

# Senate Bill 258

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## 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 **as introduced**.

Establishes Oregon Institute of Technology as independent public university, governed by Oregon Institute of Technology Board of Directors.

Exempts institute from certain laws. Allows institute to obtain insurance, adopt alternative employee benefit plans and offer alternative retirement programs. Allows institute to issue revenue bonds and enter into credit enhancement agreements and financing agreements.

Declares emergency, effective July 1, 2011.

## A BILL FOR AN ACT

1  
2 Relating to the Oregon Institute of Technology; creating new provisions; amending ORS 30.264,  
3 31.850, 36.145, 174.108, 181.871, 182.122, 183.635, 184.475, 184.477, 184.631, 190.410, 192.501,  
4 192.690, 238.005, 238.200, 238.300, 238.350, 238A.005, 238A.140, 243.107, 243.778, 243.820, 243.910,  
5 243.945, 244.050, 270.100, 273.785, 276.227, 276.229, 276.610, 276.612, 279A.025, 282.076, 283.143,  
6 284.633, 284.701, 284.735, 285B.168, 285B.174, 286A.001, 286A.700, 287A.001, 291.038, 291.055,  
7 307.095, 307.110, 326.543, 337.500, 337.511, 339.885, 340.005, 341.440, 342.147, 342.443, 344.259,  
8 344.557, 344.753, 348.180, 348.205, 348.270, 348.282, 348.394, 348.470, 348.597, 348.900, 348.910,  
9 351.649, 351.656, 351.695, 351.697, 351.810, 351.820, 351.840, 352.002, 352.021, 352.221, 352.223,  
10 353.600, 354.090, 357.004, 408.095, 431.690, 433.090, 461.543, 657.732, 659.850, 659.860, 660.315,  
11 660.358, 679.020, 743.550, 759.445, 815.080, 820.100, 820.110, 820.120, 820.130, 820.150 and 825.017  
12 and section 16, chapter 761, Oregon Laws 2007, section 7, chapter 2, Oregon Laws 2009, and  
13 section 18, chapter 904, Oregon Laws 2009; and declaring an emergency.

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

15 **SECTION 1. (1) The Oregon Institute of Technology is established as a public institute**  
16 **and shall be governed by the Oregon Institute of Technology Board of Directors. The board**  
17 **may exercise authority over matters of institute concern to the fullest extent allowed by**  
18 **Constitutions and laws of the United States and this state, as fully as if each particular**  
19 **power comprised in that general authority were specifically listed in sections 1 to 48 of this**  
20 **2011 Act. The board may delegate and provide for the further delegation of any of its powers**  
21 **and authorities.**

22 **(2) The institute is an instrumentality of state government, performing governmental**  
23 **functions and exercising governmental powers. The institute has statewide purposes and is**  
24 **without territorial boundaries. The institute is a state institution of higher education, but is**  
25 **not an agency, department or division of the state, a unit of local or municipal government**  
26 **or part of the executive branch except as set forth in sections 1 to 48 this 2011 Act.**

27 **(3) Nothing in sections 1 to 48 of this 2011 Act may be construed as a waiver by the in-**  
28 **stitute of any form of defense or immunity, whether it be sovereign immunity, governmental**

**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 immunity, immunity based upon the Eleventh Amendment to the Constitution of the United  
2 States or immunity from any claim or from the jurisdiction of any court.

3 **SECTION 2.** (1) There is established an Oregon Institute of Technology Board of Direc-  
4 tors, consisting of at least 10 members.

5 (2) The membership of the board shall be as follows:

6 (a) Eight members appointed by the Governor and confirmed by the Senate in the man-  
7 ner prescribed in ORS 171.562 and 171.565. These members shall include one student enrolled  
8 at the Oregon Institute of Technology and one Oregon Institute of Technology faculty  
9 member.

10 (b) One member who is a nonstudent member of the State Board of Higher Education,  
11 appointed by the State Board of Higher Education.

12 (c) The president of the institute, who shall be a nonvoting member.

13 (3) The board may appoint other nonvoting members as it deems in the best interests  
14 of the institute.

15 (4)(a) Except for the president of the institute, the term of office of each nonstudent  
16 member is four years. The term of office of the student member is two years.

17 (b) Before the expiration of the term of a member, the appointing authority shall appoint  
18 a successor whose term begins on July 1 next following. A member is eligible for reappoint-  
19 ment for one additional term.

20 (c) If there is a vacancy for any cause, the appointing authority shall make an appoint-  
21 ment to become effective for the remainder of the unexpired term. For members appointed  
22 by the Governor, the board shall nominate a slate of candidates whenever a vacancy occurs  
23 or is announced and shall forward the names of the recommended candidates to the Gover-  
24 nor for consideration.

25 (d) A student of the institute may not be appointed to, or continue to serve on, the board  
26 unless the student is in good standing pursuant to bylaws or policies of the board.

27 (5) Except as provided in subsection (2)(a) of this section, a voting member may not be  
28 an employee of the institute, the State of Oregon or the Oregon University System.

29 (6) The board shall select one of its members as the chairperson, another as vice chair-  
30 person and another as secretary, for such terms and with such duties and powers as the  
31 board considers necessary for performance of the functions of those offices. The board shall  
32 adopt bylaws for its governance, including provisions specifying how a quorum is constituted  
33 and when a quorum is necessary.

34 (7) The board shall meet at least once every three months on the institute's Klamath  
35 Falls campus. Board members may participate in the meeting electronically as provided in  
36 ORS 192.610 to 192.690. The board shall meet at such other times and places specified by the  
37 chairperson or by a majority of the members of the board.

38 (8) An appointing authority may remove any member appointed by the authority at any  
39 time for cause, after notice and public hearing.

40 **SECTION 3.** Notwithstanding the terms of office specified in section 2 of this 2011 Act,  
41 of the members first appointed to the Oregon Institute of Technology Board of Directors,  
42 other than the president of the institute:

43 (1) Four members appointed by the Governor, including the student member, shall serve  
44 for terms ending June 30, 2013; and

45 (2) Four members appointed by the Governor and the member appointed by the State

1 Board of Higher Education shall serve for terms ending June 30, 2015.

2 **SECTION 4.** The Governor and the State Board of Higher Education shall appoint mem-  
3 bers to the Oregon Institute of Technology Board of Directors no later than 60 days after  
4 the effective date of this 2011 Act.

5 **SECTION 5.** (1) The Oregon Institute of Technology Board of Directors may, within or  
6 outside the state, do all things necessary or convenient involving matters of concern to the  
7 Oregon Institute of Technology, including without limitation the following:

8 (a) Enact any and all policies for the governance of the institute, which shall have the  
9 force of law and may be enforced through institute procedures and in any court of competent  
10 jurisdiction.

11 (b) Hire and employ personnel and prescribe all conditions of employment, including but  
12 not limited to compensation, benefits and tenure.

13 (c) Enter into any and all contracts and agreements with any public or private entity.

14 (d) Enter into any partnership, joint venture or other business arrangement and create  
15 and participate fully in the operation of any business structure or organization.

16 (e) Borrow money and issue debt of any kind and pledge revenue to repay any loan or  
17 indebtedness.

18 (f) Acquire, purchase, purchase on a contractual basis, borrow, receive, own, hold, con-  
19 trol, convey, sell, manage, operate, lease, lease-purchase, license, lend, invest in, issue, im-  
20 prove, develop, use, expend and dispose of personal property, including intellectual property,  
21 of any nature, tangible or intangible.

22 (g) Acquire, purchase, purchase on a contractual basis, borrow, receive, own, hold, con-  
23 trol, convey, sell, manage, operate, lease, lease-purchase, license, lend, invest in, improve,  
24 develop, use, expend and dispose of real property.

25 (h) Sue and be sued and issue and enforce subpoenas in the board's name.

26 (i) Obtain and receive gifts, bequests and donations for the benefit of the institute and,  
27 subject to the terms of the gift, retain, invest and use such gifts as deemed appropriate by  
28 the institute or the board. The board may assess a reasonable management fee against all  
29 gifts, bequests and donations and the earnings thereon.

30 (j) Acquire, purchase, accept, borrow, receive, own, hold, deposit, pledge, control, convey,  
31 manage, use, lend, expend and invest all funds, appropriations, instruments, earnings and  
32 revenue. The authority under this paragraph includes accepting and expending funds from  
33 the United States Government for any purpose. The board may deposit any and all funds,  
34 appropriations, instruments, earnings and revenue in any financial institution.

35 (k) Erect, construct, improve, remodel, develop, repair, maintain, equip, furnish, lease,  
36 lend, convey, sell, manage, operate, use and dispose of any building, structure, land or  
37 project.

38 (L) Acquire any and all insurance, operate a self-insurance program or otherwise arrange  
39 for the equivalent of insurance coverage of any nature or type.

40 (m) Create, develop, manage and control educational, research, service and any other  
41 programs.

42 (n) Set standards for the admission, graduation and discipline of students.

43 (o) Authorize, establish, eliminate, manage, operate, reorganize, reduce or expand any  
44 program, school, institute, college or unit of operation.

45 (p) Authorize, establish, eliminate, charge, collect, manage and use in any manner tui-

1 tion, fees and any other charges and fines. The board shall request the joint recommendation  
 2 of the recognized student government and the president of the institute prior to authorizing,  
 3 establishing or eliminating incidental fees for programs under the supervision or control of  
 4 the board and found by the board to be advantageous to the cultural or physical development  
 5 of students.

6 (q) Acquire, receive, own, hold, use, sell, mortgage, lend, pledge, invest in or otherwise  
 7 dispose of and deal in or with the shares, stock, bonds, or other equity or interests in or  
 8 obligations of any entity.

9 (r) Make available and perform any and all services on such terms as considered appro-  
 10 priate.

11 (s) Delegate any and all powers and duties and provide for any further delegation.

12 (t) Provide and disseminate to the public information relating to the programs, operation  
 13 and finances of the institute.

14 (u) Exercise any other power, duty or responsibility necessary or convenient over mat-  
 15 ters of institute concern.

16 (2) The absence of express authority may not be construed to deny that authority to the  
 17 institute or to limit or qualify any such power. Powers of the board shall be liberally con-  
 18 strued to effect the purposes of the institute.

19 **SECTION 6.** The Oregon Institute of Technology Board of Directors shall appoint a  
 20 president of the Oregon Institute of Technology. The president is the president of the faculty  
 21 and is the chief executive officer of the institute. The president has authority to direct the  
 22 affairs and operation of the institute, subject to the policies of the board.

23 **SECTION 7.** (1) Except as otherwise provided by law, ORS 35.550 to 35.575, 180.060, 180.210  
 24 to 180.235, 184.305 to 184.345, 190.430, 190.480, 190.490, 192.105, 200.035, 243.105 to 243.585,  
 25 243.696, 279.835 to 279.855, 357.805 to 357.895 and 656.017 (2) and ORS chapters 182, 183, 240,  
 26 270, 273, 276, 278, 279A, 279B, 279C, 282, 283, 291, 292, 293, 294 and 297 do not apply to the  
 27 Oregon Institute of Technology or any not-for-profit organization or other entity if the eq-  
 28 uity of the organization or entity is owned exclusively by the institute and if the organization  
 29 or entity is created by the institute to advance any of the institute's statutory missions.

30 (2) Notwithstanding subsection (1) of this section, ORS 279B.055 (3), 279C.380 (1)(a) and  
 31 (3), 279C.600 to 279C.625, 279C.800, 279C.810, 279C.825, 279C.830, 279C.835, 279C.840, 279C.845,  
 32 279C.850, 279C.855, 279C.860, 279C.865 and 279C.870 apply to the institute under the same  
 33 terms as they apply to public bodies other than the state.

34 **SECTION 8.** (1) Notwithstanding section 7 of this 2011 Act, ORS 243.105 to 243.585 apply  
 35 to the Oregon Institute of Technology under the same terms as they apply to public bodies  
 36 other than the state, until the Oregon Institute of Technology Board of Directors, in ac-  
 37 cordance with the provisions of any collective bargaining agreement, adopts a new personnel  
 38 system or alternative employee benefit plan. Until such time as a new personnel system is  
 39 adopted, the institute shall exercise exclusive administrative authority and control over the  
 40 existing personnel system, consistent with the provisions of ORS 243.105 to 243.585.

41 (2) Notwithstanding section 7 of this 2011 Act, collective bargaining agreements negoti-  
 42 ated by the state pursuant to ORS 240.321 after the effective date of this 2011 Act that are  
 43 applicable to employees of the Oregon Institute of Technology apply to the institute if the  
 44 new collective bargaining agreement is a successor to a collective bargaining agreement ne-  
 45 gotiated by the state and applicable to the same class of employees of the institute prior to

1 the effective date of this 2011 Act. Such successor agreements shall continue to apply to the  
2 institute until the board and the applicable collective bargaining organization agree to bar-  
3 gain a separate collective bargaining agreement between the institute and the collective  
4 bargaining organization.

5 **SECTION 9.** (1) As used in this section:

6 (a) "Direct labor" includes all work required for preparation, processing and packing, but  
7 not supervision, administration, inspection or shipping.

8 (b) "Individual with a disability" means an individual who, because of the nature of the  
9 individual's disability, is not able to participate fully in competitive employment and for  
10 whom specialized employment opportunities must be provided.

11 (c) "Qualified nonprofit agency for individuals with disabilities" means a nonprofit activ-  
12 ity center or rehabilitation facility:

13 (A) Organized under the laws of the United States or of this state and operated in the  
14 interest of individuals with disabilities, the net income of which does not inure in whole or  
15 in part to the benefit of any shareholder or other individual;

16 (B) That complies with any applicable occupational health and safety standards required  
17 by the laws of the United States or of this state; and

18 (C) That in the manufacture of products and in the provision of services during the fiscal  
19 year employs individuals with disabilities for not less than 75 percent of the work hours of  
20 direct labor required for the manufacture or provision of the products or services.

21 (2) The Oregon Institute of Technology Board of Directors shall further the policy of this  
22 state to encourage and assist individuals with disabilities to achieve maximum personal in-  
23 dependence through useful and productive gainful employment by ensuring an expanded and  
24 constant market for sheltered workshop and activity center products and services, thereby  
25 enhancing the dignity and capacity of individuals with disabilities for self-support and mini-  
26 mizing their dependence on welfare and need for costly institutionalization.

27 (3) It shall be the duty of the Oregon Institute of Technology to:

28 (a) Determine the price of all products manufactured and services offered for sale to the  
29 institute by any qualified nonprofit agency for individuals with disabilities. The price shall  
30 recover for the agency the cost of raw materials, labor, overhead, delivery costs and a mar-  
31 gin held in reserve for inventory and equipment replacement.

32 (b) Revise such prices from time to time in accordance with changing cost factors.

33 (c) Make such rules regarding specifications, time of delivery and other relevant matters  
34 of procedure as shall be necessary.

35 (d) Utilize prices and specifications, in its discretion, established by the Oregon Depart-  
36 ment of Administrative Services.

37 (4) The institute shall establish and publish a list of sources or potential sources of pro-  
38 ducts produced by any qualified nonprofit agency for individuals with disabilities and the  
39 services provided by any such agency that the institute determines are suitable for its pro-  
40 curement. The institute, in its discretion, may utilize any list established and published by  
41 the department.

42 (5) If the institute intends to procure any product or service on the procurement list, the  
43 institute shall procure such product or service at the price established by the institute from  
44 a qualified nonprofit agency for individuals with disabilities, provided the product or service  
45 is of the appropriate specifications and is available at the location and within the period re-

1 required by the institute.

2 (6) It is the intent of the Legislative Assembly that there be close cooperation between  
3 the board, the institute and qualified nonprofit agencies for individuals with disabilities. The  
4 institute, on behalf of the board, is authorized to enter into such contractual arrangements,  
5 cooperative working relationships or other arrangements as may be necessary for effective  
6 coordination and efficient realization of the objective of this section.

7 **SECTION 10.** The Oregon Institute of Technology Board of Directors shall file with the  
8 Legislative Assembly and the Governor, not later than April 15 of each year, a report of the  
9 activities and operations of the institute for the preceding year.

10 **SECTION 11.** (1) The Oregon Institute of Technology Board of Directors may lease, pur-  
11 chase or otherwise acquire such real property as in its sole discretion is necessary or con-  
12 venient to carry out any power granted to the Oregon Institute of Technology. The board  
13 may enter into contracts of purchase or agreements that the board deems necessary to carry  
14 out this authorization. The board may mortgage or pledge any property so purchased, or its  
15 contracts to purchase, together with the income from such property, to secure the payment  
16 of the purchase price thereof.

17 (2) Legal title to all real property acquired by the institute after the operative date of this  
18 section shall be taken and held in the name of the institute. Legal title to all real property  
19 of the state held or managed for the use and benefit of the institute as of the operative date  
20 of this section shall continue to be vested in the state.

21 (3) The board may lease, sell, convey and control the use of, in whole or in part, all  
22 property of the state held or managed for the use and benefit of the institute as of the op-  
23 erative date of this section or that is acquired by the institute after the operative date of this  
24 section. Authorized conveyances of all real property acquired by or vested in the state for  
25 the use or benefit of the institute or acquired by or vested in the institute shall be executed  
26 by the chairperson and secretary of the board.

27 (4) Except as otherwise provided by law, proceeds from the lease, sale or conveyance of  
28 real property pursuant to subsection (3) of this section shall be deposited into an account  
29 at the institute for the benefit of the institute.

30 **SECTION 12.** The Oregon Institute of Technology Board of Directors may, in the man-  
31 agement of all forestlands under its control and supervision, sell the forest products on such  
32 lands. In the management of its forestlands, the board may lease mineral and geothermal  
33 resource rights.

34 **SECTION 13.** The Oregon Institute of Technology may acquire, by condemnation or oth-  
35 erwise, private property that is necessary or convenient in carrying out any power granted  
36 to the institute.

37 **SECTION 14.** The Oregon Institute of Technology shall adopt a comprehensive alcohol  
38 and drug abuse policy and implementation plan.

39 **SECTION 15.** (1) The Oregon Institute of Technology shall develop contract policies that  
40 support openness, impartiality and competition in the awarding of contracts in accordance  
41 with ORS 279A.015.

42 (2) The institute shall also develop contract policies that are designed to encourage af-  
43 firmative action, recycling, inclusion of art in public buildings, the purchase of goods and  
44 services from individuals with disabilities, the protection of workers through the payment  
45 of prevailing wages as determined by the Bureau of Labor and Industries, the provision of

1 workers' compensation insurance to workers on contracts and the participation of emerging  
2 small businesses and businesses owned by women and minorities.

3 (3) The Oregon Institute of Technology Board of Directors shall have the authority to  
4 enact policies, appropriate for the use of the institute, governing public contracting and may  
5 devise and publish forms for use in carrying out the policies.

6 **SECTION 16.** (1) On or before September 1 of each even-numbered year, the Oregon In-  
7 stitute of Technology shall submit to the Oregon Department of Administrative Services a  
8 funding request for the following biennium. The department shall include and submit the  
9 institute's funding request to the Legislative Assembly as part of the Governor's biennial  
10 budget. Any such request approved by the Legislative Assembly shall be appropriated to the  
11 department for direct allocation to the institute. The budget request to the Legislative As-  
12 sembly shall include a presentation on tuition and student fee levels.

13 (2) The Oregon Institute of Technology Board of Directors shall adopt a budget on a  
14 regular schedule determined by the board.

15 **SECTION 17.** (1) The Oregon Institute of Technology may conduct independent audits if  
16 such audits are considered advisable to the institute. The audits are subject to the exclusive  
17 discretion and control of the institute and are subject to disclosure pursuant to ORS 192.410  
18 to 192.505.

19 (2) Nothing in this section affects the constitutional duties and authority of the Secretary  
20 of State to audit public accounts.

21 **SECTION 18.** The Oregon Institute of Technology may commission special campus secu-  
22 rity officers with authority and immunities set forth in ORS 352.385 and police officers. In-  
23 stitute police officers commissioned under this section shall have all the powers, authority  
24 and immunities given by statute to peace officers and police officers of this state. Institute  
25 police officers shall complete training necessary for certification as police officers at an  
26 academy operated or authorized by the Department of Public Safety Standards and Training  
27 at the expense of the Oregon Institute of Technology Board of Directors. Institute police  
28 officers are not police officers for purposes of ORS 238.005, 243.005 or 243.736. The institute  
29 police department is a criminal justice agency and a law enforcement unit.

30 **SECTION 19.** (1) The Oregon Institute of Technology Board of Directors may enact such  
31 regulations as the board deems convenient or necessary to provide for the policing, control  
32 and regulation of traffic and parking of vehicles on Oregon Institute of Technology property.  
33 The regulations may provide for the registration of vehicles, the designation of parking areas  
34 and the assessment and collection of reasonable fees and charges for parking. The board may  
35 require that before a quarterly or yearly parking privilege for any vehicle is granted to any  
36 full-time or part-time student to use institute property, the student must show that the ve-  
37 hicle is operated by a student holding a valid driver license, that the vehicle is currently  
38 registered and that the student driving the vehicle is insured under a motor vehicle liability  
39 insurance policy that meets the requirements described in ORS 806.080 or that the student  
40 or owner of the vehicle has provided the Department of Transportation with other satisfac-  
41 tory proof of compliance with the financial responsibility requirements of this state.

42 (2) The regulations enacted pursuant to subsection (1) of this section shall be enforced  
43 administratively under procedures adopted by the board. Administrative and disciplinary  
44 sanctions may be imposed upon students, faculty and staff for violation of the regulations,  
45 including, but not limited to, a reasonable monetary penalty that may be deducted from

1 student deposits and faculty or staff salaries or other funds in the possession of the institute.  
2 The board shall provide opportunity for hearing for the determination of controversies in  
3 connection with imposition of fines or penalties. Persons other than students, faculty or staff  
4 may voluntarily submit to the hearing procedures prescribed by the board, and shall be  
5 bound by the results of the hearing. The powers granted to the board by this section are  
6 supplemental to the existing powers of the board with respect to the governance of activities  
7 of students, faculty and staff and the control and management of property under the board's  
8 jurisdiction.

9 (3) The regulations enacted pursuant to subsection (1) of this section may also be en-  
10 forced by the impoundment of vehicles, and a reasonable fee may be enacted for the cost of  
11 impoundment and storage, if any, prior to the release of the vehicles to their owners.

12 (4) Every peace officer may enforce the regulations made by the board under subsection  
13 (1) of this section. The board, for the purpose of enforcing its regulations governing traffic  
14 control, may appoint peace officers who have the same authority as other peace officers as  
15 defined in ORS 133.005.

16 (5) The board and any municipal corporation or any department, agency or political sub-  
17 division of this state may enter into agreements or contracts for the purpose of providing a  
18 uniform system of enforcement of the regulations of the board enacted pursuant to sub-  
19 section (1) of this section.

20 (6) In proceedings brought to enforce regulations enacted pursuant to subsection (1) of  
21 this section, it shall be sufficient to charge the defendant by an unsworn written notice as  
22 provided by law. Proceedings to enforce regulations enacted pursuant to subsection (1) of  
23 this section may be brought in the name of the board in a circuit court, a justice court or  
24 a municipal court for offenses committed within the territorial jurisdiction of the court.  
25 Such courts shall have concurrent jurisdiction over offenses committed within their respec-  
26 tive jurisdictions. All fines, penalties and court costs recovered shall be paid to the clerk of  
27 the court involved and shall be disposed of as provided by law.

28 **SECTION 20.** (1) For the purpose of requesting a state or nationwide criminal records  
29 check under ORS 181.534, the Oregon Institute of Technology may require the fingerprints  
30 of a person who:

31 (a)(A) Is employed or applying for employment by the institute; or

32 (B) Provides services or seeks to provide services to the institute as a contractor or  
33 volunteer; and

34 (b) Is, or will be, working or providing services in a position that is designated as a  
35 critical or security-sensitive position.

36 (2) For the purposes of this section, "critical or security-sensitive position" means a po-  
37 sition in which the person:

38 (a) Has direct access to persons under 18 years of age, or has direct access to student  
39 residence facilities because the person's work duties require the person to be present in the  
40 residence facility;

41 (b) Is providing information technology services and has control over, or access to, in-  
42 formation technology systems that would allow the person to harm the information tech-  
43 nology systems or the information contained in the systems;

44 (c) Has access to information, the disclosure of which is prohibited by state or federal  
45 laws, rules or regulations or information that is defined as confidential under state or federal



1 laws, rules or regulations;

2 (d) Has access to property where chemicals, hazardous materials and other items con-  
3 trolled by state or federal laws or regulations are located;

4 (e) Has access to laboratories, nuclear facilities or utility plants to which access is re-  
5 stricted to protect the health or safety of the public;

6 (f) Has financial, financial aid, payroll or purchasing responsibilities as one of the  
7 person's primary responsibilities; or

8 (g) Has access to personal information about institute employees or members of the  
9 public including Social Security numbers, dates of birth, driver license numbers, medical in-  
10 formation, personal financial information or criminal background information.

11 **SECTION 21.** The Oregon Institute of Technology may adopt policies relating to the cre-  
12 ation, use, custody and disclosure of, including access to, student education records of the  
13 institute that are consistent with the requirements of applicable state and federal law.  
14 Whenever a student has attained 18 years of age or is attending the institute, the permission  
15 or consent required of and the rights accorded to a parent of the student regarding education  
16 records is thereafter only required of and accorded to the student.

17 **SECTION 22.** (1) The Oregon Institute of Technology may not refuse admission or expel  
18 a student for the sole reason that, because of religious beliefs, the student is unable to at-  
19 tend classes on a particular day.

20 (2) Any student at the institute who, because of religious beliefs, is unable to attend  
21 classes on a particular day, must be excused on that day from any examination, study re-  
22 quirement or work requirement. However, at the student's own expense, the student may  
23 be required to make up the examination, study requirement or work requirement missed  
24 because of the absence.

25 **SECTION 23.** (1) A student at the Oregon Institute of Technology who is a member of  
26 the military and who is ordered to federal or state active duty for more than 30 consecutive  
27 days has the following rights:

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

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

31 (B) Receive a grade of incomplete and, upon release from active duty, complete the  
32 course in accordance with the institute's practice for completion of incomplete courses; or

33 (C) Continue and complete the course for full credit, subject to the provisions of sub-  
34 section (3) of this section;

35 (b) The right to a credit described in section 24 of this 2011 Act for all amounts paid for  
36 room, board, tuition and fees;

37 (c) If the student elects to withdraw from the institute, the right to be readmitted and  
38 reenrolled at the institute within one year after release from active duty without a require-  
39 ment for redetermination of admission eligibility; and

40 (d) The right to continuation of scholarships and grants awarded to the student that were  
41 funded by the institute or the Oregon Student Assistance Commission before the student  
42 was ordered to active duty.

43 (2) If the student elects to withdraw from a course under subsection (1)(a)(A) of this  
44 section, the institute may not:

45 (a) Give the student academic credit for the course from which the student withdraws;

1 (b) Give the student a failing grade or a grade of incomplete or make any other negative  
2 annotation on the student's record; or

3 (c) Alter the student's grade point average due to the student's withdrawal from the  
4 course.

5 (3) A student who elects to continue and complete a course for full credit under sub-  
6 section (1)(a)(C) of this section is subject to the following conditions:

7 (a) Course sessions the student misses due to active duty shall be counted as excused  
8 absences and may not adversely impact the student's grade for the course or rank in the  
9 student's class.

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

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

15 (4) The Oregon Institute of Technology Board of Directors shall adopt rules for the ad-  
16 ministration of this section.

17 (5) As used in this section, "member of the military" means a person who is a member  
18 of:

19 (a) The Oregon National Guard or the National Guard of any other state or territory; or

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

22 **SECTION 24.** (1)(a) The amount of the credit specified in section 23 (1)(b) of this 2011 Act  
23 shall be based on:

24 (A) The amount of room and board paid by the student for a term that the student does  
25 not complete because the student is ordered to active duty; and

26 (B) The amount of tuition and fees paid by the student for a course from which the  
27 student withdraws.

28 (b) The amount of the credit shall be prorated based on the number of weeks remaining  
29 in the term or course when the student withdraws.

30 (c) At the time a student withdraws from a course at the Oregon Institute of Technology  
31 or from the institute, the student must elect to claim the credit:

32 (A) As a credit toward tuition and fees or room and board if the student reenrolls at the  
33 institute under section 23 (1)(c) of this 2011 Act; or

34 (B) As a monetary payment.

35 (2) A student who elects to claim the credit by the method described in subsection  
36 (1)(c)(A) of this section may change the method of claiming the credit to the method de-  
37 scribed in subsection (1)(c)(B) of this section by giving notice to the institute.

38 (3) A student who elects to claim the credit by the method described in subsection  
39 (1)(c)(A) of this section must use the credit or change the method of claiming the credit  
40 under subsection (2) of this section within one year after release from active duty.

41 (4) A personal representative of a student who elected to claim the credit by the method  
42 described in subsection (1)(c)(A) of this section may claim a monetary payment upon pre-  
43 senting evidence to the institute that the student died while serving on active duty.

44 (5) The Oregon Institute of Technology Board of Directors shall adopt rules for the ad-  
45 ministration of this section, including rules that determine the amount of credit and the

1 method by which the credit is prorated.

2 **SECTION 25.** The Oregon Institute of Technology shall give credit for education and  
3 training obtained by a person while serving in the Armed Forces of the United States, as  
4 defined in ORS 351.642. The education and training for which credit may be given must meet  
5 the standards adopted by the Oregon Institute of Technology Board of Directors.

6 **SECTION 26.** (1) The Oregon Institute of Technology shall charge an enrolled student  
7 who is not a resident of this state and who is attending classes as an undergraduate tuition  
8 and fees no greater than the resident rate plus 50 percent of the difference between the  
9 resident rate and the nonresident rate if the student served in the Armed Forces of the  
10 United States and was relieved or discharged from that service under honorable conditions.

11 (2) The institute shall participate to the fullest extent allowed in the federal educational  
12 assistance programs under the Supplemental Appropriations Act of 2008 (P.L. 110-252) so as  
13 to reduce the overall tuition rate for students eligible for tuition rate reduction under sub-  
14 section (1) of this section to the resident tuition rate.

15 (3) A person who served in the Armed Forces of the United States and who receives  
16 federal tuition benefits in excess of the tuition and fees the person is charged under sub-  
17 section (1) of this section at the institute shall pay tuition and fees equal to the federal tui-  
18 tion benefits received.

19 (4) Distance education and self-support courses as identified by the institute are exempt  
20 from the tuition reduction provisions of this section.

21 (5) If a nonresident student otherwise eligible for tuition benefits under this section is  
22 receiving federal vocational rehabilitation education benefits, that student shall pay full  
23 nonresident tuition and fees charged by the Oregon Institute of Technology.

24 **SECTION 27.** (1) The Oregon Institute of Technology shall convene a physical access  
25 committee to identify barriers to access by persons with disabilities at the institute. The  
26 committee shall include, but not be limited to:

27 (a) One or more students with disabilities or, if there are no students with disabilities  
28 willing to participate, a person with a disability who uses the institute's facilities;

29 (b) One or more members of the faculty or staff who have disabilities;

30 (c) The coordinator of services for students with disabilities for the institute;

31 (d) One or more administrators of the institute; and

32 (e) One or more members of the physical plant staff of the institute.

33 (2) The physical access committee shall present its findings and recommendations to the  
34 Oregon Institute of Technology Board of Directors, listing access needs and priorities for  
35 meeting those needs. These findings and recommendations shall identify the barriers to ac-  
36 cess that prevent persons with disabilities from meaningfully utilizing campus facilities re-  
37 lated to instruction, academic support, assembly and residence life.

38 (3) In preparing budget requests for each biennium, the institute shall include amounts  
39 for capital improvement that will be applied to the substantial reduction and eventual elimi-  
40 nation of barriers to access by persons with disabilities as identified by the physical access  
41 committee.

42 (4) Nothing in this section and ORS 185.155 and 341.937 requires the institute to under-  
43 take projects for accessibility that are not otherwise required unless such projects are  
44 funded specifically by the Legislative Assembly.

45 **SECTION 28.** Notwithstanding the provisions of ORS chapters 238 and 238A, the Oregon

1 Institute of Technology may offer to its employees, in addition to the Public Employees Re-  
2 tirement System, alternative retirement programs.

3 **SECTION 29.** (1) The Oregon Institute of Technology Board of Directors may adopt poli-  
4 cies governing access to Oregon Institute of Technology personnel records that are less than  
5 25 years old.

6 (2) Policies adopted under subsection (1) of this section shall require that personnel re-  
7 cords be subjected to restrictions on access unless the president of the institute finds that  
8 the public interest in maintaining individual rights to privacy in an adequate educational  
9 environment would not suffer by disclosure of such records. Access to such records may be  
10 limited to designated classes of information or persons, or to stated times and conditions,  
11 or to both, but cannot be limited for records more than 25 years old.

12 (3) No rule or order adopted pursuant to this section shall deny to a faculty member full  
13 access to the member's personnel file or records kept by the institute, except as provided in  
14 subsection (4)(d) and (e) of this section.

15 (4)(a) The files relating to the evaluation of a faculty member shall be kept in designated,  
16 available locations.

17 (b) Any evaluation received by telephone shall be documented in each of the faculty  
18 member's files by means of a written summary of the conversation with the names of the  
19 conversants identified.

20 (c) A faculty member shall be entitled to submit, for placement in the files, evidence re-  
21 butting, correcting, amplifying or explaining any document contained therein and other ma-  
22 terial that the member believes might be of assistance in the evaluation process.

23 (d) Letters and other information for a faculty member of the institute submitted in  
24 confidence to the State Board of Higher Education or its institutions, schools or departments  
25 prior to July 1, 1975, shall be maintained in the files designated by paragraph (a) of this  
26 subsection. However, if a faculty member requests access to those files, the anonymity of  
27 the contributor of letters and other information obtained prior to July 1, 1975, shall be pro-  
28 tected. The full text shall be made available, except that portions of the text that would serve  
29 to identify the contributor shall be excised by a faculty committee. Only the names of the  
30 contributors and the excised portions of the documents may be kept in a file other than the  
31 files designated by paragraph (a) of this subsection.

32 (e) Confidential letters and other information submitted to or solicited by the institute  
33 after the operative date of this section and prior to the employment of a prospective faculty  
34 member are exempt from the provisions of this paragraph. However, if the member is em-  
35 ployed by the institute, the confidential preemployment materials shall be placed in the files  
36 designated by paragraph (a) of this subsection. If a faculty member requests access to the  
37 member's files, the anonymity of the contributor of confidential preemployment letters and  
38 other preemployment information shall be protected. The full text shall be made available,  
39 except that portions of the text that would serve to identify the contributor shall be excised  
40 and retained in a file other than the files designated by paragraph (a) of this subsection.

41 (f) Classroom survey evaluations by students of a faculty member's classroom or labo-  
42 ratory performance shall be anonymous. The record of tabulated reports shall be placed in  
43 at least one of the files designated by paragraph (a) of this subsection. All survey instru-  
44 ments used to obtain evaluation data shall be returned to the faculty member.

45 (g) The institute, when evaluating its employed faculty members, may not solicit or ac-

1 cept letters, documents or other materials, given orally or in written form, from individuals  
2 or groups who wish their identity kept anonymous or the information they provide kept  
3 confidential.

4 (5) A policy or order adopted pursuant to this section does not limit the authority of the  
5 institute to prepare, without identification of individual persons who have not consented  
6 thereto, statistical or demographic reports from personnel records.

7 (6) Any category of personnel records specifically designated as confidential pursuant to  
8 valid policies or orders as provided in this section may not be deemed a public record for the  
9 purposes of ORS 192.420.

10 (7) As used in this section, "personnel records" means records containing information  
11 kept by the institute concerning a faculty member and furnished by the faculty member or  
12 by others about the faculty member at the member's or at the institute's request, including  
13 but not limited to information concerning discipline, membership activity and employment  
14 performance, or other personal records of individual persons.

15 **SECTION 30.** (1) The Oregon Institute of Technology Board of Directors may authorize  
16 receipt of compensation for any officer or employee from private or public resources, in-  
17 cluding, but not limited to, income from:

18 (a) Consulting;

19 (b) Appearances and speeches;

20 (c) Intellectual property conceived, reduced to practice or originated and therefore owned  
21 within the Oregon Institute of Technology;

22 (d) Providing services or other valuable consideration for a private corporation, individual  
23 or entity, whether paid in cash or in-kind, stock or other equity interest, or anything of  
24 value regardless of whether there is a licensing agreement between the institute and the  
25 private entity; and

26 (e) Performing public duties paid by private organizations, including institute corporate  
27 affiliates, that augment an officer's or employee's publicly funded salary. Such income shall  
28 be authorized and received in accordance with policies and rules established by the board.

29 (2) The board may not authorize compensation, as described in subsection (1) of this  
30 section, that, in the board's judgment, does not comport with the mission of the institute  
31 or substantially interferes with an officer's or employee's duties to the institute.

32 (3) Any compensation described and authorized under subsection (1) of this section is  
33 considered official compensation or reimbursement of expenses for purposes of ORS 244.040  
34 and is not considered an honorarium prohibited by ORS 244.042. If authorization or receipt  
35 of the compensation creates a potential conflict of interest, the officer or employee shall  
36 report the potential conflict in writing in accordance with rules of the board. The disclosure  
37 is a public record subject to public inspection.

38 (4) The board shall adopt by rule standards governing employee outside employment and  
39 activities, including potential conflicts of interest, as defined by board rule and consistent  
40 with ORS 244.020, and the public disclosure thereof, and procedures for reporting and hearing  
41 potential or actual conflict of interest complaints.

42 **SECTION 31.** The president and professors constitute the faculty of the Oregon Institute  
43 of Technology and have immediate responsibility for the governance and discipline of the  
44 institute and its students. The faculty may, subject to the supervision of the Oregon Insti-  
45 tute of Technology Board of Directors, prescribe the course of study to be pursued at the

1 institute and the textbooks to be used.

2 **SECTION 32.** The Oregon Institute of Technology shall consider and maintain affirmative  
3 action plans and goals when reductions in faculty and staff are required as a result of:

4 (1) Reductions in revenue that necessitate discontinuance of the institute's educational  
5 program at its anticipated level;

6 (2) Elimination of classes due to decreased student enrollment; or

7 (3) Reduction in courses due to administrative decisions.

8 **SECTION 33.** A political or sectarian test may never be allowed or applied in the ap-  
9 pointment of faculty and other employees of the Oregon Institute of Technology.

10 **SECTION 34.** (1) Nothing in sections 1 to 48 of this 2011 Act may be construed to impair  
11 the obligations or agreements of the State of Oregon or the State Board of Higher Education  
12 with respect to bonds, certificates of participation, financing agreements or other agree-  
13 ments for the borrowing of money issued prior to the operative date of this section by the  
14 State of Oregon on behalf of the State Board of Higher Education for equipment or projects  
15 for the Oregon Institute of Technology. The institute and the Oregon University System shall  
16 take all actions necessary to ensure full compliance with all indentures, resolutions, decla-  
17 rations, agreements and other documents issued with respect to the bonds, certificates of  
18 participation, financing agreements or other agreements for the borrowing of money issued  
19 prior to the operative date of this section by the State of Oregon on behalf of the State Board  
20 of Higher Education for equipment or projects for the institute. The Oregon University Sys-  
21 tem and the institute shall establish, in a written agreement that shall be subject to the  
22 approval of the State Treasurer, the responsibility of the institute for the payment to the  
23 State Board of Higher Education of moneys sufficient to pay when due all principal, interest  
24 and any other charges on bonds, certificates of participation, financing agreements or other  
25 agreements for the borrowing of money issued prior to the operative date of this section by  
26 the State of Oregon on behalf of the State Board of Higher Education for equipment or  
27 projects for the institute.

28 (2) Holders of obligations issued by the institute on or after the operative date of this  
29 section may be paid on an equal footing with the obligations issued by the State of Oregon  
30 on behalf of the State Board of Higher Education for equipment or projects for the institute  
31 prior to the operative date of this section from the rents, revenues, receipts, appropriations  
32 or other income of the institute, but only to the extent that:

33 (a) Such holders have no rights, liens or other interests with respect to such rents, re-  
34 venues, receipts, appropriations or other income of the institute that are senior or superior  
35 to the rights granted to the holders of obligations issued prior to the operative date of this  
36 section by the State of Oregon on behalf of the State Board of Higher Education for equip-  
37 ment or projects for the institute; and

38 (b) The State Board of Higher Education, the Oregon Department of Administrative  
39 Services or the State of Oregon, acting for the benefit of such holders of obligations, is  
40 granted a lien or other security interest in the rents, revenues, receipts, appropriations or  
41 other income of the institute that is not junior to and is at least on an equal footing with  
42 any lien or other security interest granted to the holders of obligations issued by the insti-  
43 tute.

44 (3) Any expenses, including legal expenses, judgments, liabilities and federal arbitrage and  
45 rebate penalties arising from the actions of the institute, if incurred with respect to bonds,

1 certificates of participation, financing agreements or other agreements for the borrowing of  
2 money issued prior to the operative date of this section by the State of Oregon on behalf of  
3 the State Board of Higher Education for equipment or projects for the institute, shall be paid  
4 when due by the institute, subject to the institute's right to reasonably contest such charges,  
5 judgments, liabilities or penalties. The institute shall assist the Controller of the Oregon  
6 University System in making any necessary calculations and filing any necessary reports  
7 related to arbitrage and rebate on such indebtedness.

8 (4) Any amounts deposited with the State Treasurer, the Controller of the Oregon Uni-  
9 versity System, the Oregon Department of Administrative Services or its designated agents  
10 in any debt service in reserve accounts for the debt service associated with any bonds, cer-  
11 tificates of participation, financing agreements or other agreements for the borrowing of  
12 money issued prior to the operative date of this section by the State of Oregon on behalf of  
13 the State Board of Higher Education for equipment or projects for the institute shall remain  
14 with the State Treasurer, the Controller of the Oregon University System, the Oregon De-  
15 partment of Administrative Services or its designated agents until such time as the bonds,  
16 certificates of participation, financing agreements or other agreements for the borrowing of  
17 money for which such reserve accounts have been established have been retired or defeased.  
18 The institute shall be credited with the investment earnings on such reserve accounts.

19 **SECTION 35.** The Oregon Institute of Technology may from time to time issue and sell  
20 revenue bonds in accordance with ORS chapter 287A. However, ORS 287A.150 (2) to (6) do  
21 not apply to revenue bonds issued by the institute. Such revenue bonds are neither a general  
22 obligation of the institute nor a charge upon any revenues or property of the institute not  
23 specifically pledged thereto. An obligation described in this section is not an indebtedness of  
24 the State of Oregon.

25 **SECTION 36.** Revenue bonds issued by the Oregon Institute of Technology under ORS  
26 chapter 287A are considered to be bonds or obligations of a political subdivision of the State  
27 of Oregon for the purposes of all laws of the state.

28 **SECTION 37.** Refunding bonds and advance refunding bonds of the same character and  
29 tenor as those replaced by them may be issued by the Oregon Institute of Technology pur-  
30 suant to ORS 287A.360 to 287A.380.

31 **SECTION 38.** In addition to, and not in limitation of, the means of satisfying state gen-  
32 eral obligation bond obligations under ORS 291.445, the Oregon Institute of Technology,  
33 promptly upon the discovery of any shortfall in moneys available to the institute for the  
34 payment when due of amounts under any bonds, certificates of participation, financing  
35 agreements or other agreements for the borrowing of moneys issued prior to the operative  
36 date of this section by the State of Oregon on behalf of the State Board of Higher Education  
37 for equipment or projects for the institute, shall notify in writing the Legislative Assembly,  
38 or if the Legislative Assembly is not in session, the Emergency Board, of the existence and  
39 amount of the shortfall. The Legislative Assembly or the Emergency Board, as the case may  
40 be, may provide funds to satisfy the payment of any such amount. By enacting this provision,  
41 the Legislative Assembly acknowledges its current intention to provide, from funds other  
42 than those appropriated or otherwise made available to the Oregon University System, funds  
43 to pay such amount. However, except as may be required by the Oregon Constitution or ORS  
44 291.445, neither the Legislative Assembly nor the Emergency Board shall have any legal ob-  
45 ligation to provide funds under this section.

1       **SECTION 39.** In order to provide funds for the purposes specified in Article XI-G of the  
2 Oregon Constitution, the Oregon Institute of Technology Board of Directors may request the  
3 State Treasurer to issue bonds in accordance with the provisions of ORS chapter 286A.

4       **SECTION 40.** In order to provide funds for the purposes specified in Article XI-F(1) of the  
5 Oregon Constitution, the Oregon Institute of Technology Board of Directors may request the  
6 State Treasurer to issue bonds in accordance with the provisions of ORS chapter 286A.

7       **SECTION 41.** As used in sections 41 to 45 of this 2011 Act:

8       (1) “Credit enhancement agreement” means any agreement or contractual relationship  
9 between the Oregon Institute of Technology and any bank, trust company, insurance com-  
10 pany, surety bonding company, pension fund or other financial institution providing addi-  
11 tional credit on or security for a financing agreement or certificates of participation  
12 authorized by sections 41 to 45 of this 2011 Act.

13       (2) “Financing agreement” means a lease-purchase agreement, an installment sale  
14 agreement, a loan agreement, a note agreement, short-term promissory notes, commercial  
15 papers, lines of credit or similar obligations or any other agreement to finance real or per-  
16 sonal property that is or will be owned and operated by the institute, or to refinance previ-  
17 ously executed financing agreements.

18       (3) “Personal property” means tangible personal property, software and fixtures.

19       (4) “Property rights” means, with respect to personal property, the rights of a secured  
20 party under ORS chapter 79, and, with respect to real property, the rights of a trustee or  
21 lender under a lease authorized by section 44 (4) of this 2011 Act.

22       (5) “Software” means software and training and maintenance contracts related to the  
23 operation of computing equipment.

24       **SECTION 42.** The Oregon Institute of Technology may enter into financing agreements  
25 in accordance with sections 41 to 45 of this 2011 Act, upon such terms as the institute finds  
26 to be advantageous. Amounts payable by the institute under a financing agreement shall be  
27 limited to funds specifically pledged, budgeted for or otherwise made available by the insti-  
28 tute. If there are insufficient funds available to pay amounts due under a financing agree-  
29 ment, the lender may exercise any property rights that the institute has granted to it in the  
30 financing agreement against the property that was purchased with the proceeds of the fi-  
31 nancing agreement, and may apply the amounts so received toward payments scheduled to  
32 be made by the institute under the financing agreement.

33       **SECTION 43.** The Oregon Institute of Technology Board of Directors may delegate to any  
34 board member or the president’s designee the authority to determine maturity dates, prin-  
35 cipal amounts, redemption provisions, interest rates or methods for determining variable or  
36 adjustable interest rates, denominations and other terms and conditions of such obligations  
37 that are not appropriately determined at the time of enactment or adoption of the author-  
38 izing resolution. The board may also delegate entering into financing agreements or any  
39 other instruments authorized by law. This delegated authority shall be exercised subject to  
40 applicable requirements of law and such limitations and criteria as may be set forth in the  
41 authorizing resolution.

42       **SECTION 44.** The Oregon Institute of Technology may:

43       (1) Enter into agreements with third parties to hold financing agreement proceeds, pay-  
44 ments and reserves as security for lenders, and to issue certificates of participation in the  
45 right to receive payments due from the institute under a financing agreement. Amounts so



1 held shall be invested at the direction of the Oregon Institute of Technology Board of Di-  
 2 rectors. Interest earned on any investments held as security for a financing agreement may,  
 3 at the option of the board, be credited to the accounts held by the third party and applied in  
 4 payment of sums due under a financing agreement.

5 (2) Enter into credit enhancement agreements for financing agreements or certificates  
 6 of participation, provided that such credit enhancement agreements shall be payable solely  
 7 from funds specifically pledged, budgeted for or otherwise made available by the institute and  
 8 amounts received from the exercise of property rights granted under such financing agree-  
 9 ments.

10 (3) Use financing agreements to finance the costs of acquiring or refinancing real or  
 11 personal property, plus the costs of reserves, credit enhancements and costs associated with  
 12 obtaining the financing.

13 (4) Grant leases of real property with a trustee or lender. Such leases may be for a term  
 14 that ends on the date on which all amounts due under a financing agreement have been paid  
 15 or provision for payment has been made, or up to 20 years after the last scheduled payment  
 16 under a financing agreement, whichever is later. Such leases may grant the trustee or lender  
 17 the right to evict the institute and exclude it from possession of the real property for the  
 18 term of the lease if the institute fails to pay when due the amounts scheduled to be paid  
 19 under a financing agreement, or otherwise defaults under a financing agreement. Upon de-  
 20 fault, the trustee or lender may sublease the land to third parties and apply any rentals to-  
 21 ward payments scheduled to be made under a financing agreement.

22 (5) Grant security interests in personal property to trustees or lenders.

23 (6) Make pledges for the benefit of trustees and lenders.

24 (7) Purchase fire and extended coverage or other casualty insurance for property that is  
 25 acquired or refinanced with proceeds of a financing agreement, assign the proceeds thereof  
 26 to a lender or trustee to the extent of their interest, and covenant to maintain such insur-  
 27 ance while the financing agreement is unpaid, so long as available funds are sufficient to  
 28 purchase such insurance.

29 SECTION 45. A lease or financing agreement under sections 41 to 45 of this 2011 Act does  
 30 not cause property to be subject to property taxation and is disregarded in determining  
 31 whether property is exempt from taxation under ORS chapter 307.

32 SECTION 46. The Oregon Institute of Technology Board of Directors may, in its dis-  
 33 cretion, accept financial assistance and grants, either in the form of money or labor, from  
 34 the United States or any of its agencies, subject to the terms and conditions thereof, re-  
 35 gardless of any laws of this state in conflict with the regulations of the federal government  
 36 with respect thereto, and may also accept from others any donation or grant of land or gift  
 37 of money or other valuable gift or thing, for any of the purposes contemplated by Article  
 38 XI-F(1) and Article XI-G of the Oregon Constitution and sections 35 to 45 of this 2011 Act.  
 39 Unless enjoined by the terms or conditions of any such gift or grant, the board may convert  
 40 the same, or any of them, into money, through sale or disposal thereof.

41 SECTION 47. (1) The State Board of Higher Education, in coordination with the Oregon  
 42 Institute of Technology, shall enact performance benchmarks for the institute. The  
 43 benchmarks must reflect the educational outcomes that the State Board of Higher Education  
 44 expects from the institute. The State Board of Higher Education may not prescribe how the  
 45 benchmarks are to be achieved. The president of the institute and the Oregon Institute of

1 Technology Board of Directors have exclusive jurisdiction and control over the means and  
2 methods of achieving the performance benchmarks.

3 (2) The State Board of Higher Education shall assess the institute's compliance with the  
4 benchmarks established in subsection (1) of this section annually and shall issue a report as  
5 to the institute's achievements. The state board may recommend to the Legislative Assembly  
6 incentives to encourage compliance with the benchmarks or penalties for failure to comply  
7 with one or more benchmarks.

8 **SECTION 48.** The Oregon Institute of Technology Board of Directors shall adopt a policy  
9 that prescribes the requirements for a venture grant program and the requirements that a  
10 grant applicant must meet in order to receive grant moneys from the university venture  
11 development fund administered by the Oregon Institute of Technology, including require-  
12 ments:

13 (1) That a grant recipient remain within this state for at least five years following the  
14 receipt of a grant or repay the grant plus interest;

15 (2) That the institute report amounts of tax credit certificates issued by the institute and  
16 cease issuing certificates until the total amount owed to the General Fund by the institute  
17 at any one time under ORS 351.697 (6) does not exceed \$2.4 million; and

18 (3) That the institute maintain records of income realized by the institute as the result  
19 of grants made from the university venture development fund and records of amounts paid  
20 to the General Fund.

21 **SECTION 49.** As used in sections 49 to 60 of this 2011 Act:

22 (1) "Former institute" means the Oregon Institute of Technology in its former status as  
23 a state institution of higher education within the Oregon University System under ORS  
24 352.002, as set forth in the 2009 Edition of the Oregon Revised Statutes.

25 (2) "Institute" means the Oregon Institute of Technology public institute established  
26 under section 1 of this 2011 Act.

27 (3) "Institute board" means the Oregon Institute of Technology Board of Directors es-  
28 tablished under section 2 of this 2011 Act.

29 **SECTION 50.** (1) Pursuant to the provisions of ORS 236.605 to 236.640, and except as  
30 otherwise expressly provided in sections 49 to 60 of this 2011 Act, all persons employed by  
31 the former institute on the operative date of this section shall continue their employment  
32 with the institute and shall retain any seniority, contractual rights or tenure granted prior  
33 to the operative date of this section.

34 (2) Nothing in sections 49 to 60 of this 2011 Act shall affect the representation rights of  
35 collective bargaining organizations that represent former institute employees. Nothing in  
36 sections 49 to 60 of this 2011 Act shall affect any term or condition of any collective bar-  
37 gaining agreement in effect on the operative date of this section.

38 **SECTION 51.** All of the duties, functions and powers of the former institute are trans-  
39 ferred to the institute as if the institute were a continuation of the former institute and not  
40 a new authority.

41 **SECTION 52.** (1) All records and property of the former institute shall be considered the  
42 records and property of the institute.

43 (2) There are transferred to the institute board title to and possession of all the supplies,  
44 materials, equipment, records, books, papers and facilities of the State Board of Higher Ed-  
45 ucation pertaining to the former institute.

1           (3) Title to real property acquired prior to the operative date of this section utilized by  
2 the former institute or held or managed by the state for the benefit of the former institute  
3 shall be continuously held in the name of the State of Oregon, except that the institute has  
4 the exclusive care, custody and control of such real property and facilities.

5           (4) The institute board may sell, convey or lease such property, or any interest therein,  
6 as the institute board deems in the best interest of the institute as provided in section 11  
7 of this 2011 Act.

8           **SECTION 53.** All unexpended moneys, including but not limited to General Fund appro-  
9 priations, gifts, bequests, other funds, assessments, liability and workers' compensation re-  
10 serves and premiums that are appropriated to, held, managed or invested by or on behalf of  
11 or otherwise available to the former institute or its president, for the purposes of any of its  
12 duties, functions or powers transferred by sections 49 to 60 of this 2011 Act to the institute,  
13 are appropriated and transferred to the institute.

14           **SECTION 54.** (1) Any proceeding, action, prosecution or other business or matter  
15 undertaken or commenced before the operative date of this section by the former institute,  
16 with respect to the duties, functions or powers transferred to the institute by sections 49 to  
17 60 of this 2011 Act and still pending on the operative date of this section may be conducted  
18 and completed by the institute in the same manner, under the same terms and conditions  
19 and with the same effect as though undertaken, conducted or completed by the former in-  
20 stitute before the transfer.

21           (2) The transfer of duties, functions and powers to the institute board under sections 49  
22 to 60 of this 2011 Act does not affect any action, suit, proceeding or prosecution involving  
23 or with respect to such duties, functions and powers begun before and pending at the time  
24 of the transfer, except that the institute board shall be substituted for the State Board of  
25 Higher Education in any such action, suit, proceeding or prosecution.

26           **SECTION 55.** Nothing in sections 49 to 60 of this 2011 Act relieves any person of any ob-  
27 ligation with respect to a tax, fee, fine or other charge, interest, penalty, forfeiture or other  
28 liability, duty or obligation.

29           **SECTION 56.** The institute is considered to be a continuation of the former institute with  
30 respect to its duties, functions and powers, and not a new authority for the purpose of suc-  
31 cession to all rights and obligations of the former institute as constituted at the time of such  
32 assignment or transfer, except as otherwise provided in sections 49 to 60 of this 2011 Act,  
33 with the same force and effect as if such duties, functions and powers had not been assigned  
34 or transferred.

35           **SECTION 57.** (1) Whenever, in any law or resolution of the Legislative Assembly or in  
36 any rule, document, record or proceeding authorized thereby, reference is made to the for-  
37 mer institute, or an employee of the former institute, whose duties, functions or powers are  
38 assigned or transferred by sections 49 to 60 of this 2011 Act, except as otherwise provided  
39 by sections 49 to 60 of this 2011 Act, such reference is considered to describe the institute  
40 or employee of the institute that, by sections 49 to 60 of this 2011 Act, is charged with car-  
41 rying out such duties, functions and powers.

42           (2) The lawful rules of the former institute with respect to duties, functions or powers  
43 assigned or transferred by sections 49 to 60 of this 2011 Act continue in effect until super-  
44 seded or rescinded by the institute board.

45           (3) Notwithstanding the transfer of duties, functions and powers by sections 49 to 60 of

1 this 2011 Act, the lawfully adopted rules of the State Board of Higher Education pertaining  
 2 to the former institute in effect on the operative date of this section continue in effect until  
 3 lawfully superseded or repealed by the institute board. References in rules of the State Board  
 4 of Higher Education to the State Board of Higher Education or an officer or employee of the  
 5 State Board of Higher Education are considered to be references to the institute board.

6 **SECTION 58.** A transfer of duties, functions, powers, rights, records, property, employees  
 7 or moneys by sections 49 to 60 of this 2011 Act becomes operative on the date specified in  
 8 section 164 of this 2011 Act. The institute shall exercise and perform such duties, functions,  
 9 powers and rights, and shall take charge of such records, property, employees and moneys.

10 **SECTION 59.** The rights and obligations of the State Board of Higher Education legally  
 11 incurred under contracts, leases and business transactions executed, entered into or begun  
 12 before the operative date of this section pertaining to the former institute are transferred  
 13 to the institute board. For the purpose of succession to these rights and obligations, the in-  
 14 stitute board is considered to be a continuation of the State Board of Higher Education and  
 15 not a new authority, and the institute board must exercise such rights and fulfill such obli-  
 16 gations as if they had not been transferred.

17 **SECTION 60.** For the purpose of administering and enforcing the duties, functions and  
 18 powers transferred by sections 49 to 60 of this 2011 Act and for the payment of the expenses  
 19 lawfully incurred by the State Board of Higher Education with respect to the administration  
 20 and enforcement of such duties, functions and powers pertaining to the former institute, the  
 21 institute board may expend the moneys that are authorized to be expended by the State  
 22 Board of Higher Education for administering and enforcing the duties, functions and powers  
 23 transferred by sections 49 to 60 of this 2011 Act and that are unexpended on the operative  
 24 date of this section. Subject to section 34 of this 2011 Act, the institute board shall assume  
 25 and pay all outstanding obligations lawfully incurred by the State Board of Higher Education  
 26 pertaining to the former institute before the operative date of this section that are properly  
 27 charged against amounts authorized by this section to be expended by the institute board.

28 **SECTION 61.** ORS 30.264 is amended to read:

29 30.264. (1) The State Board of Higher Education may authorize higher education institutions  
 30 under the control of the board to provide liability insurance coverage for students involved in off-  
 31 campus experiential activities, including, but not limited to, student teaching, internships, clinical  
 32 experiences, capstone projects and related activities.

33 **(2) The Oregon Institute of Technology Board of Directors may authorize the Oregon**  
 34 **Institute of Technology to provide liability insurance coverage for students involved in off-**  
 35 **campus experiential activities, including, but not limited to, student teaching, internships,**  
 36 **clinical experiences, capstone projects and related activities.**

37 [(2)] **(3)** If commercial liability insurance coverage is not available to higher education insti-  
 38 tutions, students participating in the activities described in subsection (1) or (2) of this section shall  
 39 be considered to be acting within the course and scope of state employment duties for purposes of  
 40 ORS 30.260 to 30.300.

41 **SECTION 62.** ORS 31.850 is amended to read:

42 31.850. For the purposes of ORS 31.850 to 31.890:

43 (1) "Conduct" means an act or omission that has occurred or that may occur in the future.

44 (2) "Domicile" means the place identified under ORS 31.865.

45 (3) "Injury" means physical or nonphysical harm to a person or property caused by the conduct

1 of another person.

2 (4) "Law," when used in reference to the law of another state, does not include that state's  
3 choice-of-law rules.

4 (5) "Noncontractual claim" means a claim, other than a claim for failure to perform a contrac-  
5 tual or other consensual obligation, that arises from a tort as defined in ORS 30.260, or any conduct  
6 that caused or may cause injury compensable by damages, without regard to whether damages are  
7 sought.

8 (6) "Person" means a person as defined in ORS 174.100 and a public body.

9 (7) "Public body" means a public body as defined in ORS 174.109, **the Oregon Institute of**  
10 **Technology**, the Oregon Health and Science University[,] and the Oregon State Bar.

11 (8) "State" means, unless the context requires otherwise, the United States, any state, territory,  
12 possession or other jurisdiction of the United States, any Indian tribe or other Native American,  
13 Hawaiian or Alaskan group recognized by federal law or formally acknowledged by a state of the  
14 United States, and any foreign country or territorial subdivision of such country that has its own  
15 system of laws.

16 **SECTION 63.** ORS 36.145 is amended to read:

17 36.145. The Dispute Resolution Account is established in the State Treasury, separate and dis-  
18 tinct from the General Fund. All moneys received under ORS 36.150 shall be deposited to the credit  
19 of the account. Notwithstanding the provisions of ORS 291.238, all moneys in the account are con-  
20 tinuously appropriated to the Oregon University System **and the Oregon Institute of Technology**  
21 for the purposes for which the moneys were made available and shall be expended in accordance  
22 with the terms and conditions upon which the moneys were made available.

23 **SECTION 64.** ORS 174.108 is amended to read:

24 174.108. (1) As used in the statutes of this state, a term defined in ORS 174.108 to 174.118 has  
25 the meaning provided by ORS 174.108 to 174.118 only if the statute using the term makes specific  
26 reference to the provision of ORS 174.108 to 174.118 that defines the term and indicates that the  
27 term has the meaning specified in that provision.

28 (2) Nothing in ORS 174.108 to 174.118 affects the meaning of any statute that uses one or more  
29 of the terms defined in ORS 174.108 to 174.118 and that is in effect on January 1, 2002. Nothing in  
30 ORS 174.108 to 174.118 affects the meaning of any statute that uses one or more of the terms defined  
31 in ORS 174.108 to 174.118 and that is enacted after January 1, 2002, unless the statute makes spe-  
32 cific reference to the provision of ORS 174.108 to 174.118 that defines the term and indicates that  
33 the term has the meaning specified in that provision.

34 (3) None of the terms defined in ORS 174.108 to 174.118 includes the Oregon Health and Science  
35 University, **the Oregon Institute of Technology**, the Oregon State Bar, any intergovernmental  
36 entity formed by a public body with another state or with a political subdivision of another state,  
37 or any intergovernmental entity formed by a public body with an agency of the federal government.

38 **SECTION 65.** ORS 181.871 is amended to read:

39 181.871. (1) ORS 181.870 to 181.887 do not apply to:

40 (a) A person certified by the Department of Public Safety Standards and Training as a police  
41 officer or a parole and probation officer.

42 (b) A law enforcement officer of the United States.

43 (c) An officer or employee of this state, **the Oregon Institute of Technology established by**  
44 **section 1 of this 2011 Act**, Oregon Health and Science University established by ORS 353.020 or  
45 the United States while performing duties of the office or employment.

1 (d) A person appointed or commissioned by the Governor to perform law enforcement or security  
2 services.

3 (e) An attorney admitted to practice law in this state while engaged in the practice of law.

4 (f) An insurance adjuster licensed in this state while performing duties authorized by the license.

5 (g) A person who monitors fire alarm systems and other alarm systems that are not designed to  
6 detect unauthorized intrusions while monitoring such systems.

7 (h) A person while protecting the person's property.

8 (i) A person who repairs and installs intrusion alarms while repairing or installing intrusion  
9 alarms.

10 (j) A person acting as an investigator as defined in ORS 703.401.

11 (k) A person performing crowd management or guest services, including, but not limited to, a  
12 person described as a ticket taker, an usher, a parking attendant or event staff or a person employed  
13 for the purpose of age verification by a licensee of the Oregon Liquor Control Commission, who is  
14 not armed and is not hired with the primary responsibility of taking enforcement action as described  
15 in ORS 181.870 (8)(f).

16 (L) A person performing security services at a facility regulated by the United States Nuclear  
17 Regulatory Commission if the facility is operated by the person's employer.

18 (m) An individual while on active duty as a member of the armed services or while performing  
19 duties as a law enforcement officer.

20 (n) An employee of a financial institution who has been designated as a security officer for the  
21 financial institution pursuant to the Bank Protection Act of 1968 (12 U.S.C. 1881 et seq.) and regu-  
22 lations adopted thereunder or pursuant to ORS 723.276 (5).

23 (2) The exemption provided by subsection (1)(k) of this section applies only:

24 (a) If there is at least one person on-site who is certified or licensed under ORS 181.878 for ev-  
25 ery 10 or fewer uncertified persons performing the services described in subsection (1)(k) of this  
26 section;

27 (b) If any enforcement action, as described in ORS 181.870 (8)(f), other than incidental or tem-  
28 porary action, is taken by or under the supervision of a person certified or licensed under ORS  
29 181.878; and

30 (c) During the time when a crowd has assembled for the purpose of attending or taking part in  
31 an organized event, including pre-event assembly, event operation hours and post-event departure  
32 activities.

33 **SECTION 66.** ORS 182.122 is amended to read:

34 182.122. (1) As used in this section:

35 (a) "Executive department" has the meaning given that term in ORS 174.112.

36 (b) "Information systems" means computers, hardware, software, storage media, networks, oper-  
37 ational procedures and processes used in the collection, processing, storage, sharing or distribution  
38 of information within, or with any access beyond ordinary public access to, the state's shared com-  
39 puting and network infrastructure.

40 (2) The Oregon Department of Administrative Services has responsibility for and authority over  
41 information systems security in the executive department, including taking all measures reasonably  
42 necessary to protect the availability, integrity or confidentiality of information systems or the in-  
43 formation stored in information systems. The Oregon Department of Administrative Services shall,  
44 after consultation and collaborative development with agencies, establish a state information sys-  
45 tems security plan and associated standards, policies and procedures.

1 (3) The Oregon Department of Administrative Services, in its sole discretion, shall:

2 (a) Review and verify the security of information systems operated by or on behalf of agencies;

3 (b) Monitor state network traffic to identify and react to security threats; and

4 (c) Conduct vulnerability assessments of agency information systems for the purpose of evalu-  
5 ating and responding to the susceptibility of information systems to attack, disruption or any other  
6 event that threatens the availability, integrity or confidentiality of information systems or the in-  
7 formation stored in information systems.

8 (4) The Oregon Department of Administrative Services shall contract with qualified, independent  
9 consultants for the purpose of conducting vulnerability assessments under subsection (3) of this  
10 section.

11 (5) In collaboration with agencies, the Oregon Department of Administrative Services shall de-  
12 velop and implement policies for responding to events that damage or threaten the availability, in-  
13 tegrity or confidentiality of information systems or the information stored in information systems,  
14 whether those systems are within, interoperable with or outside the state's shared computing and  
15 network infrastructure. In the policies, the department shall prescribe actions reasonably necessary  
16 to:

17 (a) Promptly assemble and deploy in a coordinated manner the expertise, tools and methodol-  
18 ogies required to prevent or mitigate the damage caused or threatened by an event;

19 (b) Promptly alert other persons of the event and of the actions reasonably necessary to prevent  
20 or mitigate the damage caused or threatened by the event;

21 (c) Implement forensic techniques and controls developed under subsection (6) of this section;

22 (d) Evaluate the event for the purpose of possible improvements to the security of information  
23 systems; and

24 (e) Communicate and share information with agencies, using preexisting incident response ca-  
25 pabilities.

26 (6) After consultation and collaborative development with agencies, the Oregon Department of  
27 Administrative Services shall implement forensic techniques and controls for the security of infor-  
28 mation systems, whether those systems are within, interoperable with or outside the state's shared  
29 computing and network infrastructure. The techniques and controls must include the use of spe-  
30 cialized expertise, tools and methodologies, to investigate events that damage or threaten the  
31 availability, integrity or confidentiality of information systems or the information stored in infor-  
32 mation systems. The department shall consult with the Oregon State Police, the Office of Emergency  
33 Management, the Governor and others as necessary in developing forensic techniques and controls  
34 under this section.

35 (7) The Oregon Department of Administrative Services shall ensure that reasonably appropriate  
36 remedial actions are undertaken when the department finds that such actions are reasonably nec-  
37 essary by reason of vulnerability assessments of information systems under subsection (3) of this  
38 section, evaluation of events under subsection (5) of this section and other evaluations and audits.

39 (8)(a) Agencies are responsible for the security of computers, hardware, software, storage media,  
40 networks, operational procedures and processes used in the collection, processing, storage, sharing  
41 or distribution of information outside the state's shared computing and network infrastructure fol-  
42 lowing information security standards, policies and procedures established by the Oregon Depart-  
43 ment of Administrative Services and developed collaboratively with agencies. Agencies may  
44 establish plans, standards and measures that are more stringent than the standards established by  
45 the department to address specific agency needs if those plans, standards and measures do not

1 contradict or contravene the state information systems security plan. Independent agency security  
2 plans shall be developed within the framework of the state information systems security plan.

3 (b) An agency shall report the results of any vulnerability assessment, evaluation or audit con-  
4 ducted by the agency to the department for the purposes of consolidating statewide security re-  
5 porting and, when appropriate, to prompt a state incident response.

6 (9) This section does not apply to:

7 (a) Research and student computer systems used by or in conjunction with the **Oregon Insti-**  
8 **tute of Technology**, the State Board of Higher Education or any state institution of higher edu-  
9 cation within the Oregon University System; and

10 (b)(A) Gaming systems and networks operated by the Oregon State Lottery or its contractors;  
11 or

12 (B) The results of Oregon State Lottery reviews, evaluations and vulnerability assessments of  
13 computer systems outside the state's shared computing and network infrastructure.

14 (10) The Oregon Department of Administrative Services shall adopt rules to carry out its re-  
15 sponsibilities under this section.

16 **SECTION 67.** ORS 183.635 is amended to read:

17 183.635. (1) Except as provided in this section, all agencies must use administrative law judges  
18 assigned from the Office of Administrative Hearings established under ORS 183.605 to conduct con-  
19 tested case hearings, without regard to whether those hearings are subject to the procedural re-  
20 quirements for contested case hearings.

21 (2) The following agencies need not use administrative law judges assigned from the office:

22 (a) Attorney General.

23 (b) Boards of stewards appointed by the Oregon Racing Commission.

24 (c) Bureau of Labor and Industries and the Commissioner of the Bureau of Labor and Industries.

25 (d) Department of Corrections.

26 (e) Department of Education, State Board of Education and Superintendent of Public Instruction.

27 (f) Department of Human Services for vocational rehabilitation services cases under 29 U.S.C.  
28 722(c) and disability determination cases under 42 U.S.C. 405.

29 (g) Department of Revenue.

30 (h) Department of State Police.

31 (i) Employment Appeals Board.

32 (j) Employment Relations Board.

33 (k) Energy Facility Siting Council.

34 (L) Fair Dismissal Appeals Board.

35 (m) Governor.

36 (n) Land Conservation and Development Commission.

37 (o) Land Use Board of Appeals.

38 (p) Local government boundary commissions created pursuant to ORS 199.430.

39 (q) Oregon University System and institutions of higher education listed in ORS 352.002.

40 (r) Oregon Youth Authority.

41 (s) Psychiatric Security Review Board.

42 (t) Public Utility Commission.

43 (u) State Accident Insurance Fund Corporation.

44 (v) State Apprenticeship and Training Council.

45 (w) State Board of Parole and Post-Prison Supervision.



- 1 (x) State Land Board.
- 2 (y) State Treasurer.
- 3 **(z) Oregon Institute of Technology.**
- 4 [(z)] **(aa)** Wage and Hour Commission.

5 (3) The Workers' Compensation Board is exempt from using administrative law judges assigned  
 6 from the office for any hearing conducted by the board under ORS chapters 147, 654 and 656. Except  
 7 as specifically provided in this subsection, the Department of Consumer and Business Services must  
 8 use administrative law judges assigned from the office only for contested cases arising out of the  
 9 department's powers and duties under:

- 10 (a) ORS 86A.095 to 86A.198, 86A.990 and 86A.992 and ORS chapter 59;
- 11 (b) ORS chapter 455;
- 12 (c) ORS chapter 674;
- 13 (d) ORS chapters 706 to 716;
- 14 (e) ORS chapter 717;
- 15 (f) ORS chapters 723, 725 and 726; and
- 16 (g) ORS chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748 and 750.

17 (4) Notwithstanding any other provision of law, in any proceeding in which an agency is re-  
 18 quired to use an administrative law judge assigned from the office, an officer or employee of the  
 19 agency may not conduct the hearing on behalf of the agency.

20 (5) Notwithstanding any other provision of ORS 183.605 to 183.690, an agency is not required to  
 21 use an administrative law judge assigned from the office if:

- 22 (a) Federal law requires that a different administrative law judge or hearing officer be used; or
- 23 (b) Use of an administrative law judge from the office could result in a loss of federal funds.

24 (6) Notwithstanding any other provision of this section, the Department of Environmental  
 25 Quality must use administrative law judges assigned from the office only for contested case hearings  
 26 conducted under the provisions of ORS 183.413 to 183.470.

27 **SECTION 68.** ORS 184.475 is amended to read:

28 184.475. (1) The purposes of information technology portfolio-based management are to:

- 29 (a) Ensure that state agencies link their information technology investments with business plans;
- 30 (b) Facilitate risk assessment of information technology projects and investments;
- 31 (c) Ensure that state agencies justify information technology investments on the basis of sound  
 32 business cases;
- 33 (d) Ensure that state agencies facilitate development and review of information technology per-  
 34 formance related to business operations;
- 35 (e) Identify projects that can cross agency and program lines to leverage resources; and
- 36 (f) Assist in state government-wide planning for common, shared information technology  
 37 infrastructure.

38 (2) The Oregon Department of Administrative Services shall integrate state agency strategic and  
 39 business planning, technology planning and budgeting and project expenditure processes into the  
 40 department's information technology portfolio-based management.

41 (3) In cooperation with state agencies, the department shall conduct and maintain a continuous  
 42 inventory of each state agency's current and planned investments in information technology, a  
 43 compilation of information about those assets and the total life cycle cost of those assets. The de-  
 44 partment shall develop and implement state government-wide standards, processes and procedures  
 45 for the required inventory and for the management of the state government-wide information tech-

1 nology portfolio. State agencies shall participate in the information technology portfolio-based man-  
2 agement and shall comply with the standards, processes and procedures established by the  
3 department under this subsection. The provisions of this subsection do not relieve any state agency  
4 from accountability for equipment, materials, supplies and tangible and intangible personal property  
5 under its control.

6 (4) The department shall ensure that state agencies implement portfolio-based management of  
7 information technology resources in accordance with this section and with rules adopted by the  
8 Director of the Oregon Department of Administrative Services.

9 (5) This section does not apply to competitive research grants and contracts at institutions of  
10 higher education listed in ORS 352.002 **or the Oregon Institute of Technology.**

11 (6) In implementing the provisions of this section, the department shall submit state  
12 government-wide policies for review to the Joint Legislative Committee on Information Management  
13 and Technology.

14 **SECTION 69.** ORS 184.477 is amended to read:

15 184.477. (1) The purpose of enterprise management is to create a plan and implement a state  
16 government-wide approach for managing distributed information technology assets to minimize total  
17 ownership costs from acquisition through retirement, while realizing maximum benefits for trans-  
18 acting the state's business and delivering services to its citizens.

19 (2) With input and recommendations from state agencies, the Oregon Department of Adminis-  
20 trative Services shall develop a plan for the state government-wide management of distributed in-  
21 formation technology assets. The plan shall prescribe the state government-wide infrastructure and  
22 services for managing these assets. The plan shall be submitted to the Joint Legislative Committee  
23 on Information Management and Technology for review.

24 (3) Following review by the Joint Legislative Committee on Information Management and  
25 Technology, the department shall ensure state agency implementation of the plan, including the de-  
26 velopment of appropriate standards, processes and procedures.

27 (4) State agencies shall participate in the enterprise management of information technology as-  
28 sets and shall comply with the standards, processes and procedures of the department.

29 (5) This section does not apply to competitive research grants and contracts at institutions of  
30 higher education listed in ORS 352.002 **or the Oregon Institute of Technology.**

31 **SECTION 70.** ORS 184.631 is amended to read:

32 184.631. (1) The Department of Transportation shall establish a public-private partnership re-  
33 search and development program.

34 (2) As part of the program established under this section, the department may enter into joint  
35 research and development agreements for the purpose of developing products for market that may  
36 reduce the cost of maintenance and preservation or extend the useful life of the state's highways  
37 or that may improve highway safety. The department may enter into agreements with the following:

38 (a) Individuals.

39 (b) Businesses.

40 (c) Nonprofit organizations.

41 (d) The State Board of Higher Education.

42 (e) **The Oregon Institute of Technology.**

43 (3) The department may enter into agreements under subsection (2) of this section that allow the  
44 department to obtain royalties or other financial benefits from the sale or use of products developed  
45 through the public-private partnership research and development program.

1 (4) Moneys that the department is authorized to spend on planning and research may be used  
 2 for development of products under this section.

3 (5) The department shall adopt rules that govern the solicitation and selection of product de-  
 4 velopment projects that will receive funding under the program established under this section.

5 **SECTION 71.** ORS 190.410 is amended to read:

6 190.410. As used in ORS 190.410 to 190.440, “public agency” includes:

7 (1) Any county, city, special district or other public corporation, commission, authority or entity  
 8 organized and existing under laws of this state, or any other state, or under the city or county  
 9 charter of any county or city of this or any other state;

10 (2) Any agency of this state or any other state; *[and]*

11 (3) Oregon Health and Science University; **and**

12 (4) **The Oregon Institute of Technology.**

13 **SECTION 72.** ORS 192.501 is amended to read:

14 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505  
 15 unless the public interest requires disclosure in the particular instance:

16 (1) Records of a public body pertaining to litigation to which the public body is a party if the  
 17 complaint has been filed, or if the complaint has not been filed, if the public body shows that such  
 18 litigation is reasonably likely to occur. This exemption does not apply to litigation which has been  
 19 concluded, and nothing in this subsection shall limit any right or opportunity granted by discovery  
 20 or deposition statutes to a party to litigation or potential litigation.

21 (2) Trade secrets. “Trade secrets,” as used in this section, may include, but are not limited to,  
 22 any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or  
 23 compilation of information which is not patented, which is known only to certain individuals within  
 24 an organization and which is used in a business it conducts, having actual or potential commercial  
 25 value, and which gives its user an opportunity to obtain a business advantage over competitors who  
 26 do not know or use it.

27 (3) Investigatory information compiled for criminal law purposes. The record of an arrest or the  
 28 report of a crime shall be disclosed unless and only for so long as there is a clear need to delay  
 29 disclosure in the course of a specific investigation, including the need to protect the complaining  
 30 party or the victim. Nothing in this subsection shall limit any right constitutionally guaranteed, or  
 31 granted by statute, to disclosure or discovery in criminal cases. For purposes of this subsection, the  
 32 record of an arrest or the report of a crime includes, but is not limited to:

33 (a) The arrested person’s name, age, residence, employment, marital status and similar bi-  
 34 ographical information;

35 (b) The offense with which the arrested person is charged;

36 (c) The conditions of release pursuant to ORS 135.230 to 135.290;

37 (d) The identity of and biographical information concerning both complaining party and victim;

38 (e) The identity of the investigating and arresting agency and the length of the investigation;

39 (f) The circumstances of arrest, including time, place, resistance, pursuit and weapons used; and

40 (g) Such information as may be necessary to enlist public assistance in apprehending fugitives  
 41 from justice.

42 (4) Test questions, scoring keys, and other data used to administer a licensing examination,  
 43 employment, academic or other examination or testing procedure before the examination is given  
 44 and if the examination is to be used again. Records establishing procedures for and instructing  
 45 persons administering, grading or evaluating an examination or testing procedure are included in

1 this exemption, to the extent that disclosure would create a risk that the result might be affected.

2 (5) Information consisting of production records, sale or purchase records or catch records, or  
3 similar business records of a private concern or enterprise, required by law to be submitted to or  
4 inspected by a governmental body to allow it to determine fees or assessments payable or to estab-  
5 lish production quotas, and the amounts of such fees or assessments payable or paid, to the extent  
6 that such information is in a form which would permit identification of the individual concern or  
7 enterprise. This exemption does not include records submitted by long term care facilities as defined  
8 in ORS 442.015 to the state for purposes of reimbursement of expenses or determining fees for pa-  
9 tient care. Nothing in this subsection shall limit the use which can be made of such information for  
10 regulatory purposes or its admissibility in any enforcement proceeding.

11 (6) Information relating to the appraisal of real estate prior to its acquisition.

12 (7) The names and signatures of employees who sign authorization cards or petitions for the  
13 purpose of requesting representation or decertification elections.

14 (8) Investigatory information relating to any complaint filed under ORS 659A.820 or 659A.825,  
15 until such time as the complaint is resolved under ORS 659A.835, or a final order is issued under  
16 ORS 659A.850.

17 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and  
18 663.180.

19 (10) Records, reports and other information received or compiled by the Director of the De-  
20 partment of Consumer and Business Services under ORS 697.732.

21 (11) Information concerning the location of archaeological sites or objects as those terms are  
22 defined in ORS 358.905, except if the governing body of an Indian tribe requests the information and  
23 the need for the information is related to that Indian tribe's cultural or religious activities. This  
24 exemption does not include information relating to a site that is all or part of an existing, commonly  
25 known and publicized tourist facility or attraction.

26 (12) A personnel discipline action, or materials or documents supporting that action.

27 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and  
28 564.100, regarding the habitat, location or population of any threatened species or endangered spe-  
29 cies.

30 (14) Writings prepared by or under the direction of faculty of public educational institutions, in  
31 connection with research, until publicly released, copyrighted or patented.

32 (15) Computer programs developed or purchased by or for any public body for its own use. As  
33 used in this subsection, "computer program" means a series of instructions or statements which  
34 permit the functioning of a computer system in a manner designed to provide storage, retrieval and  
35 manipulation of data from such computer system, and any associated documentation and source  
36 material that explain how to operate the computer program. "Computer program" does not include:

37 (a) The original data, including but not limited to numbers, text, voice, graphics and images;

38 (b) Analyses, compilations and other manipulated forms of the original data produced by use of  
39 the program; or

40 (c) The mathematical and statistical formulas which would be used if the manipulated forms of  
41 the original data were to be produced manually.

42 (16) Data and information provided by participants to mediation under ORS 36.256.

43 (17) Investigatory information relating to any complaint or charge filed under ORS chapter 654,  
44 until a final administrative determination is made or, if a citation is issued, until an employer re-  
45 ceives notice of any citation.

1 (18) Specific operational plans in connection with an anticipated threat to individual or public  
2 safety for deployment and use of personnel and equipment, prepared or used by a public body, if  
3 public disclosure of the plans would endanger an individual's life or physical safety or jeopardize a  
4 law enforcement activity.

5 (19)(a) Audits or audit reports required of a telecommunications carrier. As used in this para-  
6 graph, "audit or audit report" means any external or internal audit or audit report pertaining to a  
7 telecommunications carrier, as defined in ORS 133.721, or pertaining to a corporation having an af-  
8 filiated interest, as defined in ORS 759.390, with a telecommunications carrier that is intended to  
9 make the operations of the entity more efficient, accurate or compliant with applicable rules, pro-  
10 cedures or standards, that may include self-criticism and that has been filed by the telecommuni-  
11 cations carrier or affiliate under compulsion of state law. "Audit or audit report" does not mean an  
12 audit of a cost study that would be discoverable in a contested case proceeding and that is not  
13 subject to a protective order; and

14 (b) Financial statements. As used in this paragraph, "financial statement" means a financial  
15 statement of a nonregulated corporation having an affiliated interest, as defined in ORS 759.390,  
16 with a telecommunications carrier, as defined in ORS 133.721.

17 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS  
18 247.967.

19 (21) The following records, communications and information submitted to a housing authority  
20 as defined in ORS 456.005, or to an urban renewal agency as defined in ORS 457.010, by applicants  
21 for and recipients of loans, grants and tax credits:

22 (a) Personal and corporate financial statements and information, including tax returns;

23 (b) Credit reports;

24 (c) Project appraisals;

25 (d) Market studies and analyses;

26 (e) Articles of incorporation, partnership agreements and operating agreements;

27 (f) Commitment letters;

28 (g) Project pro forma statements;

29 (h) Project cost certifications and cost data;

30 (i) Audits;

31 (j) Project tenant correspondence requested to be confidential;

32 (k) Tenant files relating to certification; and

33 (L) Housing assistance payment requests.

34 (22) Records or information that, if disclosed, would allow a person to:

35 (a) Gain unauthorized access to buildings or other property;

36 (b) Identify those areas of structural or operational vulnerability that would permit unlawful  
37 disruption to, or interference with, services; or

38 (c) Disrupt, interfere with or gain unauthorized access to public funds or to information pro-  
39 cessing, communication or telecommunication systems, including the information contained in the  
40 systems, that are used or operated by a public body.

41 (23) Records or information that would reveal or otherwise identify security measures, or  
42 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to  
43 protect:

44 (a) An individual;

45 (b) Buildings or other property;

1 (c) Information processing, communication or telecommunication systems, including the infor-  
2 mation contained in the systems; or

3 (d) Those operations of the Oregon State Lottery the security of which are subject to study and  
4 evaluation under ORS 461.180 (6).

5 (24) Personal information held by or under the direction of officials of the Oregon Health and  
6 Science University, **the Oregon Institute of Technology** or the Oregon University System about  
7 a person who has or who is interested in donating money or property to the university, **the insti-**  
8 **tute**, the system or a state institution of higher education, if the information is related to the family  
9 of the person, personal assets of the person or is incidental information not related to the donation.

10 (25) The home address, professional address and telephone number of a person who has or who  
11 is interested in donating money or property to **the Oregon Institute of Technology** or the Oregon  
12 University System.

13 (26) Records of the name and address of a person who files a report with or pays an assessment  
14 to a commodity commission established under ORS 576.051 to 576.455, the Oregon Beef Council  
15 created under ORS 577.210 or the Oregon Wheat Commission created under ORS 578.030.

16 (27) Information provided to, obtained by or used by a public body to authorize, originate, re-  
17 ceive or authenticate a transfer of funds, including but not limited to a credit card number, payment  
18 card expiration date, password, financial institution account number and financial institution routing  
19 number.

20 (28) Social Security numbers as provided in ORS 107.840.

21 (29) The electronic mail address of a student who attends a state institution of higher education  
22 listed in ORS 352.002, **the Oregon Institute of Technology** or Oregon Health and Science Uni-  
23 versity.

24 (30) The name, home address, professional address or location of a person that is engaged in,  
25 or that provides goods or services for, medical research at Oregon Health and Science University  
26 that is conducted using animals other than rodents. This subsection does not apply to Oregon Health  
27 and Science University press releases, websites or other publications circulated to the general pub-  
28 lic.

29 (31) If requested by a public safety officer, as defined in ORS 181.610:

30 (a) The home address and home telephone number of the public safety officer contained in the  
31 voter registration records for the public safety officer.

32 (b) The home address and home telephone number of the public safety officer contained in re-  
33 cords of the Department of Public Safety Standards and Training.

34 (c) The name of the public safety officer contained in county real property assessment or taxa-  
35 tion records. This exemption:

36 (A) Applies only to the name of the public safety officer and any other owner of the property  
37 in connection with a specific property identified by the officer in a request for exemption from dis-  
38 closure;

39 (B) Applies only to records that may be made immediately available to the public upon request  
40 in person, by telephone or using the Internet;

41 (C) Applies until the public safety officer requests termination of the exemption;

42 (D) Does not apply to disclosure of records among public bodies as defined in ORS 174.109 for  
43 governmental purposes; and

44 (E) May not result in liability for the county if the name of the public safety officer is disclosed  
45 after a request for exemption from disclosure is made under this subsection.

1 (32) Unless the public records request is made by a financial institution, as defined in ORS  
2 706.008, consumer finance company licensed under ORS chapter 725, mortgage banker or mortgage  
3 broker licensed under ORS 86A.095 to 86A.198, 86A.990 and 86A.992 and ORS chapter 59, or title  
4 company for business purposes, records described in paragraph (a) of this subsection, if the ex-  
5 emption from disclosure of the records is sought by an individual described in paragraph (b) of this  
6 subsection using the procedure described in paragraph (c) of this subsection:

7 (a) The home address, home or cellular telephone number or personal electronic mail address  
8 contained in the records of any public body that has received the request that is set forth in:

9 (A) A warranty deed, deed of trust, mortgage, lien, deed of reconveyance, release, satisfaction,  
10 substitution of trustee, easement, dog license, marriage license or military discharge record that is  
11 in the possession of the county clerk; or

12 (B) Any public record of a public body other than the county clerk.

13 (b) The individual claiming the exemption from disclosure must be a district attorney, a deputy  
14 district attorney, the Attorney General or an assistant attorney general, the United States Attorney  
15 for the District of Oregon or an assistant United States attorney for the District of Oregon, a city  
16 attorney who engages in the prosecution of criminal matters or a deputy city attorney who engages  
17 in the prosecution of criminal matters.

18 (c) The individual claiming the exemption from disclosure must do so by filing the claim in  
19 writing with the public body for which the exemption from disclosure is being claimed on a form  
20 prescribed by the public body. Unless the claim is filed with the county clerk, the claim form shall  
21 list the public records in the possession of the public body to which the exemption applies. The ex-  
22 emption applies until the individual claiming the exemption requests termination of the exemption  
23 or ceases to qualify for the exemption.

24 (33) Land management plans required for voluntary stewardship agreements entered into under  
25 ORS 541.423.

26 (34) Sensitive business records or financial or commercial information of the State Accident In-  
27 surance Fund Corporation that is not customarily provided to business competitors. This exemption  
28 does not:

29 (a) Apply to the formulas for determining dividends to be paid to employers insured by the State  
30 Accident Insurance Fund Corporation;

31 (b) Apply to contracts for advertising, public relations or lobbying services or to documents re-  
32 lated to the formation of such contracts;

33 (c) Apply to group insurance contracts or to documents relating to the formation of such con-  
34 tracts, except that employer account records shall remain exempt from disclosure as provided in  
35 ORS 192.502 (35); or

36 (d) Provide the basis for opposing the discovery of documents in litigation pursuant to the ap-  
37 plicable rules of civil procedure.

38 (35) Records of the Department of Public Safety Standards and Training relating to investi-  
39 gations conducted under ORS 181.662 or 181.878 (6), until the department issues the report described  
40 in ORS 181.662 or 181.878.

41 (36) A medical examiner's report, autopsy report or laboratory test report ordered by a medical  
42 examiner under ORS 146.117.

43 **SECTION 73.** ORS 192.501, as amended by section 3, chapter 455, Oregon Laws 2005, section  
44 7, chapter 608, Oregon Laws 2007, section 2, chapter 687, Oregon Laws 2007, section 2, chapter 48,  
45 Oregon Laws 2008, section 3, chapter 57, Oregon Laws 2009, section 2, chapter 135, Oregon Laws

1 2009, section 4, chapter 222, Oregon Laws 2009, and section 2, chapter 769, Oregon Laws 2009, is  
2 amended to read:

3 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505  
4 unless the public interest requires disclosure in the particular instance:

5 (1) Records of a public body pertaining to litigation to which the public body is a party if the  
6 complaint has been filed, or if the complaint has not been filed, if the public body shows that such  
7 litigation is reasonably likely to occur. This exemption does not apply to litigation which has been  
8 concluded, and nothing in this subsection shall limit any right or opportunity granted by discovery  
9 or deposition statutes to a party to litigation or potential litigation.

10 (2) Trade secrets. "Trade secrets," as used in this section, may include, but are not limited to,  
11 any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or  
12 compilation of information which is not patented, which is known only to certain individuals within  
13 an organization and which is used in a business it conducts, having actual or potential commercial  
14 value, and which gives its user an opportunity to obtain a business advantage over competitors who  
15 do not know or use it.

16 (3) Investigatory information compiled for criminal law purposes. The record of an arrest or the  
17 report of a crime shall be disclosed unless and only for so long as there is a clear need to delay  
18 disclosure in the course of a specific investigation, including the need to protect the complaining  
19 party or the victim. Nothing in this subsection shall limit any right constitutionally guaranteed, or  
20 granted by statute, to disclosure or discovery in criminal cases. For purposes of this subsection, the  
21 record of an arrest or the report of a crime includes, but is not limited to:

22 (a) The arrested person's name, age, residence, employment, marital status and similar bi-  
23 ographical information;

24 (b) The offense with which the arrested person is charged;

25 (c) The conditions of release pursuant to ORS 135.230 to 135.290;

26 (d) The identity of and biographical information concerning both complaining party and victim;

27 (e) The identity of the investigating and arresting agency and the length of the investigation;

28 (f) The circumstances of arrest, including time, place, resistance, pursuit and weapons used; and

29 (g) Such information as may be necessary to enlist public assistance in apprehending fugitives  
30 from justice.

31 (4) Test questions, scoring keys, and other data used to administer a licensing examination,  
32 employment, academic or other examination or testing procedure before the examination is given  
33 and if the examination is to be used again. Records establishing procedures for and instructing  
34 persons administering, grading or evaluating an examination or testing procedure are included in  
35 this exemption, to the extent that disclosure would create a risk that the result might be affected.

36 (5) Information consisting of production records, sale or purchase records or catch records, or  
37 similar business records of a private concern or enterprise, required by law to be submitted to or  
38 inspected by a governmental body to allow it to determine fees or assessments payable or to estab-  
39 lish production quotas, and the amounts of such fees or assessments payable or paid, to the extent  
40 that such information is in a form which would permit identification of the individual concern or  
41 enterprise. This exemption does not include records submitted by long term care facilities as defined  
42 in ORS 442.015 to the state for purposes of reimbursement of expenses or determining fees for pa-  
43 tient care. Nothing in this subsection shall limit the use which can be made of such information for  
44 regulatory purposes or its admissibility in any enforcement proceeding.

45 (6) Information relating to the appraisal of real estate prior to its acquisition.



1 (7) The names and signatures of employees who sign authorization cards or petitions for the  
2 purpose of requesting representation or decertification elections.

3 (8) Investigatory information relating to any complaint filed under ORS 659A.820 or 659A.825,  
4 until such time as the complaint is resolved under ORS 659A.835, or a final order is issued under  
5 ORS 659A.850.

6 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and  
7 663.180.

8 (10) Records, reports and other information received or compiled by the Director of the De-  
9 partment of Consumer and Business Services under ORS 697.732.

10 (11) Information concerning the location of archaeological sites or objects as those terms are  
11 defined in ORS 358.905, except if the governing body of an Indian tribe requests the information and  
12 the need for the information is related to that Indian tribe's cultural or religious activities. This  
13 exemption does not include information relating to a site that is all or part of an existing, commonly  
14 known and publicized tourist facility or attraction.

15 (12) A personnel discipline action, or materials or documents supporting that action.

16 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and  
17 564.100, regarding the habitat, location or population of any threatened species or endangered spe-  
18 cies.

19 (14) Writings prepared by or under the direction of faculty of public educational institutions, in  
20 connection with research, until publicly released, copyrighted or patented.

21 (15) Computer programs developed or purchased by or for any public body for its own use. As  
22 used in this subsection, "computer program" means a series of instructions or statements which  
23 permit the functioning of a computer system in a manner designed to provide storage, retrieval and  
24 manipulation of data from such computer system, and any associated documentation and source  
25 material that explain how to operate the computer program. "Computer program" does not include:

26 (a) The original data, including but not limited to numbers, text, voice, graphics and images;

27 (b) Analyses, compilations and other manipulated forms of the original data produced by use of  
28 the program; or

29 (c) The mathematical and statistical formulas which would be used if the manipulated forms of  
30 the original data were to be produced manually.

31 (16) Data and information provided by participants to mediation under ORS 36.256.

32 (17) Investigatory information relating to any complaint or charge filed under ORS chapter 654,  
33 until a final administrative determination is made or, if a citation is issued, until an employer re-  
34 ceives notice of any citation.

35 (18) Specific operational plans in connection with an anticipated threat to individual or public  
36 safety for deployment and use of personnel and equipment, prepared or used by a public body, if  
37 public disclosure of the plans would endanger an individual's life or physical safety or jeopardize a  
38 law enforcement activity.

39 (19)(a) Audits or audit reports required of a telecommunications carrier. As used in this para-  
40 graph, "audit or audit report" means any external or internal audit or audit report pertaining to a  
41 telecommunications carrier, as defined in ORS 133.721, or pertaining to a corporation having an af-  
42 filiated interest, as defined in ORS 759.390, with a telecommunications carrier that is intended to  
43 make the operations of the entity more efficient, accurate or compliant with applicable rules, pro-  
44 cedures or standards, that may include self-criticism and that has been filed by the telecommuni-  
45 cations carrier or affiliate under compulsion of state law. "Audit or audit report" does not mean an

1 audit of a cost study that would be discoverable in a contested case proceeding and that is not  
2 subject to a protective order; and

3 (b) Financial statements. As used in this paragraph, “financial statement” means a financial  
4 statement of a nonregulated corporation having an affiliated interest, as defined in ORS 759.390,  
5 with a telecommunications carrier, as defined in ORS 133.721.

6 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS  
7 247.967.

8 (21) The following records, communications and information submitted to a housing authority  
9 as defined in ORS 456.005, or to an urban renewal agency as defined in ORS 457.010, by applicants  
10 for and recipients of loans, grants and tax credits:

11 (a) Personal and corporate financial statements and information, including tax returns;

12 (b) Credit reports;

13 (c) Project appraisals;

14 (d) Market studies and analyses;

15 (e) Articles of incorporation, partnership agreements and operating agreements;

16 (f) Commitment letters;

17 (g) Project pro forma statements;

18 (h) Project cost certifications and cost data;

19 (i) Audits;

20 (j) Project tenant correspondence requested to be confidential;

21 (k) Tenant files relating to certification; and

22 (L) Housing assistance payment requests.

23 (22) Records or information that, if disclosed, would allow a person to:

24 (a) Gain unauthorized access to buildings or other property;

25 (b) Identify those areas of structural or operational vulnerability that would permit unlawful  
26 disruption to, or interference with, services; or

27 (c) Disrupt, interfere with or gain unauthorized access to public funds or to information pro-  
28 cessing, communication or telecommunication systems, including the information contained in the  
29 systems, that are used or operated by a public body.

30 (23) Records or information that would reveal or otherwise identify security measures, or  
31 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to  
32 protect:

33 (a) An individual;

34 (b) Buildings or other property;

35 (c) Information processing, communication or telecommunication systems, including the infor-  
36 mation contained in the systems; or

37 (d) Those operations of the Oregon State Lottery the security of which are subject to study and  
38 evaluation under ORS 461.180 (6).

39 (24) Personal information held by or under the direction of officials of the Oregon Health and  
40 Science University, **the Oregon Institute of Technology** or the Oregon University System about  
41 a person who has or who is interested in donating money or property to the university, **the insti-**  
42 **tute**, the system or a state institution of higher education, if the information is related to the family  
43 of the person, personal assets of the person or is incidental information not related to the donation.

44 (25) The home address, professional address and telephone number of a person who has or who  
45 is interested in donating money or property to **the Oregon Institute of Technology** or the Oregon

1 University System.

2 (26) Records of the name and address of a person who files a report with or pays an assessment  
3 to a commodity commission established under ORS 576.051 to 576.455, the Oregon Beef Council  
4 created under ORS 577.210 or the Oregon Wheat Commission created under ORS 578.030.

5 (27) Information provided to, obtained by or used by a public body to authorize, originate, re-  
6 ceive or authenticate a transfer of funds, including but not limited to a credit card number, payment  
7 card expiration date, password, financial institution account number and financial institution routing  
8 number.

9 (28) Social Security numbers as provided in ORS 107.840.

10 (29) The electronic mail address of a student who attends a state institution of higher education  
11 listed in ORS 352.002, **the Oregon Institute of Technology** or Oregon Health and Science Uni-  
12 versity.

13 (30) If requested by a public safety officer, as defined in ORS 181.610:

14 (a) The home address and home telephone number of the public safety officer contained in the  
15 voter registration records for the public safety officer.

16 (b) The home address and home telephone number of the public safety officer contained in re-  
17 cords of the Department of Public Safety Standards and Training.

18 (c) The name of the public safety officer contained in county real property assessment or taxa-  
19 tion records. This exemption:

20 (A) Applies only to the name of the public safety officer and any other owner of the property  
21 in connection with a specific property identified by the officer in a request for exemption from dis-  
22 closure;

23 (B) Applies only to records that may be made immediately available to the public upon request  
24 in person, by telephone or using the Internet;

25 (C) Applies until the public safety officer requests termination of the exemption;

26 (D) Does not apply to disclosure of records among public bodies as defined in ORS 174.109 for  
27 governmental purposes; and

28 (E) May not result in liability for the county if the name of the public safety officer is disclosed  
29 after a request for exemption from disclosure is made under this subsection.

30 (31) Unless the public records request is made by a financial institution, as defined in ORS  
31 706.008, consumer finance company licensed under ORS chapter 725, mortgage banker or mortgage  
32 broker licensed under ORS 86A.095 to 86A.198, 86A.990 and 86A.992 and ORS chapter 59, or title  
33 company for business purposes, records described in paragraph (a) of this subsection, if the ex-  
34 emption from disclosure of the records is sought by an individual described in paragraph (b) of this  
35 subsection using the procedure described in paragraph (c) of this subsection:

36 (a) The home address, home or cellular telephone number or personal electronic mail address  
37 contained in the records of any public body that has received the request that is set forth in:

38 (A) A warranty deed, deed of trust, mortgage, lien, deed of reconveyance, release, satisfaction,  
39 substitution of trustee, easement, dog license, marriage license or military discharge record that is  
40 in the possession of the county clerk; or

41 (B) Any public record of a public body other than the county clerk.

42 (b) The individual claiming the exemption from disclosure must be a district attorney, a deputy  
43 district attorney, the Attorney General or an assistant attorney general, the United States Attorney  
44 for the District of Oregon or an assistant United States attorney for the District of Oregon, a city  
45 attorney who engages in the prosecution of criminal matters or a deputy city attorney who engages

1 in the prosecution of criminal matters.

2 (c) The individual claiming the exemption from disclosure must do so by filing the claim in  
3 writing with the public body for which the exemption from disclosure is being claimed on a form  
4 prescribed by the public body. Unless the claim is filed with the county clerk, the claim form shall  
5 list the public records in the possession of the public body to which the exemption applies. The ex-  
6 emption applies until the individual claiming the exemption requests termination of the exemption  
7 or ceases to qualify for the exemption.

8 (32) Land management plans required for voluntary stewardship agreements entered into under  
9 ORS 541.423.

10 (33) Sensitive business records or financial or commercial information of the State Accident In-  
11 surance Fund Corporation that is not customarily provided to business competitors. This exemption  
12 does not:

13 (a) Apply to the formulas for determining dividends to be paid to employers insured by the State  
14 Accident Insurance Fund Corporation;

15 (b) Apply to contracts for advertising, public relations or lobbying services or to documents re-  
16 lated to the formation of such contracts;

17 (c) Apply to group insurance contracts or to documents relating to the formation of such con-  
18 tracts, except that employer account records shall remain exempt from disclosure as provided in  
19 ORS 192.502 (35); or

20 (d) Provide the basis for opposing the discovery of documents in litigation pursuant to the ap-  
21 plicable rules of civil procedure.

22 (34) Records of the Department of Public Safety Standards and Training relating to investi-  
23 gations conducted under ORS 181.662 or 181.878 (6), until the department issues the report described  
24 in ORS 181.662 or 181.878.

25 (35) A medical examiner's report, autopsy report or laboratory test report ordered by a medical  
26 examiner under ORS 146.117.

27 **SECTION 74.** ORS 192.690 is amended to read:

28 192.690. (1) ORS 192.610 to 192.690 do not apply to the deliberations of the State Board of Parole  
29 and Post-Prison Supervision, the Psychiatric Security Review Board, state agencies conducting  
30 hearings on contested cases in accordance with the provisions of ORS chapter 183, the review by  
31 the Workers' Compensation Board or the Employment Appeals Board of similar hearings on con-  
32 tested cases, meetings of the state lawyers assistance committee operating under the provisions of  
33 ORS 9.568, meetings of the personal and practice management assistance committees operating un-  
34 der the provisions of ORS 9.568, the county multidisciplinary child abuse teams required to review  
35 child abuse cases in accordance with the provisions of ORS 418.747, the child fatality review teams  
36 required to review child fatalities in accordance with the provisions of ORS 418.785, the peer review  
37 committees in accordance with the provisions of ORS 441.055, mediation conducted under ORS  
38 36.250 to 36.270, any judicial proceeding, meetings of the Oregon Health and Science University  
39 Board of Directors or its designated committee regarding candidates for the position of president  
40 of the university or regarding sensitive business, financial or commercial matters of the university  
41 not customarily provided to competitors related to financings, mergers, acquisitions or joint ventures  
42 or related to the sale or other disposition of, or substantial change in use of, significant real or  
43 personal property, or related to health system strategies, or to Oregon Health and Science Univer-  
44 sity faculty or staff committee meetings, **meetings of the Oregon Institute of Technology Board**  
45 **of Directors or its designated committee regarding candidates for the position of president**

1 **of the Oregon Institute of Technology or regarding sensitive business, financial or commer-**  
 2 **cial matters of the institute not customarily provided to competitors related to financings,**  
 3 **mergers, acquisitions or joint ventures or related to the sale or other disposition of, or**  
 4 **substantial change in use of, significant real or personal property, or to institute faculty or**  
 5 **staff committee meetings.**

6 (2) Because of the grave risk to public health and safety that would be posed by misappropriation or misapplication of information considered during such review and approval, ORS 192.610 to  
 7 192.690 shall not apply to review and approval of security programs by the Energy Facility Siting  
 8 Council pursuant to ORS 469.530.

10 **SECTION 75.** ORS 238.005, as amended by section 8, chapter 1, Oregon Laws 2010, is amended  
 11 to read:

12 238.005. For purposes of this chapter:

13 (1) "Annuity" means payments for life derived from contributions made by a member as provided  
 14 in this chapter.

15 (2) "Board" means the Public Employees Retirement Board.

16 (3) "Calendar year" means 12 calendar months commencing on January 1 and ending on De-  
 17 cember 31 following.

18 (4) "Continuous service" means service not interrupted for more than five years, except that  
 19 such continuous service shall be computed without regard to interruptions in the case of:

20 (a) An employee who had returned to the service of the employer as of January 1, 1945, and  
 21 who remained in that employment until having established membership in the Public Employees  
 22 Retirement System.

23 (b) An employee who was in the armed services on January 1, 1945, and returned to the service  
 24 of the employer within one year of the date of being otherwise than dishonorably discharged and  
 25 remained in that employment until having established membership in the Public Employees Retirement  
 26 System.

27 (5) "Creditable service" means any period of time during which an active member is being paid  
 28 a salary by a participating public employer and for which benefits under this chapter are funded by  
 29 employer contributions and earnings on the fund. For purposes of computing years of "creditable  
 30 service," full months and major fractions of a month shall be considered to be one-twelfth of a year  
 31 and shall be added to all full years. "Creditable service" includes all retirement credit received by  
 32 a member.

33 (6) "Earliest service retirement age" means the age attained by a member when the member  
 34 could first make application for retirement under the provisions of ORS 238.280.

35 (7) "Employee" includes, in addition to employees, public officers, but does not include:

36 (a) Persons engaged as independent contractors.

37 (b) Seasonal, emergency or casual workers whose periods of employment with any public em-  
 38 ployer or public employers do not total 600 hours in any calendar year.

39 (c) Persons, other than workers in the Oregon Industries for the Blind under ORS 346.190, pro-  
 40 vided sheltered employment or made-work by a public employer in an employment or industries  
 41 program maintained for the benefit of such persons.

42 (d) Persons employed and paid from federal funds received under the Emergency Job and Un-  
 43 employment Assistance Act of 1974 (Public Law 93-567) or any other federal program intended pri-  
 44 marily to alleviate unemployment. However, any such person shall be considered an "employee" if  
 45 not otherwise excluded by paragraphs (a) to (c) of this subsection and the public employer elects to

1 have the person so considered by an irrevocable written notice to the board.

2 (e) Persons who are employees of a railroad, as defined in ORS 824.020, and who, as such em-  
3 ployees, are included in a retirement plan under federal railroad retirement statutes. This paragraph  
4 shall be deemed to have been in effect since the inception of the system.

5 (8) "Final average salary" means whichever of the following is greater:

6 (a) The average salary per calendar year paid by one or more participating public employers to  
7 an employee who is an active member of the system in three of the calendar years of membership  
8 before the effective date of retirement of the employee, in which three years the employee was paid  
9 the highest salary. The three calendar years in which the employee was paid the largest total salary  
10 may include calendar years in which the employee was employed for less than a full calendar year.  
11 If the number of calendar years of active membership before the effective date of retirement of the  
12 employee is three or fewer, the final average salary for the employee is the average salary per cal-  
13 endar year paid by one or more participating public employers to the employee in all of those years,  
14 without regard to whether the employee was employed for the full calendar year.

15 (b) One-third of the total salary paid by a participating public employer to an employee who is  
16 an active member of the system in the last 36 calendar months of active membership before the ef-  
17 fective date of retirement of the employee.

18 (9) "Firefighter" does not include a volunteer firefighter, but does include:

19 (a) The State Fire Marshal, the chief deputy fire marshal and deputy state fire marshals; and

20 (b) An employee of the State Forestry Department who is certified by the State Forester as a  
21 professional wildland firefighter and whose primary duties include the abatement of uncontrolled  
22 fires as described in ORS 477.064.

23 (10) "Fiscal year" means 12 calendar months commencing on July 1 and ending on June 30 fol-  
24 lowing.

25 (11) "Fund" means the Public Employees Retirement Fund.

26 (12)(a) "Member" means a person who has established membership in the system and whose  
27 membership has not been terminated as described in ORS 238.095. "Member" includes active, inac-  
28 tive and retired members.

29 (b) "Active member" means a member who is presently employed by a participating public em-  
30 ployer in a qualifying position and who has completed the six-month period of service required by  
31 ORS 238.015.

32 (c) "Inactive member" means a member who is not employed in a qualifying position, whose  
33 membership has not been terminated in the manner described by ORS 238.095, and who is not retired  
34 for service or disability.

35 (d) "Retired member" means a member who is retired for service or disability.

36 (13)(a) "Member account" means the regular account and the variable account.

37 (b) "Regular account" means the account established for each active and inactive member under  
38 ORS 238.250.

39 (c) "Variable account" means the account established for a member who participates in the  
40 Variable Annuity Account under ORS 238.260.

41 (14) "Normal retirement age" means:

42 (a) For a person who establishes membership in the system before January 1, 1996, as described  
43 in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or firefighter  
44 or 58 years of age if the employee retires at that age as other than a police officer or firefighter.

45 (b) For a person who establishes membership in the system on or after January 1, 1996, as de-

1 scribed in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or  
2 firefighter or 60 years of age if the employee retires at that age as other than a police officer or  
3 firefighter.

4 (15) "Pension" means annual payments for life derived from contributions by one or more public  
5 employers.

6 (16) "Police officer" includes:

7 (a) Employees of institutions defined in ORS 421.005 as Department of Corrections institutions  
8 whose duties, as assigned by the Director of the Department of Corrections, include the custody of  
9 persons committed to the custody of or transferred to the Department of Corrections and employees  
10 of the Department of Corrections who were classified as police officers on or before July 27, 1989,  
11 whether or not such classification was authorized by law.

12 (b) Employees of the Department of State Police who are classified as police officers by the  
13 Superintendent of State Police.

14 (c) Employees of the Oregon Liquor Control Commission who are classified as enforcement of-  
15 ficers by the administrator of the commission.

16 (d) Sheriffs and those deputy sheriffs or other employees of a sheriff whose duties, as classified  
17 by the sheriff, are the regular duties of police officers or corrections officers.

18 (e) Police chiefs and police personnel of a city who are classified as police officers by the  
19 council or other governing body of the city.

20 (f) Parole and probation officers employed by the Department of Corrections, parole and pro-  
21 bation officers who are transferred to county employment under ORS 423.549 and adult parole and  
22 probation officers, as defined in ORS 181.610, who are classified as police officers for the purposes  
23 of this chapter by the county governing body. If a county classifies adult parole and probation offi-  
24 cers as police officers for the purposes of this chapter, and the employees so classified are repres-  
25 ented by a labor organization, any proposal by the county to change that classification or to cease  
26 to classify adult parole and probation officers as police officers for the purposes of this chapter is  
27 a mandatory subject of bargaining.

28 (g) Police officers appointed under ORS 276.021 or 276.023.

29 (h) Employees of the Port of Portland who are classified as airport police by the Board of  
30 Commissioners of the Port of Portland.

31 (i) Employees of the State Department of Agriculture who are classified as livestock police of-  
32 ficers by the Director of Agriculture.

33 (j) Employees of the Department of Public Safety Standards and Training who are classified by  
34 the department as other than secretarial or clerical personnel.

35 (k) Investigators of the Criminal Justice Division of the Department of Justice.

36 (L) Corrections officers as defined in ORS 181.610.

37 (m) Employees of the Oregon State Lottery Commission who are classified by the Director of the  
38 Oregon State Lottery as enforcement agents pursuant to ORS 461.110.

39 (n) The Director of the Department of Corrections.

40 (o) An employee who for seven consecutive years has been classified as a police officer as de-  
41 fined by this section, and who is employed or transferred by the Department of Corrections to fill  
42 a position designated by the Director of the Department of Corrections as being eligible for police  
43 officer status.

44 (p) An employee of the Department of Corrections classified as a police officer on or prior to  
45 July 27, 1989, whether or not that classification was authorized by law, as long as the employee

1 remains in the position held on July 27, 1989. The initial classification of an employee under a sys-  
2 tem implemented pursuant to ORS 240.190 does not affect police officer status.

3 (q) Employees of a school district who are appointed and duly sworn members of a law  
4 enforcement agency of the district as provided in ORS 332.531 or otherwise employed full-time as  
5 police officers commissioned by the district.

6 (r) Employees at youth correction facilities and juvenile detention facilities under ORS 419A.050,  
7 419A.052 and 420.005 to 420.915 who are required to hold valid Oregon teaching licenses and who  
8 have supervisory, control or teaching responsibilities over juveniles committed to the custody of the  
9 Department of Corrections or the Oregon Youth Authority.

10 (s) Employees at youth correction facilities as defined in ORS 420.005 whose primary job de-  
11 scription involves the custody, control, treatment, investigation or supervision of juveniles placed  
12 in such facilities.

13 (t) Employees of the Oregon Youth Authority who are classified as juvenile parole and probation  
14 officers.

15 (17) "Public employer" means the state, one of its agencies, any city, county, or municipal or  
16 public corporation, **any public institute**, any political subdivision of the state or any  
17 instrumentality thereof, or an agency created by one or more such governmental organizations to  
18 provide governmental services. For purposes of this chapter, such agency created by one or more  
19 governmental organizations is a governmental instrumentality and a legal entity with power to enter  
20 into contracts, hold property and sue and be sued.

21 (18) "Prior service credit" means credit provided under ORS 238.442 or under ORS 238.225 (2)  
22 to (6) (1999 Edition).

23 (19) "Qualifying position" means one or more jobs with one or more participating public em-  
24 ployers in which an employee performs 600 or more hours of service in a calendar year, excluding  
25 any service in a job for which a participating public employer does not provide benefits under this  
26 chapter pursuant to an application made under ORS 238.035.

27 (20) "Retirement credit" means a period of time that is treated as creditable service for the  
28 purposes of this chapter.

29 (21)(a) "Salary" means the remuneration paid an employee in cash out of the funds of a public  
30 employer in return for services to the employer, plus the monetary value, as determined by the  
31 Public Employees Retirement Board, of whatever living quarters, board, lodging, fuel, laundry and  
32 other advantages the employer furnishes the employee in return for services.

33 (b) "Salary" includes but is not limited to:

34 (A) Payments of employee and employer money into a deferred compensation plan, which are  
35 deemed salary paid in each month of deferral;

36 (B) The amount of participation in a tax-sheltered or deferred annuity, which is deemed salary  
37 paid in each month of participation;

38 (C) Retroactive payments described in section 7, chapter 1, Oregon Laws 2010; and

39 (D) Wages of a deceased member paid to a surviving spouse or dependent children under ORS  
40 652.190.

41 (c) "Salary" or "other advantages" does not include:

42 (A) Travel or any other expenses incidental to employer's business which is reimbursed by the  
43 employer;

44 (B) Payments for insurance coverage by an employer on behalf of employee or employee and  
45 dependents, for which the employee has no cash option;



1 (C) Payments made on account of an employee's death;

2 (D) Any lump sum payment for accumulated unused sick leave;

3 (E) Any accelerated payment of an employment contract for a future period or an advance  
4 against future wages;

5 (F) Any retirement incentive, retirement severance pay, retirement bonus or retirement  
6 gratuitous payment;

7 (G) Payments for periods of leave of absence after the date the employer and employee have  
8 agreed that no future services qualifying pursuant to ORS 238.015 (3) will be performed, except for  
9 sick leave and vacation;

10 (H) Payments for instructional services rendered to institutions of the Oregon University  
11 System, **the Oregon Institute of Technology** or the Oregon Health and Science University when  
12 such services are in excess of full-time employment subject to this chapter. A person employed under  
13 a contract for less than 12 months is subject to this subparagraph only for the months to which the  
14 contract pertains; or

15 (I) Payments made by an employer for insurance coverage provided to a domestic partner of an  
16 employee.

17 (22) "School year" means the period beginning July 1 and ending June 30 next following.

18 (23) "System" means the Public Employees Retirement System.

19 (24) "Vested" means being an active member of the system in each of five calendar years.

20 (25) "Volunteer firefighter" means a firefighter whose position normally requires less than 600  
21 hours of service per year.

22 **SECTION 76.** ORS 238.200 is amended to read:

23 238.200. (1)(a) An active member of the Public Employees Retirement System shall contribute to  
24 the Public Employees Retirement Fund and there shall be withheld from salary of the member six  
25 percent of that salary as an employee contribution.

26 (b) Notwithstanding paragraph (a) of this subsection, an employee who is an active member of  
27 the system on August 21, 1981, shall contribute to the fund and there shall be withheld from salary  
28 of the member, as long as the employee continues to be an active member of the system, four percent  
29 of that salary if the salary for a month is less than \$500, or five percent of that salary if the salary  
30 for a month is \$500 or more and less than \$1,000. Notwithstanding subsection (2) of this section, for  
31 the purpose of computing the percentage of salary to be withheld under this paragraph from a  
32 member who is an employee of a school district, **the Oregon Institute of Technology** or [of] the  
33 State Board of Higher Education whose salary is based on an annual agreement, the agreed annual  
34 salary of the member shall be divided into 12 equal installments, and each installment shall be  
35 considered as earned and paid in separate, consecutive months, commencing with the first month  
36 that payment is actually made under the terms of the salary agreement.

37 (2) The contributions of each member as provided in subsection (1) of this section shall be de-  
38 ducted by the employer from each payroll and transmitted by the employer to the Public Employees  
39 Retirement Board, which shall cause them to be credited to the member account of the member.  
40 Salary shall be considered earned in the month in which it is paid. The date inscribed on the pay-  
41 check or warrant shall be considered as the pay date, regardless of when the salary is actually de-  
42 livered to the member.

43 (3) An active member who is concurrently employed by more than one participating public em-  
44 ployer, and who is a member of or entitled to membership in the system, shall make contributions  
45 to the fund on the basis of salary paid by each employer.

1 (4) Notwithstanding subsections (1) to (3) of this section, a member of the system, or a partic-  
 2 ipating employer acting on behalf of the member pursuant to ORS 238.205, is not permitted or re-  
 3 quired to make employee contributions to the fund for service performed on or after January 1, 2004.  
 4 This subsection does not affect any contribution for the purpose of unit purchases under ORS  
 5 238.440 or amounts paid for acquisition of creditable service under ORS 238.105 to 238.175.

6 **SECTION 77.** ORS 238.300 is amended to read:

7 238.300. Upon retiring from service at normal retirement age or thereafter, a member of the  
 8 system shall receive a service retirement allowance which shall consist of the following annuity and  
 9 pensions:

10 (1) A refund annuity which shall be the actuarial equivalent of accumulated contributions, if  
 11 any, by the member and interest thereon credited at the time of retirement, which annuity shall  
 12 provide an allowance payable during the life of the member and at death a lump sum equal in  
 13 amount to the difference between accumulated contributions at the time of retirement and the sum  
 14 of the annuity payments actually made to the member during life shall be paid to such person, if any,  
 15 as the member nominates by written designation duly acknowledged and filed with the board or shall  
 16 otherwise be paid according to the provisions of this chapter for disposal of an amount credited to  
 17 the member account of a member at the time of death in the event the member designates no ben-  
 18 eficiary to receive the amount or no such beneficiary is able to receive the amount. If death of the  
 19 member occurs before the first payment is due, the member account of the member shall be treated  
 20 as though death had occurred before retirement.

21 (2)(a) A life pension (nonrefund) for current service provided by the contributions of employers,  
 22 which pension, subject to paragraph (b) of this subsection, shall be an amount which, when added  
 23 to the sum of the annuity, if any, under subsection (1) of this section and the annuity, if any, pro-  
 24 vided on the same basis and payable from the Variable Annuity Account, both annuities considered  
 25 on a refund basis, results in a total of:

26 (A) For service as a police officer or firefighter, two percent of final average salary multiplied  
 27 by the number of years of membership in the system as a police officer or firefighter before the ef-  
 28 fective date of retirement.

29 (B) For service as other than a police officer or firefighter, including service as a member of the  
 30 Legislative Assembly, 1.67 percent of final average salary multiplied by the number of years of  
 31 membership in the system as other than a police officer or firefighter before the effective date of  
 32 retirement.

33 (b) A pension under this subsection shall be at least:

34 (A) For a member who first establishes membership in the system before July 1, 2003, the  
 35 actuarial equivalent of the annuity provided by the accumulated contributions of the member. A  
 36 person establishes membership in the system before July 1, 2003, for the purposes of this subpara-  
 37 graph if:

38 (i) The person is a member of the system, or a judge member of the system, on the day imme-  
 39 diately before July 1, 2003; or

40 (ii) The person performed any period of service for a participating public employer before July  
 41 1, 2003, that is credited to the six-month period of employment required of an employee under ORS  
 42 238.015 before an employee may become a member of the system.

43 (B) For a member who made contributions before August 21, 1981, the equivalent of a pension  
 44 computed pursuant to this subsection as it existed immediately before that date.

45 (c) As used in this subsection, "number of years of membership" means the number of full years

1 of creditable service plus any remaining fraction of a year of creditable service. Except as other-  
 2 wise provided in this paragraph, in determining a remaining fraction a full month shall be consid-  
 3 ered as one-twelfth of a year and a major fraction of a month shall be considered as a full month.  
 4 Membership of a school district employee, an employee of the State Board of Higher Education **or**  
 5 **an employee of the Oregon Institute of Technology** engaged in teaching or other school activity  
 6 at an institution of higher education or an employee of the Department of Human Services, the  
 7 Oregon Youth Authority, the Department of Corrections or the State Board of Education engaged  
 8 in teaching or other school activity at an institution supervised by the authority, board or depart-  
 9 ment, for all portions of a school year in a calendar year in which the district school, institution  
 10 of higher education or school activity at an institution so supervised in which the member is em-  
 11 ployed is normally in session shall be considered as a full one-half year of membership. The number  
 12 of years of membership of a member who received a refund of contributions as provided in ORS  
 13 237.976 (2) is limited to the number of years after the day before the date on which the refund was  
 14 received. The number of years of membership of a member who is separated, for any reason other  
 15 than death or disability, from all service entitling the member to membership in the system, who  
 16 withdraws the amount credited to the member account of the member in the fund during absence  
 17 from such service and who thereafter reenters the service of an employer participating in the system  
 18 but does not repay the amount so withdrawn as provided in this chapter, is limited to the number  
 19 of years after the day before the date of so reentering.

20 (3) An additional life pension (nonrefund) for prior service credit, including military service,  
 21 credited to the member at the time of first becoming a member of the system, as elsewhere provided  
 22 in this chapter, which pension shall be provided by the contributions of the employer.

23 **SECTION 78.** ORS 238.350 is amended to read:

24 238.350. (1)(a) Upon the request by a public employer that its employees be compensated for  
 25 accumulated unused sick leave with pay in the form of increased retirement benefits upon service  
 26 or disability retirement, the board shall establish a procedure for adding to the gross amount of  
 27 salary used in determining final average salary the monetary value of one-half of the accumulated  
 28 unused sick leave with pay of each retiring employee of the requesting public employer and shall  
 29 establish benefits of the retiring employee on the basis of a final average salary reflecting that ad-  
 30 dition.

31 (b) For employees of a common school district, a union high school district, an education service  
 32 district or a community college, or employees of the State Board of Higher Education **or the**  
 33 **Oregon Institute of Technology** engaged in teaching or other school activity at an institution of  
 34 higher education, or employees of the school operated under ORS 346.010 engaged in teaching or  
 35 other school activity, who are employed under contract for a period of less than 12 consecutive  
 36 months and who are entitled to sick leave with pay of less than 96 hours for a year, each hour of  
 37 accumulated unused sick leave with pay shall be valued on the basis of the actual number of con-  
 38 tract hours of employment during the last year of contributing membership of an employee before  
 39 retiring and the salary of the employee during the same period. This paragraph does not apply to  
 40 any employee who is employed under contract for 12 consecutive months in any of the three or less  
 41 years used in determining the final average salary of the employee.

42 (c) For the purpose of this subsection, accumulated unused sick leave with pay includes unused  
 43 sick leave with pay accumulated by an active member of the system while in the service of any  
 44 public employer participating in the system that has the request described in paragraph (a) of this  
 45 subsection in effect at the time of the member's separation from the service of the employer, whether

1 that employer is or is not the employer of the member at the time of the member's retirement.

2 (d) The board shall establish rules requiring all public employers participating in the system to  
3 transmit to the board reports of unused sick leave with pay accumulated by their employees who  
4 are members of the system and to provide timely notification to each of those employees of unused  
5 sick leave with pay accumulated by the employee and reported to the board.

6 (2) Accumulated unused sick leave with pay may be considered for the purpose of subsection (1)  
7 of this section only in accordance with the following requirements:

8 (a) Sick leave not credited at the rate actually provided by the public employer may not be  
9 considered. The amount of sick leave exceeding an amount credited at the lowest rate in effect for  
10 any employee of the public employer who is normally entitled to sick leave, and in any event ex-  
11 ceeding an amount credited at a rate of eight hours for each full month worked, may not be con-  
12 sidered.

13 (b) Sick leave credited for periods when an employee was absent from employment on sabbatical  
14 leave, educational leave or any leave without pay may not be considered.

15 (c) Any period during which an employee was absent from employment for illness or injury that  
16 was charged against sick leave not qualified for consideration shall be deducted from sick leave  
17 qualified for consideration.

18 (d) Sick leave for any period for which the public employer provides no sick leave with pay for  
19 its employees may not be considered.

20 (e) Sick leave accumulated on and after July 1, 1973, may be considered only to the extent it is  
21 supported by records of accumulation and use pursuant to a plan adopted formally by the public  
22 employer.

23 (f) Accumulated unused sick leave for periods before July 1, 1973, may be considered as follows:

24 (A) If any department, bureau or other organizational unit of a public employer maintained  
25 formal records of accumulation and use even though the public employer did not require that those  
26 records be maintained, the accumulated unused sick leave shall be considered according to those  
27 records.

28 (B) Where the public employer provided sick leave before July 1, 1973, but formal records of  
29 accumulation and use were not required or if required, are unavailable or incomplete, or the sick  
30 leave was subject to administrative limitations on total accumulation or transfer between public  
31 employers, accumulated unused sick leave for periods before July 1, 1973, may be considered as  
32 equal to 2.675 hours for each full month worked or an amount per month equal to the average  
33 monthly accumulation by an employee during the period beginning July 1, 1973, and ending at the  
34 time of retirement, whichever amount is greater, but reduced by the amount of any accumulated  
35 unused sick leave credited to the employee on July 1, 1973.

36 (g) The written certification of a member or former member of the Legislative Assembly shall  
37 constitute a formal record of accumulation and use in determining the amount of accumulated un-  
38 used sick leave of an employee of the Legislative Assembly, either of its houses or any of its com-  
39 mittees or officers for periods of employment before July 1, 1981. Sick leave accumulated on and  
40 after July 1, 1981, by employees of the Legislative Assembly, either of its houses or any of its com-  
41 mittees or officers may be considered only to the extent it is supported by records of accumulation  
42 and use maintained by the Legislative Administration Committee, or any statutory, standing, special  
43 or interim committee of the Legislative Assembly or either house thereof, or any constitutional or  
44 statutory office of the Legislative Assembly or either house thereof, pursuant to a plan adopted  
45 formally by the committee or officer.

1 (3)(a) As used in this subsection, “legislative employee” means any person employed by the  
 2 Legislative Assembly, either of its houses or any of its committees or officers, but does not include  
 3 a regular employee of a statutory committee or statutory office of the Legislative Assembly de-  
 4 scribed in ORS 173.005 (1).

5 (b) Upon the request of a retiring legislative employee who is a member of the system, and the  
 6 request of the public employer of the legislative employee, that the legislative employee be com-  
 7 pensated for accumulated unused vacation with pay for periods of legislative employment in the form  
 8 of increased retirement benefits upon service or disability retirement, the board shall add to the  
 9 gross amount of salary used in determining final average salary of the legislative employee the  
 10 monetary value of one-half of the accumulated unused vacation with pay of the legislative employee  
 11 and shall establish the benefits of the legislative employee on the basis of a final average salary  
 12 reflecting that addition.

13 (c) Accumulated unused vacation with pay may be considered for the purposes of paragraph (b)  
 14 of this subsection only in accordance with the following requirements:

15 (A) Vacation not credited at the rate actually provided by the public employer may not be  
 16 considered.

17 (B) Amounts of vacation exceeding amounts creditable to employees in the classified service of  
 18 the state service pursuant to ORS 240.515 (1), and rules adopted pursuant thereto, in effect on June  
 19 30, 1981, shall not be considered.

20 (C) Vacation accumulated before, on and after July 1, 1981, may be considered only to the extent  
 21 it is supported by records of accumulation and use pursuant to a plan adopted formally by the public  
 22 employer. However, the written certification of a member or former member of the Legislative As-  
 23 sembly shall constitute a formal record of accumulation and use in determining the amount of ac-  
 24 cumulated unused vacation of a legislative employee for periods of legislative employment before  
 25 July 1, 1981.

26 (4) Employers with plans providing payments on account of sickness in lieu of sick leave with  
 27 pay may request the board to consider the monetary value of accumulated unused payments on ac-  
 28 count of sickness as if such payments were an equivalent amount of accumulated unused sick leave  
 29 with pay under the same terms and conditions specified in subsections (1) and (2) of this section.

30 **SECTION 79.** ORS 238A.005, as amended by section 9, chapter 1, Oregon Laws 2010, and section  
 31 1, chapter 82, Oregon Laws 2010, is amended to read:

32 238A.005. For the purposes of this chapter:

33 (1) “Active member” means a member of the pension program or the individual account program  
 34 of the Oregon Public Service Retirement Plan who is actively employed in a qualifying position.

35 (2) “Actuarial equivalent” means a payment or series of payments having the same value as the  
 36 payment or series of payments replaced, computed on the basis of interest rate and mortality as-  
 37 sumptions adopted by the board.

38 (3) “Board” means the Public Employees Retirement Board.

39 (4) “Eligible employee” means a person who performs services for a participating public em-  
 40 ployer, including elected officials other than judges. “Eligible employee” does not include:

41 (a) Persons engaged as independent contractors;

42 (b) Aliens working under a training or educational visa;

43 (c) Persons, other than workers in the Industries for the Blind Program under ORS 346.190,  
 44 provided sheltered employment or make-work by a public employer;

45 (d) Persons categorized by a participating public employer as student employees;

- 1 (e) Any person who is an inmate of a state institution;
- 2 (f) Employees of foreign trade offices of the Oregon Business Development Department who live  
3 and perform services in foreign countries under the provisions of ORS 285A.075 (1)(g);
- 4 (g) An employee actively participating in an alternative retirement program established under  
5 ORS 353.250 or an optional retirement plan established under ORS 341.551;
- 6 (h) Employees of the Oregon University System **or the Oregon Institute of Technology** who  
7 are actively participating in an optional retirement plan offered under ORS 243.800 **or an alterna-**  
8 **tive retirement program offered under section 28 of this 2011 Act;**
- 9 (i) Any employee who belongs to a class of employees that was not eligible on August 28, 2003,  
10 for membership in the system under the provisions of ORS chapter 238 or other law;
- 11 (j) Any person who belongs to a class of employees who are not eligible to become members of  
12 the Oregon Public Service Retirement Plan under the provisions of ORS 238A.070 (2);
- 13 (k) Any person who is retired under ORS 238A.100 to 238A.245 or ORS chapter 238 and who  
14 continues to receive retirement benefits while employed; and
- 15 (L) Judges.
- 16 (5) “Firefighter” means:
- 17 (a) A person employed by a local government, as defined in ORS 174.116, whose primary job  
18 duties include the fighting of fires;
- 19 (b) The State Fire Marshal, the chief deputy state fire marshal and deputy state fire marshals;  
20 and
- 21 (c) An employee of the State Forestry Department who is certified by the State Forester as a  
22 professional wildland firefighter and whose primary duties include the abatement of uncontrolled  
23 fires as described in ORS 477.064.
- 24 (6) “Fund” means the Public Employees Retirement Fund.
- 25 (7)(a) “Hour of service” means:
- 26 (A) An hour for which an eligible employee is directly or indirectly paid or entitled to payment  
27 by a participating public employer for performance of duties in a qualifying position; and
- 28 (B) An hour of vacation, holiday, illness, incapacity, jury duty, military duty or authorized leave  
29 during which an employee does not perform duties but for which the employee is directly or indi-  
30 rectly paid or entitled to payment by a participating public employer for services in a qualifying  
31 position, as long as the hour is within the number of hours regularly scheduled for the performance  
32 of duties during the period of vacation, holiday, illness, incapacity, jury duty, military duty or au-  
33 thorized leave.
- 34 (b) “Hour of service” does not include any hour for which payment is made or due under a plan  
35 maintained solely for the purpose of complying with applicable workers’ compensation laws or un-  
36 employment compensation laws.
- 37 (8) “Inactive member” means a member of the pension program or the individual account pro-  
38 gram of the Oregon Public Service Retirement Plan whose membership has not been terminated, who  
39 is not a retired member and who is not employed in a qualifying position.
- 40 (9) “Individual account program” means the defined contribution individual account program of  
41 the Oregon Public Service Retirement Plan established under ORS 238A.025.
- 42 (10) “Member” means an eligible employee who has established membership in the pension pro-  
43 gram or the individual account program of the Oregon Public Service Retirement Plan and whose  
44 membership has not been terminated under ORS 238A.110 or 238A.310.
- 45 (11) “Participating public employer” means a public employer as defined in ORS 238.005 that

1 provides retirement benefits for employees of the public employer under the system.

2 (12) "Pension program" means the defined benefit pension program of the Oregon Public Service  
3 Retirement Plan established under ORS 238A.025.

4 (13) "Police officer" means a police officer as described in ORS 238.005.

5 (14) "Qualifying position" means one or more jobs with one or more participating public em-  
6 ployers in which an eligible employee performs 600 or more hours of service in a calendar year,  
7 excluding any service in a job for which benefits are not provided under the Oregon Public Service  
8 Retirement Plan pursuant to ORS 238A.070 (2).

9 (15) "Retired member" means a pension program member who is receiving a pension as provided  
10 in ORS 238A.180 to 238A.195.

11 (16)(a) "Salary" means the remuneration paid to an active member in return for services to the  
12 participating public employer, including remuneration in the form of living quarters, board or other  
13 items of value, to the extent the remuneration is includable in the employee's taxable income under  
14 Oregon law. Salary includes the additional amounts specified in paragraph (b) of this subsection,  
15 but does not include the amounts specified in paragraph (c) of this subsection, regardless of whether  
16 those amounts are includable in taxable income.

17 (b) "Salary" includes the following amounts:

18 (A) Payments of employee and employer money into a deferred compensation plan that are made  
19 at the election of the employee.

20 (B) Contributions to a tax-sheltered or deferred annuity that are made at the election of the  
21 employee.

22 (C) Any amount that is contributed to a cafeteria plan or qualified transportation fringe benefit  
23 plan by the employer at the election of the employee and that is not includable in the taxable in-  
24 come of the employee by reason of 26 U.S.C. 125 or 132(f)(4), as in effect on December 31, 2009.

25 (D) Any amount that is contributed to a cash or deferred arrangement by the employer at the  
26 election of the employee and that is not included in the taxable income of the employee by reason  
27 of 26 U.S.C. 402(e)(3), as in effect on December 31, 2009.

28 (E) Retroactive payments described in section 7, chapter 1, Oregon Laws 2010.

29 (F) The amount of an employee contribution to the individual account program that is paid by  
30 the employer and deducted from the compensation of the employee, as provided under ORS 238A.335  
31 (1) and (2)(a).

32 (G) The amount of an employee contribution to the individual account program that is not paid  
33 by the employer under ORS 238A.335.

34 (H) Wages of a deceased member paid to a surviving spouse or dependent children under ORS  
35 652.190.

36 (c) "Salary" does not include the following amounts:

37 (A) Travel or any other expenses incidental to employer's business which is reimbursed by the  
38 employer.

39 (B) Payments made on account of an employee's death.

40 (C) Any lump sum payment for accumulated unused sick leave, vacation leave or other paid  
41 leave.

42 (D) Any severance payment, accelerated payment of an employment contract for a future period  
43 or advance against future wages.

44 (E) Any retirement incentive, retirement bonus or retirement gratuitous payment.

45 (F) Payment for a leave of absence after the date the employer and employee have agreed that

1 no future services in a qualifying position will be performed.

2 (G) Payments for instructional services rendered to institutions of the Oregon University  
3 System, **the Oregon Institute of Technology** or the Oregon Health and Science University when  
4 those services are in excess of full-time employment subject to this chapter. A person employed un-  
5 der a contract for less than 12 months is subject to this subparagraph only for the months covered  
6 by the contract.

7 (H) The amount of an employee contribution to the individual account program that is paid by  
8 the employer and is not deducted from the compensation of the employee, as provided under ORS  
9 238A.335 (1) and (2)(b).

10 (I) Any amount in excess of \$200,000 for a calendar year. If any period over which salary is  
11 determined is less than 12 months, the \$200,000 limitation for that period shall be multiplied by a  
12 fraction, the numerator of which is the number of months in the determination period and the de-  
13 nominator of which is 12. The board shall adopt rules adjusting this dollar limit to incorporate  
14 cost-of-living adjustments authorized by the Internal Revenue Service.

15 (17) "System" means the Public Employees Retirement System.

16 **SECTION 80.** ORS 238A.140 is amended to read:

17 238A.140. (1) An active member of the pension program accrues one year of retirement credit  
18 for each complete year of service and one-twelfth of a year of retirement credit for each full month  
19 and each major fraction of a month of service.

20 (2) An active member who is a school employee shall be credited with at least six months of  
21 retirement credit if the member performs service for a major fraction of each month of a school year  
22 that falls between January 1 and June 30, and at least six months of retirement credit if the member  
23 performs service for a major fraction of each month of a school year that falls between July 1 and  
24 December 31.

25 (3) When an eligible employee becomes a member under ORS 238A.100, the board shall credit  
26 the eligible employee with retirement credit for the period of employment required of the employee  
27 under ORS 238A.100.

28 (4) A member may not accrue more than one full year of retirement credit in any calendar year.

29 (5) For purposes of this section, "school employee" means:

30 (a) A person who is employed by a common school district, a union high school district or an  
31 education service district;

32 (b) An employee of the State Board of Higher Education, **the Oregon Institute of Technology**  
33 or the Oregon Health and Science University who is engaged in teaching or other school activity  
34 at an institution of higher education;

35 (c) An employee of the Department of Human Services, the Oregon Youth Authority, the De-  
36 partment of Corrections or the State Board of Education who is engaged in teaching or other school  
37 activity at an institution supervised by the authority, board or department; and

38 (d) An employee of a community college district other than an academic employee.

39 **SECTION 81.** ORS 243.107 is amended to read:

40 243.107. A person employed by a state institution of higher education, **the Oregon Institute**  
41 **of Technology** or the Oregon Health and Science University may be considered an eligible employee  
42 for participation in one of the group benefit plans described in ORS 243.135 if the State Board of  
43 Higher Education, **the Oregon Institute of Technology Board of Directors for employees of the**  
44 **institute** or the Oregon Health and Science University Board of Directors for Oregon Health and  
45 Science University employees, determines that funds are available therefor and if:



1 (1) Notwithstanding ORS 243.105 (4)(b)(F), the person is a student enrolled in an institution of  
 2 higher education and is employed as a graduate teaching assistant, graduate research assistant or  
 3 a fellow at the institution and elects to participate; or

4 (2) Notwithstanding ORS 243.105 (4)(b)(B) or (C), the person is employed on a less than half-time  
 5 basis in an unclassified instructional or research support capacity and elects to participate.

6 **SECTION 82.** ORS 243.778 is amended to read:

7 243.778. (1) When an appropriate bargaining unit includes members of the faculty of an institu-  
 8 tion of higher education, the duly organized and recognized entity of student government at that  
 9 institution may designate three representatives to meet and confer with the public employer of those  
 10 members of the faculty and the exclusive representative of that appropriate bargaining unit prior  
 11 to collective bargaining.

12 (2) During the course of collective bargaining between the public employer and the exclusive  
 13 representative described in subsection (1) of this section, the representatives of student government  
 14 designated under subsection (1) of this section shall:

15 (a) Be allowed to attend and observe all meetings between the public employer and the exclusive  
 16 representative at which collective bargaining occurs;

17 (b) Have access to all written documents pertaining to the collective bargaining negotiations  
 18 exchanged by the public employer and the exclusive representative, including copies of any prepared  
 19 written transcripts of the bargaining session;

20 (c) Be allowed to comment in good faith during the bargaining sessions upon matters under  
 21 consideration; and

22 (d) Be allowed to meet and confer with the exclusive representative and the public employer  
 23 regarding the terms of an agreement between them prior to the execution of a written contract in-  
 24 corporating that agreement.

25 (3) Rules regarding confidentiality and release of information shall apply to student represen-  
 26 tatives in the same manner as employer and employee bargaining unit representatives.

27 (4) As used in this section:

28 (a) "Institution of higher education" means **the Oregon Institute of Technology** or an insti-  
 29 tution under the control of the State Board of Higher Education.

30 (b) "Meet and confer" means the performance of the mutual obligation of the representatives  
 31 of student government designated under subsection (1) of this section, the exclusive representative  
 32 and the public employer, or any two of them, to meet at the request of one of them at reasonable  
 33 times at a place convenient to all to conduct in good faith an interchange of views concerning the  
 34 duties of each under this section, employment relations of the faculty, the negotiation of an agree-  
 35 ment and the execution of a written agreement.

36 **SECTION 83.** ORS 243.820 is amended to read:

37 243.820. (1) In order to obtain the advantages of 26 U.S.C. 403(b), or any equivalent provision  
 38 of federal law, an employer may agree with an employee who performs services for an educational  
 39 institution that:

40 (a) The employee's salary will be reduced monthly by a stated amount, or the employee will  
 41 forgo monthly a salary increase of a stated amount; and

42 (b) On behalf of the employee, the employer shall contribute monthly an amount equal to the  
 43 stated amount determined under paragraph (a) of this subsection as premiums for an annuity con-  
 44 tract or to a custodial account for investment in the stock of regulated investment companies as  
 45 defined in 26 U.S.C. 403(b)(7)(C). The amount contributed by the employer under this subsection

1 may not exceed the stated amount.

2 (2) Notwithstanding any other provision of law, pursuant to an agreement under subsection (1)  
3 of this section, the stated amounts shall be forwarded by the employer as annuity premiums to the  
4 company or association with which it has entered into an annuity contract or to the regulated in-  
5 vestment company or its transfer agent for the benefit of the employee.

6 (3) An employer may make nonelective employer contributions on behalf of an employee who  
7 performs services for an educational institution as premiums for an annuity contract, or to a cus-  
8 todial account for investment in the stock of regulated investment companies as defined in 26 U.S.C.  
9 403(b)(7)(C), for the purpose of obtaining the advantages of 26 U.S.C. 403(b) or any equivalent pro-  
10 vision of federal law. Employer contributions under this subsection are in addition to any employee  
11 contributions under subsection (1) of this section.

12 (4) As used in this section:

13 (a) "Educational institution" means an educational institution that normally maintains a regular  
14 faculty and curriculum and normally has a regularly organized body of students in attendance at the  
15 place where its educational activities are carried on or an education service district.

16 (b) "Employer" means the State Board of Higher Education, any other state agency, a commu-  
17 nity college district, a school district, the Oregon Health and Science University, **the Oregon In-**  
18 **stitute of Technology** or an education service district employing an individual who performs  
19 services for an educational institution.

20 **SECTION 84.** ORS 243.910 is amended to read:

21 243.910. As used in ORS 243.910 to 243.945:

22 (1) "Board" means the State Board of Higher Education for all institutions under the jurisdiction  
23 of that board as set forth in ORS 352.002, **the Oregon Institute of Technology Board of Directors**  
24 **for the Oregon Institute of Technology** and [*for the Oregon Health and Science University*  
25 *means*] the Oregon Health and Science University Board of Directors **for the Oregon Health and**  
26 **Science University.**

27 (2) "Employees" means the persons appointed or employed by or under the authority of the  
28 board who hold academic rank as determined by the board.

29 (3) "System" means the Public Employees Retirement System established by ORS 238.600.

30 **SECTION 85.** ORS 243.945 is amended to read:

31 243.945. Notwithstanding ORS 243.910 to 243.945, any person who is hired on or after September  
32 9, 1995, is not eligible to be assisted by the Oregon University System **or the Oregon Institute of**  
33 **Technology** under the provisions of ORS 243.910 to 243.945.

34 **SECTION 86.** ORS 244.050 is amended to read:

35 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon  
36 Government Ethics Commission a verified statement of economic interest as required under this  
37 chapter:

38 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the  
39 Bureau of Labor and Industries, Superintendent of Public Instruction, district attorneys and mem-  
40 bers of the Legislative Assembly.

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

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

44 (d) The Deputy Attorney General.

45 (e) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the

1 Secretary of the Senate and the Chief Clerk of the House of Representatives.

2 (f) The Chancellor and Vice Chancellors of the Oregon University System and the president and  
3 vice presidents, or their administrative equivalents, in each institution under the jurisdiction of the  
4 State Board of Higher Education.

5 (g) The following state officers:

6 (A) Adjutant General.

7 (B) Director of Agriculture.

8 (C) Manager of State Accident Insurance Fund Corporation.

9 (D) Water Resources Director.

10 (E) Director of Department of Environmental Quality.

11 (F) Director of Oregon Department of Administrative Services.

12 (G) State Fish and Wildlife Director.

13 (H) State Forester.

14 (I) State Geologist.

15 (J) Director of Human Services.

16 (K) Director of the Department of Consumer and Business Services.

17 (L) Director of the Department of State Lands.

18 (M) State Librarian.

19 (N) Administrator of Oregon Liquor Control Commission.

20 (O) Superintendent of State Police.

21 (P) Director of the Public Employees Retirement System.

22 (Q) Director of Department of Revenue.

23 (R) Director of Transportation.

24 (S) Public Utility Commissioner.

25 (T) Director of Veterans' Affairs.

26 (U) Executive director of Oregon Government Ethics Commission.

27 (V) Director of the State Department of Energy.

28 (W) Director and each assistant director of the Oregon State Lottery.

29 (X) Director of the Department of Corrections.

30 (Y) Director of the Oregon Department of Aviation.

31 (Z) Executive director of the Oregon Criminal Justice Commission.

32 (AA) Director of the Oregon Business Development Department.

33 (BB) Director of the Office of Emergency Management.

34 (CC) Director of the Employment Department.

35 (DD) Chief of staff for the Governor.

36 (EE) Administrator of the Office for Oregon Health Policy and Research.

37 (FF) Director of the Housing and Community Services Department.

38 (GG) State Court Administrator.

39 (HH) Director of the Department of Land Conservation and Development.

40 (II) Board chairperson of the Land Use Board of Appeals.

41 (JJ) State Marine Director.

42 (KK) Executive director of the Oregon Racing Commission.

43 (LL) State Parks and Recreation Director.

44 (MM) Public defense services executive director.

45 (NN) Chairperson of the Public Employees' Benefit Board.

- 1 (OO) Director of the Department of Public Safety Standards and Training.
- 2 (PP) Chairperson of the Oregon Student Assistance Commission.
- 3 (QQ) Executive director of the Oregon Watershed Enhancement Board.
- 4 (RR) Director of the Oregon Youth Authority.
- 5 (SS) Director of the Oregon Health Authority.
- 6 (h) Any assistant in the Governor's office other than personal secretaries and clerical personnel.
- 7 (i) Every elected city or county official.
- 8 (j) Every member of a city or county planning, zoning or development commission.
- 9 (k) The chief executive officer of a city or county who performs the duties of manager or prin-
- 10 cipal administrator of the city or county.
- 11 (L) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
- 12 (m) Every member of a governing body of a metropolitan service district and the executive of-
- 13 ficer thereof.
- 14 (n) Each member of the board of directors of the State Accident Insurance Fund Corporation.
- 15 (o) The chief administrative officer and the financial officer of each common and union high
- 16 school district, education service district and community college district.
- 17 (p) Every member of the following state boards and commissions:
- 18 (A) Board of Geologic and Mineral Industries.
- 19 (B) Oregon Business Development Commission.
- 20 (C) State Board of Education.
- 21 (D) Environmental Quality Commission.
- 22 (E) Fish and Wildlife Commission of the State of Oregon.
- 23 (F) State Board of Forestry.
- 24 (G) Oregon Government Ethics Commission.
- 25 (H) Oregon Health Policy Board.
- 26 (I) State Board of Higher Education.
- 27 (J) Oregon Investment Council.
- 28 (K) Land Conservation and Development Commission.
- 29 (L) Oregon Liquor Control Commission.
- 30 (M) Oregon Short Term Fund Board.
- 31 (N) State Marine Board.
- 32 (O) Mass transit district boards.
- 33 (P) Energy Facility Siting Council.
- 34 (Q) Board of Commissioners of the Port of Portland.
- 35 (R) Employment Relations Board.
- 36 (S) Public Employees Retirement Board.
- 37 (T) Oregon Racing Commission.
- 38 (U) Oregon Transportation Commission.
- 39 (V) Wage and Hour Commission.
- 40 (W) Water Resources Commission.
- 41 (X) Workers' Compensation Board.
- 42 (Y) Oregon Facilities Authority.
- 43 (Z) Oregon State Lottery Commission.
- 44 (AA) Pacific Northwest Electric Power and Conservation Planning Council.
- 45 (BB) Columbia River Gorge Commission.

1 (CC) Oregon Health and Science University Board of Directors.

2 (DD) Capitol Planning Commission.

3 **(EE) Oregon Institute of Technology Board of Directors.**

4 (q) The following officers of the State Treasurer:

5 (A) Chief Deputy State Treasurer.

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

7 (C) Director of the Investment Division.

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

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

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

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

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

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

27 (6) If a statement required to be filed under this section has not been received by the commis-  
28 sion within five days after the date the statement is due, the commission shall notify the public of-  
29 ficial or candidate and give the public official or candidate not less than 15 days to comply with the  
30 requirements of this section. If the public official or candidate fails to comply by the date set by the  
31 commission, the commission may impose a civil penalty as provided in ORS 244.350.

32 **SECTION 87.** ORS 270.100 is amended to read:

33 270.100. (1)(a) Before offering for sale any real property or equitable interest therein owned by  
34 the state, the state agency acting for the state in such transaction shall report its intent of sale or  
35 transfer to the Oregon Department of Administrative Services. The department, or the agency spe-  
36 cifically designated by the department, shall notify other state agencies authorized to own real  
37 property of the intended sale or transfer to determine whether acquisition of the real property or  
38 interest therein would be advantageous to another state agency.

39 (b) The department shall give political subdivisions, as defined in ORS 271.005, the first oppor-  
40 tunity after other state agencies to acquire, purchase, exchange or lease real property to be sold  
41 or disposed of by the State of Oregon. The state agency responsible for selling or transferring the  
42 property may require at the time of the sale or transfer that any state real property sold or trans-  
43 ferred to a political subdivision, as defined in ORS 271.005, shall be for use for a public purpose or  
44 benefit, and not be for resale to a private purchaser.

45 (c) If property is not disposed of under paragraph (a) or (b) of this subsection, in accordance

1 with rules adopted by the department, the state agency desiring to sell or transfer the property shall  
 2 cause it to be appraised by one or more competent and experienced appraisers. Except as provided  
 3 in ORS 273.825, if such property has an appraised value exceeding \$5,000 it shall not be sold to any  
 4 private person except after notice calling for such proposals as set forth in ORS 270.130.

5 (d) The department shall adopt rules to carry out the provisions of this section.

6 (2) Before acquisition of any real property or interest therein by any state agency, except for  
 7 highway right of way acquired by the Department of Transportation and park properties acquired  
 8 by the State Parks and Recreation Department and property within the approved projected campus  
 9 boundaries for institutions of the Oregon University System **or the Oregon Institute of Technol-**  
 10 **ogy**, the state agency shall report its intent of acquisition to the Oregon Department of Adminis-  
 11 trative Services. The department shall notify other state agencies owning land of the intended  
 12 acquisition to determine whether another state agency desires to sell or transfer property which  
 13 would meet the needs of the purchasing agency. In accordance with rules adopted by the Oregon  
 14 Department of Administrative Services, if no other state agency desires to sell or transfer property  
 15 which would meet the needs of the agency, the agency may acquire the real property or interest  
 16 therein, consistent with applicable provisions of law.

17 (3) Before any terminal disposition of real property or an interest in real property, the state  
 18 agency acting for the state in the transaction must secure approval of the transaction from the  
 19 Oregon Department of Administrative Services.

20 (4) Subsection (3) of this section does not apply to terminal disposition of the following real  
 21 property:

- 22 (a) Property controlled by the State Department of Fish and Wildlife;
- 23 (b) State forestlands controlled by the State Forestry Department;
- 24 (c) Property controlled by the Department of Transportation;
- 25 (d) Property controlled by the Department of State Lands;
- 26 (e) Property controlled by the Oregon University System;
- 27 (f) Property controlled by the legislative or judicial branches of state government; and
- 28 (g) Property controlled by the State Parks and Recreation Department.

29 (5) Notwithstanding the provisions of subsection (4) of this section, prior approval by the Oregon  
 30 Department of Administrative Services is required for the terminal disposition of public land for less  
 31 than the fair market value of that land.

32 (6) The provisions of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190, 273.416, 273.426 to  
 33 273.436, 273.551 and 308A.709 (1) to (4) do not apply to a home or farm acquired, sold, or both, by  
 34 the Department of Veterans' Affairs under ORS 88.720, 273.388, 406.050, 407.135, 407.145, 407.375 and  
 35 407.377.

36 **SECTION 88.** ORS 273.785 is amended to read:

37 273.785. ORS 273.551 and 273.775 to 273.790 do not apply to:

38 (1) Soil, clay, stone, sand and gravel acquired or used by state agencies for the purpose of con-  
 39 structing or repairing roads or other state facilities, or the proceeds from those materials.

40 (2) Mineral or geothermal resource rights or proceeds from those rights acquired by the State  
 41 Fish and Wildlife Commission pursuant to an agreement with the federal government under 16 U.S.C.  
 42 669 to 669i (P.L. 75-415).

43 (3) Mineral or geothermal resource rights or proceeds from those rights if other disposition is  
 44 required by federal rules or regulations or any agreement entered into at the time of acquisition of  
 45 the mineral or geothermal resource rights by the state.

1 (4) Proceeds of mineral and geothermal resource rights acquired by the state pursuant to ORS  
2 530.010 and 530.030, other than those distributed under ORS 530.110 (1)(c).

3 (5) Mineral or geothermal resource rights or proceeds from those rights acquired after January  
4 1, 1974, for the state by the Department of Veterans' Affairs pursuant to ORS 88.720, 406.050 (2),  
5 407.135 or 407.145. After consultation, the Department of State Lands and the Department of  
6 Veterans' Affairs shall enter into an interagency agreement governing consultation between them  
7 concerning mineral and geothermal resource values on properties acquired for the state by the De-  
8 partment of Veterans' Affairs. The Department of Veterans' Affairs shall adopt rules relating to the  
9 release of mineral and geothermal rights on such properties.

10 (6) Mineral or geothermal resource rights or proceeds from those rights given by a donor to any  
11 institution, department or activity under the control of the State Board of Higher Education **or the**  
12 **Oregon Institute of Technology** that are acquired or held for the state by the State Board of  
13 Higher Education pursuant to ORS chapters 351 and 567 **or the Oregon Institute of Technology**  
14 **Board of Directors pursuant to sections 1 to 48 of this 2011 Act and ORS chapter 567.** In  
15 managing mineral or geothermal resource leases, the State Board of Higher Education **or the**  
16 **Oregon Institute of Technology Board of Directors** shall consult with the Department of State  
17 Lands in accordance with an interagency agreement established by the department and the State  
18 Board of Higher Education **or the Oregon Institute of Technology Board of Directors** governing  
19 consultation between the department and the State Board of Higher Education **or the Oregon In-**  
20 **stitute of Technology Board of Directors** and governing management of the mineral or  
21 geothermal resources.

22 (7) Mineral or geothermal resource rights or proceeds from those rights acquired and held by  
23 the Department of Transportation. In managing mineral or geothermal resource leases, the Depart-  
24 ment of Transportation shall enter into an intergovernmental agreement with the Department of  
25 State Lands governing consultation between the departments and governing management of the  
26 mineral or geothermal resources.

27 **SECTION 89.** ORS 276.227 is amended to read:

28 276.227. (1) The State of Oregon recognizes that providing and operating state government fa-  
29 cilities is a significant capital investment in public infrastructure. Accordingly, it is the policy of the  
30 State of Oregon to plan, finance, acquire, construct, manage and maintain state government facilities  
31 in a manner that maximizes and protects this investment.

32 (2) The Oregon Department of Administrative Services shall establish a statewide planning  
33 process that evaluates the needs of the state's facilities, provides comparative information on the  
34 condition of the state's facilities, establishes guidelines and standards for acquiring, managing and  
35 maintaining state facilities and provides financing and budgeting strategies to allocate resources to  
36 facilities' needs.

37 (3)(a) The Director of the Oregon Department of Administrative Services shall establish a public  
38 review process for the proposed capital projects of all state agencies. To assist in this review, the  
39 director shall establish a Capital Projects Advisory Board consisting of seven members. Five mem-  
40 bers shall be public members knowledgeable about construction, facilities management and mainte-  
41 nance issues. Two members may be state employees. The director shall appoint the chairperson of  
42 the board.

43 (b) The director, in consultation with the board, may request that agencies submit updated  
44 long-range facility plans and funding strategies that reflect changes in technology and priorities. The  
45 director may ask the board to report on and make recommendations related to long-range plans, the

1 condition of facilities, maintenance schedules, funding strategies and options for new facilities. The  
 2 director may seek recommendations from the board regarding the needs of existing facilities, funding  
 3 strategies and long-term facility goals.

4 (c) The review process may be applicable to capital projects meeting the definition of major  
 5 construction/acquisition in the Governor's budget and to significant leases.

6 (d) For each state agency proposing a capital project, the review process may include an ex-  
 7 amination of the following:

8 (A) The effectiveness of asset protection, including maintenance, repair and other activities;

9 (B) The effectiveness of space utilization, including an inventory of existing occupied and unoc-  
 10 cupied building space;

11 (C) The advisability of lease, purchase or other funding strategies;

12 (D) The condition of existing occupied and unoccupied building space;

13 (E) Appropriate technology;

14 (F) The agency's mission and long-range facilities plans; and

15 (G) For new facilities, expansions and additions, the ability of the agency to maintain and op-  
 16 erate all of the agency's facilities in a cost-effective manner.

17 (e) The review process shall ensure that capital project decisions are approached in a cost-  
 18 effective manner after considering all reasonable alternatives.

19 (f) With assistance from the board, the department shall provide recommendations and informa-  
 20 tion to the Governor and the Legislative Assembly on the construction, leasing and facilities man-  
 21 agement issues of state government.

22 (4) The department shall establish and maintain a central database of information on state-  
 23 owned property of all state agencies, including land, buildings, infrastructure, improvements and  
 24 leases. This database shall include an inventory of state-owned facilities as well as descriptive and  
 25 technical information.

26 (5) State agencies shall establish and implement long-range maintenance and management plans  
 27 for facilities for which this state is responsible to ensure that facilities are maintained in good re-  
 28 pair and that the useful lives of facilities are maximized. For each new facility, a maintenance and  
 29 management plan appropriate to the use and useful life of the facility shall be developed and im-  
 30 plemented.

31 (6) The department may engage in cooperative projects with local government.

32 (7) The provisions of this section [*shall*] **do** not apply to institutions of higher education as de-  
 33 scribed in ORS 352.002, **the Oregon Institute of Technology**, the Oregon Health and Science  
 34 University or a community college as defined in ORS 341.005.

35 **SECTION 90.** ORS 276.229 is amended to read:

36 276.229. (1) State agencies shall develop four-year major construction budgets. Projects included  
 37 in these budgets may be accelerated or deferred upon approval of the Emergency Board.

38 (2) State agencies shall include the biennial costs associated with maintenance, major repairs  
 39 or building alterations in their regular budget presentation to the Legislative Assembly. Agencies  
 40 shall include in their budget presentations short-term and long-term plans to reduce or eliminate any  
 41 existing backlog of deferred maintenance.

42 (3) The provisions of this section [*shall*] **do** not apply to an institution of higher education as  
 43 described in ORS 352.002, **the Oregon Institute of Technology**, the Oregon Health and Science  
 44 University[,] or a community college as defined in ORS 341.005.

45 **SECTION 91.** ORS 276.610 is amended to read:



1 276.610. There is established a fund in the State Treasury to be known as the State Building  
 2 Fund which shall be used for the construction, alteration and repair of buildings required for use  
 3 of institutions and activities under the jurisdiction of the Department of Corrections, the Depart-  
 4 ment of Human Services, the Oregon Health Authority, [or] the State Board of Education, **the**  
 5 **Oregon Institute of Technology Board of Directors** and the State Board of Higher Education and  
 6 for the furnishing and equipping of buildings so constructed, altered or repaired.

7 **SECTION 92.** ORS 276.612 is amended to read:

8 276.612. The Department of Corrections, the Department of Human Services, the Oregon Health  
 9 Authority, **the Oregon Institute of Technology Board of Directors** and the State Board of Edu-  
 10 cation each shall determine the buildings to be constructed, altered, repaired, furnished and  
 11 equipped for the use of institutions and activities under their respective jurisdictions. The State  
 12 Board of Higher Education shall determine the buildings to be constructed, altered, repaired, fur-  
 13 nished and equipped for the use of institutions or activities under its jurisdiction.

14 **SECTION 93.** ORS 279A.025 is amended to read:

15 279A.025. (1) Except as provided in subsections (2) to (4) of this section, the Public Contracting  
 16 Code applies to all public contracting.

17 (2) The Public Contracting Code does not apply to:

18 (a) Contracts between a contracting agency and:

19 (A) Another contracting agency;

20 (B) The Oregon Health and Science University;

21 **(C) The Oregon Institute of Technology;**

22 [~~C~~] **(D)** The Oregon State Bar;

23 [~~D~~] **(E)** A governmental body of another state;

24 [~~E~~] **(F)** The federal government;

25 [~~F~~] **(G)** An American Indian tribe or an agency of an American Indian tribe;

26 [~~G~~] **(H)** A nation, or a governmental body in a nation, other than the United States; or

27 [~~H~~] **(I)** An intergovernmental entity formed between or among:

28 (i) Governmental bodies of this or another state;

29 (ii) The federal government;

30 (iii) An American Indian tribe or an agency of an American Indian tribe;

31 (iv) A nation other than the United States; or

32 (v) A governmental body in a nation other than the United States;

33 (b) Agreements authorized by ORS chapter 190 or by a statute, charter provision, ordinance or  
 34 other authority for establishing agreements between or among governmental bodies or agencies or  
 35 tribal governing bodies or agencies;

36 (c) Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and  
 37 414.145 for purposes of source selection;

38 (d) Grants;

39 (e) Contracts for professional or expert witnesses or consultants to provide services or testimony  
 40 relating to existing or potential litigation or legal matters in which a public body is or may become  
 41 interested;

42 (f) Acquisitions or disposals of real property or interest in real property;

43 (g) Sole-source expenditures when rates are set by law or ordinance for purposes of source se-  
 44 lection;

45 (h) Contracts for the procurement or distribution of textbooks;

- 1 (i) Procurements by a contracting agency from an Oregon Corrections Enterprises program;
- 2 (j) The procurement, transportation or distribution of distilled liquor, as defined in ORS 471.001,  
3 or the appointment of agents under ORS 471.750 by the Oregon Liquor Control Commission;
- 4 (k) Contracts entered into under ORS chapter 180 between the Attorney General and private  
5 counsel or special legal assistants;
- 6 (L) Contracts for the sale of timber from lands owned or managed by the State Board of Forestry  
7 and the State Forestry Department;
- 8 (m) Contracts for forest protection or forest related activities, as described in ORS 477.406, by  
9 the State Forester or the State Board of Forestry;
- 10 (n) Sponsorship agreements entered into by the State Parks and Recreation Director in accord-  
11 ance with ORS 565.080 (4);
- 12 (o) Contracts entered into by the Housing and Community Services Department in exercising the  
13 department's duties prescribed in ORS chapters 456 and 458, except that the department's public  
14 contracting for goods and services is subject to ORS chapter 279B;
- 15 (p) Contracts entered into by the State Treasurer in exercising the powers of that office pre-  
16 scribed in ORS chapters 178, 286A, 287A, 289, 293, 294 and 295, including but not limited to invest-  
17 ment contracts and agreements, banking services, clearing house services and collateralization  
18 agreements, bond documents, certificates of participation and other debt repayment agreements, and  
19 any associated contracts, agreements and documents, regardless of whether the obligations that the  
20 contracts, agreements or documents establish are general, special or limited, except that the State  
21 Treasurer's public contracting for goods and services is subject to ORS chapter 279B;
- 22 (q) Contracts, agreements or other documents entered into, issued or established in connection  
23 with:
- 24 (A) The issuance of obligations, as defined in ORS 286A.100 and 287A.310, of a public body;
- 25 (B) The making of program loans and similar extensions or advances of funds, aid or assistance  
26 by a public body to a public or private body for the purpose of carrying out, promoting or sustaining  
27 activities or programs authorized by law; or
- 28 (C) The investment of funds by a public body as authorized by law, and other financial trans-  
29 actions of a public body that by their character cannot practically be established under the com-  
30 petitive contractor selection procedures of ORS 279B.050 to 279B.085;
- 31 (r) Contracts for employee benefit plans as provided in ORS 243.105 (1), 243.125 (4), 243.221,  
32 243.275, 243.291, 243.303 and 243.565;
- 33 (s) Contracts for employee benefit plans as provided in ORS 243.860 to 243.886; or
- 34 (t) Any other public contracting of a public body specifically exempted from the code by another  
35 provision of law.
- 36 (3) The Public Contracting Code does not apply to the contracting activities of:
- 37 (a) The Oregon State Lottery Commission;
- 38 (b) The Oregon University System and member institutions, except as provided in ORS 351.086;
- 39 **(c) The Oregon Institute of Technology, except as provided in section 7 of this 2011 Act.**
- 40 [(c)] (d) The legislative department;
- 41 [(d)] (e) The judicial department;
- 42 [(e)] (f) Semi-independent state agencies listed in ORS 182.454, except as provided in ORS 279.835  
43 to 279.855 and 279A.250 to 279A.290;
- 44 [(f)] (g) Oregon Corrections Enterprises;
- 45 [(g)] (h) The Oregon Film and Video Office, except as provided in ORS 279A.100 and 279A.250

1 to 279A.290;

2 [(h)] (i) The Travel Information Council, except as provided in ORS 279A.250 to 279A.290;

3 [(i)] (j) The Oregon 529 College Savings Network and the Oregon 529 College Savings Board;

4 [(j)] (k) The Oregon Innovation Council;

5 [(k)] (L) The Oregon Utility Notification Center; or

6 [(L)] (m) Any other public body specifically exempted from the code by another provision of law.

7 (4) ORS 279A.200 to 279A.225 and 279B.050 to 279B.085 do not apply to contracts made with  
8 qualified nonprofit agencies providing employment opportunities for individuals with disabilities un-  
9 der ORS 279.835 to 279.855.

10 **SECTION 94.** ORS 282.076 is amended to read:

11 282.076. (1) An athletic department of **the Oregon Institute of Technology** or any university  
12 under the jurisdiction of the State Board of Higher Education shall not be required to use state  
13 printing services controlled by the Director of the Oregon Department of Administrative Services  
14 or the designee of the director as required by ORS 282.020 (1).

15 (2) A state agency that gives to the director prior written notice of its intent to use other  
16 printing services shall not be required to use state printing services controlled by the director or  
17 the director's designee as required by ORS 282.020 (1), if the agency can demonstrate that these  
18 other printing services provide better value in the form of lower prices or better responsiveness  
19 than those services already provided by the Oregon Department of Administrative Services.

20 **SECTION 95.** ORS 283.143 is amended to read:

21 283.143. (1) To encourage utilization of statewide integrated videoconferencing and statewide  
22 online access services, the Oregon Department of Administrative Services shall, in addition to any  
23 other charge or assessment for providing telecommunications services to state agencies, impose  
24 upon each agency and public corporation a surcharge, in an amount established by the department.  
25 All surcharge moneys collected shall be deposited in the Oregon Department of Administrative  
26 Services Operating Fund, and may be expended only for state agency and public corporation tele-  
27 communication and videoconferencing activities, under such terms and conditions as the department  
28 may prescribe.

29 (2) Notwithstanding subsection (1) of this section, the Oregon Department of Administrative  
30 Services shall not impose the surcharge established by this section on the Oregon University  
31 System, **the Oregon Institute of Technology** or the Oregon Health and Science University. The  
32 Oregon Department of Administrative Services shall enter into an agreement with the Oregon Uni-  
33 versity System, **the Oregon Institute of Technology** and the Oregon Health and Science Univer-  
34 sity on the amounts to be paid by the Oregon University System, **the Oregon Institute of**  
35 **Technology** and the Oregon Health and Science University to the Oregon Department of Adminis-  
36 trative Services in lieu of the surcharge provided for in this section.

37 **SECTION 96.** ORS 284.633 is amended to read:

38 284.633. (1) The Oregon Progress Board may enter into an agreement with:

39 (a) Any state agency for the provision of clerical, technical and management personnel to the  
40 board to serve as the board's staff and for the provision of other administrative, operational or  
41 overhead expenses necessary to accomplish the public purposes of the board.

42 (b) A nongovernmental entity for the provision of administrative, operational or overhead ex-  
43 penses necessary to accomplish the public purposes of the board.

44 (2) As used in this section:

45 (a) "Public institution of higher education" means a community college, **the Oregon Institute**

1 **of Technology** or a state institution of higher education listed in ORS 352.002.

2 (b) “State agency” means any officer, board, commission, department, division or institution in  
3 the executive or administrative branch of state government or a public institution of higher educa-  
4 tion.

5 **SECTION 97.** ORS 284.701 is amended to read:

6 284.701. As used in ORS 284.701 to 284.740:

7 (1) “Oregon emerging business” means an emerging growth business as defined in ORS 348.701  
8 that has:

9 (a) Fewer than 100 employees; and

10 (b) At least 51 percent of its employees employed in Oregon.

11 (2) “Research institution” means:

12 (a) A community college as defined in ORS 341.005;

13 (b) A state institution of higher education listed in ORS 352.002;

14 (c) The Oregon Health and Science University public corporation created under ORS 353.020;

15 **(d) The Oregon Institute of Technology established under section 1 of this 2011 Act;**

16 [(d)] (e) An Oregon-based, generally accredited, not-for-profit private institution of higher edu-  
17 cation;

18 [(e)] (f) A federal research laboratory conducting research in Oregon; or

19 [(f)] (g) A private not-for-profit research institution located in Oregon.

20 (3) “Traded sector” has the meaning given that term in ORS 285A.010.

21 **SECTION 98.** ORS 284.735 is amended to read:

22 284.735. (1) The Oregon Innovation Council may make grants and loans from the Oregon  
23 Commercialized Research Fund to Oregon emerging businesses.

24 (2) To qualify for a grant or loan under this section, an Oregon emerging business must enter  
25 into an agreement with one or more research institutions to carry out proof of concept activities  
26 to:

27 (a) Establish the commercial potential of research; and

28 (b) Develop a business concept that can attract early stage private investment, including angel  
29 capital and venture capital.

30 (3) Proof of concept activities for which an Oregon emerging business may receive a grant or  
31 loan under this section include:

32 (a) The development of intellectual property;

33 (b) The payment of salaries and related expenses for commercialized research;

34 (c) The acquisition of equipment and supplies required for the proof of concept activities; and

35 (d) Other activities as defined by rule of the council.

36 (4) To receive a grant or loan, the Oregon emerging business or a research institution that has  
37 entered into an agreement with the business must agree to provide a cash match equivalent to:

38 (a) 30 percent of the amount of the grant or loan for businesses with fewer than 20 employees.

39 (b) 50 percent of the amount of the grant or loan for businesses with 20 or more but fewer than  
40 50 employees.

41 (c) 75 percent of the amount of the grant or loan for businesses with 50 or more but fewer than  
42 100 employees.

43 (5)(a) The council shall award grant or loan moneys to an Oregon emerging business in a two-  
44 phase contract. Each phase of the contract shall have clearly defined performance measures in-  
45 cluded in the contract between the business and the council.

1 (b) Under phase I of the contract, a business may be granted or loaned an initial investment not  
 2 to exceed \$75,000. Phase I shall also include an agreement that upon successful completion of the  
 3 performance measures for phase I, the business shall be eligible for funding under phase II. The  
 4 amount of grant or loan moneys available to a business under both phases may not exceed \$200,000.

5 (6) The council shall require any Oregon emerging business that receives a grant or loan under  
 6 this section and that moves more than 50 percent of the employees of the business out of the state  
 7 within two years after receiving grant or loan moneys to repay the total amount of the grant or loan  
 8 moneys.

9 (7) The council shall require an Oregon emerging business that receives a loan under this sec-  
 10 tion to repay the loan within five years after receiving the loan. The council shall deposit any loan  
 11 moneys received under this subsection in the Oregon Commercialized Research Fund.

12 (8) The council may award up to 15 percent of the amount of moneys available in the fund for  
 13 grants or loans:

14 (a) To the Oregon University System **and the Oregon Institute of Technology** for education  
 15 of faculty on issues related to developing effective technology transfer and commercialized research  
 16 processes; and

17 (b) For other activities as defined by rule of the council.

18 (9) The council may adopt rules to administer this section. The council shall follow the advice  
 19 of the Oregon Commercialized Research Fund Advisory Council when adopting rules to administer  
 20 this section.

21 **SECTION 99.** ORS 285B.168 is amended to read:

22 285B.168. (1) The Oregon Business Development Department may make grants available to a  
 23 community college district, a community college service district, **with the concurrence of the**  
 24 **Commissioner for Community College Services, the Oregon Institute of Technology** or, with  
 25 the concurrence of the commissioner [*for Community College Services*] and the Chancellor of the  
 26 Oregon University System, a state university to assist in the formation, improvement and operation  
 27 of small business development centers. If a community college district, a community college service  
 28 district, **the Oregon Institute of Technology** or a state university is unable to adequately provide  
 29 services in a specific geographic area, the department may make grants available to other service  
 30 providers as determined by the department. The grant application shall include:

31 (a) Plans for providing small business owners and managers individual counseling, to the great-  
 32 est extent practicable, in subject areas critical to small business success;

33 (b) A budget for the year for which a grant is requested, including cost apportionment among  
 34 the department, small business clients, the community college, **Oregon Institute of Technology** or  
 35 state university or other service providers and other sources;

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

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

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

41 (a) Small business development center staff and support staff;

42 (b) Expert resource persons from the business community;

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

1 (d) Other costs related to providing training, counseling and business resources to small busi-  
2 ness clients.

3 (3) To be eligible for a grant under subsection (1) of this section, the recipient shall be required  
4 to provide funds, in-kind contributions or some combination of funds and contributions, in accord-  
5 ance with rules adopted by the department.

6 (4) Subject to the approval of the department, a grant recipient may subcontract funds received  
7 under this section to any other entity that is eligible to receive funding under this section.

8 (5) The grant recipient shall submit a final report to the department after the distribution of  
9 grant funds and the delivery of services to the proposed business clients. The report shall state  
10 whether the plan and related budget have met the applicable criteria as described in the recipient's  
11 application for the grant period.

12 (6) As used in this section, "state university" means a state institution of higher education listed  
13 in ORS 352.002.

14 **SECTION 100.** ORS 285B.174 is amended to read:

15 285B.174. In cooperation with other state agencies and private organizations, state universities  
16 as defined in ORS 285B.168, **the Oregon Institute of Technology** and community colleges may  
17 develop programs to assist Oregon businesses with the procurement of government contracts and  
18 grants. Small business development centers established under ORS 285B.165 to 285B.171 may assist  
19 with these programs.

20 **SECTION 101.** ORS 286A.001 is amended to read:

21 286A.001. As used in this chapter:

22 (1) "Agreement for exchange of interest rates" means a contract, or an option or forward com-  
23 mitment to enter into a contract, for the exchange of interest rates that provides for:

24 (a) Payments based on levels of or changes in interest rates; or

25 (b) Provisions to hedge payment, rate, spread or similar exposure including, but not limited to,  
26 an interest rate floor or cap or an option, put or call.

27 (2) "Bond":

28 (a) Means a contractual undertaking or instrument of the State of Oregon to repay borrowed  
29 moneys.

30 (b) Does not mean a financing agreement, as defined in ORS 283.085, if the principal amount of  
31 the agreement is \$100,000 or less, or a credit enhancement device.

32 (3) "Counterparty" means an entity with whom the State of Oregon enters into an agreement for  
33 exchange of interest rates.

34 (4) "Credit enhancement device":

35 (a) Means a letter of credit, line of credit, standby bond purchase agreement, bond insurance  
36 policy, reserve surety bond or other device or facility used to enhance the creditworthiness, liquidity  
37 or marketability of bonds or agreements for the exchange of interest rates; and

38 (b) Does not mean a bond.

39 (5) "Credit enhancement device fee" means a payment required to be made to the provider of a  
40 credit enhancement device securing a bond or securing an agreement for the exchange of interest  
41 rates.

42 (6) "General obligation bond" means a bond that constitutes indebtedness of the state under  
43 section 7, Article XI of the Oregon Constitution, and that is exempt from the \$50,000 limitation on  
44 indebtedness set forth in that section.

45 (7) "Operative document" means a bond declaration, trust agreement, indenture, security

1 agreement or other document in which the State of Oregon pledges property as security for an ob-  
 2 ligation, as defined in ORS 286A.100.

3 (8) “Refunding bond” means a bond of the State of Oregon that is issued to refund another bond,  
 4 regardless of whether the refunding is on a current, advance, forward delivery, synthetic or other  
 5 basis.

6 (9) “Related agency” means the state agency that requests the State Treasurer to issue bonds  
 7 pursuant to ORS 286A.025 or for which the State Treasurer has issued bonds.

8 (10) “Related bond” means a bond for which the State of Oregon enters into an agreement for  
 9 exchange of interest rates.

10 (11) “Revenue” means all fees, tolls, excise taxes, assessments, property taxes and other taxes,  
 11 rates, charges, rentals and other income or receipts derived by a state agency or to which a state  
 12 agency is entitled.

13 (12) “Revenue bond” means a bond of the State of Oregon that is not a general obligation bond.

14 (13) “State agency”:

15 (a) Includes a statewide elected officer, board, commission, department, division, authority or  
 16 other entity, without regard to the designation given to the entity, that is within state government,  
 17 as defined in ORS 174.111; and

18 (b) Does not include:

19 (A) A statewide elected judge;

20 (B) The State Treasurer;

21 (C) A local government, as defined in ORS 174.116;

22 (D) The Oregon Health and Science University;

23 **(E) The Oregon Institute of Technology;**

24 ~~[(E)]~~ **(F)** A special government body, as defined in ORS 174.117, except to the extent a special  
 25 government body must be considered a state agency in order to achieve the purposes of Article XI-K  
 26 of the Oregon Constitution; or

27 ~~[(F)]~~ **(G)** A semi-independent state agency listed in ORS 182.454, 377.835 or 674.305, or any other  
 28 state agency denominated by statute as a semi-independent state agency.

29 (14) “Termination payment” means the amount payable under an agreement for exchange of in-  
 30 terest rates by one party to another party as a result of the termination, in whole or part, of the  
 31 agreement prior to the expiration of the stated term.

32 **SECTION 102.** ORS 286A.700 is amended to read:

33 286A.700. (1) As used in this section:

34 (a) “Oregon Baccalaureate Bonds” means bonds of the State of Oregon issued by the State  
 35 Treasurer at the request of the Oregon University System **or the Oregon Institute of Technology**  
 36 that are designated as baccalaureate bonds.

37 (b) “Post-secondary education” means training and instruction provided by fully accredited  
 38 public or private institutions of higher learning, community colleges and post-high-school career  
 39 schools.

40 (2) The Legislative Assembly encourages citizens of the State of Oregon to avail themselves of  
 41 post-secondary education opportunities.

42 (3) The Legislative Assembly finds:

43 (a) For the benefit of its citizens, the state supports a system of common schools, institutions  
 44 of higher education and community colleges.

45 (b) A post-secondary education advances a citizen’s ability to pursue life, liberty and happiness

1 through a wide range of employment opportunities.

2 (c) A well-educated citizenry contributes to the economic well-being of the state and nation.

3 (d) A well-trained and skilled citizenry enhances economic development of the state.

4 (e) While students have just begun their education upon completion of a formal education, a  
5 lifetime pursuit of learning contributes to a well-informed citizenry and to Oregon’s cherished qual-  
6 ity of life.

7 (f) Citizens educated in Oregon are more likely to pursue careers in Oregon.

8 (g) It is in the interest of this state to encourage its citizens to plan and save for a post-  
9 secondary education.

10 (h) An Oregon Baccalaureate Bond program that provides citizens an opportunity to save for a  
11 post-secondary education for their children, themselves or any citizen is in the social and economic  
12 interest of the State of Oregon.

13 (i) A systematic way to save for post-secondary education can assist all of Oregon’s higher ed-  
14 ucation, community college and career schools to better project enrollments, thereby permitting the  
15 prudent allocation of scarce resources.

16 (4) At the request of the Oregon University System **or the Oregon Institute of Technology**,  
17 the State Treasurer may:

18 (a) Issue bonds as Oregon Baccalaureate Bonds, to encourage investors to save for post-  
19 secondary education opportunities.

20 (b) Investigate and implement the means and procedures to facilitate the participation by the  
21 broadest practical range of investors in the Oregon Baccalaureate Bond program. The means and  
22 procedures may include, but are not limited to, adjustments in the denominations in which the bonds  
23 are issued and the frequency with which the bonds are issued.

24 (5) The purchase of an Oregon Baccalaureate Bond does not guarantee the purchaser, owner  
25 or beneficiary of the bond admittance to a public or private post-secondary institution.

26 **SECTION 103.** ORS 287A.001 is amended to read:

27 287A.001. As used in this chapter:

28 (1) “Advance refunding bond” means a bond all or part of the proceeds of which are to be used  
29 to pay an outstanding bond one year or more after the advance refunding bond is issued.

30 (2) “Agreement for exchange of interest rates” means a contract, or an option or forward com-  
31 mitment to enter into a contract, for an exchange of interest rates for related bonds that provides  
32 for:

33 (a) Payments based on levels or changes in interest rates; or

34 (b) Provisions to hedge payment, rate, spread or similar exposure including, but not limited to,  
35 an interest rate floor or cap or an option, put or call.

36 (3) “Bond”:

37 (a) Means a contractual undertaking or instrument of a public body to repay borrowed moneys.

38 (b) Does not mean a credit enhancement device.

39 (4) “Capital construction” has the meaning given that term in ORS 310.140.

40 (5) “Capital improvements” has the meaning given that term in ORS 310.140.

41 (6) “Credit enhancement device”:

42 (a) Means a letter of credit, line of credit, standby bond purchase agreement, bond insurance  
43 policy, reserve surety bond or other device or facility used to enhance the creditworthiness, liquidity  
44 or marketability of bonds or agreements for exchange of interest rates.

45 (b) Does not mean a bond.



1 (7) "Current refunding bond" means a bond the proceeds of which are to be used to pay or  
2 purchase an outstanding bond less than one year after the current refunding bond is issued.

3 (8) "Forward current refunding" means execution and delivery of a purchase agreement or sim-  
4 ilar instrument under which a public body contracts to sell current refunding bonds for delivery at  
5 a future date that is one year or more after execution of the purchase agreement or similar instru-  
6 ment.

7 (9) "General obligation bond" means exempt bonded indebtedness, as defined in ORS 310.140,  
8 that is secured by a commitment to levy ad valorem taxes outside the limits of sections 11 and 11b,  
9 Article XI of the Oregon Constitution.

10 (10) "Lawfully available funds" means revenues or other moneys of a public body including, but  
11 not limited to, moneys credited to the general fund of the public body, revenues from an ad valorem  
12 tax and revenues derived from other taxes levied by the public body that are not dedicated, re-  
13 stricted or obligated by law or contract to an inconsistent expenditure or use.

14 (11) "Operative document" means a bond declaration, trust agreement, indenture, security  
15 agreement or other document in which a public body pledges revenue or property as security for a  
16 bond.

17 (12) "Pledge" means:

18 (a) To create a lien on property pursuant to ORS 287A.310.

19 (b) A lien created on property pursuant to ORS 287A.310.

20 (13) "Public body" means:

21 (a) A county of this state;

22 (b) A city of this state;

23 (c) A local service district as defined in ORS 174.116 (2);

24 (d) A special government body as defined in ORS 174.117;

25 **(e) The Oregon Institute of Technology;**

26 *[(e)]* **(f)** Oregon Health and Science University; or

27 *[(f)]* **(g)** Any other political subdivision of this state that is authorized by the Legislative As-  
28 sembly to issue bonds.

29 (14) "Refunding bond" means an advance refunding bond, a current refunding bond or a forward  
30 current refunding bond.

31 (15) "Related bond" means a bond for which the public body enters into an agreement for ex-  
32 change of interest rates or obtains a credit enhancement device.

33 (16) "Revenue" means all fees, tolls, excise taxes, assessments, property taxes and other taxes,  
34 rates, charges, rentals and other income or receipts derived by a public body or to which a public  
35 body is entitled.

36 (17) "Revenue bond" means a bond that is not a general obligation bond.

37 (18) "Termination payment" means the amount payable under an agreement for exchange of in-  
38 terest rates by one party to another party as a result of the termination, in whole or part, of the  
39 agreement prior to the expiration of the stated term.

40 **SECTION 104.** ORS 291.038 is amended to read:

41 291.038. (1) The planning, acquisition, installation and use of all information and telecommuni-  
42 cations technology by state government and agencies of state government shall be coordinated so  
43 that statewide plans and activities, as well as those of individual agencies, are addressed in the most  
44 integrated, economic and efficient manner. To provide policy direction for and coordination of in-  
45 formation technology for state government, the Director of the Oregon Department of Administra-

1 tive Services shall chair and appoint not fewer than five agency executives to an Information  
2 Resources Management Council. The council membership shall include at least two members who  
3 represent the private sector and political subdivisions of the state.

4 (2) To facilitate accomplishment of the purpose set forth in subsection (1) of this section, the  
5 Oregon Department of Administrative Services shall adopt rules, policies and standards to plan for,  
6 acquire, implement and manage the state's information resources. In developing rules, policies and  
7 standards, the department shall consult with state agencies that have needs that information re-  
8 sources may satisfy. State agencies shall cooperate with the department in preparing and complying  
9 with rules, policies and standards. The rules, policies and standards must be formulated to promote  
10 electronic communication and information sharing among state agencies and programs, between  
11 state and local governments and with the public where appropriate.

12 (3) Rules, policies, plans, standards and specifications must be formulated to ensure that infor-  
13 mation resources fit together in a statewide system capable of providing ready access to information,  
14 computing or telecommunication resources. Plans and specifications the department adopts must be  
15 based on industry standards for open systems to the greatest extent possible. Before adopting rules  
16 described in subsection (2) of this section, the department shall present the proposed rules to the  
17 appropriate legislative committee. The department has the responsibility to review, oversee and en-  
18 sure that state agencies' planning, acquisition and implementation activities align with and support  
19 the statewide information resources management plan. The department is responsible for procuring  
20 information technology fairly, competitively and in a manner that is consistent with the  
21 department's rules.

22 (4)(a) The policy of the State of Oregon is that state government telecommunications networks  
23 should be designed to provide state-of-the-art services where economically and technically feasible,  
24 using shared, rather than dedicated, lines and facilities.

25 (b) The department shall, when procuring telecommunications network services, consider  
26 achieving the economic development and quality of life outcomes set forth in the Oregon  
27 benchmarks.

28 (5)(a) The department, upon request, may furnish and deliver statewide integrated  
29 videoconferencing and statewide online access service to a public or private entity that primarily  
30 conducts activities for the direct good or benefit of the public or community at large in providing  
31 educational, economic development, health care, human services, public safety, library or other  
32 public services. The department shall adopt rules with respect to furnishing the service.

33 (b) The department shall establish the statewide integrated videoconferencing and statewide  
34 online access user fees, services, delivery, rates and long range plans in consultation with the  
35 Stakeholders Advisory Committee created pursuant to this section. The rates shall reflect the  
36 department's cost in providing the service.

37 (c) The department by rule shall restrict the department's furnishing or delivery of Internet ac-  
38 cess service to private entities when the service would directly compete with two or more local  
39 established providers of Internet access services within the local exchange telecommunications ser-  
40 vice area.

41 (d) The rates and services established and provided under this section are not subject to the  
42 Public Utility Commission's regulation or authority.

43 (6)(a) There is created the Stakeholders Advisory Committee, consisting of a minimum of nine  
44 members appointed by the Director of the Oregon Department of Administrative Services. In making  
45 appointments, the director shall give consideration to geographic balance and adequate represen-

1 tation of the department's users and providers and the general public.

2 (b) The committee must consist of members who represent elementary or secondary education,  
3 higher education, community colleges, economic development, health care, human services and pub-  
4 lic safety. At least four members must reside in areas east of the Cascade Mountains.

5 (c) The term of office of each member is three years, but a member serves at the sole discretion  
6 of the director. The director shall appoint a successor to a member before the member's term ex-  
7 pires. A member is eligible for reappointment. If a position on the committee is vacant for any cause,  
8 the director shall make an appointment to the position that is immediately effective for the unex-  
9 pired term.

10 (d) A member of the committee is entitled to travel expenses pursuant to ORS 292.495. Members  
11 of the committee are not entitled to compensation.

12 (e) The director may establish additional advisory and technical committees as the director  
13 considers necessary to aid and advise the Stakeholders Advisory Committee in the performance of  
14 the committee's functions.

15 (f) The director may delegate to the State Chief Information Officer a duty, function or power  
16 that this subsection imposes upon the director.

17 (7) An organization or organizations recognized as tax exempt under section 501(c)(3) of the  
18 Internal Revenue Code that primarily conduct activities for the direct good or benefit of the public  
19 or community at large in providing educational, economic development, health care, human services,  
20 public safety, library or other public services and have formed an affiliation with one or more fed-  
21 eral, state or local governmental units within this state may apply to the department for designation  
22 as a community of interest. The application must be in the form prescribed by the department and  
23 contain information regarding the governmental affiliation relationship, the tax exempt status of  
24 each organization and the public benefit services to be provided. The department shall establish an  
25 application review and appeal process to ensure that designating the organizations as a community  
26 of interest for the purposes of including the organization in telecommunications contracts under  
27 ORS 283.520 will result in providing educational, medical, library or other services for public benefit.

28 (8) This section does not apply to the State Board of Higher Education, **the Oregon Institute**  
29 **of Technology** or any state institution of higher education within the Oregon University System.

30 (9) As used in this section:

31 (a) "Information resources" means media, instruments and methods for planning, collecting,  
32 processing, transmitting and storing data and information, including telecommunications.

33 (b) "Information technology" includes, but is not limited to, present and future forms of hard-  
34 ware, software and services for data processing, office automation and telecommunications.

35 (c) "Internet access service" means electronic connectivity to the Internet and the services of  
36 the Internet.

37 (d) "Open systems" means systems that allow state agencies freedom of choice by providing a  
38 vendor-neutral operating environment where different computers, applications, system software and  
39 networks operate together easily and reliably.

40 (e) "State-of-the-art services" includes equipment, facilities and the capability to distribute dig-  
41 ital communication signals that transmit voice, data, video and images over a distance.

42 (f) "Telecommunications" means hardware, software and services for transmitting voice, data,  
43 video and images over a distance.

44 (g) "Statewide integrated videoconferencing" means a statewide electronic system capable of  
45 transmitting video, voice and data communications.

1 (h) "Statewide online access" means electronic connectivity to information resources such as  
2 computer conferencing, electronic mail, databases and Internet access.

3 **SECTION 105.** ORS 291.055 is amended to read:

4 291.055. (1) Notwithstanding any other law that grants to a state agency the authority to es-  
5 tablish fees, all new state agency fees or fee increases adopted after July 1 of any odd-numbered  
6 year:

7 (a) Are not effective for agencies in the executive department of government unless approved  
8 in writing by the Director of the Oregon Department of Administrative Services;

9 (b) Are not effective for agencies in the judicial department of government unless approved in  
10 writing by the Chief Justice of the Supreme Court;

11 (c) Are not effective for agencies in the legislative department of government unless approved  
12 in writing by the President of the Senate and the Speaker of the House of Representatives;

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

15 (e) Are rescinded on July 1 of the next following odd-numbered year, or on adjournment sine  
16 die of the regular session of the Legislative Assembly meeting in that year, whichever is later, un-  
17 less otherwise authorized by enabling legislation setting forth the approved fees.

18 (2) This section does not apply to:

19 (a) Any tuition or fees charged by the State Board of Higher Education, **the Oregon Institute**  
20 **of Technology** and state institutions of higher education.

21 (b) Taxes or other payments made or collected from employers for unemployment insurance re-  
22 quired by ORS chapter 657 or premium assessments required by ORS 656.612 and 656.614 or contri-  
23 butions and assessments calculated by cents per hour for workers' compensation coverage required  
24 by ORS 656.506.

25 (c) Fees or payments required for:

26 (A) Health care services provided by the Oregon Health and Science University, by the Oregon  
27 Veterans' Homes and by other state agencies and institutions pursuant to ORS 179.610 to 179.770.

28 (B) Assessments and premiums paid to the Oregon Medical Insurance Pool established by ORS  
29 735.614 and 735.625.

30 (C) Copayments and premiums paid to the Oregon medical assistance program.

31 (D) Assessments paid to the Department of Consumer and Business Services under ORS 743.951  
32 and 743.961.

33 (d) Fees created or authorized by statute that have no established rate or amount but are cal-  
34 culated for each separate instance for each fee payer and are based on actual cost of services pro-  
35 vided.

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

37 (f) Any intergovernmental charges.

38 (g) Forest protection district assessment rates established by ORS 477.210 to 477.265 and the  
39 Oregon Forest Land Protection Fund fees established by ORS 477.760.

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

41 (i) Any charges established by the State Parks and Recreation Director in accordance with ORS  
42 565.080 (3).

43 (j) Assessments on premiums charged by the Insurance Division of the Department of Consumer  
44 and Business Services pursuant to ORS 731.804 or fees charged by the Division of Finance and  
45 Corporate Securities of the Department of Consumer and Business Services to banks, trusts and

1 credit unions pursuant to ORS 706.530 and 723.114.

2 (k) Public Utility Commission operating assessments required by ORS 756.310 or charges paid  
3 to the Residential Service Protection Fund required by chapter 290, Oregon Laws 1987.

4 (L) Fees charged by the Housing and Community Services Department for intellectual property  
5 pursuant to ORS 456.562.

6 (m) New or increased fees that are anticipated in the legislative budgeting process for an  
7 agency, revenues from which are included, explicitly or implicitly, in the legislatively adopted  
8 budget for the agency.

9 (n) Tolls approved by the Oregon Transportation Commission pursuant to ORS 383.004.

10 (o) Convenience fees as defined in ORS 182.126 and established by the Oregon Department of  
11 Administrative Services under ORS 182.132 (3) and recommended by the Electronic Government  
12 Portal Advisory Board.

13 (3)(a) Fees temporarily decreased for competitive or promotional reasons or because of unex-  
14 pected and temporary revenue surpluses may be increased to not more than their prior level without  
15 compliance with subsection (1) of this section if, at the time the fee is decreased, the state agency  
16 specifies the following:

17 (A) The reason for the fee decrease; and

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

19 (b) Fees that are decreased for reasons other than those described in paragraph (a) of this sub-  
20 section may not be subsequently increased except as allowed by ORS 291.050 to 291.060 and 294.160.

21 **SECTION 106.** ORS 307.095 is amended to read:

22 307.095. (1) Any portion of state property that is used during the tax year for parking on a  
23 rental or fee basis to private individuals is subject to ad valorem taxation.

24 (2) The real market value of such portion shall be computed by determining that percentage  
25 which the total of receipts from private use bears to the total of receipts from all use of the prop-  
26 erty. The assessed value of such portion shall be computed as provided in ORS 308.146. However,  
27 receipts from any use by a state officer or employee in the performance of the official duties of the  
28 state officer or employee shall not be considered as receipts from private use in computing the  
29 portion subject to ad valorem taxation.

30 (3) This section and ORS 276.592 do not apply to state property that is used by the Oregon  
31 University System, **the Oregon Institute of Technology** or the Oregon Health and Science Uni-  
32 versity solely to provide parking for employees, students or visitors.

33 **SECTION 107.** ORS 307.110 is amended to read:

34 307.110. (1) Except as provided in ORS 307.120, all real and personal property of this state or  
35 any institution or department thereof or of any county or city, town or other municipal corporation  
36 or political subdivision of this state, held under a lease or other interest or estate less than a fee  
37 simple, by any person whose real property, if any, is taxable, except employees of the state,  
38 municipality or political subdivision as an incident to such employment, shall be subject to assess-  
39 ment and taxation for the assessed or specially assessed value thereof uniformly with real property  
40 of nonexempt ownerships.

41 (2) Each leased or rented premises not exempt under ORS 307.120 and subject to assessment and  
42 taxation under this section which is located on property used as an airport and owned by and  
43 serving a municipality or port shall be separately assessed and taxed.

44 (3) Nothing contained in this section shall be construed as subjecting to assessment and taxation  
45 any publicly owned property described in subsection (1) of this section that is:

1 (a) Leased for student housing by a school or college to students attending such a school or  
2 college.

3 (b) Leased to or rented by persons, other than sublessees or subrenters, for agricultural or  
4 grazing purposes and for other than a cash rental or a percentage of the crop.

5 (c) Utilized by persons under a land use permit issued by the Department of Transportation for  
6 which the department's use restrictions are such that only an administrative processing fee is able  
7 to be charged.

8 (d) County fairgrounds and the buildings thereon, in a county holding annual county fairs,  
9 managed by the county fair board under ORS 565.230, if utilized, in addition to county fair use, for  
10 any of the purposes described in ORS 565.230 (2), or for horse stalls or storage for recreational ve-  
11 hicles or farm machinery or equipment.

12 (e) The properties and grounds managed and operated by the State Parks and Recreation Di-  
13 rector under ORS 565.080, if utilized, in addition to the purpose of holding the Oregon State Fair,  
14 for horse stalls or for storage for recreational vehicles or farm machinery or equipment.

15 (f) State property that is used by the Oregon University System, **the Oregon Institute of**  
16 **Technology** or the Oregon Health and Science University to provide parking for employees, stu-  
17 dents or visitors.

18 (g) Property of a housing authority created under ORS chapter 456 which is leased or rented to  
19 persons of lower income for housing pursuant to the public and governmental purposes of the  
20 housing authority. For purposes of this paragraph, "persons of lower income" has the meaning given  
21 the phrase under ORS 456.055.

22 (h) Property of a health district if:

23 (A) The property is leased or rented for the purpose of providing facilities for health care  
24 practitioners practicing within the county; and

25 (B) The county is a frontier rural practice county under rules adopted by the Office of Rural  
26 Health.

27 (4) Property determined to be an eligible project for tax exemption under ORS 285C.600 to  
28 285C.626 and 307.123 that was acquired with revenue bonds issued under ORS 285B.320 to 285B.371  
29 and that is leased by this state, any institution or department thereof or any county, city, town or  
30 other municipal corporation or political subdivision of this state to an eligible applicant shall be  
31 assessed and taxed in accordance with ORS 307.123. The property's continued eligibility for taxation  
32 and assessment under ORS 307.123 is not affected:

33 (a) If the eligible applicant retires the bonds prior to the original dates of maturity; or

34 (b) If any applicable lease or financial agreement is terminated prior to the original date of ex-  
35 piration.

36 (5) The provisions of law for liens and the payment and collection of taxes levied against real  
37 property of nonexempt ownerships shall apply to all real property subject to the provisions of this  
38 section. Taxes remaining unpaid upon the termination of a lease or other interest or estate less than  
39 a fee simple, shall remain a lien against the real or personal property.

40 (6) If the state enters into a lease of property with, or grants an interest or other estate less  
41 than a fee simple in property to, a person whose real property, if any, is taxable, then within 30 days  
42 after the date of the lease, or within 30 days after the date the interest or estate less than a fee  
43 simple is created, the state shall file a copy of the lease or other instrument creating or evidencing  
44 the interest or estate with the county assessor. This section applies notwithstanding that the prop-  
45 erty may otherwise be entitled to an exemption under this section, ORS 307.120 or as otherwise

1 provided by law.

2 **SECTION 108.** ORS 326.543 is amended to read:

3 326.543. (1) As used in this section:

4 (a) "Education service district" has the meaning given that term in ORS 334.003.

5 (b) "Facility" means the school operated under ORS 346.010.

6 (c) "Post-secondary institution" means:

7 (A) A community college as defined in ORS 341.005;

8 (B) A state institution of higher education listed in ORS 352.002;

9 **(C) The Oregon Institute of Technology;** and

10 [~~C~~] **(D)** The Oregon Health and Science University.

11 (d) "School district" has the meaning given that term in ORS 330.005.

12 (2) The interest or estate of an education service district, a facility, a post-secondary institution  
13 or a school district in any real property may not be extinguished or diminished by adverse pos-  
14 session.

15 **SECTION 109.** ORS 337.500 is amended to read:

16 337.500. As used in ORS 337.500 to 337.506:

17 (1) "Adopter" means any faculty member or academic department or other adopting entity at a  
18 higher education institution responsible for considering and choosing course materials to be utilized  
19 in connection with accredited courses taught at the institution.

20 (2) "Higher education institution" means:

21 (a) A community college, as defined in ORS 341.005;

22 (b) A state institution of higher education listed in ORS 352.002;

23 (c) The Oregon Health and Science University;

24 **(d) The Oregon Institute of Technology;**

25 [~~d~~] **(e)** A private institution of higher education located in Oregon; and

26 [~~e~~] **(f)** A bookstore that serves as the primary bookstore for an entity listed in paragraphs (a)  
27 to [~~d~~] **(e)** of this subsection.

28 (3) "Special edition" means a bound book that does not constitute a traditional textbook and  
29 that may or may not be used for instructional purposes.

30 (4)(a) "Textbook bundle" means a textbook packaged together with other supplemental course  
31 materials, including but not limited to workbooks, study guides, online technologies, online course  
32 resources, CD-ROMs or other books, to be sold as course material for one price.

33 (b) "Textbook bundle" does not include a textbook that is unusable without the supplemental  
34 course materials, materials that cannot be sold separately due to third-party contractual agreements,  
35 custom editions or special editions.

36 **SECTION 110.** ORS 337.511 is amended to read:

37 337.511. As used in ORS 337.511 to 337.524:

38 (1) "Alternative format" means any medium or format for the presentation of instructional ma-  
39 terials other than standard print that is needed by a post-secondary student with a print disability  
40 for a reading accommodation, including but not limited to Braille, large print texts, audio re-  
41 cordings, digital texts and digital talking books.

42 (2) "Electronic format" means a medium or format containing digital text.

43 (3) "Instructional material" means a textbook or other material if:

44 (a) The textbook or other material, including additional prints or new editions of previously  
45 published instructional material, is published on or after January 1, 2004, and is published primarily

1 for use by students in a course of study in which a post-secondary student with a print disability is  
 2 enrolled;

3 (b) The textbook or other material is required for a student’s success in the course, as deter-  
 4 mined by the course instructor in consultation with the representative making the request for an  
 5 electronic format under ORS 337.517 (2);

6 (c) The textbook or other material is required for the course as stated in the course syllabus  
 7 or other curriculum documents, or the use of the materials by the student is necessary for the  
 8 completion of course assignments that are used to evaluate the student, such as to determine the  
 9 student’s proficiency level or assign a grade; and

10 (d) Software is commercially available to permit the conversion of an electronic file of the  
 11 textbook or other material into a format that is compatible with assistive technologies such as  
 12 speech synthesis software or Braille translation software.

13 (4) “Post-secondary education institution” means:

14 (a) A state institution of higher education listed in ORS 352.002;

15 (b) A community college operated under ORS chapter 341;

16 (c) The Oregon Health and Science University;

17 **(d) The Oregon Institute of Technology;** or

18 *[(d)]* **(e)** An Oregon-based, generally accredited institution of higher education.

19 (5) “Print disability” means a disability that prevents a student from effectively utilizing print  
 20 material and may include blindness, other serious visual impairments, specific learning disabilities  
 21 or the inability to hold a book.

22 (6) “Printed instructional material” means instructional material in book or other printed form.

23 (7) “Publisher” means any person that publishes or manufactures instructional material used by  
 24 students attending a post-secondary education institution.

25 (8) “Structural integrity” means the inclusion of all of the information provided in printed in-  
 26 structional material, including but not limited to the text of the material sidebars, the tables of  
 27 contents, the chapter headings and subheadings, the footnotes, the page numbers, the indexes and  
 28 the glossaries.

29 (9) “Working day” means a day that is not a Saturday, Sunday or legal holiday.

30 **SECTION 111.** ORS 339.885 is amended to read:

31 339.885. (1) No secret society of any kind, including a fraternity or sorority, shall be permitted  
 32 in any public school.

33 (2) The district school board may order the suspension or expulsion of any pupil who belongs  
 34 to a secret society.

35 (3) This section does not apply to **the Oregon Institute of Technology or** any institution of  
 36 higher education under the jurisdiction of the State Board of Higher Education.

37 **SECTION 112.** ORS 340.005 is amended to read:

38 340.005. For purposes of this chapter:

39 (1) “Accelerated college credit program” has the meaning given that term by rules adopted by  
 40 the State Board of Education.

41 (2) “At-risk student” means:

42 (a) A student who qualifies for a free or reduced lunch program; or

43 (b) An at-risk student as defined by rules adopted by the board if the board has adopted rules  
 44 to define an at-risk student.

45 (3) “Duplicate course” means a course with a scope that is identical to the scope of another



1 course.

2 (4)(a) “Eligible post-secondary course” means any nonsectarian course or program offered  
 3 through an eligible post-secondary institution if the course or program may lead to high school  
 4 completion, a certificate, professional certification, associate degree or baccalaureate degree.

5 (b) “Eligible post-secondary course” does not include a duplicate course offered at the student’s  
 6 resident school.

7 (c) “Eligible post-secondary course” includes:

8 (A) Academic courses;

9 (B) Career and technical education courses; and

10 (C) Distance education courses.

11 (5) “Eligible post-secondary institution” means:

12 (a) A community college;

13 (b) A state institution of higher education listed in ORS 352.002; *[and]*

14 (c) The Oregon Health and Science University; **and**

15 **(d) The Oregon Institute of Technology.**

16 (6)(a) “Eligible student” means a student who is enrolled in an Oregon public school and who:

17 (A) Is 16 years of age or older at the time of enrollment in a course under the Expanded Options  
 18 Program;

19 (B)(i) Is in grade 11 or 12 at the time of enrollment in a course under the Expanded Options  
 20 Program; or

21 (ii) Is not in grade 11 or 12, because the student has not completed the required number of  
 22 credits, but who has been allowed by the school district to participate in the program;

23 (C) Has developed an educational learning plan as described in ORS 340.025; and

24 (D) Has not successfully completed the requirements for a high school diploma as established  
 25 by ORS 329.451, the State Board of Education and the school district board.

26 (b) “Eligible student” does not include a foreign exchange student enrolled in a school under a  
 27 cultural exchange program.

28 (7) “Expanded Options Program” means the program created under this chapter.

29 (8) “Scope” means depth and breadth of course content as evidenced through a planned course  
 30 statement including content outline, applicable state content standards where appropriate, course  
 31 goals and student outcomes.

32 **SECTION 113.** ORS 341.440 is amended to read:

33 341.440. (1) A community college district may contract with another community college district,  
 34 **a** common or union high school district, **an** education service district, the Oregon University System,  
 35 **the Oregon Institute of Technology**, the Oregon Health and Science University, *[with]* a private  
 36 educational institution accredited by the Northwest Association of Schools and Colleges or its suc-  
 37 cessor or a career school as defined in ORS 345.010 to obtain educational services for students en-  
 38 rolled in the community college of the district. However, the educational services so obtained must  
 39 meet the standards for educational services provided by the college and the contract price to the  
 40 college for such services must not exceed the costs which would otherwise be incurred by the col-  
 41 lege to provide its students the same or similar services.

42 (2) Educational services for which a district operating a community college may contract include  
 43 services offered by correspondence and services offered electronically or through telecommuni-  
 44 cations if such services are accredited by a nationally recognized accrediting association.

45 (3) For purposes of ORS 341.626, costs incurred under subsection (1) of this section shall be

1 considered operating expenses of the district if the contract is approved by the Commissioner for  
2 Community College Services.

3 **SECTION 114.** ORS 342.147 is amended to read:

4 342.147. (1) After considering recommendations of the State Board of Education, the Teacher  
5 Standards and Practices Commission shall establish by rule standards for approval of teacher edu-  
6 cation institutions and teacher education programs. Public teacher education institutions shall be  
7 approved for programs of more than four years' duration only if teacher education programs which  
8 are reasonably attainable in a four-year period are also available in the system of higher education  
9 and are designed to culminate in a baccalaureate degree that qualifies its graduates for entry-level  
10 teaching licenses.

11 (2) The commission shall establish rules that allow teacher education programs leading to  
12 graduate degrees to commence prior to the student's completion of baccalaureate degree require-  
13 ments and that allow the combined use of undergraduate and graduate level course work in  
14 achieving program completion.

15 (3) Whenever any teacher education institution or program is denied approved status or has  
16 such status withdrawn such denial or withdrawal must be treated as a contested case within the  
17 meaning of ORS chapter 183.

18 (4) Nothing in this section is intended to grant any authority to the commission relating to  
19 granting of degrees or establishing degree requirements that are within the authority of the State  
20 Board of Higher Education or any institutions under its jurisdiction, **the Oregon Institute of**  
21 **Technology Board of Directors** or *[that are within the authority of]* the governing board of any  
22 private institution of higher education.

23 **SECTION 115.** ORS 342.443 is amended to read:

24 342.443. (1) The Education and Workforce Policy Advisor shall report biennially to the Legisla-  
25 tive Assembly longitudinal data on the number and percentage of:

- 26 (a) Minority students enrolled in community colleges;
- 27 (b) Minority students applying for admission to public four-year institutions of higher education;
- 28 (c) Minority students accepted in public four-year institutions of higher education;
- 29 (d) Minority students graduated from public four-year institutions of higher education;
- 30 (e) Minority candidates seeking to enter public teacher education programs in this state;
- 31 (f) Minority candidates admitted to public teacher education programs;
- 32 (g) Minority candidates who have completed approved public teacher education programs;
- 33 (h) Minority candidates receiving Oregon teaching licenses based on preparation in this state  
34 and preparation in other states;
- 35 (i) Minority teachers who are newly employed in the public schools in this state; and
- 36 (j) Minority teachers already employed in the public schools.

37 (2) The advisor also shall report comparisons of minorities' and nonminorities' scores on basic  
38 skills, pedagogy and subject matter tests.

39 (3) The Oregon University System, **the Oregon Institute of Technology**, the Department of  
40 Education, the Teacher Standards and Practices Commission, community colleges and school dis-  
41 tricts shall cooperate with the advisor in collecting data and preparing the report.

42 **SECTION 116.** ORS 344.259 is amended to read:

43 344.259. (1) The State Board of Education shall coordinate continuing education in lower divi-  
44 sion, developmental, adult self-improvement, professional and technical education for agencies under  
45 its regulatory authority. The State Board of Higher Education shall coordinate continuing education

1 in upper division and graduate education for institutions under its jurisdiction **and the Oregon**  
 2 **Institute of Technology.**

3 (2) When significantly adverse impact is alleged by one or more of the agencies listed in this  
 4 subsection, the affected parties jointly shall provide for written agreements. These agreements shall  
 5 allocate responsibility for planning and providing continuing education or off-campus instruction in  
 6 specific areas or by specific types. The agencies are:

- 7 (a) The State Board of Education.
- 8 (b) The State Board of Higher Education.
- 9 (c) Community college districts.
- 10 (d) Independent colleges.
- 11 (e) Proprietary schools.

12 (3) In the event the affected parties fail to reach a written agreement within 120 days following  
 13 receipt of written notice of the allegation, either party may request the Education and Workforce  
 14 Policy Advisor to review and to recommend resolution.

15 (4) Nothing in this section prohibits the offering of upper division or graduate programs within  
 16 30 miles of the campus of **the Oregon Institute of Technology** or the Oregon University System  
 17 institution offering the program, or the offering of lower division programs within 30 miles of the  
 18 campus offering the program in areas outside a community college district. Such programs are en-  
 19 titled to the same college credit and financial support as programs offered on the campus of the  
 20 institution.

21 **SECTION 117.** ORS 344.557 is amended to read:

22 344.557. (1) The Department of Human Services may refer a person for vocational training only  
 23 to the following schools or programs:

- 24 (a) A school that has accreditation recognized by the United States Department of Education.
- 25 (b) A school that has been approved by the Oregon Student Assistance Commission through the  
 26 Office of Degree Authorization to offer and confer degrees in Oregon.
- 27 (c) A community college.
- 28 (d) A state institution of higher education within the Oregon University System.
- 29 **(e) The Oregon Institute of Technology.**
- 30 [(e)] **(f)** The Oregon Health and Science University.
- 31 [(f)] **(g)** A career school licensed under ORS 345.010 to 345.450.
- 32 (g) An apprenticeship program that is registered with the State Apprenticeship and Training  
 33 Council.

34 (2) This section does not apply to vocational rehabilitation training.

35 **SECTION 118.** ORS 344.753 is amended to read:

36 344.753. (1) Employers who enter into written agreements with educational institutions and who  
 37 are providing training to participants in youth apprenticeship and training or work based learning  
 38 programs are eligible for reimbursement of expenses incurred in the training process. These ex-  
 39 penses may include wages paid to the student, training costs for mentors and supervisors, equipment  
 40 costs to set up youth training capacity, curriculum development costs, costs of establishing interfirm  
 41 training centers or other costs necessitated by the training agreement.

42 (2) The amount of reimbursement shall be 50 percent of the actual cost of the investment, such  
 43 reimbursement not to exceed \$2,500 per student who completes the agreed upon course of study.  
 44 In the event that a student drops out of the program through no fault of the employer, the Depart-  
 45 ment of Education may reimburse the employer for costs incurred to that point.

1 (3) Eligible employers may elect to receive education service credits in lieu of the reimburse-  
 2 ment provided in this section. The amount of the education service credit shall equal the value of  
 3 the potential reimbursement on a dollar-for-dollar basis. Education service credits may be used to  
 4 purchase educational services provided to the employer by school districts, education service dis-  
 5 tricts, community colleges, **the Oregon Institute of Technology**, the Oregon University System or  
 6 private providers approved by the Department of Education.

7 (4) Employers who terminate students without the concurrence of the school forfeit all claim to  
 8 reimbursements or education service credits earned under this section.

9 (5) The total amount of employer reimbursement allowable under this section to all employers  
 10 shall not exceed the amount allocated therefor biennially from the Administrative Services Eco-  
 11 nomic Development Fund.

12 (6) Reimbursements allowed under this section must first be certified with regard to eligibility  
 13 and availability of funds pursuant to a method established by the Department of Education in con-  
 14 sultation with the Bureau of Labor and Industries.

15 **SECTION 119.** ORS 348.180 is amended to read:

16 348.180. As used in this section and ORS 348.183, 348.186, 348.205, 348.230, 348.250 and 348.260:

17 (1) "Cost of education" includes but is not limited to, tuition, fees and living expenses.

18 (2) "Eligible post-secondary institution" means:

19 (a) A state institution under the direction of the State Board of Higher Education;

20 (b) A community college operated under ORS chapter 341;

21 (c) The Oregon Health and Science University; *[or]*

22 **(d) The Oregon Institute of Technology; or**

23 *[(d)] (e)* An Oregon-based, generally accredited, not-for-profit institution of higher education.

24 (3) "Qualified student" means any resident student who plans to attend an eligible post-  
 25 secondary institution and who:

26 (a) Has not achieved a baccalaureate or higher degree from any post-secondary institution;

27 (b) Is enrolled in an eligible program as defined by rule of the Oregon Student Assistance  
 28 Commission; and

29 (c) Is making satisfactory academic progress as defined by rule of the commission.

30 **SECTION 120.** ORS 348.205 is amended to read:

31 348.205. (1) The Oregon Opportunity Grant program is established within the Oregon Student  
 32 Assistance Commission.

33 (2) Under the program, the cost of education of a qualified student shall be shared by the stu-  
 34 dent, the family of the student, the federal government and the state.

35 (3) The commission shall determine the cost of education of a qualified student based on the type  
 36 of eligible post-secondary institution the student is attending. The cost of education equals:

37 (a) For a student attending a community college, the average cost of education of attending a  
 38 community college in this state;

39 (b) For a student attending an institution under the direction of the State Board of Higher Ed-  
 40 ucation, the average cost of education of attending an institution under the direction of the board;

41 **(c) For a student attending the Oregon Institute of Technology, the average cost of ed-  
 42 ucation of attending the institute;**

43 *[(c)] (d)* For a student attending a two-year Oregon-based, generally accredited, not-for-profit  
 44 institution of higher education, the average cost of education of attending a community college in  
 45 this state; and

1        [(d)] (e) For a student attending the Oregon Health and Science University or a four-year  
 2 Oregon-based, generally accredited, not-for-profit institution of higher education, the average cost  
 3 of education of attending an institution under the direction of the board.

4        (4)(a) The commission shall determine the amount of the student share. The student share shall  
 5 be based on:

6            (A) The type of eligible post-secondary institution the student is attending;

7            (B) The number of hours of work that the commission determines may be reasonably expected  
 8 from the student; and

9            (C) The amount of loans that the commission determines would constitute a manageable debt  
 10 burden for the student.

11        (b) The student shall determine how to cover the student share through income from work,  
 12 loans, savings and scholarships.

13        (c) The student share for a student who attends a community college may not exceed the amount  
 14 that the commission determines a student may earn based on the number of hours of work reason-  
 15 ably expected from the student under paragraph (a) of this subsection.

16        (d) The student share for a student who attends an eligible post-secondary institution that is not  
 17 a community college may not exceed the sum of the amount that the commission determines a stu-  
 18 dent may receive as loans plus the amount a student may earn based on the number of hours of  
 19 work reasonably expected from the student under paragraph (a) of this subsection.

20        (5) The commission shall determine the amount of the family share. The family share shall be  
 21 based on the resources of the family.

22        (6) The commission shall determine the amount of the federal share based on how much the  
 23 student or the student's family is expected to receive from the federal government as grants, loans,  
 24 tax credits or other student assistance.

25        (7)(a) The commission shall determine the amount of the state share. The state share shall be  
 26 equal to the cost of education reduced by the student share, family share and amount received by  
 27 the student from the federal government.

28        (b) The commission shall establish a minimum amount that a student may receive as a state  
 29 share. If the commission determines that the amount of the state share of a student is below the  
 30 minimum amount, the student may not receive the state share.

31        (c) In determining the amount of the state share, the commission shall consider the total amount  
 32 available to award as grants to all qualified students. If the commission must reduce the amount of  
 33 the state share under this paragraph, the commission may not reduce the amount of the state share  
 34 awarded to students in the low income range in a greater proportion than the amount that the state  
 35 share for students in other income ranges is reduced.

36        **SECTION 121.** ORS 348.270 is amended to read:

37        348.270. (1) In addition to any other scholarships provided by law, the Oregon Student Assist-  
 38 ance Commission shall award scholarships in any state institution under the State Board of Higher  
 39 Education, **in the Oregon Institute of Technology**, in the Oregon Health and Science University,  
 40 in any community college operated under ORS chapter 341, or in any Oregon-based regionally ac-  
 41 credited independent institution, to any student applying for enrollment or who is enrolled therein,  
 42 who is:

43            (a) The natural child, adopted child or stepchild of any public safety officer who, in the line of  
 44 duty, was killed or so disabled, as determined by the Oregon Student Assistance Commission, that  
 45 the income of the public safety officer is less than that earned by public safety officers performing

1 duties comparable to those performed at the highest rank or grade attained by the public safety of-  
 2 ficer; or

3 (b) A former foster child who enrolls in an institution of higher education as an undergraduate  
 4 student not later than three years from the date the student was removed from the care of the De-  
 5 partment of Human Services, the date the student graduated from high school or the date the stu-  
 6 dent received the equivalent of a high school diploma, whichever date is earliest.

7 (2) Scholarships awarded under this section to students who are dependents of public safety of-  
 8 ficers or who are former foster children shall equal the amount of tuition and all fees levied by the  
 9 institution against the recipient of the scholarship. However, scholarships awarded to students who  
 10 attend independent institutions shall not exceed the amount of tuition and all fees levied by the  
 11 University of Oregon.

12 (3) If the student who is the dependent of a deceased public safety officer continues to remain  
 13 enrolled in a state institution of higher education or a community college or an independent insti-  
 14 tution within the State of Oregon, the student shall be entitled to renewal of the scholarship until  
 15 the student has received the equivalent of four years of undergraduate education and four years of  
 16 post-graduate education.

17 (4) If the student who is a former foster child or who is the dependent of a public safety officer  
 18 with a disability continues to remain enrolled in a state institution of higher education or a com-  
 19 munity college or an independent institution within the State of Oregon, the student shall be entitled  
 20 to renewal of the scholarship until the student has received the equivalent of four years of under-  
 21 graduate education.

22 (5) The Oregon Student Assistance Commission may require proof of the student's relationship  
 23 to a public safety officer described in subsection (1) of this section or proof that the student is a  
 24 former foster child.

25 (6) As used in this section:

26 (a) "Former foster child" means an individual who, for a total of 12 or more months while be-  
 27 tween the ages of 16 and 21, was a ward of the court pursuant to ORS 419B.100 (1)(b) to (e) and in  
 28 the legal custody of the Department of Human Services for out-of-home placement.

29 (b) "Public safety officer" means:

30 (A) A firefighter or police officer as those terms are defined in ORS 237.610.

31 (B) A member of the Oregon State Police.

32 **SECTION 122.** ORS 348.282 is amended to read:

33 348.282. As used in this section and ORS 348.283:

34 (1) "Armed Forces of the United States" means:

35 (a) The Army, Navy, Air Force, Marine Corps and Coast Guard of the United States;

36 (b) The reserves of the Army, Navy, Air Force, Marine Corps and Coast Guard of the United  
 37 States; and

38 (c) The Oregon National Guard and a National Guard of any other state or territory.

39 (2) "Public post-secondary institution" means:

40 (a) A state institution under the direction of the State Board of Higher Education; *[and]*

41 (b) A community college operated under ORS chapter 341; **and**

42 (c) **The Oregon Institute of Technology.**

43 (3) "Veteran" has the meaning given that term in ORS 408.225.

44 **SECTION 123.** ORS 348.394 is amended to read:

45 348.394. As used in ORS 348.394 to 348.406:

1 (1) “Eligible post-secondary institution” means:

2 (a) A state institution under the direction of the State Board of Higher Education listed in ORS  
3 352.002;

4 **(b) The Oregon Institute of Technology;**

5 [(b)] **(c)** A community college as defined in ORS 341.005; or

6 [(c)] **(d)** A generally accredited, not-for-profit institution of higher education.

7 (2) “Participant” means a student who receives a grant under ORS 348.401.

8 **SECTION 124.** ORS 348.470 is amended to read:

9 348.470. The Legislative Assembly finds and declares that:

10 (1) It is the policy of this state to encourage cooperation between the Oregon University  
11 System, **the Oregon Institute of Technology** and community colleges on issues affecting students  
12 who transfer [*between the two*] **among the three** segments; and

13 (2) All unnecessary obstacles that restrict student transfer opportunities [*between the two*]  
14 **among the three** segments shall be eliminated.

15 **SECTION 125.** ORS 348.597 is amended to read:

16 348.597. (1) Except as provided in subsection (2) of this section, ORS 348.594 to 348.615 apply to  
17 all schools that operate in this state.

18 (2) ORS 348.594 to 348.615 do not apply to:

19 (a) An Oregon community college;

20 (b) A state institution of higher education within the Oregon University System;

21 (c) The Oregon Health and Science University;

22 **(d) The Oregon Institute of Technology;**

23 [(d)] **(e)** A school, or a separately accredited campus of a school, if the school:

24 (A) Is a nonprofit school that is exempt from federal income tax under section 501(c)(3) of the  
25 Internal Revenue Code;

26 (B) Conferred degrees in this state under the same control for at least five consecutive years;  
27 and

28 (C) Is accredited by a regional accrediting association or its national successor;

29 [(e)] **(f)** A school that, on the date preceding July 15, 2005, was a school described in ORS  
30 348.594 (2)(d); or

31 [(f)] **(g)** A school that is exempt from ORS 348.594 to 348.615 under ORS 348.604.

32 **SECTION 126.** ORS 348.900 is amended to read:

33 348.900. (1) The Employment Department, in consultation with health care industry employers,  
34 shall perform a statewide and regional needs assessment for health care occupations to identify  
35 emerging occupations and occupations for which there is high demand or a shortage of workers. The  
36 assessment shall be performed as necessary on a periodic basis, as determined by the department,  
37 in consultation with industry employers. To perform the needs assessment, the department may  
38 consider any reliable data sources available to the department.

39 (2) Based on the needs assessment, the Joint Boards of Education shall inform community col-  
40 leges, state institutions of higher education within the Oregon University System, **the Oregon In-**  
41 **stitute of Technology**, Oregon Health and Science University and health care industry employers  
42 of the identified statewide needs and invite the development of health care education programs that  
43 are responsive to those needs.

44 (3) When approving health care education programs, the State Board of Education, the State  
45 Board of Higher Education, **the Oregon Institute of Technology Board of Directors** and the

1 Oregon Health and Science University Board of Directors shall use the statewide needs assessment  
 2 to evaluate whether a program fulfills statewide needs. If a board determines there is a statewide  
 3 need, the board shall facilitate the:

4 (a) Coordination of new health care education programs and existing health care education  
 5 programs that are similar to the new health care education programs to address the statewide need;  
 6 and

7 (b) Alignment of health care education programs relating to statewide access, student  
 8 transferability between programs, course articulation and common student learning outcomes for  
 9 health care education programs.

10 (4) In the development and approval of health care education programs, community colleges,  
 11 state institutions of higher education, **the Oregon Institute of Technology**, Oregon Health and  
 12 Science University, the State Board of Education, the State Board of Higher Education, **the Oregon**  
 13 **Institute of Technology Board of Directors** and the Oregon Health and Science University Board  
 14 of Directors shall consider issues related to statewide access, student transferability between pro-  
 15 grams, course articulation and common student learning outcomes for health care education pro-  
 16 grams. The colleges, institutions, **institute**, university and boards shall continue to provide and  
 17 improve upon an effective articulation and transfer framework for students in Oregon's post-  
 18 secondary sectors.

19 **SECTION 127.** ORS 348.910 is amended to read:

20 348.910. (1) As used in this section, "applied baccalaureate degree" means a bachelor's degree  
 21 designed to incorporate applied associate courses and degrees with additional coursework empha-  
 22 sizing higher-order thinking skills and advanced technical knowledge and skills.

23 (2) The Joint Boards of Education shall develop a plan for offering applied baccalaureate degree  
 24 programs at community colleges, **the Oregon Institute of Technology** and state institutions of  
 25 higher education. The boards shall consider the following types of programs for the purpose of of-  
 26 fering some of these types and the possibility of combinations of these types:

27 (a) A career ladder program that requires a substantial number of upper level courses in the  
 28 same technical area of study as the student's applied associate degree;

29 (b) An inverse program that reverses the traditional curriculum sequence by adding general  
 30 education courses in the student's third and fourth years to the associate degree courses taken in  
 31 the student's first and second years;

32 (c) A management ladder program that combines associate degree requirements with applied  
 33 management skills coursework; and

34 (d) A work experience program that combines general education and technical coursework with  
 35 direct, supervised work experience in a relevant field.

36 (3) The Joint Boards of Education plan must include the following elements:

37 (a) The method by which the applied baccalaureate degree programs will be created, including  
 38 any necessary accreditation by the relevant accrediting agency;

39 (b) The criteria for approving the degree and course options offered by **the Oregon Institute**  
 40 **of Technology**, state institutions of higher education and community colleges;

41 (c) The articulation agreements between **the Oregon Institute of Technology**, community col-  
 42 leges and state institutions of higher education necessary to ensure that the applied baccalaureate  
 43 degree programs are as widely available as possible;

44 (d) The resources required to implement the applied baccalaureate degree program;

45 (e) The timeline necessary to implement the applied baccalaureate degree program; and



1 (f) A recommendation as to whether community colleges should be allowed to offer applied  
2 baccalaureate degrees.

3 (4) The Joint Boards of Education shall submit a report, along with proposed legislation, to the  
4 interim committee of the Legislative Assembly related to higher education prior to November 1,  
5 2010. The boards shall provide progress reports on the plan to the interim committee.

6 (5) The Oregon University System, the Department of Education and the Department of Com-  
7 munity Colleges and Workforce Development shall provide staff support to the Joint Boards of Ed-  
8 ucation in the preparation of the reports required by this section.

9 **SECTION 128.** ORS 351.649 is amended to read:

10 351.649. (1) For the purposes of this section:

11 (a) "Public institution of higher education" means:

12 (A) A community college;

13 (B) A state institution of higher education listed in ORS 352.002;

14 (C) **The Oregon Institute of Technology;** and

15 [(C)] (D) The Oregon Health and Science University.

16 (b) "School-sponsored media" means materials that are prepared, substantially written, published  
17 or broadcast by student journalists, that are distributed or generally made available, either free of  
18 charge or for a fee, to members of the student body and that are prepared under the direction of a  
19 student media adviser. "School-sponsored media" does not include media intended for distribution  
20 or transmission solely in the classrooms in which they are produced.

21 (c) "Student journalist" means a student who gathers, compiles, writes, edits, photographs, re-  
22 cords or prepares information for dissemination in school-sponsored media.

23 (d) "Student media adviser" means a person who is employed, appointed or designated by a  
24 public institution of higher education to supervise, or provide instruction relating to, school-  
25 sponsored media.

26 (2) Student journalists are responsible for determining the news, opinion, feature and advertising  
27 content of school-sponsored media. This subsection does not prevent a student media adviser from  
28 teaching professional standards of English and journalism to the student journalists.

29 (3) Nothing in this section may be interpreted to authorize expression by students that:

30 (a) Is libelous or slanderous;

31 (b) Constitutes an unwarranted invasion of privacy;

32 (c) Violates federal or state statutes, rules or regulations or state common law; or

33 (d) So incites students as to create a clear and present danger of:

34 (A) The commission of unlawful acts on or off school premises;

35 (B) The violation of school policies; or

36 (C) The material and substantial disruption of the orderly operation of the school. A school of-  
37 ficial must base a forecast of material and substantial disruption on specific facts, including past  
38 experience in the school and current events influencing student behavior, and not on undifferen-  
39 tiated fear or apprehension.

40 (4) Any student enrolled in a public institution of higher education may commence a civil action  
41 to obtain damages under this subsection and appropriate injunctive or declaratory relief as deter-  
42 mined by a court for a violation of subsection (2) of this section, the First Amendment to the United  
43 States Constitution or section 8, Article I of the Oregon Constitution. Upon a motion, a court may  
44 award \$100 in damages and injunctive and declaratory relief to a prevailing plaintiff in a civil action  
45 brought under this subsection.

1        **SECTION 129.** ORS 351.656 is amended to read:

2        351.656. (1) As used in this section:

3        (a) “Child” means a child, adopted child or stepchild of a service member.

4        (b) “Eligible post-secondary institution” means:

5        (A) A state institution of higher education listed in ORS 352.002; *[and]*

6        (B) The Oregon Health and Science University; **and**

7        **(C) The Oregon Institute of Technology.**

8        (c) “Qualified student” means a child, a spouse or an unremarried surviving spouse of a service  
9 member.

10       (d) “Service member” means a person who:

11       (A) As a member of the Armed Forces of the United States, died on active duty;

12       (B) As a member of the Armed Forces of the United States, died as a result of a military service  
13 connected disability; or

14       (C) Is 100 percent disabled as the result of a military service connected disability, as certified  
15 by the United States Department of Veterans Affairs or any branch of the Armed Forces of the  
16 United States.

17       (2) Subject to subsections (3) to (6) of this section, an eligible post-secondary institution shall  
18 waive tuition for a qualified student for courses that may lead to a baccalaureate degree or a  
19 master’s degree. A qualified student who received a tuition waiver for a baccalaureate degree may  
20 also qualify for a tuition waiver for a master’s degree.

21       (3)(a) The maximum waiver granted under this section shall be as follows:

22       (A) For a baccalaureate degree, the total number of credit hours that equals four years of full-  
23 time attendance at an eligible post-secondary institution.

24       (B) For a master’s degree, the total number of credit hours that equals two years of full-time  
25 attendance at an eligible post-secondary institution.

26       (b) Notwithstanding paragraph (a) of this subsection, a waiver may not exceed the total number  
27 of credit hours the qualified student needs to graduate with a baccalaureate degree or a master’s  
28 degree.

29       (4) A waiver may be granted under this section only for credit hours for courses that are offered  
30 by an eligible post-secondary institution and are available for enrollment regardless of whether the  
31 qualified student attends the course and pays tuition.

32       (5) A qualified student may receive a waiver under this section if the student:

33       (a) At the time of application for a waiver, is considered a resident of this state for the purpose  
34 of determining tuition to be paid at an eligible post-secondary institution; and

35       (b) Has been admitted to an eligible post-secondary institution for a baccalaureate degree pro-  
36 gram or has been admitted to a master’s degree program at an eligible post-secondary institution.

37       (6)(a) A child who applies for a waiver under this section must be 23 years of age or younger  
38 at the time the child applies for a waiver.

39       (b) Notwithstanding paragraph (a) of this subsection, a child who is older than 23 years of age  
40 is eligible for a waiver for a master’s degree if the child:

41       (A) Applied for and received a waiver for a baccalaureate degree when the child was 23 years  
42 of age or younger; and

43       (B) Applied for a waiver for a master’s degree within 12 months of receiving a baccalaureate  
44 degree.

45       **SECTION 130.** ORS 351.695 is amended to read:

1 351.695. (1) A university within the Oregon University System may deposit moneys received for  
 2 its university venture development fund in the Higher Education Donation Fund established under  
 3 ORS 351.130.

4 (2) Notwithstanding ORS 351.697 (5), the State Treasurer, as payment for expenses, may deduct  
 5 a fee pursuant to ORS 293.718 from a university venture development fund administered by a uni-  
 6 versity within the Oregon University System, **the Oregon Institute of Technology** or the Oregon  
 7 Health and Science University.

8 (3) A university within the Oregon University System, **the Oregon Institute of Technology**  
 9 or the Oregon Health and Science University may direct that moneys credited to its university  
 10 venture development fund be held and invested by the university's affiliated foundation. Any moneys  
 11 held by an affiliated foundation under this section or ORS 351.697 are not subject to the provisions  
 12 of ORS chapter 293 or 295 and may not be considered public or state funds for any purpose. Moneys  
 13 transferred to an affiliated foundation under this section or ORS 351.697 may be used only as pro-  
 14 vided under **this section and** ORS 351.692, [351.695,] 351.697 and 353.445.

15 (4) At the request of a university within the Oregon University System, moneys in the Higher  
 16 Education Donation Fund that were deposited by the university under this section may be trans-  
 17 ferred to the university's affiliated foundation.

18 (5) A university within the Oregon University System, **the Oregon Institute of Technology**  
 19 or the Oregon Health and Science University may retain or may elect to have its affiliated founda-  
 20 tion retain some or all of the principal contributed to a university venture development fund for  
 21 investment to perpetuate and increase the moneys available for expenditure. The balance of the fund  
 22 and the earnings on that balance may be used as provided under **this section and** ORS 351.692,  
 23 [351.695,] 351.697 and 353.445.

24 **SECTION 131.** ORS 351.697 is amended to read:

25 351.697. (1) Each university in the Oregon University System, **the Oregon Institute of Tech-**  
 26 **nology** and Oregon Health and Science University may elect to establish a university venture de-  
 27 velopment fund as provided in this section for the purpose of facilitating the commercialization of  
 28 university research and development. A university **or the institute** shall direct that the university  
 29 venture development fund be administered, in whole or in part, by the university **or the institute**  
 30 or by the university's **or institute's** affiliated foundation.

31 (2) The purposes of a university venture development fund are to provide:

- 32 (a) Capital for university **or institute** entrepreneurial programs;
- 33 (b) Opportunities for students to gain experience in applying research to commercial activities;
- 34 (c) Proof-of-concept funding for transforming research and development concepts into commer-  
 35 cially viable products and services;
- 36 (d) Entrepreneurial opportunities for persons interested in transforming research into viable  
 37 commercial ventures that create jobs in this state; and

38 (e) Tax credits for contributors to university **or institute** research commercialization activities.

39 (3) Each university **or institute** that elects to establish a university venture development fund  
 40 shall:

- 41 (a) Notify the Department of Revenue of the establishment of the fund;
- 42 (b) Either directly or through its affiliated foundation, solicit contributions to the fund and re-  
 43 ceive, manage and disburse moneys contributed to the fund;
- 44 (c) Subject to ORS 315.521 (1), 351.692 (3) and 353.445 (3) **and section 48 of this 2011 Act**, issue  
 45 tax credit certificates to contributors to the fund in the amount of the contributions;

1 (d) Establish a grant program that meets the requirements for a venture grant program under  
 2 policies adopted by the State Board of Higher Education under ORS 351.692, **by the Oregon In-**  
 3 **stitute of Technology Board of Directors under section 48 of this 2011 Act** or [*under policies*  
 4 *adopted*] by the Oregon Health and Science University Board of Directors under ORS 353.445; and

5 (e) Subject to available moneys from the fund, provide qualified grant applicants with moneys  
 6 for the purpose of facilitating the commercialization of university **or institute** research and devel-  
 7 opment.

8 (4) Except as provided in subsection (5) of this section, moneys in a university venture devel-  
 9 opment fund shall be disbursed only as directed by a university **or the institute**.

10 (5) A university **or the institute** or its affiliated foundation may charge its customary adminis-  
 11 trative assessment to manage its university venture development fund in an amount not to exceed  
 12 three percent of the fund's average balance during the fiscal year of the university **or the institute**  
 13 or its affiliated foundation. The administrative assessment may be paid from the assets in the fund.  
 14 Except as authorized by law, no other fees or indirect costs shall be charged against the university  
 15 venture development fund or any associated grants or other disbursements from the fund.

16 (6) A university **or institute** that has established a university venture development fund shall  
 17 monitor the use of grants made from the fund and identify the income realized by the university **or**  
 18 **the institute** as the result of the use of the grants. Income consists of cash realized from royalties,  
 19 milestone and license fee payments and cash from the sale of equity. The university **or the institute**  
 20 shall cause the transfer of 20 percent of the income realized from the grants to the General Fund,  
 21 but not to exceed the amount of the tax credits issued by the university **or institute** as a result of  
 22 contributions to its university venture development fund. Immediately upon deposit of the trans-  
 23 ferred amount into the General Fund, the university **or the institute** may issue new tax credits to  
 24 equal the transferred amount.

25 (7) A university **or institute** that has established a university venture development fund shall  
 26 report annually to the Legislative Assembly or, if the Legislative Assembly is not in session, to the  
 27 interim legislative committees on revenue. The report shall be at the end of the fiscal year of the  
 28 university **or institute** or of its affiliated foundation and provide information for that fiscal year.  
 29 The university **or the institute** shall include in the report the following information pertaining to  
 30 its university venture development fund:

- 31 (a) The amount of donations received for the fund;
- 32 (b) The amount of income received from the fund;
- 33 (c) The amount of disbursements and grants paid from the fund;
- 34 (d) The amount of income and royalties received from disbursements from the fund; and
- 35 (e) The amount of moneys transferred from the fund to the General Fund.

36 **SECTION 132.** ORS 351.810 is amended to read:

37 351.810. The State Board of Higher Education, the Oregon Health and Science University, **the**  
 38 **Oregon Institute of Technology** and the Oregon members of the Western Interstate Commission  
 39 for Higher Education are authorized to take any action necessary to achieving the ends of the  
 40 Western Regional Higher Education Compact.

41 **SECTION 133.** ORS 351.820 is amended to read:

42 351.820. (1) Prior to June 1 of each even-numbered year the Oregon members of the Western  
 43 Interstate Commission for Higher Education shall determine the quotas of Oregon students for whom  
 44 various kinds of educational service should be purchased in out-of-state institutions during the next  
 45 biennium and shall recommend to the State Board of Higher Education, **the Oregon Institute of**

1 **Technology Board of Directors** and the Oregon Health and Science University Board of Directors  
 2 the amount to be included in its biennial budget to cover the cost of such educational service for  
 3 students enrolled in their respective institutions.

4 (2) The State Board of Higher Education, **the Oregon Institute of Technology Board of Di-**  
 5 **rectors** and the Oregon Health and Science University Board of Directors shall negotiate contracts  
 6 with the Western Interstate Commission for Higher Education for educational service of the kind  
 7 and amount indicated by the quotas determined under subsection (1) of this section. The board shall  
 8 make payments required by such contracts out of the money appropriated to it for that purpose.

9 (3) The State Board of Higher Education **and the Oregon Institute of Technology Board of**  
 10 **Directors** may also contract with higher education institutions, or others, which are not members  
 11 of the Western Interstate Commission for Higher Education, to furnish educational services to stu-  
 12 dents who are residents of the State of Oregon in those areas of higher education where the edu-  
 13 cational institutions of the State of Oregon are unable to provide the desired professional  
 14 educational opportunities.

15 **SECTION 134.** ORS 351.840 is amended to read:

16 351.840. (1) The State Board of Higher Education, **the Oregon Institute of Technology Board**  
 17 **of Directors** and the Oregon Health and Science University Board of Directors may contract with  
 18 the Western Interstate Commission for Higher Education to furnish educational service in their re-  
 19 spective Oregon institutions to out-of-state students.

20 (2) The State Board of Higher Education, **the Oregon Institute of Technology Board of Di-**  
 21 **rectors** and the Oregon Health and Science University Board of Directors shall determine the  
 22 number of out-of-state students that should be accepted into their respective institutions, and shall  
 23 make final decisions on admission of individual applicants.

24 (3) Payments made by the commission under such contracts shall be deposited in and credited  
 25 to a designated account in the Oregon University System Fund established by ORS 351.506 for stu-  
 26 dents enrolled in institutions under the jurisdiction of the State Board of Higher Education in the  
 27 same manner that fees and tuition payments for resident students are deposited and credited. The  
 28 estimated amount of the payments must be considered by the board in making its biennial budgetary  
 29 requests. Payments made by the commission under such contracts must be deposited with the  
 30 Oregon Health and Science University for students who enroll in that university under the terms  
 31 of such contracts. **Payments made by the commission under such contracts for students who**  
 32 **enroll in the Oregon Institute of Technology shall be deposited with the institute under the**  
 33 **terms of such contracts.**

34 **SECTION 135.** ORS 352.002 is amended to read:

35 352.002. The Oregon University System consists of the programs, activities and institutions of  
 36 higher education under the jurisdiction of the State Board of Higher Education including the fol-  
 37 lowing:

38 (1) University of Oregon.

39 (2) Oregon State University.

40 (3) Portland State University.

41 [(4) *Oregon Institute of Technology.*]

42 [(5)] (4) Western Oregon University.

43 [(6)] (5) Southern Oregon University.

44 [(7)] (6) Eastern Oregon University.

45 **SECTION 136.** ORS 352.021 is amended to read:

1 352.021. (1) As used in this section, “internment camp” means a relocation center to which  
 2 persons were ordered evacuated by Presidential Executive Order 9066, signed on February 19, 1942.

3 (2) A person who meets the requirements of subsection (4) of this section may request **the**  
 4 **Oregon Institute of Technology** or a state institution of higher education listed in ORS 352.002  
 5 to award the person an honorary post-secondary degree.

6 (3) A representative of a deceased person who meets the requirements of subsection (4) of this  
 7 section may request **the Oregon Institute of Technology** or a state institution of higher education  
 8 listed in ORS 352.002 to award an honorary post-secondary degree on behalf of the deceased person.

9 (4) Notwithstanding the requirements for a post-secondary degree established by a state insti-  
 10 tution of higher education or by the State Board of Higher Education, a state institution of higher  
 11 education that receives a request under subsection (2) or (3) of this section may award an honorary  
 12 post-secondary degree to a person, or on behalf of a deceased person, who:

13 (a) Was a student at the state institution of higher education in 1942; and

14 (b) Did not graduate from the institution because the person was ordered to an internment camp.

15 **SECTION 137.** ORS 352.221 is amended to read:

16 352.221. (1) Pursuant to ORS 351.870, there is created within the [*Oregon University System*]  
 17 **Oregon Institute of Technology** the Oregon Renewable Energy Center. [*The Oregon Renewable*  
 18 *Energy Center shall be administered by the Oregon Institute of Technology.*]

19 (2) The purpose of the Oregon Renewable Energy Center is to engage in renewable energy sys-  
 20 tem engineering and applied research.

21 (3) The [*Oregon University System*] **Oregon Institute of Technology** may receive moneys from  
 22 any public or private source to support the Oregon Renewable Energy Center. Gifts and grants re-  
 23 ceived to support the Oregon Renewable Energy Center shall be credited to the appropriate fund  
 24 at the Oregon Institute of Technology [*by the Oregon University System*].

25 **SECTION 138.** ORS 352.223 is amended to read:

26 352.223. (1) As used in this section:

27 (a) “Allied health education programs” includes, but is not limited to:

28 (A) Radiologic science;

29 (B) Nuclear medicine;

30 (C) Sonography;

31 (D) Vascular technology;

32 (E) Dental hygiene;

33 (F) Respiratory care;

34 (G) Clinical laboratory sciences; and

35 (H) Emergency medical technician education.

36 (b) “Allied health education programs” does not include any undergraduate or graduate nursing  
 37 program administered by Oregon Health and Science University.

38 (2) There is created within the [*Oregon University System*] **Oregon Institute of Technology** the  
 39 Oregon Center for Health Professions. [*The Oregon Center for Health Professions shall be adminis-*  
 40 *tered by the Oregon Institute of Technology.*]

41 (3) The purposes of the Oregon Center for Health Professions are to:

42 (a) Provide continued development of bachelor’s degree level education programs in areas of  
 43 allied health;

44 (b) Facilitate the creation of new partnerships between the health care industry and community  
 45 colleges, private institutions of higher education and state institutions of higher education in order

1 to increase the number of students and graduates in allied health education programs;

2 (c) Provide continuing education, professional development and certificate programs for allied  
3 health care professionals; and

4 (d) Align with and complement educational partnerships between the Oregon Institute of Tech-  
5 nology and Oregon Health and Science University focusing on allied health education programs.

6 (4) The [*Oregon University System*] **Oregon Institute of Technology** may receive moneys from  
7 any public or private source to support the Oregon Center for Health Professions. Gifts and grants  
8 received to support the Oregon Center for Health Professions shall be credited to the appropriate  
9 fund at the Oregon Institute of Technology [*by the Oregon University System*].

10 **SECTION 139.** ORS 353.600 is amended to read:

11 353.600. As used in ORS 353.600 to 353.612:

12 (1) "Committee" means the Oregon Nursing Shortage Coalition Committee created in ORS  
13 353.606.

14 (2) "Post-secondary education institution" means:

15 (a) A state institution under the direction of the State Board of Higher Education;

16 **(b) The Oregon Institute of Technology;**

17 [(b)] **(c)** A community college operated under ORS chapter 341;

18 [(c)] **(d)** A school or division of Oregon Health and Science University; or

19 [(d)] **(e)** An Oregon-based, generally accredited, not-for-profit private institution of higher edu-  
20 cation.

21 **SECTION 140.** ORS 354.090 is amended to read:

22 354.090. The [*State Board of Higher Education*] **Oregon Institute of Technology Board of Di-**  
23 **rectors** is declared the managing agency of the FM radio station KTEC, licensed to the Oregon  
24 Institute of Technology, and as such shall prescribe rules and regulations in conformity with the  
25 regulations and laws of the United States Government relating to educational FM radio stations.  
26 By such rules and regulations the [*State Board of Higher Education*] **board** shall make the facilities  
27 of the radio station available in the training programs of the Oregon Institute of Technology.

28 **SECTION 141.** ORS 357.004 is amended to read:

29 357.004. As used in ORS 357.001 to 357.200, unless the context requires otherwise:

30 (1) "Depository library" means a library that is designated as such under ORS 357.095.

31 (2)(a) "Issuing agency" means state government, as that term is defined in ORS 174.111.

32 (b) "Issuing agency" does not include:

33 **(A)** The State Board of Higher Education or any institution, division or department under the  
34 control of the board[.]; **or**

35 **(B) The Oregon Institute of Technology Board of Directors or the Oregon Institute of**  
36 **Technology.**

37 (3)(a) "Public document" means informational matter produced for public distribution or access  
38 regardless of format, medium, source or copyright, originating in or produced with the imprint of,  
39 by the authority of or at the total or partial expense of any state agency. "Public document" in-  
40 cludes informational matter produced on computer diskettes, CD-ROMs, computer tapes, the Internet  
41 or in other electronic formats.

42 (b) "Public document" does not include:

43 **(A)** Correspondence, forms, interoffice or intraoffice memoranda;

44 **(B)** Legislative bills;

45 **(C)** Oregon Revised Statutes or any edition thereof; or

1 (D) Reports and publications of the Oregon Supreme Court, the Oregon Court of Appeals and  
2 the Oregon Tax Court.

3 **SECTION 142.** ORS 408.095 is amended to read:

4 408.095. (1) As used in this section, “community college” has the meaning given that term in  
5 ORS 341.005.

6 (2) There is created in the Department of Veterans’ Affairs the Campus Veterans’ Service Offi-  
7 cers Program.

8 (3) The purpose of the program is to provide educational outreach to veterans to help ensure  
9 that they obtain maximum state and federal benefits.

10 (4) The department shall appoint a sufficient number of campus veterans’ service officers to en-  
11 sure that each Oregon community college, **the Oregon Institute of Technology** and each institu-  
12 tion in the Oregon University System, as described in ORS 352.002, is provided veterans’ services.

13 (5) Each community college, **the Oregon Institute of Technology** and **each** institution in the  
14 Oregon University System shall provide office space that may be used for the provision of veterans’  
15 services.

16 (6) The department may adopt rules to implement the Campus Veterans’ Service Officers Pro-  
17 gram.

18 **SECTION 143.** ORS 431.690, as amended by section 1, chapter 27, Oregon Laws 2010, and sec-  
19 tion 6, chapter 62, Oregon Laws 2010, is amended to read:

20 431.690. (1) As used in this section, “place of public assembly” means a single building that has  
21 50,000 square feet or more of indoor floor space and where:

22 (a)(A) The public congregates for purposes such as deliberation, shopping, entertainment,  
23 amusement or awaiting transportation; or

24 (B) Business activities are conducted; and

25 (b) At least 50 individuals congregate on a normal business day.

26 (2) Notwithstanding ORS 431.680 (3), the owner of a place of public assembly shall have on the  
27 premises at least one automated external defibrillator.

28 (3) Notwithstanding subsection (2) of this section:

29 (a) A community college, **the Oregon Institute of Technology** or a state institution of higher  
30 education listed in ORS 352.002 shall have at least one automated external defibrillator on the  
31 campus of the community college, **institute** or institution; and

32 (b) If the campus of the community college, **institute** or institution of higher education contains  
33 more than one place of public assembly, the community college, **institute** or institution shall ensure  
34 that at least one automated external defibrillator is readily available to each place of public as-  
35 sembly.

36 (4) Subsection (2) of this section does not apply to a building primarily used for worship or ed-  
37 ucation associated with worship.

38 **SECTION 144.** ORS 433.090 is amended to read:

39 433.090. As used in ORS 433.090 to 433.102:

40 (1) “Authorized user” means a person or entity authorized to provide information to or to re-  
41 ceive information from an immunization registry or immunization tracking and recall system under  
42 ORS 433.090 to 433.102. “Authorized user” includes, but is not limited to, licensed health care pro-  
43 viders, health care institutions, insurance carriers, the Oregon medical assistance program, parents  
44 or guardians of children under 18 years of age, clients 18 years of age or older, post-secondary ed-  
45 ucation institutions, schools, children’s facilities, local health departments, the Oregon Health Au-



1 thority and agents of the authority.

2 (2) “Children’s facility” has the meaning given that term in ORS 433.235.

3 (3) “Client” means any person registered with any Oregon immunization tracking and recall  
4 system.

5 (4) “Immunization record” includes but is not limited to the following:

6 (a) Any immunization received;

7 (b) Date immunization was received;

8 (c) Complication or side effect associated with immunization;

9 (d) Date and place of birth of a client;

10 (e) Hospital where a client was born;

11 (f) Client’s name; and

12 (g) Mother’s name.

13 (5) “Immunization registry” means any listing of clients and information relating to their im-  
14 munization status, without regard to whether the registry is maintained in this state or elsewhere.

15 (6) “Immunization tracking and recall record” includes but is not limited to the client’s name,  
16 address of the parent or guardian of the client, telephone number, insurance carrier, health care  
17 provider and other information needed to send reminder cards to, place telephone calls to or per-  
18 sonally contact the client or the parent or the guardian of a client for the purposes of informing the  
19 client, parent or guardian that the client is late in receiving the recommended immunizations.

20 (7) “Local health department” has the meaning given that term in ORS 433.235.

21 (8) “Parent or guardian” has the meaning given the term “parent” in ORS 433.235.

22 (9) “Post-secondary education institution” means:

23 (a) A state institution of higher education under the jurisdiction of the State Board of Higher  
24 Education;

25 (b) A community college operated under ORS chapter 341;

26 (c) A school or division of Oregon Health and Science University;

27 **(d) The Oregon Institute of Technology;** or

28 *[(d)]* **(e)** An Oregon-based, generally accredited, private institution of higher education.

29 (10) “Provider” means a physician or a health care professional who is acting within the scope  
30 of his or her licensure and responsible for providing immunization services or for coordinating im-  
31 munization services within a clinic, public health site, school or other immunization site.

32 (11) “School” has the meaning given that term in ORS 433.235.

33 (12) “Tracking and recall system” means a system attached to an immunization registry designed  
34 to contact clients listed in the immunization registry for the purposes of assisting in the completion  
35 of the immunization series in a timely manner.

36 **SECTION 145.** ORS 461.543 is amended to read:

37 461.543. (1) Except as otherwise specified in subsection (5) of this section, the Sports Lottery  
38 Account is continuously appropriated to and shall be used by the State Board of Higher Education  
39 to fund sports programs at state institutions of higher education **and the Oregon Institute of**  
40 **Technology**. Seventy percent of the revenues in the fund shall be used to fund nonrevenue produc-  
41 ing sports and 30 percent shall be used for revenue producing sports. Of the total amount available  
42 in the fund, at least 50 percent shall be made available for women’s athletics.

43 (2) The State Board of Higher Education shall allocate moneys in the Sports Lottery Account  
44 among the institutions of higher education under its jurisdiction **and to the Oregon Institute of**  
45 **Technology** giving due consideration to:

1 (a) The athletic conference to which the institution belongs and the relative costs of competing  
2 in that conference.

3 (b) The level of effort being made by the institution to generate funds and support from private  
4 sources.

5 (3) As used in subsections (1) to (3) of this section, "revenue producing sport" is a sport that  
6 produces net revenue over expenditures during a calendar year or if its season extends into two  
7 calendar years, produces net revenue over expenditures during the season.

8 (4) An amount equal to one percent of the moneys transferred to the Administrative Services  
9 Economic Development Fund from the State Lottery Fund shall be allocated from the Administrative  
10 Services Economic Development Fund to the Sports Lottery Account.

11 (5) The amounts received by the Sports Lottery Account shall be allocated as follows:

12 (a) Eighty-eight percent for the purposes specified in subsections (1) to (3) of this section, but  
13 not to exceed \$8 million annually, adjusted annually pursuant to the Consumer Price Index, as de-  
14 fined in ORS 327.006.

15 (b) Twelve percent for the purpose of scholarships, to be distributed equally between scholar-  
16 ships based on academic merit and scholarships based on need, as determined by rule of the State  
17 Board of Higher Education, but not to exceed \$1,090,909 annually.

18 (c) All additional money to the Oregon Student Assistance Commission for the Oregon Oppor-  
19 tunity Grant program under ORS 348.260.

20 **SECTION 146.** ORS 657.732 is amended to read:

21 657.732. (1) As used in this section, "participating state agency or organization" means:

22 (a) The Employment Department;

23 (b) Divisions and offices within the Department of Human Services that have been approved by  
24 the Director of the Employment Department, in consultation with the Education and Workforce  
25 Policy Advisor, to participate in the Interagency Shared Information System;

26 (c) The Department of Education;

27 (d) The Oregon University System;

28 **(e) The Oregon Institute of Technology;**

29 [(e)] **(f)** The Department of Community Colleges and Workforce Development; and

30 [(f)] **(g)** Other state agencies, other governmental entities or private organizations that have  
31 applied to be participating state agencies or organizations and have been approved by the Director  
32 of the Employment Department, in consultation with the Education and Workforce Policy Advisor,  
33 to participate in the Interagency Shared Information System.

34 (2) There is established the Interagency Shared Information System. The purpose of the system  
35 is to collect, analyze and share information for the development of statistical and demographic data  
36 to facilitate the creation of strategies for the purpose of improving the education, training and em-  
37 ployment programs related to enhancing Oregon's workforce system. The system shall share aggre-  
38 gate information with a participating state agency or organization to allow the agency or  
39 organization to develop policy, evaluate policy and plan and measure performance for the purpose  
40 of improving the education, training and employment programs related to enhancing Oregon's  
41 workforce system.

42 (3) The Director of the Employment Department shall administer and, in consultation with the  
43 Education and Workforce Policy Advisor, shall oversee the development of the Interagency Shared  
44 Information System. Participating state agencies or organizations shall enter into an interagency or  
45 other applicable agreement with the Director of the Employment Department, as administrator of

1 the system, that:

2 (a) Establishes protocols for the collection and sharing of data in the system;

3 (b) Establishes safeguards for protecting the confidentiality of data in the system;

4 (c) Includes provisions regarding informed consent for sharing information obtained from indi-  
5 viduals; and

6 (d) Provides for the sharing of costs for designing and maintaining the system.

7 (4) Every participating state agency or organization shall provide information to the Interagency  
8 Shared Information System. Information shall be provided in a format that encodes identifying data,  
9 including the client's Social Security number, using a formula unique to the participating state  
10 agency or organization that shall not be disclosed to the system.

11 (5) In disclosing Social Security numbers to the Interagency Shared Information System under  
12 subsection (4) of this section, every participating state agency or organization shall comply with any  
13 state and federal laws that govern the collection and use of Social Security numbers by a partic-  
14 ipating state agency or organization and any additional requirements specified by the director, in  
15 consultation with the Education and Workforce Policy Advisor, that are included in the agreement  
16 entered into under subsection (3) of this section.

17 (6) The information in the Interagency Shared Information System is not a public record for  
18 purposes of ORS 192.410 to 192.505. For purposes of ORS 192.410 to 192.505, the information sub-  
19 mitted to the system and the information received from the system is a public record, and the  
20 custodian of such information is the participating state agency or organization that submits or re-  
21 ceives the information. If the participating state agency or organization receiving the information  
22 is not a public body, as defined in ORS 192.410, the Employment Department shall keep a copy of  
23 the system information sent to that entity and shall be the custodian of that copy for purposes of  
24 ORS 192.410 to 192.505. As custodian, the Employment Department shall limit the disclosure of, or  
25 refuse to disclose, aggregate or summary level information when a small number of aggregated re-  
26 cords or some other factor creates a reasonable risk that the identity of individuals may be discov-  
27 ered or disclosed. The department shall refer all other requests for disclosure of system information  
28 to the public body that is the custodian of the information.

29 (7) The Employment Department may charge a reasonable fee pursuant to ORS 192.440 for the  
30 disclosure of reports to individuals or state agencies, governmental entities or private organizations  
31 that submit data to the system and are not participating state agencies or organizations.

32 (8) If a participating state agency or organization prepares or acquires a record that is confi-  
33 dential under federal or state law, including ORS 192.502 (2), the participating state agency or or-  
34 ganization does not violate state confidentiality laws by providing the information described in this  
35 section to the Interagency Shared Information System. Notwithstanding the provisions of ORS  
36 279C.815 (4), 279C.850 (3), 657.665 and 660.339, the Bureau of Labor and Industries, the Department  
37 of Community Colleges and Workforce Development and the Employment Department are authorized  
38 to provide information to the Interagency Shared Information System.

39 (9) Notwithstanding the provisions of ORS 192.410 to 192.505, a participating state agency or  
40 organization shall not allow public access to information received from the Interagency Shared In-  
41 formation System that identifies a particular individual unless required by law. Any participating  
42 state agency or organization shall limit the disclosure of, or refuse to disclose, aggregate or sum-  
43 mary level information when a small number of aggregated records or some other factor creates a  
44 reasonable risk that the identity of individuals may be discovered or disclosed.

45 (10) Any individual who, without proper authority, discloses confidential information under this

1 section may be disqualified from holding any appointment or employment with the State of Oregon.  
2 The Employment Department shall adopt by rule procedures to prevent disclosure of confidential  
3 information submitted to the Interagency Shared Information System.

4 (11) Notwithstanding subsection (4) of this section, participating state agencies or organizations  
5 may not provide new information to the Interagency Shared Information System after December 31,  
6 2003. Information in the system on and after January 1, 2004, may be accessed by participating state  
7 agencies or organizations in accordance with this section, applicable rules adopted by the Director  
8 of the Employment Department and any agreements entered into under subsection (3) of this section.

9 **SECTION 147.** ORS 659.850 is amended to read:

10 659.850. (1) As used in this section, "discrimination" means any act that unreasonably differen-  
11 tiates treatment, intended or unintended, or any act that is fair in form but discriminatory in oper-  
12 ation, either of which is based on race, color, religion, sex, sexual orientation, national origin,  
13 marital status, age or disability. "Discrimination" does not include enforcement of an otherwise  
14 valid dress code or policy, as long as the code or policy provides, on a case-by-case basis, for rea-  
15 sonable accommodation of an individual based on the health and safety needs of the individual.

16 (2) A person may not be subjected to discrimination in any public elementary, secondary or  
17 community college education program or service, school or interschool activity or in any higher  
18 education program or service, school or interschool activity where the program, service, school or  
19 activity is financed in whole or in part by moneys appropriated by the Legislative Assembly.

20 (3) The State Board of Education, **the Oregon Institute of Technology Board of Directors**  
21 and the State Board of Higher Education shall establish rules necessary to ensure compliance with  
22 subsection (2) of this section in the manner required by ORS chapter 183.

23 **SECTION 148.** ORS 659.860 is amended to read:

24 659.860. (1) Any person claiming to be aggrieved by unlawful discrimination as prohibited by  
25 ORS 659.850 may file a civil action in circuit court for equitable relief or, subject to the terms and  
26 conditions of ORS 30.265 to 30.300, damages, or both. The court may order such other relief as may  
27 be appropriate. Damages shall be \$200 or actual damages, whichever is greater.

28 (2) The action authorized by this section shall be filed within one year of the filing of a griev-  
29 ance.

30 (3) No action shall be filed unless, within 180 days of the alleged discrimination, a grievance has  
31 been filed with the school district board, public charter school governing body, community college  
32 board of education, **Oregon Institute of Technology Board of Directors** or State Board of Higher  
33 Education.

34 (4) No action may be filed until 90 days after filing a grievance unless only injunctive relief is  
35 sought pursuant to ORCP 79. The right to temporary or preliminary injunctive relief shall be inde-  
36 pendent of the right to pursue any administrative remedy available to complainants pursuant to ORS  
37 659.850.

38 (5) No action may be filed if the school district board, public charter school governing body,  
39 community college board of education, **Oregon Institute of Technology Board of Directors** or  
40 State Board of Higher Education has obtained a conciliation agreement with the person filing the  
41 grievance or if a final determination of a grievance has been made except as provided in ORS  
42 183.480.

43 (6) Notwithstanding the filing of a grievance, pursuant to subsection (3) of this section, any  
44 person seeking to maintain an action under this section shall also file a notice of claim within 180  
45 days of the alleged discrimination as required by ORS 30.275.

1 (7) The court shall award reasonable attorney fees to a prevailing plaintiff in any action under  
2 this section. The court may award reasonable attorney fees and expert witness fees incurred by a  
3 defendant who prevails in the action if the court determines that the plaintiff had no objectively  
4 reasonable basis for asserting a claim or no objectively reasonable basis for appealing an adverse  
5 decision of a trial court.

6 (8) Nothing in this section is intended to reduce the obligations of the education agencies under  
7 this section and ORS 659.850 and 659.855.

8 **SECTION 149.** ORS 660.315 is amended to read:

9 660.315. (1) The Governor shall designate regional workforce committees to advise the Governor,  
10 local workforce investment boards that represent federally recognized workforce areas containing  
11 multiple regions, and county elected officials on regional and local needs for workforce development.  
12 The committees shall also prepare plans for achieving regional goals and coordinate the provision  
13 of services within regions. The committees shall have private and public sector members. However,  
14 a majority of the members of each committee shall represent the private sector and include business  
15 and labor representatives. The chairperson of each committee shall be a private sector member and  
16 be elected by the committee.

17 (2) The private sector committee members shall play a critical role in workforce development,  
18 including but not limited to:

19 (a) Identifying current and future workforce needs;

20 (b) Providing feedback on public sector programs;

21 (c) Assisting public agencies in changing programs to be more effective in meeting private sector  
22 needs; and

23 (d) Being a partner in addressing workforce needs.

24 (3) Private sector members of a committee created under this section shall be appointed by  
25 county commissioners and, in the region that includes the City of Portland, the Mayor of Portland.  
26 The members of the committee shall reflect the broadest feasible representation from the groups  
27 described in ORS 660.312 (4)(a) to (h).

28 (4) The public sector representatives on the committee are representatives who receive re-  
29 sources and deliver education and workforce programs within the labor market area. Public sector  
30 members shall include the broadest feasible representation from, but not be limited to, the following:

31 (a) The Department of Human Services;

32 (b) School districts, education service districts, community colleges, state institutions of higher  
33 education, **the Oregon Institution of Technology** and Oregon Health and Science University;

34 (c) The Oregon Business Development Department and local economic development entities;

35 (d) The Employment Department;

36 (e) The federal Act programs; and

37 (f) Other public sector partners.

38 (5) A region may recommend to the Governor an alternate structure for its regional committee,  
39 based on regional determination and mutually agreed to by the current public and private sector  
40 members of the regional workforce committee and the chief elected officials. The alternate structure  
41 must retain a private sector chairperson, appointments of the private sector members as provided  
42 in subsection (3) of this section, and substantive public and private sector and other stakeholder  
43 participation through formalized methods, such as standing committees.

44 (6) A regional workforce committee shall develop and implement a strategic regional workforce  
45 plan that responds to the current and future workforce needs of the regional labor market.

1 (7) The strategic regional workforce plan shall:

2 (a) Consider the supply and demand outlook for the region;

3 (b) Identify and prioritize initiatives and resources, both public and private, to meet the regional  
4 workforce needs;

5 (c) Articulate and include the coordination of both public and private resources in addressing  
6 the workforce needs and goals; and

7 (d) Ensure the most appropriate use of resource investments.

8 (8) The regional workforce committee shall create or enhance the workforce program delivery  
9 system to meet the strategic priorities of the region and any strategic priorities of a federally re-  
10 cognized workforce area that includes that region.

11 (9) Within each region, or within overlapping regions, regional workforce committees, local  
12 workforce investment boards and regional investment boards shall coordinate their planning efforts  
13 to ensure that the strategic efforts and resource allocation of economic and workforce development  
14 of an area are consistent. Regional workforce committees and regional investment boards will ex-  
15 tend opportunities to other entities engaged in economic and workforce development programs and  
16 services to participate in their joint or integrated strategic planning.

17 (10)(a) A local workforce investment board that represents a multiregional workforce area shall  
18 hold regional workforce committees in the area accountable for any policy and operational respon-  
19 sibilities under 2832(d) of the federal Act that is delegated to the committees in accordance with  
20 state policy and local workforce investment board policy.

21 (b) A regional workforce committee within a multiregional workforce area is accountable to the  
22 local workforce investment board for any policy and operational responsibilities carried out under  
23 the federal Act on behalf of the board.

24 (c) As it relates to regional responsibilities under this section, a regional workforce committee  
25 may, through a vote of the committee, determine the methodology for delegating the responsibilities  
26 of the regional workforce committee to a local workforce investment board representing the multi-  
27 regional workforce area.

28 **SECTION 150.** ORS 660.358 is amended to read:

29 660.358. (1) The State Workforce Investment Board, in consultation with the Governor, the Ed-  
30 ucation and Workforce Policy Advisor and other parties deemed appropriate by the board and after  
31 consideration of the clean energy and energy efficiency policies of this state, shall develop a plan  
32 for a green jobs growth initiative to promote the development of emerging technologies and inno-  
33 vations that lead to, create or sustain family wage green jobs.

34 (2) The plan for the initiative developed by the board shall:

35 (a) Identify industries that are high demand green industries based on current and projected  
36 creation of family wage green jobs and the potential for career pathways created for such jobs.

37 (b) Use the needs of identified high demand green industries as the basis for the planning of  
38 workforce development activities that promote the development of emerging green technologies and  
39 innovations. These activities include, but are not limited to, such efforts undertaken by community  
40 colleges, the institutions of the Oregon University System, **the Oregon Institute of Technology**,  
41 designated signature research centers, registered apprenticeship programs and other private sector  
42 training programs.

43 (c) Leverage and align existing public workforce development programs and other public and  
44 private resources to the goal of recruiting, supporting, educating and training of targeted popu-  
45 lations of workers.

1 (d) Require the board to work collaboratively with stakeholders from business, labor and low  
2 income advocacy groups in the regional economy to develop and implement the initiative.

3 (e) Link adult basic and remedial education programs with job training for skills necessary for  
4 green jobs.

5 (f) Require the board to collaborate with employers and labor organizations to identify skills and  
6 competencies necessary for green job career pathways.

7 (g) Ensure that support services are integrated with education and training for green jobs and  
8 that such services are provided by organizations with direct access to and experience with targeted  
9 populations.

10 **SECTION 151.** ORS 679.020 is amended to read:

11 679.020. (1) A person may not practice dentistry without a license.

12 (2) Only a person licensed as a dentist by the Oregon Board of Dentistry may own, operate,  
13 conduct or maintain a dental practice, office or clinic in this state.

14 (3) The restrictions of subsection (2) of this section, as they relate to owning and operating a  
15 dental office or clinic, do not apply to a dental office or clinic owned or operated by any of the  
16 following:

17 (a) A labor organization as defined in ORS 243.650 and 663.005 (6), or to any nonprofit organ-  
18 ization formed by or on behalf of such labor organization for the purpose of providing dental ser-  
19 vices. Such labor organization must have had an active existence for at least three years, have a  
20 constitution and bylaws, and be maintained in good faith for purposes other than providing dental  
21 services.

22 (b) The School of Dentistry of the Oregon Health and Science University.

23 (c) Institutions of higher education listed in ORS 352.002 **and the Oregon Institute of Tech-**  
24 **nology.**

25 (d) Local governments.

26 (e) Institutions or programs accredited by the Commission on Dental Accreditation of the  
27 American Dental Association to provide education and training.

28 (f) Nonprofit corporations organized under Oregon law to provide dental services to rural areas  
29 and medically underserved populations of migrant, rural community or homeless individuals under  
30 42 U.S.C. 254b or 254c or health centers qualified under 42 U.S.C. 1396d(l)(2)(B) operating in com-  
31 pliance with other applicable state and federal law.

32 (g) Nonprofit charitable corporations as described in section 501(c)(3) of the Internal Revenue  
33 Code and determined by the Oregon Board of Dentistry as providing dental services by volunteer  
34 licensed dentists to populations with limited access to dental care at no charge or a substantially  
35 reduced charge.

36 (4) For the purpose of owning or operating a dental office or clinic, an entity described in sub-  
37 section (3) of this section must:

38 (a) Name an actively licensed dentist as its dental director, who shall be subject to the pro-  
39 visions of ORS 679.140 in the capacity as dental director. The dental director, or an actively licensed  
40 dentist designated by the director, shall have responsibility for the clinical practice of dentistry,  
41 which includes, but is not limited to:

42 (A) Diagnosis of conditions within the human oral cavity and its adjacent tissues and structures.

43 (B) Prescribing drugs that are administered to patients in the practice of dentistry.

44 (C) The treatment plan of any dental patient.

45 (D) Overall quality of patient care that is rendered or performed in the practice of dentistry.

1 (E) Supervision of dental hygienists, dental assistants or other personnel involved in direct pa-  
2 tient care and the authorization for procedures performed by them in accordance with the standards  
3 of supervision established by statute or by the rules of the board.

4 (F) Other specific services within the scope of clinical dental practice.

5 (G) Retention of patient dental records as required by statute or by rule of the board.

6 (H) Ensuring that each patient receiving services from the dental office or clinic has a dentist  
7 of record.

8 (b) Maintain current records of the names of licensed dentists who supervise the clinical activ-  
9 ities of dental hygienists, dental assistants or other personnel involved in direct patient care utilized  
10 by the entity. The records must be available to the board upon written request.

11 (5) Subsections (1) and (2) of this section do not apply to a limited access permit dental hygienist  
12 who renders services authorized by a limited access permit issued by the board pursuant to ORS  
13 680.200.

14 (6) Nothing in this chapter precludes a person or entity not licensed by the board from:

15 (a) Ownership or leasehold of any tangible or intangible assets used in a dental office or clinic.  
16 These assets include real property, furnishings, equipment and inventory but do not include dental  
17 records of patients related to clinical care.

18 (b) Employing or contracting for the services of personnel other than licensed dentists.

19 (c) Management of the business aspects of a dental office or clinic that do not include the clin-  
20 ical practice of dentistry.

21 (7) If all of the ownership interests of a dentist or dentists in a dental office or clinic are held  
22 by an administrator, executor, personal representative, guardian, conservator or receiver of the es-  
23 tate of a former shareholder, member or partner, the administrator, executor, personal represen-  
24 tative, guardian, conservator or receiver may retain the ownership interest for a period of 12 months  
25 following the creation of the ownership interest. The board shall extend the ownership period for  
26 an additional 12 months upon 30 days' notice and may grant additional extensions upon reasonable  
27 request.

28 **SECTION 152.** ORS 743.550 is amended to read:

29 743.550. (1) Student health insurance is subject to ORS 743.537, 743.540, 743.543, 743.546 and  
30 743.549, except as provided in this section.

31 (2) Coverage under a student health insurance policy may be mandatory for all students at the  
32 institution, voluntary for all students at the institution, or mandatory for defined classes of students  
33 and voluntary for other classes of students. As used in this subsection, "classes" refers to under-  
34 graduates, graduate students, domestic students, international students or other like classifications.  
35 Any differences based on a student's nationality may be established only for the purpose of com-  
36 plying with federal law in effect when the policy is issued.

37 (3) When coverage under a student health insurance policy is mandatory, the policyholder may  
38 allow any student subject to the policy to decline coverage if the student provides evidence ac-  
39 ceptable to the policyholder that the student has similar health coverage.

40 (4) A student health insurance policy may provide for any student to purchase optional supple-  
41 mental coverage.

42 (5) Student health insurance coverage for athletic injuries may:

43 (a) Exclude coverage for injuries of students who have not obtained medical release for a similar  
44 injury; and

45 (b) Be provided in excess of or in addition to any other coverage under any other health insur-



1 ance policy, including a student health insurance policy.

2 (6) A student health insurance policy may provide that coverage under the policy is secondary  
3 to any other health insurance for purposes of guidelines established under ORS 743.552.

4 (7) A student health insurance policy may provide, on request by the policyholder, that all or  
5 any portion of any indemnities provided by such policy on account of hospital, nursing, medical or  
6 surgical services may, at the insurer's option, be paid directly to the hospital or person rendering  
7 such services. However, the amount of any such payment shall not exceed the amount of benefit  
8 provided by the policy with respect to the service or billing of the provider of aid. The amount of  
9 such payments pursuant to one or more assignments shall not exceed the amount of expenses in-  
10 curred on account of such hospitalization or medical or surgical aid.

11 (8) An insurer providing student health insurance as primary coverage may negotiate and enter  
12 into contracts for alternative rates of payment with providers and offer the benefit of such alterna-  
13 tive rates to insureds who select such providers. An insurer may utilize such contracts by offering  
14 a choice of plans at the time an insured enrolls, one of which provides benefits only for services by  
15 members of a particular provider organization with whom the insurer has an agreement. If an in-  
16 sured chooses such a plan, benefits are payable only for services rendered by a member of that  
17 provider organization, unless such services were requested by a member of such organization or are  
18 rendered as the result of an emergency.

19 (9) Payments made under subsection (8) of this section shall discharge the insurer's obligation  
20 with respect to the amount of insurance paid.

21 (10) An insurer shall provide each student health insurance policyholder with a current roster  
22 of institutional and professional providers under contract to provide services at alternative rates  
23 under the group policy and shall also make such lists available for public inspection during regular  
24 business hours at the insurer's principal office within this state.

25 (11) As used in this section, "student health insurance" means that form of health insurance  
26 under a policy issued to a college, school or other institution of learning, a school district or dis-  
27 tricts, or school jurisdictional unit, or recognized student government at an institution of higher  
28 education within the Oregon University System **or the Oregon Institute of Technology**, or to the  
29 head, principal or governing board of any such educational unit, who or which shall be deemed the  
30 policyholder, that is available exclusively to students at the college, school or other institution.

31 **SECTION 153.** ORS 759.445 is amended to read:

32 759.445. (1) There is established in the State Treasury, separate and distinct from the General  
33 Fund, the Connecting Oregon Communities Fund. Moneys in the fund shall consist of amounts de-  
34 posited in the fund under ORS 759.405 and any other moneys deposited by a telecommunications  
35 carrier that elects to be subject to ORS 759.405 and 759.410, including amounts deposited pursuant  
36 to a performance assurance plan implemented by a telecommunications carrier in connection with  
37 an application under 47 U.S.C. 271, as in effect on January 1, 2002. Interest earned on moneys in the  
38 fund shall accrue to the fund. Moneys in the fund may be invested as provided in ORS 293.701 to  
39 293.820. Moneys in the fund shall be used to provide access to advanced telecommunications tech-  
40 nology in elementary schools and high schools, colleges and universities, community colleges, public  
41 television corporations, rural health care providers, public libraries and other eligible persons.

42 (2) Two dedicated accounts shall be established within the Connecting Oregon Communities  
43 Fund for purposes of supporting education and public access to advanced telecommunications ser-  
44 vices. The first \$25 million of the moneys deposited in the Connecting Oregon Communities Fund in  
45 both 2000 and 2001 shall be appropriated to the School Technology Account established under sub-

1 section (3) of this section. Except as provided in subsection (8) of this section, any additional moneys  
2 available in the fund shall be appropriated to the Public Access Account established under sub-  
3 section (4) of this section.

4 (3) There is established the School Technology Account within the Connecting Oregon Commu-  
5 nities Fund. The purpose of the School Technology Account is to improve access to advanced tele-  
6 communications services for students attending public school in kindergarten through grade 12.  
7 Moneys in the account shall be expended as provided in section 34, chapter 1093, Oregon Laws 1999.

8 (4)(a) There is established the Public Access Account within the Connecting Oregon Communi-  
9 ties Fund. The purpose of the Public Access Account is to improve access to advanced telecommu-  
10 nications services for community colleges, universities, public libraries and rural health care  
11 providers.

12 (b) If funding has not been provided from other sources, the first \$3 million available in the  
13 Public Access Account shall be transferred to the Oregon University System for the purpose of  
14 funding the Oregon Wide Area Network project to provide and expand Internet access for the  
15 Oregon University System **and the Oregon Institute of Technology**. The Oregon University Sys-  
16 tem shall complete an audit of bandwidth utilization and report to the Joint Legislative Committee  
17 on Information Management and Technology during the Seventy-first Legislative Assembly in the  
18 manner provided in ORS 192.245.

19 (c) Following the transfer of funds described in paragraph (b) of this subsection, the next \$1  
20 million available in the Public Access Account shall be transferred to the Oregon University System  
21 for Oregon State University for the purpose of providing virtual access to persons with disabilities.

22 (d) Following the transfer of funds as described in paragraphs (b) and (c) of this subsection, the  
23 next \$2 million available in the Public Access Account shall be transferred to the Department of  
24 Community Colleges and Workforce Development for distribution to community colleges for the  
25 purpose of developing connectivity and distance education programs.

26 (e) Following the transfer of funds described in paragraphs (b) to (d) of this subsection, the next  
27 \$4 million available in the Public Access Account shall be transferred to the Oregon University  
28 System for video transport and network management services for the Oregon University System **and**  
29 **the Oregon Institute of Technology**.

30 (f) Following the transfer of funds described in paragraphs (b) to (e) of this subsection, the next  
31 \$5.5 million available in the Public Access Account shall be transferred to the Oregon Public  
32 Broadcasting Corporation for the purpose of digitizing the state television network, using the  
33 Oregon Enterprise Network when possible.

34 (g) Following the transfer of funds described in paragraphs (b) to (f) of this subsection, the next  
35 \$500,000 available in the Public Access Account shall be transferred to the Southern Oregon Public  
36 Television Corporation for the purpose of digitizing the state television network, using the Oregon  
37 Enterprise Network when possible.

38 (h) Following the transfer of funds described in paragraphs (b) to (g) of this subsection, a state  
39 institution of higher education, including the Oregon Health and Science University **and the**  
40 **Oregon Institute of Technology**, may apply for one-time matching funds up to \$1 million from the  
41 Public Access Account to endow a telecommunications chair for the purpose of increasing research  
42 and development of advanced telecommunications services applications. Only one chair may be en-  
43 dowed under this paragraph.

44 (5)(a) The Oregon Business Development Commission shall approve expenditure of any remaining  
45 moneys in the Public Access Account consistent with this section and ORS 759.430.

1 (b) Community colleges, state institutions of higher education, **including the Oregon Institute**  
 2 **of Technology**, public libraries, public television corporations and rural health care providers may  
 3 apply to the Oregon Business Development Commission for funding from the Public Access Account  
 4 under this subsection.

5 (c) Funds received from the account shall be used for the purchase of advanced telecommuni-  
 6 cations services, equipment or recurring costs of telecommunications connectivity. Priority shall be  
 7 given to collaborative projects that improve access to advanced telecommunications services.

8 (d) Funds available in the Public Access Account under this subsection are continuously ap-  
 9 propriated to the Oregon Business Development Department for the purposes described in this sub-  
 10 section.

11 (6) Public libraries and rural health care providers must apply for federal universal service  
 12 support in order to be eligible for a grant from the Public Access Account.

13 (7) The video transport and network management services purchased with funds made available  
 14 under this section shall be purchased through the Oregon Department of Administrative Services.

15 (8) Any moneys deposited in the Connecting Oregon Communities Fund under subsection (1) of  
 16 this section pursuant to a performance assurance plan implemented by a telecommunications carrier  
 17 in connection with an application under 47 U.S.C. 271, as in effect on January 1, 2002, shall be  
 18 placed in the School Technology Account to be expended as provided in section 34, chapter 1093,  
 19 Oregon Laws 1999.

20 **SECTION 154.** ORS 815.080 is amended to read:

21 815.080. (1) A person commits the offense of providing a safety belt, harness equipment or a child  
 22 safety system that does not comply with standards if the person does any of the following:

23 (a) Sells or offers for sale a new motor vehicle that is not equipped with safety belts, safety  
 24 harnesses or child safety systems that comply with and are installed in compliance with the rules  
 25 adopted by the Department of Transportation under ORS 815.055. This paragraph applies only to  
 26 motor vehicles that are primarily designed for transportation of individuals and that have seating  
 27 for one or more passengers side-by-side with the operator. This paragraph requires only that the  
 28 vehicle be equipped with one seat belt or harness for the operator and one for at least one of the  
 29 passengers seated beside the operator.

30 (b) Sells or offers for sale any safety belt, safety harness, child safety system, anchor or other  
 31 device for attaching or securing safety belts, safety harnesses or child safety system if the belt,  
 32 harness, child safety system, anchor or device does not comply with the rules adopted by the de-  
 33 partment under ORS 815.055. This paragraph applies only to belts, harnesses, child safety systems,  
 34 anchors or devices for use or installation on a vehicle that is primarily designed for transportation  
 35 of individuals.

36 (c) Sells or offers for sale any safety belt, safety harness, child safety system, anchor or other  
 37 device for attaching or securing safety belts, safety harnesses or child safety systems if the belt,  
 38 harness, child safety system, anchor or device is not marked as required under federal safety stan-  
 39 dards and if the mark is not legible when the belt, harness, child safety system, anchor or other  
 40 device is used or installed on a vehicle. This paragraph applies only to belts, harnesses, child safety  
 41 systems, anchors or devices for use or installation on a vehicle that is primarily designed for  
 42 transportation of individuals.

43 (d) Installs any safety belt, safety harness, child safety system, anchor or other device for at-  
 44 taching or securing safety belts, safety harnesses or child safety systems on a vehicle that is pri-  
 45 marily designed for the transportation of individuals except in compliance with rules adopted by the

1 department under ORS 815.055.

2 (2) This section does not apply to school buses or school activity vehicles that are subject to  
3 equipment standards adopted by the State Board of Education, **the Oregon Institute of Technol-**  
4 **ogy Board of Directors** or the State Board of Higher Education under ORS 820.100.

5 (3) The offense described in this section, providing a safety belt, harness equipment or a child  
6 safety system that does not comply with standards, is a Class C traffic violation.

7 **SECTION 155.** ORS 820.100 is amended to read:

8 820.100. (1) The State Board of Education shall adopt and enforce such reasonable standards  
9 relating to school bus and school activity vehicle construction and school bus and school activity  
10 vehicle equipment as the board deems necessary for safe and economical operation, except that the  
11 board may not authorize the use of school buses manufactured before April 1, 1977.

12 (2) The State Board of Higher Education may adopt and enforce separate rules of the type de-  
13 scribed under this section for school buses and school activity vehicles that are under the board's  
14 jurisdiction, except that the board may not authorize the use of school buses manufactured before  
15 April 1, 1977.

16 **(3) The Oregon Institute of Technology Board of Directors may adopt and enforce sepa-**  
17 **rate rules of the type described under this section for school buses and school activity vehi-**  
18 **cles that are under the board's jurisdiction, except that the board may not authorize the use**  
19 **of school buses manufactured before April 1, 1977.**

20 [(3)] (4) The State Board of Education shall adopt and enforce standards for school bus stop  
21 arms authorized by ORS 820.105.

22 [(4)] (5) Rules adopted under this section:

23 (a) Must be consistent with requirements established by statute or by rule adopted under stat-  
24 utory authority that relate to the same subject.

25 (b) Shall be consistent with minimum uniform national standards, if such standards exist.

26 (c) May include different requirements for different classes or types of school buses or school  
27 activity vehicles.

28 (d) May include any exemptions determined appropriate under ORS 820.150.

29 **SECTION 156.** ORS 820.110 is amended to read:

30 820.110. (1) The State Board of Education shall adopt and enforce rules to establish requirements  
31 of operation, qualifications or special training of drivers and special accident reports for school  
32 buses and school activity vehicles.

33 (2) The State Board of Higher Education may adopt and enforce separate rules of the type de-  
34 scribed under this section for school buses and school activity vehicles that are under its jurisdic-  
35 tion.

36 **(3) The Oregon Institute of Technology Board of Directors may adopt and enforce sepa-**  
37 **rate rules of the type described under this section for school buses and school activity vehi-**  
38 **cles that are under its jurisdiction.**

39 [(3)] (4) The rules adopted under this section:

40 (a) Are subject to ORS 820.190 and 820.200 and to any other statute or regulation relating to  
41 the operation of vehicles, qualifications of drivers and accident reports.

42 (b) Must be consistent with requirements established by statute or by rule adopted under stat-  
43 utory authority that relate to the same subject.

44 (c) May include different requirements for different classes or types of school buses or school  
45 activity vehicles.

1 (d) May include any exemptions determined appropriate under ORS 820.150.

2 [(4)] (5) If the Department of Transportation suspends, cancels or revokes any driving privileges  
3 of a person who holds a school bus endorsement under ORS 807.035 (5), the Department of Trans-  
4 portation shall notify the Department of Education of the suspension, cancellation or revocation.

5 **SECTION 157.** ORS 820.120 is amended to read:

6 820.120. (1) The State Board of Education shall adopt and enforce rules to provide for the in-  
7 spection of school buses and school activity vehicles to [assure] **ensure** that the vehicles are in  
8 compliance with requirements under rules established under ORS 820.100 and 820.110, as applicable,  
9 and that the vehicles are safe for operation. The rules may include intervals of inspections.

10 (2) The State Board of Higher Education may adopt and enforce separate rules of the type de-  
11 scribed under this section for school buses and school activity vehicles that are under its jurisdic-  
12 tion.

13 **(3) The Oregon Institute of Technology Board of Directors may adopt and enforce sepa-**  
14 **rate rules of the type described under this section for school buses and school activity vehi-**  
15 **cles that are under its jurisdiction.**

16 [(3)] (4) The rules adopted under this section:

17 (a) Are subject to any other statute or regulation relating to the safety of vehicles for operation  
18 and the inspection of vehicles.

19 (b) May include different requirements for different classes or types of school buses or school  
20 activity vehicles.

21 (c) May include any exemptions determined appropriate under ORS 820.150.

22 **SECTION 158.** ORS 820.130 is amended to read:

23 820.130. The Department of Transportation shall issue registration for a school bus when noti-  
24 fied that the vehicle conforms to applicable rules under ORS 820.100 to 820.120 and that the vehicle  
25 is safe for operation on the highways. Notification required by this section shall be from:

26 (1) The State Board of Education or its authorized representative regarding vehicles under its  
27 regulatory authority.

28 (2) The State Board of Higher Education or its authorized representative regarding vehicles  
29 under its jurisdiction.

30 **(3) The Oregon Institute of Technology Board of Directors or its authorized represen-**  
31 **tative regarding vehicles under its jurisdiction.**

32 **SECTION 159.** ORS 820.150 is amended to read:

33 820.150. (1) The State Board of Education, by rule, may establish classes or types of vehicles  
34 that are not considered school buses or school activity vehicles for purposes of the Oregon Vehicle  
35 Code or classes of school buses or school activity vehicles that are not subject to regulation under  
36 the Oregon Vehicle Code either partially or completely.

37 (2) The State Board of Higher Education may adopt separate rules of the type described under  
38 this section for vehicles that are under its jurisdiction.

39 **(3) The Oregon Institute of Technology Board of Directors may adopt separate rules of**  
40 **the type described under this section for vehicles that are under its jurisdiction.**

41 [(3)] (4) Rules adopted under this section are subject to the following:

42 (a) Any exemption, either partial or total, established under this section may be based upon  
43 passenger capacity, on limited use or on any other basis the State Board of Education, [or] the State  
44 Board of Higher Education **or the Oregon Institute of Technology Board of Directors** considers  
45 appropriate.

1 (b) No exemption, either partial or total, shall be established under this section for any vehicle  
2 that is marked with or displays the words "school bus."

3 (c) Any vehicle determined not to be a school bus under this section is not a school bus within  
4 the definition established under ORS 801.460. Partial exemptions established for vehicles under this  
5 section may include removal of the vehicle from any provisions relating to school buses under the  
6 vehicle code.

7 (d) Any vehicle determined not to be a school activity vehicle under this section is not a school  
8 activity vehicle within the definition established under ORS 801.455. Partial exemptions established  
9 for vehicles under this section may include removal of the vehicle from any provisions relating to  
10 school activity vehicles under the vehicle code.

11 (e) In considering any rules under this section, the boards shall consider the need to assure  
12 student safety.

13 **SECTION 160.** ORS 825.017 is amended to read:

14 825.017. Except as provided in ORS 825.026 and 825.030, this chapter does not apply to the per-  
15 sons or vehicles described in this section. The exemption under this section applies to the following  
16 persons and vehicles:

17 (1) Vehicles being used by, or under contract with, any school board, district or person respon-  
18 sible for the administration of elementary or secondary school activities, and engaged exclusively  
19 in transporting students or combinations of students and other persons to or from school, to or from  
20 authorized school activities or other activities sponsored by the State Board of Higher Education  
21 **or the Oregon Institute of Technology Board of Directors**, or for purposes provided under ORS  
22 332.427. This exemption shall not be affected by the charging of a fee to cover the costs of the  
23 transportation.

24 (2) Vehicles being used in a taxicab operation if the vehicle:

25 (a) Is a passenger vehicle with a passenger seating capacity that does not exceed five;

26 (b) Carries passengers for hire where the destination and route traveled may be controlled by  
27 a passenger and the fare is calculated on the basis of any combination of an initial fee, distance  
28 traveled or waiting time; and

29 (c) Is transporting persons or property, or both, between points in Oregon.

30 (3) Vehicles being used for the transportation of property by private carrier by means of a single  
31 vehicle or combination of vehicles with a combined weight that does not exceed 8,000 pounds.

32 (4) Vehicles being used in operating implements of husbandry.

33 (5) Vehicles being used as a hearse or ambulance.

34 (6) Vehicles being used over any private road or thoroughfare.

35 (7) Vehicles being used on any road, thoroughfare or property, other than a state highway,  
36 county road or city street, for the removal of forest products as defined in ORS 321.005, or the  
37 product of forest products converted to a form other than logs at or near the harvesting site, or  
38 when used for the construction or maintenance of the road, thoroughfare or property, pursuant to  
39 a written agreement or permit authorizing the use, construction or maintenance of the road,  
40 thoroughfare or property, with:

41 (a) An agency of the United States;

42 (b) The State Board of Forestry;

43 (c) The State Forester; or

44 (d) A licensee of an agency named in this subsection.

45 (8) Vehicles being used on any county road for the removal of forest products as defined in ORS

1 321.005, or the products of forest products converted to a form other than logs at or near the har-  
2 vesting site, if:

3 (a) The use is pursuant to a written agreement entered into with the State Board of Forestry,  
4 the State Forester or an agency of the United States, authorizing the owner of the motor vehicle  
5 to use the road and requiring the owner to pay for or to perform the construction or maintenance  
6 of the county road, including any operator of a motor vehicle retained to transport logs, poles and  
7 piling for the owners who are exempt under this section;

8 (b) The board, officer or agency that entered into the agreement or granted the permit, by con-  
9 tract with the county court or board of county commissioners, has assumed the responsibility for the  
10 construction or maintenance of the county road; and

11 (c) Copies of the agreements or permits required by this subsection are filed with the Director  
12 of Transportation.

13 (9) Vehicles being used in the transportation of persons for hire if the operation:

14 (a) Is performed by a nonprofit entity;

15 (b) Is not in competition with a regular route full-service scheduled carrier of persons that is  
16 subject to the provisions of this chapter or a service provided by a mass transit district formed un-  
17 der ORS chapter 267;

18 (c) Is performed by use of vehicles operating in compliance with ORS 820.020 to 820.070; and

19 (d) Is approved by the Department of Transportation as complying with paragraphs (a) to (c) of  
20 this subsection.

21 (10) Vehicles being used in transporting persons with disabilities, with or without their super-  
22 visors or assistants, to or from rehabilitation facilities or child care services if the motor vehicle is  
23 a passenger motor vehicle with a seating capacity of not more than 12 passengers. The exemption  
24 provided by this subsection applies only when the motor vehicle is operated by or under contract  
25 with any person responsible for the administration of rehabilitation facilities as defined in ORS  
26 344.710 to 344.730 or child care services provided by a facility licensed under ORS 657A.030 and  
27 657A.250 to 657A.450.

28 (11) Vehicles owned or operated by the United States or by any governmental jurisdiction within  
29 the United States except when owned or operated as a carrier of property for hire.

30 (12) Vehicles owned or operated by a mass transit district created under ORS chapter 267.

31 (13) Vehicles owned or operated by, or under contract with, a person responsible for the con-  
32 struction or reconstruction of a highway under contract with the Department of Transportation or  
33 with an agency of the United States when operated within the immediate construction project as  
34 described in the governmental agency contract during the construction period.

35 (14) Vehicles owned or operated by, or under contract with, a charitable organization when ex-  
36 clusively engaged in performing transportation, either one way or round trip, necessary to the op-  
37 eration of the charitable organization. As used in this subsection, "charitable organization" means  
38 an organization that has no capital stock and no provision for making dividends or profits, but de-  
39 rives its funds principally from public and private charity and holds them in trust for the promotion  
40 of the welfare of others and not for profit. Any organization claiming an exemption under this sub-  
41 section shall file an affidavit with the department stating that it is organized and operated in ac-  
42 cordance with the requirements of this subsection.

43 (15) Vehicles with a maximum speed that does not exceed 35 miles per hour that are designed  
44 for off-road use and that are operated on the public highways in any one calendar year a number  
45 of miles that does not exceed 15 percent of the total number of miles the vehicle is operated for that

1 calendar year.

2 (16) Passenger vehicles with a passenger seating capacity that does not exceed five when used  
3 in the transportation of new telephone books.

4 (17) A vehicle that is used in a limousine service operation in which the destination and route  
5 traveled may be controlled by the passenger and the fare is calculated on the basis of any combi-  
6 nation of initial fee, distance traveled and waiting time if the vehicle:

7 (a) Is a passenger vehicle with a passenger seating capacity that does not exceed eight;

8 (b) Carries passengers for hire between points in Oregon; and

9 (c) Operates on an irregular route basis.

10 (18) Fire trucks and rescue vehicles that are designated as emergency vehicles by the Depart-  
11 ment of Transportation under ORS 801.260, while involved in emergency and related operations.

12 (19) A person who provides services related to the packing or loading of household goods if the  
13 person does not:

14 (a) Provide or operate a motor vehicle for the movement of the household goods; and

15 (b) Act as an agent for any person who does provide or operate a motor vehicle for the move-  
16 ment of the household goods.

17 **SECTION 161.** Section 16, chapter 761, Oregon Laws 2007, as amended by section 14, chapter  
18 15, Oregon Laws 2008, and section 96, chapter 762, Oregon Laws 2009, is amended to read:

19 **Sec. 16.** (1) There is established in the General Fund an account to be known as the Oregon  
20 Institute of Technology Center for Health Professions Account. Funds in the account shall be used  
21 for the construction, remodeling, expansion and renovation of facilities for a Center for Health  
22 Professions project for the Oregon Institute of Technology.

23 (2) The account shall consist of grant funds, gift funds, federal and local government funds made  
24 available to and funds donated to the [*Oregon University System*] **Oregon Institute of Technology**  
25 for the purpose of the Center for Health Professions project described in subsection (1) of this sec-  
26 tion. Interest earned on moneys in the account shall be credited to the account. The account may  
27 not be credited with more than \$9,000,000 for purposes of this subsection.

28 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-  
29 tion 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the [*Oregon*  
30 *University System*] **Oregon Institute of Technology** and may be transferred to [*the*] **an** account  
31 designated by [*ORS 351.626*] **the Oregon Institute of Technology** for the Center for Health Pro-  
32 fessions project described in subsection (1) of this section.

33 **SECTION 162.** Section 7, chapter 2, Oregon Laws 2009, is amended to read:

34 **Sec. 7.** (1) There is established in the General Fund an account to be known as the Oregon In-  
35 stitute of Technology Owens Hall Deferred Maintenance Account. Funds in the account shall be  
36 used for the construction, remodeling, expansion and renovation of Owens Hall at the Oregon In-  
37 stitute of Technology.

38 (2) The account shall consist of proceeds from certificates of participation, grant funds, gift  
39 funds, proceeds of legal settlements, federal and local government funds made available to and funds  
40 donated to the [*Oregon University System*] **Oregon Institute of Technology** for the purpose of the  
41 project described in subsection (1) of this section. Interest earned on moneys in the account shall  
42 be credited to the account. The account may not be credited with more than \$1,444,000 for purposes  
43 of this subsection.

44 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-  
45 tion 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the [*Oregon*



1 *University System*] **Oregon Institute of Technology** and may be transferred to [*the Department of*  
2 *Higher Education Capital Construction Fund*] **an account designated by the Oregon Institute of**  
3 **Technology** for the project described in subsection (1) of this section.

4 **SECTION 163.** Section 18, chapter 904, Oregon Laws 2009, is amended to read:

5 **Sec. 18.** (1) There is established in the General Fund an account to be known as the Oregon  
6 Institute of Technology Geothermal Renewable Energy Demonstration Project Account. Funds in the  
7 account shall be used for the construction, remodeling, expansion and renovation of facilities for a  
8 facility project at the Oregon Institute of Technology.

9 (2) The account shall consist of proceeds from grant funds, gift funds and federal and local  
10 government funds made available to and funds donated to the [*Oregon University System*] **Oregon**  
11 **Institute of Technology** for the purpose of the facility project described in subsection (1) of this  
12 section. Interest earned on moneys in the account shall be credited to the account. The account may  
13 not be credited with more than \$2,000,000 for purposes of this subsection.

14 (3) Moneys in the account shall be considered to be General Fund moneys for purposes of sec-  
15 tion 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the [*Oregon*  
16 *University System*] **Oregon Institute of Technology** and may be transferred to [*the Department of*  
17 *Higher Education Capital Construction Fund*] **an account designated by the Oregon Institute of**  
18 **Technology** for the facility project described in subsection (1) of this section.

19 **SECTION 164.** Sections 1 and 5 to 60 of this 2011 Act and the amendments to statutes  
20 by sections 61 to 163 of this 2011 Act become operative on January 1, 2012.

21 **SECTION 165.** This 2011 Act being necessary for the immediate preservation of the public  
22 peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect  
23 July 1, 2011.  
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