

B-Engrossed
House Bill 2611

Ordered by the Senate June 1
Including House Amendments dated April 23 and Senate Amendments
dated June 1

Sponsored by Representative GALLEGOS, Senator DEMBROW; Representatives BUCKLEY, DOHERTY, EVANS, FAGAN, FREDERICK, GOMBERG, GORSEK, GREENLICK, KENY-GUYER, LIVELY, MCLAIN, NOSSE, REARDON, SMITH WARNER, WILLIAMSON, Senators BURDICK, HANSELL, STEINER HAYWARD, WHITSETT (Presession filed.)

SUMMARY

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

Requires universities with institutional governing boards to continue to participate in shared services relating to listed employee benefits and to collective bargaining until July 1, 2019.
Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to university shared services; creating new provisions; amending ORS 352.129; and declar-
3 ing an emergency.

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

5 **SECTION 1.** ORS 352.129 is amended to read:

6 352.129. (1) Notwithstanding ORS 352.102 and 352.107 and section 169, chapter 768, Oregon Laws
7 2013, the amendments to ORS 243.107 and 351.094 by sections 88 and 113, chapter 768, Oregon Laws
8 2013, and the operative date set forth in section 171, chapter 768, Oregon Laws 2013, **until July 1,**
9 **2019,** a university with a governing board shall continue to participate with other public universities
10 listed in ORS 352.002 in all shared administrative services relating to:

11 *[(a) Employee benefits, including but not limited to group insurance or deferred compensation plans*
12 *authorized by ORS 351.094;]*

13 **(a) The following employee benefits:**

14 **(A) Group insurance or deferred compensation plans authorized by ORS 351.094;**

15 **(B) The Public Employees Retirement System or another plan authorized under ORS**
16 **chapter 238 or 238A;**

17 **(C) The Optional Retirement Plan authorized by ORS 243.800; and**

18 **(D) A public university tax-deferred investment plan that obtains the advantages of 26**
19 **U.S.C. 403(b) and is authorized by ORS 243.820; and**

20 (b) Collective bargaining with any statewide bargaining unit that includes employees of two or
21 more public universities listed in ORS 352.002; *and*].

22 *[(c) Risk management, the purchase of insurance or the management of a self-insurance program*
23 *authorized by ORS 351.096 or 352.107.]*

24 **(2) During the period a public university listed in ORS 352.002 is required to participate**
25 **in shared administrative services under subsection (1) of this section, the public university**

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 **must provide the same scope and overall value of each employee benefit listed in subsection**
2 **(1)(a) of this section as is required by the statutes referenced in subsection (1)(a) of this**
3 **section.**

4 [(2)] (3) The shared administrative services listed in subsection (1) of this section must be done
5 under the same terms, conditions, funding model and policy frameworks as those that exist on Au-
6 gust 14, 2013, until July 1, 2015. On and after July 1, 2015, public universities listed in ORS 352.002
7 may choose to participate in shared services under an alternative shared services model.

8 [(3)] (4) Two or more public universities listed in ORS 352.002, including universities with gov-
9 erning boards, may participate in shared services not described in subsection (1) of this section, in-
10 cluding but not limited to shared services involving legal services and information technology.

11 [(4)] (5) Pursuant to ORS 352.025, and in order to ensure that the establishment of universities
12 with governing boards does not negatively impact public universities that do not have governing
13 boards, if a university with a governing board stops participating in a service shared by two or more
14 public universities listed in ORS 352.002, including but not limited to the shared services listed in
15 this section, and the withdrawal from the service has a negative effect on the remaining public
16 universities, the Higher Education Coordinating Commission shall compensate universities suffering
17 a negative impact through either reduction of appropriations made to the university with a govern-
18 ing board or any other method found to be appropriate by the commission.

19 [(5)] (6) The office of the Chancellor of the Oregon University System shall coordinate public
20 university shared services described in this section until a new entity to coordinate shared services
21 is operational.

22 **SECTION 2. If this 2015 Act does not become effective until after June 30, 2015, the**
23 **amendments to ORS 352.129 by section 1 of this 2015 Act shall be operative retroactively to**
24 **that date, and the operation and effect of the amendments to ORS 352.129 by section 1 of this**
25 **2015 Act shall apply from June 30, 2015, to the effective date of this 2015 Act and thereafter.**
26 **Any otherwise lawful action taken or otherwise lawful obligation incurred under the au-**
27 **thority of the amendments to ORS 352.129 by section 1 of this 2015 Act, after June 30, 2015,**
28 **and before the effective date of this 2015 Act, is ratified and approved.**

29 **SECTION 3. This 2015 Act being necessary for the immediate preservation of the public**
30 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
31 **on its passage.**

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