues dedicated, contin-**
24 **uously appropriated, appropriated or otherwise made available for the**
25 **purpose of administering and enforcing the duties, functions and**
26 **powers transferred by section 1 of this 2015 Act are transferred to and**
27 **are available for the State Chief Information Officer to expend during**
28 **the biennium beginning July 1, 2015, for the purpose of administering**
29 **and enforcing the duties, functions and powers transferred by section**
30 **1 of this 2015 Act.**

1 “(2) The expenditure classifications, if any, established by Acts that
2 authorize or limit expenditures by the department remain applicable
3 to expenditures that the State Chief Information Officer directs or
4 oversees under this section.

5 “SECTION 4. The transfer of duties, functions and powers to the
6 State Chief Information Officer by section 1 of this 2015 Act does not
7 affect any action, proceeding or prosecution involving or with respect
8 to duties, functions and powers that began before and was pending at
9 the time of the transfer, except that the State Chief Information Of-
10 ficer is substituted for the Oregon Department of Administrative Ser-
11 vices in the action, proceeding or prosecution.”.

12 In line 39, after “182.124,” insert “182.126,” and after “182.132,” insert
13 “184.305.”.

14 In line 40, after “279B.075,” insert “283.100.”.

15 In line 41, after “291.047,” insert “291.055.”.

16 In line 42, delete “3.”.

17 On page 6, line 44, delete the comma and insert “and”.

18 In line 45, delete the boldfaced material and insert “, the State Chief In-
19 formation Officer”.

20 On page 7, line 6, delete “the Oregon Department of Ad-”.

21 In line 7, delete “ministrative Services,”.

22 On page 9, delete lines 2 through 45 and delete page 10.

23 On page 11, delete lines 1 and 2 and insert:

24 “SECTION 13a. ORS 182.126 is amended to read:

25 “182.126. As used in this section and ORS 182.128 and 182.132:

26 “(1) ‘Convenience fee’ means a fee for using an electronic government
27 portal or governmental services available by means of an electronic govern-
28 ment portal that the [*Oregon Department of Administrative Services*] **State**
29 **Chief Information Officer** charges or authorizes an electronic government
30 portal provider to charge under ORS 182.132 (3).

1 “(2) ‘Electronic government portal’ means an electronic information de-
2 liverly system accessible by means of the Internet that a state agency desig-
3 nates officially as a means by which the state agency delivers information,
4 products or services.

5 “(3) ‘Electronic government portal provider’ means a person that on be-
6 half of a state agency provides facilities, goods or services necessary to de-
7 velop, host, operate, maintain or otherwise implement an electronic
8 government portal or provides facilities, goods or services that assist a state
9 agency in designing, developing, hosting, operating, maintaining or otherwise
10 implementing an electronic government portal.

11 “(4) ‘State agency’ means the executive department, as defined in ORS
12 174.112.

13 **“SECTION 14.** ORS 182.128 is amended to read:

14 “182.128. (1) There is created the Electronic Government Portal Advisory
15 Board consisting of 13 members appointed as follows:

16 “(a) The President of the Senate shall appoint two nonvoting members
17 from among members of the Senate.

18 “(b) The Speaker of the House of Representatives shall appoint two non-
19 voting members from among members of the House of Representatives.

20 “(c) The Governor shall appoint:

21 “(A) Three members who represent state agencies;

22 “(B) Two members who represent the public; and

23 “(C) One member who attends a school, community college or university
24 in this state.

25 “(d) The [*Director of the Oregon Department of Administrative Services*]
26 **State Chief Information Officer** shall appoint two members as follows:

27 “(A) [*The*] **A representative of the State Chief Information Officer**; and

28 “(B) A representative of the Oregon Department of Administrative Ser-
29 vices.

30 “(e) The State Treasurer shall appoint one member who represents the

1 State Treasurer.

2 “(2) Members of the Legislative Assembly who are members of the advi-
3 sory board are nonvoting members and may act only in an advisory capacity.

4 “(3) The advisory board shall:

5 “(a) Advise the **State Chief Information Officer and the Oregon De-**
6 **partment of Administrative Services** concerning:

7 “(A) The development of electronic government portals for the **State**
8 **Chief Information Officer, the** department and other state agencies;

9 “(B) The amount, collection methods or other aspects of a convenience fee
10 that the [*department*] **State Chief Information Officer** or an electronic
11 government portal provider collects;

12 “(C) The priority of new governmental service applications that may be
13 provided by means of an electronic government portal;

14 “(D) Terms and conditions of contracts between state agencies and elec-
15 tronic government portal providers; and

16 “(E) Rules necessary to implement electronic government portals.

17 “(b) Monitor the layout, content and usability of electronic government
18 portals and advise **the State Chief Information Officer and** the depart-
19 ment on ways to improve the delivery of government services by means of
20 electronic government portals, the accountability of state agencies’ use of
21 electronic government portals to provide government services and user sat-
22 isfaction with electronic government portals.

23 “(c) Study, propose, develop or coordinate activities that:

24 “(A) Consider the needs of residents of this state;

25 “(B) Evaluate the performance and transparency of state agency delivery
26 of government services; and

27 “(C) Further the effectiveness of and user satisfaction with:

28 “(i) Electronic government portals; and

29 “(ii) State agencies’ performance and accountability in [*the use of*] **using**
30 electronic government portals to provide government services.

1 “(4) A majority of the members of the advisory board constitutes a quo-
2 rum for [*the transaction of*] **transacting** business.

3 “(5) [*Official action by the advisory board requires the approval of*] A ma-
4 jority of the members of the advisory board **must approve official action**
5 **by the advisory board.**

6 “(6) The advisory board shall elect one of the members of the advisory
7 board to serve as chairperson.

8 “(7) If a vacancy on the advisory board occurs for any cause, the ap-
9 pointing authority shall make an appointment [*to become*] **that becomes**
10 immediately effective.

11 “(8) The advisory board shall meet at times and places [*specified by the*
12 *call of*] **that** the chairperson or [*of*] a majority of the members of the advi-
13 sory board **specifies.**

14 “(9) The advisory board may adopt rules necessary [*for the operation of*]
15 **to operate** the advisory board.

16 “(10) The Oregon Department of Administrative Services shall provide
17 staff support to the advisory board.

18 “(11) Members of the advisory board who are not members of the Legis-
19 lative Assembly [*are not entitled to*] **may not receive** compensation, but may
20 be reimbursed for actual and necessary travel and other expenses the mem-
21 bers incur in the performance of the members’ official duties in the manner
22 and amounts provided for in ORS 292.495. Claims for expenses [*incurred*] **the**
23 **members incur** in performing functions of the advisory board shall be paid
24 out of funds appropriated to the Oregon Department of Administrative Ser-
25 vices for purposes of the advisory board.

26 “(12) All state agencies shall assist the advisory board in the advisory
27 board’s performance of the advisory board’s duties and, to the extent per-
28 mitted by laws relating to confidentiality, to furnish information and advice
29 as the members of the advisory board consider necessary to perform the du-
30 ties of the advisory board.

1 **“SECTION 15.** ORS 182.132 is amended to read:

2 “182.132. (1) The [*Oregon Department of Administrative Services*] **State**
3 **Chief Information Officer**, with the advice of the Electronic Government
4 Portal Advisory Board, shall provide the ability for state agencies to offer
5 government services by means of an electronic government portal. The elec-
6 tronic government portal must be secure and must [*meet*] **comply with the**
7 **information security rules, policies and standards that the State Chief**
8 **Information Officer adopts under ORS 182.122 and meet the** usability
9 standards developed in cooperation with the advisory board.

10 “(2) For the purposes of subsection (1) of this section, the [*department*]
11 **State Chief Information Officer**, under the provisions of the Public Con-
12 tracting Code, may contract with an electronic government portal provider
13 **in a manner that is consistent with the State Chief Information**
14 **Officer’s rules, policies and standards.**

15 “(3)(a) The [*department*] **State Chief Information Officer** may charge
16 members of the public a convenience fee or may authorize an electronic
17 government portal provider to charge a convenience fee for an electronic
18 government service if the advisory board recommends that the [*department*]
19 **State Chief Information Officer** charge or authorize a convenience fee for
20 the electronic government service. The convenience fee must reflect the costs
21 incurred in hosting, operating, maintaining or implementing the electronic
22 government portal.

23 “(b) The [*department*] **State Chief Information Officer** shall cooperate
24 with the advisory board to identify the electronic government portals or
25 governmental services to which the convenience fee applies.

26 “(4) The [*department*] **State Chief Information Officer** may adopt rules
27 to implement the provisions of this section.

28 “(5) Not later than the beginning of each odd-numbered year regular leg-
29 islative session, the [*department*] **State Chief Information Officer** shall
30 prepare and submit to the Legislative Assembly a report in the manner pro-

1 vided in ORS 192.245 that summarizes the [*department's*] **State Chief In-**
2 **formation Officer's** activities under the provisions of this section.

3 **“SECTION 15a.** ORS 184.305 is amended to read:

4 “184.305. The Oregon Department of Administrative Services is created.
5 The purpose of the Oregon Department of Administrative Services is to im-
6 prove the efficient and effective use of state resources [*through the provision*
7 *of*] **by providing:**

8 “(1) Government infrastructure services that can best be provided cen-
9 trally, including but not limited to purchasing, risk management, facilities
10 management, surplus property and motor fleet;

11 “(2) Rules and associated performance reviews of agency compliance with
12 statewide policies;

13 “(3) Leadership in [*the implementation of*] **implementing** a statewide
14 performance measurement program;

15 “(4) State employee workforce development and training;

16 “(5) Personnel systems that promote fair, responsive and cost-effective
17 human resource management;

18 “(6) Objective, credible management information for, and analysis of,
19 statewide issues for policymakers; **and**

20 “(7) Statewide financial administrative systems[; *and*].

21 “[*(8) Statewide information systems and networks to facilitate the reliable*
22 *exchange of information and applied technology.*]”.

23 On page 13, line 13, after the period delete the rest of the line and lines
24 14 through 16 and insert “After a state agency executes a public contract
25 related to the information technology initiative, the State Chief Information
26 Officer may direct the state agency to take any action in accordance with
27 the terms and conditions of the public contract that the State Chief Infor-
28 mation Officer deems necessary or advisable to administer and enforce the
29 public contract, including directing the state agency to suspend performance
30 or terminate the public contract in whole or in part.”.

1 On page 17, line 18, delete the first “of”.

2 On page 18, line 45, delete the boldfaced material.

3 On page 19, line 3, delete the boldfaced material.

4 In lines 4 through 45, restore the bracketed material and delete the
5 boldfaced material.

6 On page 20, lines 1 through 12, restore the bracketed material and delete
7 the boldfaced material.

8 In line 36, delete “services, personal services, construction materials,” and
9 insert “services or personal services”.

10 In line 37, delete “equipment or supplies”.

11 In line 39, after “goods,” delete the rest of the line and line 40 and insert
12 “services or personal services.”.

13 In line 42, delete “contracting”.

14 In line 43, delete “contracting”.

15 In line 44, delete “contracting”.

16 On page 21, line 2, delete “contracting”.

17 In line 4, delete “contracting”.

18 Delete lines 43 through 45 and delete pages 22 through 24.

19 On page 25, delete lines 1 through 21 and insert:

20 **“SECTION 24a.** ORS 283.100 is amended to read:

21 “283.100. (1) The Oregon Department of Administrative Services shall
22 provide general government administrative functions [to] **for** state agencies.

23 [*The cost of these services, or portions thereof, as determined by the department
24 shall be allocated to state agencies as determined by the department and paid
25 to the department in the same manner as other claims against the agency are
26 paid.*] **The State Chief Information Officer shall provide information**

27 **technology and telecommunications functions for state agencies. The**
28 **department or the State Chief Information Officer shall allocate the**
29 **costs that the department or the State Chief Information Officer de-**
30 **termines for the services, or a portion of the services, to state agen-**

1 **cies, which shall pay the costs to the department or the State Chief**
2 **Information Officer, as appropriate, in the same manner as the state**
3 **agency pays other claims. The State Chief Information Officer shall**
4 **deposit all moneys that the State Chief Information Officer receives**
5 **from state agencies for services under this section into the State In-**
6 **formation Technology Operating Fund.**

7 **“(2) Except as otherwise provided by law, the provisions of sub-**
8 **section (1) of this section do not:**

9 **“(a) Require a state agency to transfer to the State Chief Informa-**
10 **tion Officer information technology or telecommunications equipment,**
11 **assets or resources that are under the state agency’s control;**

12 **“(b) Require a state agency to subject employees of the state agency**
13 **to the State Chief Information Officer’s direct supervision;**

14 **“(c) Require a state agency to consolidate information technology**
15 **or telecommunications equipment, assets or resources with another**
16 **state agency’s information technology or telecommunications equip-**
17 **ment, assets or resources; or**

18 **“(d) Prevent a state agency from providing information technology**
19 **or telecommunications functions for the state agency.**

20 **“SECTION 25.** ORS 283.120 is amended to read:

21 **“283.120. Subject to rules [prescribed by] that the Oregon Department of**
22 **Administrative Services prescribes, or that the State Chief Information**
23 **Officer prescribes for information technology and**
24 **telecommunications, any state agency may establish a service unit within**
25 **the agency to furnish to other units of [such] the agency the services, facil-**
26 **ities and materials that the agency establishes the service unit [is estab-**
27 **lished] to provide. The state agency shall charge the service unit’s**
28 **expenses [of the service unit shall be charged] to the units served and, except**
29 **as provided in ORS 283.076 (3), the amounts [so charged] the state agency**
30 **charges must [shall] be credited to the miscellaneous receipts account es-**

1 tablished pursuant to ORS 279A.290. **The moneys in the account** [*and*
2 *hereby*] are appropriated continuously for expenditure by the state agency
3 subject to the allotment system provided by ORS 291.234 to 291.260.

4 **“SECTION 26.** ORS 283.140 is amended to read:

5 *“283.140. [(1) The Oregon Department of Administrative Services shall ex-*
6 *ercise budgetary management, supervision and control over all telephone and*
7 *telecommunications service for all state agencies. The department may operate*
8 *central mail, shuttle bus or messenger services for agencies located in Salem,*
9 *Portland or other cities, where it would be economical so to do. The cost of*
10 *maintaining and operating any central telephone exchange, switching system,*
11 *network service and facility, intercity or intracity network trunk or line or*
12 *switchboard, or the cost of mail, shuttle bus and messenger services, shall be*
13 *charged to the various agencies served and paid to the department in the same*
14 *manner as other claims against the agencies are paid.]*

15 **“(1) The State Chief Information Officer shall exercise budgetary**
16 **management, supervision and control over all telephone and telecom-**
17 **munications service for all state agencies in a manner that is con-**
18 **sistent with plans, standards, policies, goals, directives and rules that**
19 **the State Chief Information Officer sets, specifies or adopts. The**
20 **Oregon Department of Administrative Services may operate central**
21 **mail, shuttle bus or messenger services for state agencies located in**
22 **Salem, Portland or other cities, if doing so is economical. The State**
23 **Chief Information Officer may charge the cost of maintaining and**
24 **operating any central telephone exchange, switching system, network**
25 **service and facility, intercity or intracity network trunk or line or**
26 **switchboard to the state agencies that the State Chief Information**
27 **Officer serves. The department shall charge the cost of providing mail,**
28 **shuttle bus and messenger services to the state agencies that the de-**
29 **partment serves. The state agencies shall pay the costs to the State**
30 **Chief Information Officer or the department, as appropriate, in the**

1 **same manner in which the state agencies pay other claims. The State**
2 **Chief Information Officer shall deposit all moneys that the State Chief**
3 **Information Officer receives from state agencies for services under**
4 **this section into the State Information Technology Operating Fund.**

5 “(2) If the department operates central mail service, [it] **the department**
6 shall:

7 “(a) Approve or disapprove all state agency mail equipment or mail ser-
8 vice acquisitions.

9 “(b) Report biennially to the Director of the Oregon Department of Ad-
10 ministrative Services on opportunities for savings through state agency mail
11 room centralization, consolidation and automation and through mail route
12 coordination.

13 “[3] (c) [The department shall] Adopt rules [pursuant to] **under** which
14 persons associated with government either temporarily or otherwise, includ-
15 ing but not limited to unsalaried volunteers, part-time employees, contractors
16 with the state and employees of contractors, political subdivisions and the
17 federal government may use shuttle bus services.

18 “[4] (3) [For the purposes of] **As used in** this section, ‘telecommuni-
19 cations’ means media that communicate voice, data, text, images or video
20 over a distance using electrical, electronic or light wave transmission media.

21 **“SECTION 27.** ORS 283.143 is amended to read:

22 “283.143. [(1) *To encourage utilization of statewide integrated*
23 *videoconferencing and statewide online access services, the Oregon Department*
24 *of Administrative Services shall, in addition to any other charge or assessment*
25 *for providing telecommunications services to state agencies, impose upon each*
26 *agency and public corporation a surcharge, in an amount established by the*
27 *department. All surcharge moneys collected shall be deposited in the Oregon*
28 *Department of Administrative Services Operating Fund, and may be expended*
29 *only for state agency and public corporation telecommunication and*
30 *videoconferencing activities, under such terms and conditions as the depart-*

1 *ment may prescribe.]*

2 *“(2) Notwithstanding subsection (1) of this section, the Oregon Department*
3 *of Administrative Services shall not impose the surcharge established by this*
4 *section on the Oregon University System or the Oregon Health and Science*
5 *University. The Oregon Department of Administrative Services shall enter into*
6 *an agreement with the Oregon University System and the Oregon Health and*
7 *Science University on the amounts to be paid by the Oregon University System*
8 *and the Oregon Health and Science University to the Oregon Department of*
9 *Administrative Services in lieu of the surcharge provided for in this section.]*

10 **“(1) To encourage utilization of statewide integrated**
11 **videoconferencing and statewide online access services, the State Chief**
12 **Information Officer may, in addition to any other charge or assess-**
13 **ment for providing telecommunications services to state agencies,**
14 **impose upon each state agency and public corporation a surcharge, in**
15 **an amount the State Chief Information Officer establishes. The State**
16 **Chief Information Officer shall deposit all surcharge moneys into the**
17 **State Information Technology Operating Fund. The State Chief Infor-**
18 **mation Officer may expend moneys in the fund for state agency and**
19 **public corporation telecommunication and videoconferencing activ-**
20 **ities, under such terms and conditions as the State Chief Information**
21 **Officer may prescribe and in a manner that is consistent with plans,**
22 **standards, policies, goals, directives and rules that the State Chief**
23 **Information Officer sets, specifies or adopts.**

24 **“(2) Notwithstanding subsection (1) of this section, the State Chief**
25 **Information Officer may not impose the surcharge established by this**
26 **section on the Oregon University System or the Oregon Health and**
27 **Science University. The State Chief Information Officer shall enter**
28 **into an agreement with the Oregon University System and the Oregon**
29 **Health and Science University on the amounts that the Oregon Uni-**
30 **versity System and the Oregon Health and Science University must**

1 **pay to the State Chief Information Officer in lieu of the surcharge**
2 **provided for in this section.**

3 **“SECTION 28.** ORS 283.505 is amended to read:

4 *“283.505. [(1) The Oregon Department of Administrative Services shall co-*
5 *ordinate the consolidation and operation of all telecommunications systems*
6 *used by the state and state agencies. Notwithstanding any other provision of*
7 *law, no agent or agency of the state shall construct, purchase or otherwise gain*
8 *access to a telecommunications system without the prior approval of the de-*
9 *partment.]*

10 **“(1) The State Chief Information Officer shall coordinate, in a**
11 **manner that is consistent with plans, standards, policies, goals, di-**
12 **rectives and rules that the State Chief Information Officer sets, spec-**
13 **ifies or adopts, the consolidation and operation of all**
14 **telecommunications systems, including emergency telecommuni-**
15 **cations systems, that the state and state agencies use. Notwith-**
16 **standing any other provision of law, an agent or agency of the state**
17 **may not construct, purchase or otherwise gain access to a telecom-**
18 **munications system without the prior approval of the State Chief In-**
19 **formation Officer.**

20 *“(2) [The department shall coordinate the consolidation and operation of*
21 *emergency telecommunications systems used by the state and state agencies.*
22 *The provisions of this section shall not be construed to require consolidation*
23 *of]* **The provisions of this section do not require emergency service**
24 **providers, as defined by the State Chief Information Officer, to con-**
25 **solidate telecommunications systems [used by] that emergency service pro-**
26 **viders use [, as defined by the department,] into nonemergency networks.**

27 **“SECTION 29.** ORS 283.510 is amended to read:

28 *“283.510. (1) As used in this section:*

29 *“(a) ‘Advanced digital communications’ means equipment, facilities and*
30 *capability to distribute digital communications signals for [the transmission*

1 of] **transmitting** voice, data, image and video over distance.

2 “(b) ‘Telecommunications provider’ means any person **that is** capable of
3 providing advanced digital communications including, but not limited to, a
4 telecommunications utility as defined in ORS 759.005, a competitive tele-
5 communications provider as defined in ORS 759.005, a cable television pro-
6 vider or an interstate telecommunications provider.

7 “[*(2) Notwithstanding ORS chapters 279A, 279B and 279C, the Oregon*
8 *Department of Administrative Services by contract shall acquire advanced*
9 *digital communications services from telecommunications providers or a con-*
10 *sortium of such providers. Contracts under this section shall provide that all*
11 *responsibility for construction, installation, operation and maintenance of the*
12 *network shall remain with the contracting provider.*]

13 “[*(3) Upon installation of an advanced digital communications network, the*
14 *Oregon Department of Administrative Services shall provide all telecommuni-*
15 *cations services and operations for the state and its agencies. The department*
16 *shall not approve the procurement of any telecommunications system or equip-*
17 *ment that is incompatible with the network.*]

18 “**(2) Notwithstanding ORS chapters 279A, 279B and 279C, the State**
19 **Chief Information Officer may provide advanced digital communi-**
20 **cations services directly, may enter into an interagency or intergov-**
21 **ernmental agreement under ORS chapter 190 to have another state**
22 **agency or governmental agency provide advanced digital communi-**
23 **cations services or may acquire advanced digital communications ser-**
24 **vices by entering into contracts with telecommunications providers**
25 **or a consortium of telecommunications providers in a manner that is**
26 **consistent with the State Chief Information Officer’s rules, policies**
27 **and standards.**

28 “**(3) After a telecommunications provider or a consortium of tele-**
29 **communications providers has installed an advanced digital commu-**
30 **nications network, the State Chief Information Officer shall provide**

1 all telecommunications services and operations for the state and state
2 agencies directly, or shall enter into interagency or intergovernmental
3 agreements under ORS chapter 190 to have another state agency or
4 another governmental agency provide the telecommunications services
5 and operations in a manner that is consistent with the State Chief
6 Information Officer's rules, policies and standards. The State Chief
7 Information Officer may not approve the procurement of any tele-
8 communications system or equipment that is incompatible with the
9 network or that is inconsistent with the State Chief Information
10 Officer's rules, policies and standards.

11 **"SECTION 30.** ORS 283.515 is amended to read:

12 "283.515. The [*Oregon Department of Administrative Services*] **State Chief**
13 **Information Officer** annually shall review **each state agency's budget**, in
14 conjunction with [*each*] **the** state agency, [*the budget of that agency*] to
15 identify [*agency funds to be used for*] **funds that the state agency uses for**
16 travel and transportation that [*may be used*] **the state agency could in-**
17 **stead use** for telecommunications. If the [*department*] **State Chief Infor-**
18 **mation Officer** determines that a **state agency could use** a portion of the
19 **state agency's** [*agency*] travel and transportation funds [*can be used*] more
20 effectively [*through use of*] **by instead using** telecommunications, without
21 diminishing the affected agency's existing internal and external communi-
22 cations, the [*department*] **State Chief Information Officer** shall [*make rec-*
23 *ommendations*] **recommend** to the Emergency Board as described in ORS
24 291.326 [*for such action as the department*] **action that the State Chief In-**
25 **formation Officer** determines **is** necessary to dedicate the identified **state**
26 agency travel and transportation funds for use in telecommunications. The
27 [*department*] **State Chief Information Officer** shall make [*its*] **the** recom-
28 mendations to the Emergency Board not later than January 1.

29 **"SECTION 31.** ORS 283.520 is amended to read:

30 "283.520. (1) For the purposes of ORS 283.500 to 283.520, the [*Oregon De-*

1 *partment of Administrative Services may]* **State Chief Information Officer**
2 **may, in a manner that is consistent with the State Chief Information**
3 **Officer’s rules, policies and standards,** enter into a contract or contracts
4 with telecommunications service providers and equipment manufacturers for
5 *[the purchase, use or operation of]* **purchasing, using or operating** tele-
6 communications equipment and services for a period not to exceed 10 years.

7 “(2) For purposes of ORS 291.038, the *[Oregon Department of Administra-*
8 *tive Services]* **State Chief Information Officer** may extend the benefits of
9 telecommunications contracts for networks, equipment and services to
10 nonprofit organizations that *[have been designated]* **the State Chief Infor-**
11 **mation Officer designates** as communities of interest **under ORS 291.038.**

12 **“SECTION 32.** ORS 283.524 is amended to read:

13 “283.524. The *[Oregon Department of Administrative Services may]* **State**
14 **Chief Information Officer may, in a manner that is consistent with the**
15 **State Chief Information Officer’s rules, policies and standards,** enter
16 into an agreement or agreements to fund or otherwise acquire telecommuni-
17 cations equipment and services by installment purchase or lease purchase
18 contracts *[as provided by ORS 276.218].”*.

19 In line 23, restore the bracketed material.

20 In line 24, restore “Development Department” and delete “under the State
21 Chief Information Officer”.

22 On page 26, line 7, delete “State Chief Information Officer” and insert
23 “Oregon Business Development Department”.

24 In line 23, restore the bracketed material and delete the boldfaced mate-
25 rial.

26 In line 25, before “Public” insert “State Chief Information Officer, the”.

27 Delete lines 31 through 45 and insert:

28 **“NOTE:** Section 34 was deleted by amendment. Subsequent sections were
29 not renumbered.”.

30 On page 27, delete lines 1 through 16.

1 On page 28, delete lines 4 through 45 and delete pages 29 and 30 and in-
2 sert:

3 **“SECTION 39.** ORS 291.032 is amended to read:

4 “291.032. The Oregon Department of Administrative Services, **or the**
5 **State Chief Information Officer for purposes related to information**
6 **and telecommunications technology**, may provide technical services to
7 state agencies for management improvement development and the develop-
8 ment of economies in the organization and administration of state agencies.
9 The technical services may include consulting studies in work simplification,
10 work measurement, equipment utilization and other management improve-
11 ment concepts. The **department or the State Chief Information Officer**
12 **shall determine and charge the** cost of the technical services, or portions
13 *[thereof, as determined by the department, shall be charged]* **of the technical**
14 **services**, to the **state** agency served *[and paid]*. **The state agency shall**
15 **pay the cost** to the department **or the State Chief Information Officer,**
16 **as appropriate**, in the same manner *[as]* **that the state agency pays** other
17 claims against the **state** agency *[are paid]*. **The State Chief Information**
18 **Officer shall deposit all moneys that the State Chief Information Of-**
19 **ficer receives from state agencies for services under this section into**
20 **the State Information Technology Operating Fund.**

21 **“SECTION 40.** ORS 291.034 is amended to read:

22 “291.034. *[The Oregon Department of Administrative Services may provide*
23 *technical services to state agencies for data processing systems development*
24 *and the development of data processing methods and applications. The techni-*
25 *cal services may include consulting and programming services and assistance*
26 *in locating electronic data processing installations. The cost of the technical*
27 *services, or portions thereof, as determined by the department, shall be charged*
28 *to the agency served and paid to the department in the same manner as other*
29 *claims against the agency are paid.]* **The State Chief Information Officer**
30 **may provide technical services to state agencies for data processing**

1 systems development and developing data processing methods and ap-
2 plications in a manner that is consistent with the State Chief Infor-
3 mation Officer’s rules, policies and standards. The technical services
4 may include consulting and programming services and assistance in
5 locating electronic data processing installations. The State Chief In-
6 formation Officer shall determine and charge the cost of the technical
7 services, or portions of the technical services, to the state agency that
8 the State Chief Information Officer serves. The state agency shall pay
9 the cost to the State Chief Information Officer in the same manner
10 that the state agency pays other claims against the state agency. The
11 State Chief Information Officer shall deposit all moneys that the State
12 Chief Information Officer receives from state agencies for services
13 under this section into the State Information Technology Operating
14 Fund.

15 **“SECTION 41.** ORS 291.038, as amended by section 4, chapter 102, Oregon
16 Laws 2014, is amended to read:

17 “291.038. (1)(a) The State Chief Information Officer shall oversee [*policy*
18 *for*] and coordinate **the** planning, **budgeting**, architecture and standardi-
19 zation, **consolidation, acquisition and oversight** of all information and
20 telecommunications technology by state government and agencies of state
21 government so that statewide and individual state agencies’ plans and ac-
22 tivities are addressed in the most integrated, economic and efficient manner,
23 in a manner that minimizes duplication, fragmentation, redundancy and cost
24 in state [*agency*] **government** operations and in a manner that most effec-
25 tively meets state **government and state** agency program needs.

26 **“(b)(A) Except as otherwise provided by law, the office of the Sec-**
27 **retary of State and the office of the State Treasurer, in collaboration**
28 **with the State Chief Information Officer, shall develop and adopt**
29 **plans, policies, standards and procedures for budgeting, planning,**
30 **procuring, managing, overseeing and using information technology**

1 and telecommunications for the Secretary of State or the State
2 Treasurer, as appropriate. Each office shall ensure that the office's
3 plans, policies, standards and procedures are, to the extent possible,
4 compatible with the plans, policies, standards and procedures that the
5 State Chief Information Officer develops and adopts for other state
6 agencies within the executive department.

7 **“(B) The Secretary of State and the State Treasurer shall submit
8 to the Legislative Fiscal Office:**

9 **“(i) Copies of plans, policies, standards and procedures that the
10 Secretary of State and the State Treasurer develop and adopt under
11 subparagraph (A) of this paragraph. The Secretary of State and the
12 State Treasurer shall submit copies of the plans, policies, standards
13 and procedures within 30 calendar days after adopting or amending the
14 plans, policies, standards or procedures.**

15 **“(ii) Copies of any independent information technology audits or
16 quality assurance reports that are public records and are not exempt
17 from disclosure under ORS 192.410 to 192.505. The Secretary of State
18 and the State Treasurer shall submit copies of the audits or reports
19 within 30 calendar days after receiving the audits or reports.**

20 **“(iii) An annual report on all information technology initiatives, as
21 defined in section 1, chapter 77, Oregon Laws 2014, and all procure-
22 ments with an estimated contract price that exceeds \$1 million. The
23 Secretary of State and the State Treasurer shall submit the report not
24 later than December 31 of each calendar year.**

25 **“(2) To facilitate accomplishment of the purpose set forth in subsection
26 (1)(a) of this section, the State Chief Information Officer shall:**

27 **“(a) Adopt rules, policies and standards to plan for, develop architecture
28 for and standardize the state's information resources and technologies. In
29 developing rules, policies and standards, the State Chief Information Officer
30 shall consult with state agencies that have needs that information resources**

1 may satisfy. State agencies shall cooperate with the State Chief Information
2 Officer in preparing and complying with rules, policies and standards **that**
3 **the State Chief Information Officer adopts.**

4 “(b) Formulate rules, policies and standards to promote electronic com-
5 munication and information sharing among state agencies and programs,
6 between state and local governments and with the public where appropriate.

7 “[*(c) Seek to minimize duplicative or redundant advisory boards by recom-*
8 *mending streamlined governance structures for information technology projects*
9 *that involve more than one state agency, board or commission.*]

10 “[~~(3)~~] (c) [*The State Chief Information Officer shall*] Formulate rules,
11 policies, plans, standards and specifications to ensure that information re-
12 sources and technologies fit together in a statewide system capable of pro-
13 viding ready access to information, [*computing*] **information technology** or
14 telecommunication resources. Plans and specifications that the State Chief
15 Information Officer adopts must be based on industry standards for open
16 systems to the greatest extent possible.

17 “**(3)** Before adopting rules described in subsection (2) of this section, the
18 State Chief Information Officer shall present the proposed rules to the Joint
19 Legislative Committee on Information Management and Technology.

20 “**(4)** The State Chief Information Officer has the responsibility to review,
21 oversee and ensure that state agencies’ rules and planning, acquisition and
22 implementation activities **related to information technology and tele-**
23 **communications** align with and support the [*statewide information resources*
24 *management plan*] **Enterprise Information Resources Management**
25 **Strategy. State agencies shall cooperate with the State Chief Infor-**
26 **mation Officer to ensure that the state agencies’ rules and planning,**
27 **acquisition and implementation activities align with and support the**
28 **Enterprise Information Resources Management Strategy. If the**
29 **Oregon Department of Administrative Services procures information**
30 **technology or the Director of the Oregon Department of Administra-**

1 **tive Services delegates authority under ORS 279A.075 to procure in-**
2 **formation technology, the [Oregon Department of Administrative Services**
3 **is responsible for procuring] department and a state contracting agency,**
4 **as defined in ORS 279A.010, shall procure** information technology fairly,
5 competitively and in a manner that is consistent with the State Chief Infor-
6 mation Officer's rules, **policies and standards.**

7 “[~~(4)(a)~~] **(5)(a)** The policy of the State of Oregon is that state government
8 telecommunications networks should be designed to provide state-of-the-art
9 services where economically and technically feasible, using shared, rather
10 than dedicated, lines and facilities.

11 “(b) The [*department*] **State Chief Information Officer** shall, when pro-
12 curing telecommunications network services, consider [*achieving the eco-*
13 *nomie development and quality of life outcomes set forth in the Oregon*
14 *benchmarks*] **the goals and objectives outlined within the Enterprise**
15 **Information Resources Management Strategy and the policy, acquisi-**
16 **tion, coordination and consolidation objectives for information tech-**
17 **nology that are specified in ORS 283.500 to 283.520 and 283.524.**

18 “[~~(5)(a)~~] **(6)(a)** The [*department*] **State Chief Information Officer**, upon
19 request, may furnish and deliver statewide integrated videoconferencing and
20 statewide online access service to a public or private entity that primarily
21 conducts activities for the direct good or benefit of the public or community
22 at large in providing educational, economic development, health care, human
23 services, public safety, library or other public services. The [*department*]
24 **State Chief Information Officer** shall adopt rules with respect to [*fur-*
25 *nishing*] **the State Chief Information Officer's furnishing of** the service.

26 “(b) The [*department*] **State Chief Information Officer** shall establish
27 statewide integrated videoconferencing and statewide online access user fees,
28 services, delivery, rates and long range plans. The rates must reflect the
29 [*department's*] **State Chief Information Officer's** cost in providing the
30 service.

1 “(c) The [*department*] **State Chief Information Officer** by rule shall re-
2 strict the [*department’s furnishing or delivery of*] Internet access service **that**
3 **the State Chief Information Officer furnishes or delivers** to private en-
4 tities if the service would directly compete with two or more local estab-
5 lished providers of Internet access services within the local exchange
6 telecommunications service area.

7 “(d) The rates and services established and provided under this section
8 are not subject to the Public Utility Commission’s regulation or authority.

9 “[(6)] (7) An organization or organizations recognized as tax exempt under
10 section 501(c)(3) of the Internal Revenue Code that primarily conduct activ-
11 ities for the direct good or benefit of the public or community at large in
12 providing educational, economic development, health care, human services,
13 public safety, library or other public services and **that** have formed an af-
14 filiation with one or more federal, state or local governmental units within
15 this state may apply to the [*department*] **State Chief Information Officer**
16 for designation as a community of interest. The application must be in the
17 form that the [*department*] **State Chief Information Officer** prescribes and
18 contain information [*regarding*] **about** the governmental affiliation relation-
19 ship, the tax exempt status of each organization and the public benefit ser-
20 vices the organization provides or intends to provide. The [*department*] **State**
21 **Chief Information Officer** shall establish an application review and appeal
22 process to ensure that designating the organizations as a community of in-
23 terest for the purposes of including the organization in telecommunications
24 contracts under ORS 283.520 will result in providing educational, medical,
25 library or other services for public benefit.

26 “[(7)] (8) This section does not apply to the State Board of Higher Edu-
27 cation, [*or*] any public university listed in ORS 352.002 **or a public univer-**
28 **sity with a governing board that is listed in ORS 352.054.**

29 “[(8)] (9) As used in this section **and ORS 291.039:**

30 “(a) ‘Information resources’ means media, instruments, **plans** and methods

1 for *[planning,*] collecting, processing, transmitting and storing data and in-
2 formation, including telecommunications.

3 “(b) ‘Information technology’ [*includes, but is not limited to,*] **means**
4 present and future forms of hardware, software and services for data pro-
5 cessing, office automation and telecommunications.

6 “(c) ‘Internet access service’ means electronic connectivity to the Internet
7 and the services of the Internet.

8 “(d) ‘Open systems’ means systems that allow state agencies freedom of
9 choice by providing a vendor-neutral operating environment where different
10 computers, applications, system software and networks operate together eas-
11 ily and reliably.

12 “(e) ‘State-of-the-art services’ [*includes*] **means the highest level at**
13 **which** equipment, facilities and the capability to distribute digital commu-
14 nication signals that transmit voice, data, video and images over a distance
15 **have developed at the time during which the equipment, facility or**
16 **capability was installed or operating.**

17 “(f) ‘Statewide integrated videoconferencing’ means a statewide electronic
18 system capable of transmitting video, voice and data communications.

19 “(g) ‘Statewide online access’ means electronic connectivity to informa-
20 tion resources such as computer conferencing, electronic mail, databases and
21 Internet access.

22 “(h) ‘Telecommunications’ means hardware, software and services for
23 transmitting voice, data, video and images over a distance.”.

24 On page 32, line 38, after “174.112” insert “, except that ‘executive de-
25 partment’ does not include the Secretary of State in performing the duties
26 of the constitutional office of Secretary of State or the State Treasurer in
27 performing the duties of the constitutional office of State Treasurer”.

28 On page 33, delete lines 9 through 15 and insert:

29 “(b) Divide the office of the State Chief Information Officer into admin-
30 istrative programs, units or sections and appoint an individual to administer

1 each program, unit or section that the State Chief Information Officer es-
2 tablishes under this subsection. The individual the State Chief Information
3 Officer appoints serves at the pleasure of the State Chief Information Officer
4 and must be well qualified by technical training and experience in the
5 functions the individual will perform. The State Chief Information Officer’s
6 actions under this paragraph are subject to ORS chapter 240.”

7 On page 34, lines 38 through 45, restore the bracketed material and delete
8 the boldfaced material.

9 On page 35, lines 1 through 7, restore the bracketed material and delete
10 the boldfaced material.

11 After line 38, insert:

12 **“SECTION 44a.** ORS 291.055 is amended to read:

13 “291.055. (1) Notwithstanding any other law that grants to a state agency
14 the authority to establish fees, all new state agency fees or fee increases
15 adopted during the period beginning on the date of adjournment sine die of
16 a regular session of the Legislative Assembly and ending on the date of
17 adjournment sine die of the next regular session of the Legislative Assembly:

18 “(a) Are not effective for agencies in the executive department of gov-
19 ernment unless approved in writing by the Director of the Oregon Depart-
20 ment of Administrative Services;

21 “(b) Are not effective for agencies in the judicial department of govern-
22 ment unless approved in writing by the Chief Justice of the Supreme Court;

23 “(c) Are not effective for agencies in the legislative department of gov-
24 ernment unless approved in writing by the President of the Senate and the
25 Speaker of the House of Representatives;

26 “(d) Shall be reported by the state agency to the Oregon Department of
27 Administrative Services within 10 days of their adoption; and

28 “(e) Are rescinded on adjournment sine die of the next regular session of
29 the Legislative Assembly as described in this subsection, unless otherwise
30 authorized by enabling legislation setting forth the approved fees.

1 “(2) This section does not apply to:

2 “(a) Any tuition or fees charged by a public university listed in ORS
3 352.002.

4 “(b) Taxes or other payments made or collected from employers for un-
5 employment insurance required by ORS chapter 657 or premium assessments
6 required by ORS 656.612 and 656.614 or contributions and assessments cal-
7 culated by cents per hour for workers’ compensation coverage required by
8 ORS 656.506.

9 “(c) Fees or payments required for:

10 “(A) Health care services provided by the Oregon Health and Science
11 University, by the Oregon Veterans’ Homes and by other state agencies and
12 institutions pursuant to ORS 179.610 to 179.770.

13 “(B) Assessments imposed by the Oregon Medical Insurance Pool Board
14 under section 2, chapter 698, Oregon Laws 2013.

15 “(C) Copayments and premiums paid to the Oregon medical assistance
16 program.

17 “(D) Assessments paid to the Department of Consumer and Business Ser-
18 vices under ORS 743.951 and 743.961.

19 “(d) Fees created or authorized by statute that have no established rate
20 or amount but are calculated for each separate instance for each fee payer
21 and are based on actual cost of services provided.

22 “(e) State agency charges on employees for benefits and services.

23 “(f) Any intergovernmental charges.

24 “(g) Forest protection district assessment rates established by ORS 477.210
25 to 477.265 and the Oregon Forest Land Protection Fund fees established by
26 ORS 477.760.

27 “(h) State Department of Energy assessments required by ORS 469.421 (8)
28 and 469.681.

29 “(i) Assessments on premiums charged by the Department of Consumer
30 and Business Services pursuant to ORS 731.804 or fees charged by the Divi-

1 sion of Finance and Corporate Securities of the Department of Consumer and
2 Business Services to banks, trusts and credit unions pursuant to ORS 706.530
3 and 723.114.

4 “(j) Public Utility Commission operating assessments required by ORS
5 756.310 or charges paid to the Residential Service Protection Fund required
6 by chapter 290, Oregon Laws 1987.

7 “(k) Fees charged by the Housing and Community Services Department
8 for intellectual property pursuant to ORS 456.562.

9 “(L) New or increased fees that are anticipated in the legislative budget-
10 ing process for an agency, revenues from which are included, explicitly or
11 implicitly, in the legislatively adopted budget or the legislatively approved
12 budget for the agency.

13 “(m) Tolls approved by the Oregon Transportation Commission pursuant
14 to ORS 383.004.

15 “(n) Convenience fees as defined in ORS 182.126 and established by the
16 [*Oregon Department of Administrative Services*] **State Chief Information**
17 **Officer** under ORS 182.132 (3) and recommended by the Electronic Govern-
18 ment Portal Advisory Board.

19 “(3)(a) Fees temporarily decreased for competitive or promotional reasons
20 or because of unexpected and temporary revenue surpluses may be increased
21 to not more than their prior level without compliance with subsection (1)
22 of this section if, at the time the fee is decreased, the state agency specifies
23 the following:

24 “(A) The reason for the fee decrease; and

25 “(B) The conditions under which the fee will be increased to not more
26 than its prior level.

27 “(b) Fees that are decreased for reasons other than those described in
28 paragraph (a) of this subsection may not be subsequently increased except
29 as allowed by ORS 291.050 to 291.060 and 294.160.

30 “**SECTION 44b.** ORS 291.055, as amended by section 36, chapter 698,

1 Oregon Laws 2013, is amended to read:

2 “291.055. (1) Notwithstanding any other law that grants to a state agency
3 the authority to establish fees, all new state agency fees or fee increases
4 adopted during the period beginning on the date of adjournment sine die of
5 a regular session of the Legislative Assembly and ending on the date of
6 adjournment sine die of the next regular session of the Legislative Assembly:

7 “(a) Are not effective for agencies in the executive department of gov-
8 ernment unless approved in writing by the Director of the Oregon Depart-
9 ment of Administrative Services;

10 “(b) Are not effective for agencies in the judicial department of govern-
11 ment unless approved in writing by the Chief Justice of the Supreme Court;

12 “(c) Are not effective for agencies in the legislative department of gov-
13 ernment unless approved in writing by the President of the Senate and the
14 Speaker of the House of Representatives;

15 “(d) Shall be reported by the state agency to the Oregon Department of
16 Administrative Services within 10 days of their adoption; and

17 “(e) Are rescinded on adjournment sine die of the next regular session of
18 the Legislative Assembly as described in this subsection, unless otherwise
19 authorized by enabling legislation setting forth the approved fees.

20 “(2) This section does not apply to:

21 “(a) Any tuition or fees charged by a public university listed in ORS
22 352.002.

23 “(b) Taxes or other payments made or collected from employers for un-
24 employment insurance required by ORS chapter 657 or premium assessments
25 required by ORS 656.612 and 656.614 or contributions and assessments cal-
26 culated by cents per hour for workers’ compensation coverage required by
27 ORS 656.506.

28 “(c) Fees or payments required for:

29 “(A) Health care services provided by the Oregon Health and Science
30 University, by the Oregon Veterans’ Homes and by other state agencies and

1 institutions pursuant to ORS 179.610 to 179.770.

2 “(B) Copayments and premiums paid to the Oregon medical assistance
3 program.

4 “(C) Assessments paid to the Department of Consumer and Business Ser-
5 vices under ORS 743.951 and 743.961.

6 “(d) Fees created or authorized by statute that have no established rate
7 or amount but are calculated for each separate instance for each fee payer
8 and are based on actual cost of services provided.

9 “(e) State agency charges on employees for benefits and services.

10 “(f) Any intergovernmental charges.

11 “(g) Forest protection district assessment rates established by ORS 477.210
12 to 477.265 and the Oregon Forest Land Protection Fund fees established by
13 ORS 477.760.

14 “(h) State Department of Energy assessments required by ORS 469.421 (8)
15 and 469.681.

16 “(i) Assessments on premiums charged by the Department of Consumer
17 and Business Services pursuant to ORS 731.804 or fees charged by the Divi-
18 sion of Finance and Corporate Securities of the Department of Consumer and
19 Business Services to banks, trusts and credit unions pursuant to ORS 706.530
20 and 723.114.

21 “(j) Public Utility Commission operating assessments required by ORS
22 756.310 or charges paid to the Residential Service Protection Fund required
23 by chapter 290, Oregon Laws 1987.

24 “(k) Fees charged by the Housing and Community Services Department
25 for intellectual property pursuant to ORS 456.562.

26 “(L) New or increased fees that are anticipated in the legislative budget-
27 ing process for an agency, revenues from which are included, explicitly or
28 implicitly, in the legislatively adopted budget or the legislatively approved
29 budget for the agency.

30 “(m) Tolls approved by the Oregon Transportation Commission pursuant

1 to ORS 383.004.

2 “(n) Convenience fees as defined in ORS 182.126 and established by the
3 [*Oregon Department of Administrative Services*] **State Chief Information**
4 **Officer** under ORS 182.132 (3) and recommended by the Electronic Govern-
5 ment Portal Advisory Board.

6 “(3)(a) Fees temporarily decreased for competitive or promotional reasons
7 or because of unexpected and temporary revenue surpluses may be increased
8 to not more than their prior level without compliance with subsection (1)
9 of this section if, at the time the fee is decreased, the state agency specifies
10 the following:

11 “(A) The reason for the fee decrease; and

12 “(B) The conditions under which the fee will be increased to not more
13 than its prior level.

14 “(b) Fees that are decreased for reasons other than those described in
15 paragraph (a) of this subsection may not be subsequently increased except
16 as allowed by ORS 291.050 to 291.060 and 294.160.”

17 On page 38, line 16, delete “, (3)”.

18 On page 42, line 3, after “the” insert “executive”.

19 On page 46, line 5, after “182.124,” insert “182.126,” and after “182.132,”
20 insert “184.305,”.

21 In line 6, after “279B.075,” insert “283.100,”.

22 In line 7, after “291.047,” insert “291.055,”.

23 In line 8, delete “, sections 1, 3,” and insert “and sections 1,”.

24 In line 16, delete the first comma and insert “and”.

25 In line 17, after “182.124,” insert “182.126,” and after “182.132,” insert
26 “184.305,”.

27 In line 18, after “279B.075,” insert “283.100,”.

28 In line 19, after “291.047,” insert “291.055,”.

29 In line 20, delete the first comma and insert “and” and delete “3,”.

30