Delete lines 13 through 19 of the printed bill and insert:

"(3)(a) A district school board may choose to provide each director who is a voting member of the board with a stipend in an amount determined by the board, not to exceed $500 per month, as adjusted based on changes in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor.

"(b) If the district school board provides a stipend, the board:

"(A) Must allow individual directors to choose to not receive the stipend; and

"(B) May provide, in addition to the stipend, reimbursement for actual and necessary expenses incurred or paid by the director in the performance of the duties of the director.

"(c) If the district school board does not provide a stipend, the board must provide reimbursement for actual and necessary expenses incurred or paid by the director in the performance of the duties of the director.

"(d) A stipend provided to a director constitutes part of the director’s official compensation package for purposes of ORS 244.040, but a director who receives a stipend is not considered an employee of the school district.".