

# House Bill 4086

Sponsored by Representatives BARNHART, HOYLE; Representatives BEYER, HOLVEY, MCLANE, NATHANSON, OLSON, PARRISH, Senators BEYER, DEVLIN, EDWARDS, PROZANSKI (Presession filed.)

## SUMMARY

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

Establishes University of Oregon and Portland State University as independent public universities, governed by university boards of directors.

Empowers Oregon Education Investment Board to adopt performance benchmarks to be achieved by University of Oregon and Portland State University.

Requires Oregon Education Investment Board to ratify selection of university president for University of Oregon and Portland State University and to approve tuition and fee increases greater than five percent annually.

Requires universities to get approval from Higher Education Coordinating Commission for new degree programs and policies for transfer of credits.

Allows universities to obtain insurance. Requires universities to adhere to existing collective bargaining agreements, unless modifications are collectively bargained, and to collectively bargain employee benefit plans. Allows universities to issue revenue bonds, subject to approval by Oregon Education Investment Board, and enter into credit enhancement agreements and financing agreements. Allows universities to sue and be sued, make all necessary or convenient contracts and do any other act in relation to university property and matters of university concern.

Directs Oregon Education Investment Board to report to Legislative Assembly before December 1, 2016, on impact of higher education governance changes and recommend further changes if necessary.

Removes sunset for Oregon Education Investment Board.

Becomes operative on July 1, 2012. Directs university presidents to assume jurisdiction of universities on July 1, 2013.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19

Relating to higher education; creating new provisions; creating new provisions; amending ORS 21.007, 30.264, 30.864, 36.145, 36.150, 36.155, 131.594, 181.871, 182.122, 182.415, 183.635, 184.475, 184.477, 184.631, 190.410, 192.501, 205.450, 205.455, 238.005, 238.200, 238.215, 238A.005, 240.185, 243.105, 243.107, 243.778, 243.820, 243.850, 243.910, 243.945, 244.050, 270.100, 270.110, 273.785, 276.227, 276.229, 276.610, 276.612, 279A.025, 282.076, 283.143, 284.633, 284.701, 284.735, 285B.168, 285B.174, 286A.001, 286A.700, 287A.001, 291.038, 291.055, 292.043, 307.095, 307.110, 310.155, 326.543, 326.587, 332.114, 332.155, 337.500, 337.511, 338.005, 338.115, 339.331, 339.336, 339.885, 340.005, 340.310, 341.430, 341.440, 342.144, 342.147, 342.443, 344.259, 344.557, 344.753, 348.005, 348.010, 348.180, 348.205, 348.270, 348.282, 348.394, 348.470, 348.597, 348.890, 348.900, 348.910, 351.015, 351.509, 351.511, 351.517, 351.518, 351.519, 351.521, 351.538, 351.539, 351.642, 351.649, 351.656, 351.658, 351.695, 351.697, 351.700, 351.704, 351.708, 351.718, 351.735, 351.810, 351.820, 351.840, 352.002, 352.021, 352.043, 352.046, 352.048, 352.049, 352.051, 352.063, 352.066, 352.068, 352.071, 352.074, 353.440, 353.600, 353.603, 357.004, 357.203, 408.095, 431.690, 433.090, 461.543, 541.932, 634.660, 659.850, 659.860, 660.315, 660.358, 679.020, 696.182, 743.550, 759.445, 815.080, 820.100, 820.110, 820.120, 820.130 and 820.150 and section 3, chapter 797, Oregon Laws 2001, sections 13, 14, 15 and 17, chapter 761, Oregon Laws 2007, and sections 22 and 24, chapter 904, Oregon Laws 2009; repealing ORS 352.035 and section 10, chapter 519, Oregon Laws 2011; and declaring an emergency.

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

2  
3 **UNIVERSITY OF OREGON**  
4

5 **SECTION 1.** As used in sections 1 to 52 of this 2012 Act:

6 (1) "Board" means the University of Oregon Board of Directors established under section  
7 4 of this 2012 Act.

8 (2) "University" means the University of Oregon public university established under sec-  
9 tion 2 of this 2012 Act.

10 **SECTION 2.** (1) The University of Oregon is established as a public university and shall  
11 be governed by the University of Oregon Board of Directors. The board may exercise au-  
12 thority over matters of university concern to the fullest extent allowed by Constitutions and  
13 laws of the United States and this state, as fully as if each particular power comprised in  
14 that general authority were specifically listed in sections 1 to 52 of this 2012 Act. The board  
15 may delegate and provide for the further delegation of any of its powers and authorities.

16 (2) The powers granted by this section are in addition to any other power granted to the  
17 University of Oregon in sections 1 to 52 of this 2012 Act and may not be construed to limit  
18 or qualify any such power. The powers granted by this section shall be liberally construed  
19 to the end that the board shall have all powers over matters of university concern that is  
20 possible for it to have under the Constitutions and laws of the United States and this state.

21 (3) The university is an instrumentality of state government, performing governmental  
22 functions and exercising governmental powers. The university is independent, has statewide  
23 purposes and is without territorial boundaries. The university is a state institution of higher  
24 education, but is not an agency, department or division of the state, a unit of local or mu-  
25 nicipal government or part of the executive branch, except as set forth in sections 1 to 52  
26 of this 2012 Act.

27 (4)(a) A claim against the university is not a claim against the State of Oregon. A debt  
28 or obligation of the university is not a debt or obligation of the State of Oregon. Claims  
29 against the university and obligations of the university are not recoverable from the assets  
30 and funds of the State of Oregon.

31 (b) The university is not authorized to act in the name of the State of Oregon and at-  
32 torneys representing the university do not represent the state.

33 (5) Nothing in sections 1 to 52 of this 2012 Act may be construed as a waiver by the  
34 university of any form of defense or immunity, whether it be sovereign immunity, govern-  
35 mental immunity, immunity based upon the Eleventh Amendment to the Constitution of the  
36 United States or immunity from any claim or from the jurisdiction of any court.

37 **SECTION 3.** (1) It shall be the policy of the University of Oregon as a public university:

38 (a) To serve the people of this state by educating citizens of the state, region, nation and  
39 world;

40 (b) To provide:

41 (A) An educational environment that stimulates creative inquiry, critical thinking, clear  
42 communication and original scholarship by and for the benefit of students, faculty, staff and  
43 the greater community; and

44 (B) Education, research and service that contribute to the development of new knowledge  
45 and the enhancement of the culture and economy of this state;

1 (c) To encourage the preservation, enhancement and dissemination of knowledge and  
2 culture;

3 (d) To provide individuals with the tools for a lifetime of learning so as to allow them to  
4 enhance their quality of life, contribute to civic discourse and civil society and participate  
5 effectively in a global society;

6 (e) To create an educated workforce that keeps the Oregon economy innovative and  
7 competitive;

8 (f) To provide public service activities that engage the professional expertise of faculty  
9 to solve society's problems;

10 (g) To share with this state many services and cultural activities of immense importance  
11 to the quality of life enjoyed by Oregonians and others; and

12 (h) To strive for excellence in all of its endeavors while maintaining institutional integ-  
13 rity.

14 (2) The university shall carry out the policies of this section in the manner that, in the  
15 determination of the University of Oregon Board of Directors, best promotes the welfare of  
16 the people of this state.

17 **SECTION 4.** (1) There is established a University of Oregon Board of Directors, consist-  
18 ing of 15 members.

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

20 (a) Twelve members appointed by the Governor and confirmed by the Senate in the  
21 manner prescribed in ORS 171.562 and 171.565. These members shall include one student  
22 enrolled at the University of Oregon, one regular employee, as defined in ORS 240.015, of the  
23 university and one faculty member of the university. When appointing the faculty member,  
24 the Governor shall consider recommendations from the university faculty. When appointing  
25 the student member, the Governor shall consider recommendations from a general student  
26 association recognized by the University of Oregon.

27 (b) One member who is a nonstudent member of the Oregon Education Investment  
28 Board, appointed by the Oregon Education Investment Board.

29 (c) One member who is a member of the University of Oregon Foundation Board of  
30 Trustees, appointed by the University of Oregon Board of Directors in consultation with the  
31 foundation board of trustees.

32 (d) The president of the university, who shall be a nonvoting member.

33 (3) The board may appoint other nonvoting members as it deems in the best interests  
34 of the university.

35 (4)(a) Except for the president of the university, the term of office of each nonstudent  
36 member is four years. The term of office of the student member is two years.

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

40 (c) If there is a vacancy for any cause, the appointing authority shall make an appoint-  
41 ment to become effective for the remainder of the unexpired term.

42 (d) A student enrolled at the university may not be appointed to, or continue to serve  
43 on, the board unless the student is in good standing pursuant to bylaws or policies of the  
44 board.

45 (5) Except as provided in subsection (2)(a) of this section, a voting member may not be

1 an employee of the university, the Oregon University System or the State of Oregon.

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

7 (7) The board shall meet at least once every three months on the university campus.  
 8 Board members may participate in the meeting electronically as provided in ORS 192.610 to  
 9 192.690. The board shall meet at such other times and places specified by the chairperson or  
 10 by a majority of the members of the board.

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

13 **SECTION 5.** Notwithstanding the terms of office specified in section 4 of this 2012 Act,  
 14 of the members first appointed to the University of Oregon Board of Directors, other than  
 15 the president of the University of Oregon:

16 (1) Seven members appointed by the Governor, including the student member, shall serve  
 17 for terms ending June 30, 2015; and

18 (2) The following shall serve for terms ending June 30, 2017:

19 (a) Five members appointed by the Governor, including the faculty member and the reg-  
 20 ular employee, as defined in ORS 240.015, of the university;

21 (b) The member appointed by the Oregon Education Investment Board; and

22 (c) The member appointed in consultation with the University of Oregon Foundation  
 23 Board of Trustees.

24 **SECTION 6.** The Governor and the Oregon Education Investment Board shall appoint  
 25 members to the University of Oregon Board of Directors pursuant to section 4 (2)(a) and (b)  
 26 of this 2012 Act no later than July 15, 2012. These board members shall appoint the board  
 27 member described in section 4 (2)(c) of this 2012 Act no later than 60 days after confirmation  
 28 of the gubernatorial appointees by the Senate.

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

32 (a) Enact any and all policies for the governance of the university, which, to the extent  
 33 set forth in those policies, shall have the force of law and may be enforced through univer-  
 34 sity procedures and in any court of competent jurisdiction.

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

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

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

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

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

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

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

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

9 (j) Acquire, purchase, accept, borrow, receive, own, hold, deposit, pledge, control, convey,  
 10 manage, use, lend, expend and invest all funds, appropriations, instruments, earnings and  
 11 revenue. The authority under this paragraph includes accepting and expending funds from  
 12 the United States Government for any purpose. The board may deposit any and all funds,  
 13 appropriations, instruments, earnings and revenue in any financial institution and retain all  
 14 interest, earnings, and appreciation accruing from such deposits.

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

18 (L) Except as provided in ORS 243.105 to 243.585, acquire any and all insurance, operate  
 19 a self-insurance program or otherwise arrange for the equivalent of insurance coverage of  
 20 any nature or type.

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

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

24 (o) Authorize, establish, eliminate, manage, operate, reorganize, reduce or expand any  
 25 program, school, institute, college or unit of operation, except that any new degree or pro-  
 26 gram or any policy regarding transferability of credits to and from a public university listed  
 27 in ORS 352.002, Portland State University, a community college in this state or Oregon  
 28 Health and Science University must be authorized or approved by the Higher Education Co-  
 29 ordinating Commission.

30 (p) Authorize, establish, eliminate, charge, collect, manage, use in any manner and ex-  
 31 pend all revenue derived from tuition, fees and any other charges and fines. The board shall  
 32 request the joint recommendation of the recognized student government and the president  
 33 of the university, who shall obtain the recommendation of the recognized student govern-  
 34 ment, prior to authorizing, establishing or eliminating incidental fees for programs under the  
 35 supervision or control of the board and found by the board to be advantageous to the cultural  
 36 or physical development of students. Any increase in tuition or any student fees above five  
 37 percent on an annual basis must be approved by the Oregon Education Investment Board.

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

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

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

44 (t) Provide and disseminate to the public information relating to the program, operation  
 45 and finances of the university.

1 (u) Exercise any other power, duty or responsibility necessary or convenient over mat-  
 2 ters of university concern.

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

6 **SECTION 8.** (1) The University of Oregon Board of Directors shall appoint a president  
 7 of the University of Oregon. The president of the university is the president of the faculty  
 8 and is the chief executive officer of the university. The president of the university has au-  
 9 thority to direct the affairs and operation of the university, subject to the policies and di-  
 10 rection of the board.

11 (2) The board's selection of the university president must be ratified by the Oregon Ed-  
 12 ucation Investment Board.

13 **SECTION 9.** Except as otherwise provided by law, the provisions of ORS 35.550 to 35.575,  
 14 180.060, 180.210 to 180.235, 184.305 to 184.345, 190.430, 190.480, 190.490, 192.105, 200.035, 243.696,  
 15 279.835 to 279.855, 357.805 to 357.895 and 656.017 (2) and ORS chapters 182, 183, 240, 270, 273,  
 16 276, 278, 279A, 279B, 279C, 282, 283, 291, 292, 293, 294 and 297 do not apply to the University  
 17 of Oregon or any not-for-profit organization or other entity if the equity of the entity is  
 18 owned exclusively by the university and if the organization or entity is created by the uni-  
 19 versity to advance any of the university's statutory missions.

20 **SECTION 10.** Notwithstanding section 9 of this 2012 Act, collective bargaining agreements  
 21 negotiated by this state pursuant to ORS 240.321 after the effective date of this 2012 Act that  
 22 are applicable to employees of the Oregon University System apply to the University of  
 23 Oregon if the new collective bargaining agreement is a successor to a collective bargaining  
 24 agreement negotiated by this state and applicable to the same class of employees of the  
 25 university prior to the effective date of this 2012 Act. Such successor agreements shall con-  
 26 tinue to apply to the university until the board and the applicable collective bargaining or-  
 27 ganization agree to bargain a separate collective bargaining agreement between the  
 28 university and the collective bargaining organization.

29 **SECTION 11.** (1) As used in this section:

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

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

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

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

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

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

45 (2) The University of Oregon Board of Directors shall further the policy of this state to

1 encourage and assist individuals with disabilities to achieve maximum personal independence  
 2 through useful and productive gainful employment by ensuring an expanded and constant  
 3 market for sheltered workshop and activity center products and services, thereby enhancing  
 4 the dignity and capacity of individuals with disabilities for self-support and minimizing their  
 5 dependence on welfare and need for costly institutionalization.

6 (3) It shall be the duty of the University of Oregon to:

7 (a) Determine the price of all products manufactured and services offered for sale to the  
 8 university by any qualified nonprofit agency for individuals with disabilities. The price shall  
 9 recover for the workshops the cost of raw materials, labor, overhead, delivery costs and a  
 10 margin held in reserve for inventory and equipment replacement.

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

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

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

16 (4) The university shall establish and publish a list of sources or potential sources of  
 17 products produced by any qualified nonprofit agency for individuals with disabilities and the  
 18 services provided by any such agency that the university determines are suitable for its  
 19 procurement. The university, in its discretion, may utilize any list established and published  
 20 by the department.

21 (5) If the university intends to procure any product or service on the procurement list,  
 22 the university shall procure such product or service at the price established by the university  
 23 from a qualified nonprofit agency for individuals with disabilities, provided the product or  
 24 service is of the appropriate specifications and is available at the location and within the  
 25 period required by the university.

26 (6) It is the intent of the Legislative Assembly that there be close cooperation between  
 27 the board, the university and qualified nonprofit agencies for individuals with disabilities.  
 28 The university, on behalf of the board, is authorized to enter into such contractual ar-  
 29 rangements, cooperative working relationships or other arrangements as may be necessary  
 30 for effective coordination and efficient realization of the objective of this section.

31 **SECTION 12.** The University of Oregon Board of Directors shall file with the Oregon  
 32 Education Investment Board, the Higher Education Coordinating Commission, the Legisla-  
 33 tive Assembly and the Governor, not later than April 15 of each year, a report of the activ-  
 34 ities and operations of the University of Oregon for the preceding year.

35 **SECTION 13.** (1) The University of Oregon Board of Directors may lease, purchase or  
 36 otherwise acquire such real property as in its sole discretion is necessary or convenient to  
 37 carry out any power granted to the University of Oregon. The board may enter into con-  
 38 tracts of purchase or agreements that the board deems necessary to carry out this author-  
 39 ization. The board may mortgage or pledge any property purchased, or its contracts to  
 40 purchase, together with the income from such property, to secure the payment of the pur-  
 41 chase price

42 (2) Legal title to all real property acquired by the University of Oregon after the effective  
 43 date of this 2012 Act shall be taken and held in the name of the university. Legal title to all  
 44 real property of this state held or managed for the use and benefit of the university as of  
 45 the effective date of this 2012 Act shall continue to be vested in this state.

1 (3) The board may lease, sell, convey and control the use of, in whole or in part, all  
2 property of this state held or managed for the use and benefit of the university as of the  
3 effective date of this 2012 Act or that is acquired by the university after the effective date  
4 of this 2012 Act. Authorized conveyances of all real property acquired by or vested in this  
5 state for the use or benefit of the university or acquired by or vested in the university, other  
6 than the state lands classified as university lands under ORS 273.251, shall be executed by  
7 the chairperson and secretary of the board.

8 (4) Except as otherwise provided by law, proceeds from the lease, sale or conveyance of  
9 real property pursuant to subsection (3) of this section shall be deposited into an account  
10 at the University of Oregon for the benefit of the university.

11 **SECTION 14.** The University of Oregon Board of Directors may, in the management of  
12 all forestlands under its control and supervision, sell the forest products on such lands. In  
13 the management of its forestlands, the board may lease mineral and geothermal resource  
14 rights.

15 **SECTION 15.** The University of Oregon may acquire, by condemnation or otherwise, pri-  
16 vate property that is necessary or convenient in carrying out any power granted to the uni-  
17 versity.

18 **SECTION 16.** The University of Oregon shall adopt a comprehensive alcohol and drug  
19 abuse policy and implementation plan.

20 **SECTION 17.** (1) The University of Oregon shall develop contract policies that support  
21 openness, impartiality and competition in the awarding of contracts in accordance with ORS  
22 279A.015.

23 (2) The university shall also develop contract policies that are designed to encourage af-  
24 firmative action, recycling, inclusion of art in public buildings, the purchase of goods and  
25 services from individuals with disabilities, the protection of workers through the payment  
26 of prevailing wages as determined by the Bureau of Labor and Industries, the provision of  
27 workers' compensation insurance to workers on contracts and the participation of emerging  
28 small businesses and businesses owned by women and minorities.

29 (3) The University of Oregon Board of Directors shall have the authority to enact poli-  
30 cies, appropriate for the use of the university, governing public contracting and may devise  
31 and publish forms for use in carrying out the policies.

32 **SECTION 18.** (1)(a) On or before September 1 of each even-numbered year the University  
33 of Oregon shall submit to the Oregon Department of Administrative Services a funding re-  
34 quest for the following biennium.

35 (b) The department shall include and submit the university's funding request to the  
36 Legislative Assembly as part of the Governor's biennial budget. Any such request approved  
37 by the Legislative Assembly shall be appropriated to the department for direct allocation to  
38 the university.

39 (2) The University of Oregon Board of Directors is not required to seek expenditure  
40 limitation approval from the Legislative Assembly to spend other available moneys, including  
41 without limitation tuition and other fees or revenues collected pursuant to the board's au-  
42 thority under section 7 of this 2012 Act.

43 (3) The University of Oregon Board of Directors shall adopt a budget on a regular  
44 schedule determined by the board.

45 **SECTION 19.** (1) The University of Oregon may conduct independent audits if such audits

1 are considered advisable by the university. The audits are subject to the exclusive discretion  
 2 and control of the university and are subject to disclosure pursuant to ORS 192.410 to 192.505.

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

5 **SECTION 20.** The University of Oregon may commission special campus security officers  
 6 with authority and immunities set forth in ORS 352.385.

7 **SECTION 21.** (1) The University of Oregon Board of Directors may enact such regulations  
 8 as the board deems convenient or necessary to provide for the policing, control and regu-  
 9 lation of traffic and parking of vehicles on University of Oregon property. The regulations  
 10 may provide for the registration of vehicles, the designation of parking areas and the as-  
 11 sessment and collection of reasonable fees and charges for parking. The board may require  
 12 that before a quarterly or yearly parking privilege for any vehicle is granted to any full-time  
 13 or part-time student to use board property, the student must show that the vehicle is oper-  
 14 ated by a student holding a valid driver license, that the vehicle is currently registered and  
 15 that the student driving the vehicle is insured under a motor vehicle liability insurance policy  
 16 that meets the requirements described in ORS 806.080 or that the student or owner of the  
 17 vehicle has provided the Department of Transportation with other satisfactory proof of  
 18 compliance with the financial responsibility requirements of this state.

19 (2) The regulations enacted pursuant to subsection (1) of this section shall be enforced  
 20 administratively under procedures adopted by the board. Administrative and disciplinary  
 21 sanctions may be imposed upon students, faculty and staff for violation of the regulations,  
 22 including, but not limited to, a reasonable monetary penalty that may be deducted from  
 23 student deposits and faculty or staff salaries or other funds in the possession of the univer-  
 24 sity. The board shall provide opportunity for hearing for the determination of controversies  
 25 in connection with imposition of fines or penalties. Persons other than students, faculty or  
 26 staff may voluntarily submit to the hearing procedures prescribed by the board, and shall  
 27 be bound by the results of the hearing. The powers granted to the board by this section are  
 28 supplemental to the existing powers of the board with respect to the governance of activities  
 29 of students, faculty and staff and the control and management of property under the board's  
 30 jurisdiction.

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

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

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

42 (6) In proceedings brought to enforce regulations enacted pursuant to subsection (1) of  
 43 this section, it shall be sufficient to charge the defendant by an unsworn written notice as  
 44 provided by law. Proceedings to enforce regulations enacted pursuant to subsection (1) of  
 45 this section may be brought in the name of the board in a circuit court, a justice court or

1 a municipal court for offenses committed within the territorial jurisdiction of such court.  
 2 Such courts shall have concurrent jurisdiction over offenses committed within their respec-  
 3 tive jurisdictions. All fines, penalties and court costs recovered shall be paid to the clerk of  
 4 the court involved and shall be disposed of as provided by law.

5 **SECTION 22.** (1) For the purpose of requesting a state or nationwide criminal records  
 6 check under ORS 181.534, the University of Oregon may require the fingerprints of a person  
 7 who:

8 (a)(A) Is employed or applying for employment by the university; or

9 (B) Provides services or seeks to provide services to the university as a contractor or  
 10 volunteer; and

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

13 (2) For the purposes of this section, “critical or security-sensitive position” means a po-  
 14 sition in which the person:

15 (a) Has direct access to persons under 18 years of age, or has direct access to student  
 16 residence facilities because the person’s work duties require the person to be present in the  
 17 residence facility;

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

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

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

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

28 (f) Has financial, financial aid, payroll or purchasing responsibilities as one of the  
 29 person’s primary responsibilities; or

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

33 **SECTION 23.** The University of Oregon Board of Directors may open, establish, lay out  
 34 and dedicate to the public use any streets through lands owned by or used for the University  
 35 of Oregon. When such streets are opened, established and laid out, they are declared to be  
 36 dedicated to the public use. The university shall be the road authority pursuant to ORS  
 37 810.010 (4) for all roads through lands owned by or used for the university.

38 **SECTION 24.** The University of Oregon may adopt policies relating to the creation, use,  
 39 custody and disclosure of, including access to, student education records of the university  
 40 that are consistent with the requirements of applicable state and federal law. Whenever a  
 41 student has attained 18 years of age or is attending the university, the permission or consent  
 42 required of and the rights accorded to a parent of the student regarding education records  
 43 is thereafter only required of and accorded to the student.

44 **SECTION 25.** (1) The University of Oregon may not refuse admission or expel a student  
 45 for the sole reason that, because of religious beliefs, the student is unable to attend classes

1 on a particular day.

2 (2) Any student enrolled at the university who, because of religious beliefs, is unable to  
 3 attend classes on a particular day, must be excused on that day from any examination, study  
 4 requirement or work requirement. However, at the student's own expense, the student may  
 5 be required to make up the examination, study requirement or work requirement missed  
 6 because of the absence.

7 **SECTION 26.** (1) A student enrolled at the University of Oregon who is a member of the  
 8 military and who is ordered to federal or state active duty for more than 30 consecutive days  
 9 has the following rights:

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

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

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

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

17 (b) The right to a credit described in section 27 of this 2012 Act for all amounts paid for  
 18 room, board, tuition and fees;

19 (c) If the student elects to withdraw from the university, the right to be readmitted and  
 20 reenrolled at the university within one year after release from active duty without a re-  
 21 quirement for redetermination of admission eligibility; and

22 (d) The right to continuation of scholarships and grants awarded to the student that were  
 23 funded by the university or the Oregon Student Access Commission before the student was  
 24 ordered to active duty.

25 (2) If the student elects to withdraw from a course under subsection (1)(a)(A) of this  
 26 section, the university may not:

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

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

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

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

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

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

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

42 (4) The University of Oregon Board of Directors shall adopt rules for the administration  
 43 of this section.

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

- 1 (a) The Oregon National Guard or the National Guard of any other state or territory; or
- 2 (b) The reserves of the Army, Navy, Air Force, Marine Corps or Coast Guard of the
- 3 United States.

4 **SECTION 27.** (1)(a) The amount of the credit specified in section 26 (1)(b) of this 2012 Act  
5 shall be based on:

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

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

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

12 (c) At the time a student withdraws from a course at the University of Oregon or from  
13 the university, the student must elect to claim the credit:

14 (A) As a credit toward tuition and fees or room and board if the student reenrolls at the  
15 university under section 26 (1)(c) of this 2012 Act; or

16 (B) As a monetary payment.

17 (2) A student who elects to claim the credit by the method described in subsection  
18 (1)(c)(A) of this section may change the method of claiming the credit to the method de-  
19 scribed in subsection (1)(c)(B) of this section by giving notice to the university.

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

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

26 (5) The University of Oregon Board of Directors shall adopt rules for the administration  
27 of this section, including rules that determine the amount of credit and the method by which  
28 the credit is prorated.

29 **SECTION 28.** The University of Oregon shall give credit for education and training ob-  
30 tained by a person while serving in the Armed Forces of the United States, as defined in ORS  
31 351.642. The education and training for which credit may be given must meet the standards  
32 adopted by the University of Oregon Board of Directors.

33 **SECTION 29.** (1) The University of Oregon shall charge an enrolled student who is not a  
34 resident of this state and who is attending classes as an undergraduate tuition and fees no  
35 greater than the resident rate plus 50 percent of the difference between the resident rate  
36 and the nonresident rate if the student served in the Armed Forces of the United States and  
37 was relieved or discharged from that service under honorable conditions.

38 (2) The university shall participate to the fullest extent allowed in the federal educational  
39 assistance programs under the Supplemental Appropriations Act, 2008 (P.L. 110-252) so as to  
40 reduce the overall tuition rate for students eligible for tuition rate reduction under sub-  
41 section (1) of this section to the resident tuition rate.

42 (3) A person who served in the Armed Forces of the United States and who receives  
43 federal tuition benefits in excess of the tuition and fees the person is charged under sub-  
44 section (1) of this section at the university shall pay tuition and fees equal to the federal  
45 tuition benefits received.

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

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

6 **SECTION 30.** (1) The University of Oregon shall convene a physical access committee to  
 7 identify barriers to access by persons with disabilities at the university. The committee shall  
 8 include, but not be limited to:

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

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

12 (c) The coordinator of services for students with disabilities for the university;

13 (d) One or more administrators of the university; and

14 (e) One or more members of the physical plant staff of the university.

15 (2) The physical access committee shall present its findings and recommendations to the  
 16 University of Oregon Board of Directors, listing access needs and priorities for meeting those  
 17 needs. These findings and recommendations shall identify the barriers to access that prevent  
 18 persons with disabilities from meaningfully utilizing campus facilities related to instruction,  
 19 academic support, assembly and residence life.

20 (3) In preparing funding requests for each biennium pursuant to section 18 of this 2012  
 21 Act, the university shall include amounts for capital improvement that will be applied to the  
 22 substantial reduction and eventual elimination of barriers to access by persons with disabili-  
 23 ties as identified by the physical access committee.

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

27 **SECTION 31.** (1) The University of Oregon Board of Directors may adopt policies gov-  
 28 erning access to University of Oregon personnel records that are less than 25 years old.

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

35 (3) A rule or order adopted pursuant to this section may not deny to a faculty member  
 36 full access to the member's personnel file or records kept by the university, except as pro-  
 37 vided in subsection (4)(d) and (e) of this section.

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

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

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

1 (d) Letters and other information for a faculty member of the university submitted in  
2 confidence to the State Board of Higher Education or its institutions, schools or departments  
3 prior to July 1, 1975, shall be maintained in the files designated by paragraph (a) of this  
4 subsection. However, if a faculty member requests access to those files, the anonymity of  
5 the contributor of letters and other information obtained prior to July 1, 1975, shall be pro-  
6 tected. The full text shall be made available, except that portions of the text that would serve  
7 to identify the contributor shall be excised by a faculty committee. Only the names of the  
8 contributors and the excised portions of the documents may be kept in a file other than the  
9 files designated by paragraph (a) of this subsection.

10 (e) Confidential letters and other information submitted to or solicited by the university  
11 after July 1, 2012, and prior to the employment of a prospective faculty member are exempt  
12 from the provisions of this paragraph. However, if the member is employed by the university,  
13 the confidential preemployment materials shall be placed in the files designated by paragraph  
14 (a) of this subsection. If a faculty member requests access to the member's files, the ano-  
15 nymity of the contributor of confidential preemployment letters and other preemployment  
16 information shall be protected. The full text shall be made available, except that portions of  
17 the text that would serve to identify the contributor shall be excised and retained in a file  
18 other than the files designated by paragraph (a) of this subsection.

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

23 (g) The university, when evaluating its employed faculty members, may not solicit or  
24 accept letters, documents or other materials, given orally or in written form, from individ-  
25 uals or groups who wish their identity kept anonymous or the information the individuals  
26 or groups provide kept confidential.

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

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

33 (7) As used in this section, "personnel records" means records containing information  
34 kept by the university concerning a faculty member and furnished by the faculty member  
35 or by others about the faculty member at the member's or at the university's request, in-  
36 cluding but not limited to information concerning discipline, membership activity and em-  
37 ployment performance, or other personal records of individual persons.

38 **SECTION 32.** (1) The University of Oregon Board of Directors may authorize receipt of  
39 compensation by any officer or employee from private or public resources, including, but not  
40 limited to, income from:

41 (a) Consulting;

42 (b) Appearances and speeches;

43 (c) Intellectual property conceived, reduced to practice or originated and therefore owned  
44 within the University of Oregon;

45 (d) Providing services or other valuable consideration for a private corporation, individual

1 or entity, whether paid in cash or in-kind, stock or other equity interest, or anything of  
 2 value regardless of whether there is a licensing agreement between the university and the  
 3 private entity; and

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

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

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

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

20 **SECTION 33.** The president and professors constitute the faculty of the University of  
 21 Oregon and have the immediate government and discipline of it and the students therein.  
 22 The faculty may, subject to the supervision of the University of Oregon Board of Directors,  
 23 prescribe the course of study to be pursued at the university and the textbooks to be used.

24 **SECTION 34.** The University of Oregon shall consider and maintain affirmative action  
 25 plans and goals when reductions in faculty and staff are required as a result of:

26 (1) Reductions in revenue that necessitate discontinuance of the university's educational  
 27 program at its anticipated level;

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

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

30 **SECTION 35.** A political or sectarian test may never be allowed or applied in the ap-  
 31 pointment of faculty and other employees of the University of Oregon.

32 **SECTION 36.** (1) Nothing in sections 1 to 52 of this 2012 Act may be construed to impair  
 33 the obligations or agreements of the State of Oregon or the State Board of Higher Education  
 34 with respect to bonds, certificates of participation, financing agreements or other agree-  
 35 ments for the borrowing of money issued prior to the effective date of this 2012 Act by the  
 36 State of Oregon on behalf of the State Board of Higher Education for equipment or projects  
 37 for the benefit of the University of Oregon. The university and the Oregon University Sys-  
 38 tem shall take all actions necessary to ensure full compliance with all indentures, resol-  
 39 utions, declarations, agreements and other documents issued with respect to the bonds,  
 40 certificates of participation, financing agreements or other agreements for the borrowing of  
 41 money issued prior to the effective date of this 2012 Act by the State of Oregon on behalf  
 42 of the State Board of Higher Education for the benefit of the university.

43 (2) The university and the Oregon University System shall establish, in a written agree-  
 44 ment that is subject to the approval of the State Treasurer:

45 (a) The responsibility of the university for the payment to the State Board of Higher

1 Education of moneys sufficient to pay when due all principal, interest and any other charges  
2 on bonds, certificates of participation, financing agreements or other agreements for the  
3 borrowing of money issued prior to the effective date of this 2012 Act by the State of Oregon  
4 on behalf of the State Board of Higher Education for the benefit of the university; and

5 (b) A requirement that the university periodically provide cash flow projections and other  
6 information as the State Treasurer requests to determine the sufficiency of the university's  
7 revenues to satisfy the requirements of bonds, certificates of participation, financing agree-  
8 ments or other agreements for the borrowing of money issued prior to and after the effective  
9 date of this 2012 Act by the State of Oregon for the benefit of the university, credit en-  
10 hancement devices or agreements for exchange of interest rates entered into in connection  
11 with those borrowings and any loans to the university funded by state general obligation  
12 bonds issued prior to the effective date of this 2012 Act.

13 (3)(a) Holders of obligations issued on or after the effective date of this 2012 Act by the  
14 university may be paid after the university reserves sufficient funds each biennium to satisfy  
15 any payment or reserve requirements relating to bonds, certificates of participation, financ-  
16 ing agreements or other agreements for the borrowing of moneys issued by the State of  
17 Oregon for the benefit of the university, credit enhancement devices or agreements for ex-  
18 change of interest rates entered into in connection with those borrowings and loans to the  
19 university funded by state general obligation bonds.

20 (b) The university may pledge all or a portion of its remaining rents, revenues, receipts,  
21 appropriations or other income to secure revenue bonds issued under section 37 of this 2012  
22 Act, credit enhancement devices or agreements for exchange of interest rates related to  
23 such revenue bonds, or other obligations issued by the university, but only to the extent  
24 that:

25 (A) Such holders have no rights, liens or other interests with respect to such rents, re-  
26 venues, receipts, appropriations or other income of the university that are on parity with  
27 or are senior or superior to the rights granted to the State of Oregon and the holders of  
28 bonds, certificates of participation, financing agreements or other agreements for the bor-  
29 rowing of moneys issued by the State Treasurer for the benefit of the university, credit en-  
30 hancement devices or agreements for exchange of interest rates entered into in connection  
31 with those borrowings and loans to the university funded by state general obligation bonds  
32 issued prior to the effective date of this 2012 Act; and

33 (B) The State Board of Higher Education, the Oregon Department of Administrative  
34 Services or the State of Oregon is granted a lien or other security interest in the rents, re-  
35 venues, receipts, appropriations or other income of the university that is superior to any lien  
36 or other security interest granted to the holders of obligations issued by the university.

37 (4)(a) The principal, interest and any premium on any bonds, certificates of participation,  
38 financing agreements or other agreements for the borrowing of moneys issued before or af-  
39 ter the effective date of this 2012 Act by the State of Oregon for the benefit of the university,  
40 and any credit enhancement devices or agreements for exchange of interest rates entered  
41 into in connection with those borrowings, shall be paid from the sources specified in the laws  
42 and documents authorizing the bond, certificate of participation, financing agreement or  
43 other agreement for the borrowing of moneys, credit enhancement device or agreement for  
44 exchange of interest rates. The university must pay any other expenses and liabilities, in-  
45 cluding but not limited to closing costs, legal expenses, costs of settling claims, judgments,

1 federal arbitrage rebates and penalties and expenses arising from an inquiry, audit or other  
2 action by a federal or state regulatory body, except to the extent that the liability or expense  
3 results from the negligence or willful misconduct of a state agency.

4 (b) Pursuant to ORS chapter 180, on behalf of the State Treasurer or any other state  
5 agency, the Attorney General shall appear, commence, prosecute or defend any action, suit,  
6 cause or proceeding arising from any bonds, certificates of participation, financing agree-  
7 ments or other agreements for the borrowing of moneys, and any credit enhancement de-  
8 vices or agreements for exchange of interest rates entered into in connection with those  
9 borrowings, issued by the State of Oregon for the benefit of the university.

10 (5) Any amounts deposited with the State Treasurer, the Controller of the Oregon Uni-  
11 versity System, or the Oregon Department of Administrative Services or its designated  
12 agents, in any debt service in reserve accounts for the debt service associated with any  
13 bonds, certificates of participation, financing agreements or other agreements for the bor-  
14 rowing of moneys issued prior to the effective date of this 2012 Act by the State of Oregon  
15 on behalf of the State Board of Higher Education for the benefit of the university shall re-  
16 main with the State Treasurer, the Controller of the Oregon University System, or the  
17 Oregon Department of Administrative Services or its designated agents, until such time as  
18 the bonds, certificates of participation, financing agreements or other agreements for the  
19 borrowing of moneys, for which such debt service in reserve accounts has been established,  
20 have been retired or defeased.

21 SECTION 37. The University of Oregon may from time to time issue and sell revenue  
22 bonds in accordance with ORS chapter 287A. The university must receive approval from the  
23 Oregon Education Investment Board before issuing or selling any revenue bonds. However,  
24 the provisions contained in ORS 287A.150 (2) to (6) do not apply to revenue bonds issued by  
25 the university. Such revenue bonds are neither a general obligation of the university nor a  
26 charge upon any revenues or property of the university not specifically pledged thereto. An  
27 obligation described in this section is not an indebtedness of the State of Oregon.

28 SECTION 38. Revenue bonds issued by the University of Oregon under section 37 of this  
29 2012 Act are considered to be bonds or obligations of a political subdivision of the State of  
30 Oregon for the purposes of all laws of this state.

31 SECTION 39. Refunding bonds and advance refunding bonds of the same character and  
32 tenor as those replaced by them may be issued by the University of Oregon pursuant to ORS  
33 287A.360 to 287A.380.

34 SECTION 40. In addition to, and not in limitation of, the means of satisfying state gen-  
35 eral obligation bond obligations under ORS 291.445, the University of Oregon, promptly upon  
36 the discovery of any shortfall in moneys available to the university for the payment when  
37 due of amounts under any bonds, certificates of participation, financing agreements or other  
38 agreements for the borrowing of moneys issued prior to the effective date of this 2012 Act  
39 by the State of Oregon on behalf of the State Board of Higher Education for equipment or  
40 projects for the benefit of the university, shall notify in writing the Legislative Assembly,  
41 or if the Legislative Assembly is not in session, the Emergency Board, of the existence and  
42 amount of the shortfall. The Legislative Assembly or the Emergency Board, as the case may  
43 be, may allocate funds to satisfy the payment of any such amount. By enacting this section,  
44 the Legislative Assembly acknowledges its current intention to allocate, from funds other  
45 than those appropriated or otherwise made available to the Oregon University System or to

1 the Oregon Department of Administrative Services for direct allocation to the university,  
 2 funds to pay such amount. However, except as may be required by the Oregon Constitution  
 3 or ORS 291.445, neither the Legislative Assembly nor the Emergency Board shall have any  
 4 legal obligation to allocate funds under this section.

5 **SECTION 41.** In order to provide funds for the purposes specified in Article XI-G of the  
 6 Oregon Constitution, the University of Oregon Board of Directors may request the State  
 7 Treasurer to issue bonds in accordance with the provisions of ORS chapter 286A.

8 **SECTION 42.** In order to provide funds for the purposes specified in Article XI-F(1) of the  
 9 Oregon Constitution, the University of Oregon Board of Directors may request the State  
 10 Treasurer to issue bonds in accordance with the provisions of ORS chapter 286A.

11 **SECTION 43.** If the electors of this state authorize the issuance of bonds for the benefit  
 12 of the University of Oregon individually or in its capacity as a public university, the Uni-  
 13 versity of Oregon Board of Directors may request the State Treasurer to issue bonds for  
 14 such purposes in accordance with the provisions of ORS chapter 286A.

15 **SECTION 44.** If the University of Oregon Board of Directors requests the State Treas-  
 16 urer to issue bonds pursuant to sections 41 to 43 of this 2012 Act, the board shall be a related  
 17 agency under ORS 286A.001 to 286A.195 for issuance or administration of the bonds.

18 **SECTION 45.** As used in sections 45 to 49 of this 2012 Act:

19 (1) "Credit enhancement agreement" means any agreement or contractual relationship  
 20 between the University of Oregon and any bank, trust company, insurance company, surety  
 21 bonding company, pension fund or other financial institution providing additional credit on  
 22 or security for a financing agreement or certificates of participation authorized by sections  
 23 45 to 49 of this 2012 Act.

24 (2) "Financing agreement" means a lease-purchase agreement, an installment sale  
 25 agreement, a loan agreement, a note agreement, short-term promissory notes, commercial  
 26 papers, lines of credit or similar obligations or any other agreement to finance real or per-  
 27 sonal property that is or will be owned and operated by the university, or to refinance pre-  
 28 viously executed financing agreements.

29 (3) "Personal property" means tangible personal property, software and fixtures.

30 (4) "Property rights" means, with respect to personal property, the rights of a secured  
 31 party under ORS chapter 79, and, with respect to real property, the rights of a trustee or  
 32 lender under a lease authorized by section 48 (1)(d) of this 2012 Act.

33 (5) "Software" means software and training and maintenance contracts related to the  
 34 operation of computing equipment.

35 **SECTION 46.** (1) Subject to the limitations of section 37 of this 2012 Act, the University  
 36 of Oregon may enter into financing agreements in accordance with sections 45 to 49 of this  
 37 2012 Act, upon such terms as the university finds to be advantageous. Amounts payable by  
 38 the university under a financing agreement shall be limited to funds available for such pur-  
 39 poses under section 37 of this 2012 Act and specifically pledged, budgeted for or otherwise  
 40 made available by the university. If there are insufficient funds available to pay amounts due  
 41 under a financing agreement, the lender may exercise any property rights that the university  
 42 has granted to it in the financing agreement against the property that was purchased with  
 43 the proceeds of the financing agreement, and may apply the amounts so received toward  
 44 payments scheduled to be made by the university under the financing agreement.

45 (2) Subsection (1) of this section does not apply to, and the university may not grant a

1 security interest in, lease as security for or grant any other right under, a financing agree-  
 2 ment with respect to any real or personal property that has been financed with general ob-  
 3 ligation bonds, certificates of participation, financing agreements or other borrowings of the  
 4 State of Oregon for the benefit of the university unless those obligations of the State of  
 5 Oregon are fully paid.

6 **SECTION 47.** The University of Oregon Board of Directors may delegate to any board  
 7 member, the president of the University of Oregon or the president's designee the authority  
 8 to determine maturity dates, principal amounts, redemption provisions, interest rates or  
 9 methods for determining variable or adjustable interest rates, denominations and other  
 10 terms and conditions of such obligations that are not appropriately determined at the time  
 11 of enactment or adoption of the authorizing resolution. The board may also delegate entering  
 12 into financing agreements or any other instruments authorized by law. This delegated au-  
 13 thority shall be exercised subject to applicable requirements of law and such limitations and  
 14 criteria as may be set forth in the authorizing resolution.

15 **SECTION 48.** (1) The University of Oregon may:

16 (a) Enter into agreements with third parties to hold financing agreement proceeds, pay-  
 17 ments and reserves as security for lenders, and to issue certificates of participation in the  
 18 right to receive payments due from the university under a financing agreement. Amounts  
 19 so held shall be invested at the direction of the University of Oregon Board of Directors.  
 20 Interest earned on any investments held as security for a financing agreement may, at the  
 21 option of the board, be credited to the accounts held by the third party and applied in pay-  
 22 ment of sums due under a financing agreement.

23 (b) Enter into credit enhancement agreements for financing agreements or certificates  
 24 of participation, provided that such credit enhancement agreements shall be payable solely  
 25 from funds specifically pledged, budgeted for or otherwise made available by the university  
 26 and amounts received from the exercise of property rights granted under such financing  
 27 agreements.

28 (c) Use financing agreements to finance the costs of acquiring or refinancing real or  
 29 personal property, plus the costs of reserves, credit enhancements and costs associated with  
 30 obtaining the financing.

31 (d) Grant leases of real property with a trustee or lender. Such leases may be for a term  
 32 that ends on the date on which all amounts due under a financing agreement have been paid  
 33 or provision for payment has been made, or for a term of up to 20 years after the last  
 34 scheduled payment under a financing agreement, whichever is later. Such leases may grant  
 35 the trustee or lender the right to evict the university and exclude it from possession of the  
 36 real property for the term of the lease if the university fails to pay when due the amounts  
 37 scheduled to be paid under a financing agreement, or otherwise defaults under a financing  
 38 agreement. Upon default, the trustee or lender may sublease the land to third parties and  
 39 apply any rentals toward payments scheduled to be made under a financing agreement.

40 (e) Grant security interests in personal property to trustees or lenders.

41 (f) Make pledges for the benefit of trustees and lenders.

42 (g) Purchase fire and extended coverage or other casualty insurance for property that is  
 43 acquired or refinanced with proceeds of a financing agreement, assign the proceeds thereof  
 44 to a lender or trustee to the extent of their interest, and covenant to maintain such insur-  
 45 ance while the financing agreement is unpaid, as long as available funds are sufficient to

1 purchase such insurance.

2 (2) The provisions of subsection (1) of this section do not apply to, and the university  
 3 may not grant a security interest in, lease as security for or grant any other right under, a  
 4 financing agreement with respect to any real or personal property that has been financed  
 5 with general obligation bonds, certificates of participation, financing agreements or other  
 6 borrowings of the State of Oregon for the benefit of the university unless those obligations  
 7 of the State of Oregon are fully paid.

8 **SECTION 49.** A lease or financing agreement under sections 45 to 49 of this 2012 Act does  
 9 not cause property to be subject to property taxation and is disregarded in determining  
 10 whether property is exempt from taxation under ORS chapter 307.

11 **SECTION 50.** The University of Oregon Board of Directors may, in its discretion, accept  
 12 financial assistance and grants, either in the form of money or labor, from the United States  
 13 or any of its agencies, subject to the terms and conditions thereof, regardless of any laws  
 14 of this state in conflict with the regulations of the federal government with respect thereto,  
 15 and may also accept from others any donation or grant of land or gift of money or other  
 16 valuable gift or thing, for any of the purposes contemplated by Article XI-F(1) and Article  
 17 XI-G of the Oregon Constitution and sections 38 to 49 of this 2012 Act. Unless enjoined by  
 18 the terms or conditions of any such gift or grant, the board may convert the same, or any  
 19 of them, into money, through sale or disposal thereof.

20 **SECTION 51.** (1) The Oregon Education Investment Board, in coordination with the Uni-  
 21 versity of Oregon, shall adopt performance benchmarks for the university. The benchmarks  
 22 must reflect the educational outcomes that the Oregon Education Investment Board expects  
 23 from the university. The Oregon Education Investment Board may not prescribe how the  
 24 benchmarks are to be achieved. The president of the university and the University of Oregon  
 25 Board of Directors have exclusive jurisdiction and control over the means and methods of  
 26 achieving the performance benchmarks.

27 (2) The Oregon Education Investment Board annually shall assess the university's com-  
 28 pliance with the benchmarks described in subsection (1) of this section and shall issue an  
 29 annual report as to the university's achievements. The investment board may recommend  
 30 to the Legislative Assembly incentives to encourage compliance with the benchmarks or  
 31 penalties for failure to comply with one or more benchmarks.

32 (3) The university and the Oregon University System shall coordinate academic programs  
 33 so that the programs are integrated and complementary. To accomplish this purpose, uni-  
 34 versity officers shall maintain a role in the appropriate committees of the State Board of  
 35 Higher Education and the Oregon University System.

36 (4) The Higher Education Coordinating Commission shall have final authority over cre-  
 37 ation of new degree programs at the University of Oregon.

38 **SECTION 52.** The University of Oregon Board of Directors shall adopt a policy that pre-  
 39 scribes the requirements for a venture grant program and the requirements that a grant  
 40 applicant must meet in order to receive grant moneys from the university venture develop-  
 41 ment fund administered by the University of Oregon, including requirements:

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

44 (2) That the university report amounts of tax credit certificates issued by the university  
 45 and cease issuing certificates until the total amount owed to the General Fund by the uni-

1    **versity at any one time under ORS 351.697 (6) does not exceed \$2.4 million; and**

2       **(3) That the university maintain records of income realized by the university as the re-**  
 3 **sult of grants made from the university venture development fund and records of amounts**  
 4 **paid to the General Fund.**

5       **SECTION 53.** **As used in sections 53 to 64 of this 2012 Act:**

6       **(1) “Former university” means the University of Oregon in its former status as a uni-**  
 7 **versity within the Oregon University System under ORS 352.002, as set forth in the 2011**  
 8 **Edition of the Oregon Revised Statutes.**

9       **(2) “University” means the University of Oregon public university established under sec-**  
 10 **tion 2 of this 2012 Act.**

11       **(3) “University board” means the University of Oregon Board of Directors established**  
 12 **under section 4 of this 2012 Act.**

13       **SECTION 54.** **(1) Pursuant to the provisions of ORS 236.605 to 236.640, and except as**  
 14 **otherwise expressly provided in sections 1 to 52 of this 2012 Act, all persons employed by the**  
 15 **University of Oregon on the effective date of this 2012 Act shall continue their employment**  
 16 **with the university and shall retain any seniority, contractual rights or tenure granted prior**  
 17 **to the effective date of this 2012 Act.**

18       **(2) Nothing in sections 1 to 52 of this 2012 Act shall affect the representation rights of**  
 19 **collective bargaining organizations that represent university employees. Nothing in sections**  
 20 **1 to 52 of this 2012 Act shall affect any term or condition of any collective bargaining**  
 21 **agreement in effect on the effective date of this 2012 Act.**

22       **SECTION 55.** **All of the duties, functions and powers of the former university are trans-**  
 23 **ferred to the university as if the university were a continuation of the former university and**  
 24 **not a new authority.**

25       **SECTION 56.** **(1) All records and property of the former university shall be considered**  
 26 **the records and property of the university.**

27       **(2) There are transferred to the University of Oregon Board of Directors title to and**  
 28 **possession of all the supplies, materials, equipment, records, books, papers and facilities of**  
 29 **the State Board of Higher Education pertaining to the former university.**

30       **(3) Title to real property acquired prior to the effective date of this 2012 Act utilized by**  
 31 **the former university or held or managed by the State of Oregon for the benefit of the for-**  
 32 **mer university shall be continuously held in the name of the State of Oregon, except that**  
 33 **the university has the exclusive care, custody and control of such real property and facilities.**

34       **(4) The University of Oregon Board of Directors may sell, convey or lease such property,**  
 35 **or any interest therein, as the university board deems in the best interest of the university**  
 36 **as provided in section 13 of this 2012 Act.**

37       **SECTION 57.** **All unexpended moneys, including but not limited to General Fund appro-**  
 38 **priations, gifts, bequests, other funds, assessments, liability and worker’s compensation re-**  
 39 **serves and premiums that are appropriated to, held, managed or invested by or on behalf of**  
 40 **or otherwise available to the former university or its president, for the purposes of any of**  
 41 **its duties, functions or powers transferred by sections 1 to 52 of this 2012 Act to the uni-**  
 42 **versity, are appropriated and transferred to the university.**

43       **SECTION 58.** **(1) Any proceeding, action, prosecution or other business or matter**  
 44 **undertaken or commenced before the effective date of this 2012 Act by the former university,**  
 45 **with respect to the duties, functions or powers transferred to the university by sections 1**

1 to 52 of this 2012 Act and still pending on the effective date of this 2012 Act may be conducted  
2 and completed by the university in the same manner, under the same terms and conditions  
3 and with the same effect as though undertaken, conducted or completed by the former uni-  
4 versity before the transfer.

5 (2) The transfer of duties, functions and powers to the University of Oregon Board of  
6 Directors under sections 1 to 52 of this 2012 Act does not affect any action, suit, proceeding  
7 or prosecution involving or with respect to such duties, functions and powers begun before  
8 and pending at the time of the transfer, except that the university board shall be substituted  
9 for the State Board of Higher Education in any such action, suit, proceeding or prosecution.

10 (3) Any proceeding, action, prosecution or other business or matter undertaken or com-  
11 menced before the effective date of this 2012 Act by a state officer or agency, with respect  
12 to the duties, functions or powers transferred to the university and still pending on the ef-  
13 fective date of this 2012 Act, may be conducted and completed by the university in the same  
14 manner, under the same terms and conditions and with the same effect as though under-  
15 taken, conducted or completed by the former university before the transfer.

16 **SECTION 59.** Nothing in sections 1 to 52 of this 2012 Act relieves any person of any ob-  
17 ligation with respect to a tax, fee, fine or other charge, interest, penalty, forfeiture or other  
18 liability, duty or obligation.

19 **SECTION 60.** The university is considered to be a continuation of the former university  
20 with respect to its duties, functions and powers, and not a new authority for the purpose of  
21 succession to all rights and obligations of the former university as constituted at the time  
22 of such assignment or transfer, except as otherwise provided in sections 1 to 52 of this 2012  
23 Act, with the same force and effect as if such duties, functions and powers had not been  
24 assigned or transferred.

25 **SECTION 61.** (1) Whenever, in any law or resolution of the Legislative Assembly or in  
26 any rule, document, record or proceeding authorized thereby, reference is made to the for-  
27 mer university, or an employee of the former university, whose duties, functions or powers  
28 are assigned or transferred by sections 1 to 52 of this 2012 Act, except as otherwise provided  
29 by sections 1 to 52 of this 2012 Act, such reference is considered to describe the university  
30 or employee of the university that, by sections 1 to 52 of this 2012 Act, is charged with car-  
31 rying out such duties, functions and powers.

32 (2) There are imposed upon, transferred to and vested in the University of Oregon Board  
33 of Directors the duties, functions and powers of the State Board of Higher Education that  
34 pertain to the former university.

35 (3) Notwithstanding the transfer of duties, functions and powers by sections 1 to 52 of  
36 this 2012 Act, the lawfully adopted rules of the State Board of Higher Education pertaining  
37 to the former university in effect on the effective date of this 2012 Act continue in effect  
38 until lawfully superseded or repealed by the University of Oregon Board of Directors. Refer-  
39 ences in rules of the State Board of Higher Education to the state board or an officer or  
40 employee of the state board are considered to be references to the University of Oregon  
41 Board of Directors.

42 **SECTION 62.** A transfer of duties, functions, powers, rights, records, property, employees  
43 or moneys by sections 1 to 52 of this 2012 Act becomes operative on July 1, 2012. The uni-  
44 versity shall exercise and perform such duties, functions, powers and rights, and shall take  
45 charge of such records, property, employees and moneys.



1 of this 2012 Act.

2 (4)(a) A claim against the university is not a claim against the State of Oregon. A debt  
 3 or obligation of the university is not a debt or obligation of the State of Oregon. Claims  
 4 against the university and obligations of the university are not recoverable from the assets  
 5 and funds of the State of Oregon.

6 (b) The university is not authorized to act in the name of the State of Oregon and at-  
 7 torneys representing the university do not represent the state.

8 (5) Nothing in sections 65 to 114 of this 2012 Act may be construed as a waiver by the  
 9 university of any form of defense or immunity, whether it be sovereign immunity, govern-  
 10 mental immunity, immunity based upon the Eleventh Amendment to the Constitution of the  
 11 United States or immunity from any claim or from the jurisdiction of any court.

12 **SECTION 67.** (1) It shall be the policy of Portland State University as a public university:

13 (a) To serve the people of this state by educating citizens of the state, region, nation and  
 14 world;

15 (b) To provide:

16 (A) An educational environment that stimulates creative inquiry, critical thinking, clear  
 17 communication and original scholarship by and for the benefit of students, faculty, staff and  
 18 the greater community; and

19 (B) Education, research and service that contribute to the development of new knowledge  
 20 and the enhancement of the culture and economy of this state;

21 (c) To encourage the preservation, enhancement and dissemination of knowledge and  
 22 culture;

23 (d) To provide individuals with the tools for a lifetime of learning so as to allow them to  
 24 enhance their quality of life, contribute to civic discourse and civil society and participate  
 25 effectively in a global society;

26 (e) To create an educated workforce that keeps the Oregon economy innovative and  
 27 competitive;

28 (f) To provide public service activities that engage the professional expertise of faculty  
 29 to solve society's problems;

30 (g) To share with this state many services and cultural activities of immense importance  
 31 to the quality of life enjoyed by Oregonians and others; and

32 (h) To strive for excellence in all of its endeavors while maintaining institutional integ-  
 33 rity.

34 (2) The university shall carry out the policies of this section in the manner that, in the  
 35 determination of the Portland State University Board of Directors, best promotes the welfare  
 36 of the people of this state.

37 **SECTION 68.** (1) There is established a Portland State University Board of Directors,  
 38 consisting of 15 members.

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

40 (a) Thirteen members appointed by the Governor and confirmed by the Senate in the  
 41 manner prescribed in ORS 171.562 and 171.565. These members shall include one student  
 42 enrolled at Portland State University, one regular employee, as defined in ORS 240.015 of the  
 43 university and one faculty member of the university. When appointing the faculty member,  
 44 the Governor shall consider recommendations from the university faculty. When appointing  
 45 the student member, the Governor shall consider recommendations from a general student

1 association recognized by Portland State University.

2 (b) One member who is a nonstudent member of the Oregon Education Investment  
3 Board, appointed by the Oregon Education Investment Board.

4 (c) The president of the university, who shall be a nonvoting member.

5 (3) The board may appoint other nonvoting members as it deems in the best interests  
6 of the university.

7 (4)(a) Except for the president of the university, the term of office of each nonstudent  
8 member is four years. The term of office of the student member is two years.

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

12 (c) If there is a vacancy for any cause, the appointing authority shall make an appoint-  
13 ment to become effective for the remainder of the unexpired term.

14 (d) A student enrolled at the university may not be appointed to, or continue to serve  
15 on, the board unless the student is in good standing pursuant to bylaws or policies of the  
16 board.

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

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

24 (7) The board shall meet at least once every three months on the university campus.  
25 Board members may participate in the meeting electronically as provided in ORS 192.610 to  
26 192.690. The board shall meet at such other times and places specified by the chairperson or  
27 by a majority of the members of the board.

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

30 **SECTION 69.** Notwithstanding the terms of office specified in section 68 of this 2012 Act,  
31 of the members first appointed to the Portland State University Board of Directors, other  
32 than the president of Portland State University:

33 (1) Seven members appointed by the Governor, including the student member, shall serve  
34 for terms ending June 30, 2015; and

35 (2) The following shall serve for terms ending June 30, 2017:

36 (a) Six members appointed by the Governor, including the faculty member and the regu-  
37 lar employee, as defined in ORS 240.015, of the university; and

38 (b) The member appointed by the Oregon Education Investment Board.

39 **SECTION 70.** The Governor and the Oregon Education Investment Board shall appoint  
40 members to the Portland State University Board of Directors pursuant to section 68 (2)(a)  
41 and (b) of this 2012 Act no later than July 15, 2012.

42 **SECTION 71.** (1) The Portland State University Board of Directors may, within or outside  
43 the state, do all things necessary or convenient involving matters of concern to Portland  
44 State University, including without limitation the following:

45 (a) Enact any and all policies for the governance of the university, which, to the extent

1 set forth in those policies, shall have the force of law and may be enforced through univer-  
 2 sity procedures and in any court of competent jurisdiction.

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

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

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

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

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

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

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

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

22 (j) Acquire, purchase, accept, borrow, receive, own, hold, deposit, pledge, control, convey,  
 23 manage, use, lend, expend and invest all funds, appropriations, instruments, earnings and  
 24 revenue. The authority under this paragraph includes accepting and expending funds from  
 25 the United States Government for any purpose. The board may deposit any and all funds,  
 26 appropriations, instruments, earnings and revenue in any financial institution and retain all  
 27 interest, earnings, and appreciation accruing from such deposits.

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

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

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

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

36 (o) Authorize, establish, eliminate, manage, operate, reorganize, reduce or expand any  
 37 program, school, institute, college or unit of operation, except that any new degree or pro-  
 38 gram and any policy regarding transferability of credits to and from a public university listed  
 39 in ORS 352.002, the University of Oregon, a community college in this state or Oregon Health  
 40 and Science University must be authorized by the Higher Education Coordinating Commis-  
 41 sion.

42 (p) Authorize, establish, eliminate, charge, collect, manage, use in any manner and ex-  
 43 pend all revenue derived from tuition, fees and any other charges and fines. The board shall  
 44 request the joint recommendation of the recognized student government and the president  
 45 of the university, who shall obtain the recommendation of the recognized student govern-

1 ment, prior to authorizing, establishing or eliminating incidental fees for programs under the  
 2 supervision or control of the board and found by the board to be advantageous to the cultural  
 3 or physical development of students. Any increase in tuition or any student fees above five  
 4 percent on an annual basis must be approved by the Oregon Education Investment Board.

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

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

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

11 (t) Provide and disseminate to the public information relating to the program, operation  
 12 and finances of the university.

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

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

18 **SECTION 72.** (1) The Portland State University Board of Directors shall appoint a presi-  
 19 dent of Portland State University. The president of the university is the president of the  
 20 faculty and is the chief executive officer of the university. The president of the university  
 21 has authority to direct the affairs and operation of the university, subject to the policies and  
 22 direction of the board.

23 (2) The board's selection of the university president must be ratified by the Oregon Ed-  
 24 ucation Investment Board.

25 **SECTION 73.** Except as otherwise provided by law, the provisions of ORS 35.550 to 35.575,  
 26 180.060, 180.210 to 180.235, 184.305 to 184.345, 190.430, 190.480, 190.490, 192.105, 200.035, 243.696,  
 27 279.835 to 279.855, 357.805 to 357.895 and 656.017 (2) and ORS chapters 182, 183, 240, 270, 273,  
 28 276, 278, 279A, 279B, 279C, 282, 283, 291, 292, 293, 294 and 297 do not apply to Portland State  
 29 University or any not-for-profit organization or other entity if the equity of the entity is  
 30 owned exclusively by the university and if the organization or entity is created by the uni-  
 31 versity to advance any of the university's statutory missions.

32 **SECTION 74.** Notwithstanding section 73 of this 2012 Act, collective bargaining agree-  
 33 ments negotiated by this state pursuant to ORS 240.321 after the effective date of this 2012  
 34 Act that are applicable to employees of the Oregon University System apply to Portland  
 35 State University if the new collective bargaining agreement is a successor to a collective  
 36 bargaining agreement negotiated by this state and applicable to the same class of employees  
 37 of the university prior to the effective date of this 2012 Act. Such successor agreements shall  
 38 continue to apply to the university until the board and the applicable collective bargaining  
 39 organization agree to bargain a separate collective bargaining agreement between the uni-  
 40 versity and the collective bargaining organization.

41 **SECTION 75.** (1) As used in this section:

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

44 (b) "Individual with a disability" means an individual who, because of the nature of the  
 45 individual's disability, is not able to participate fully in competitive employment and for

1 whom specialized employment opportunities must be provided.

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

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

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

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

12 (2) The Portland State University Board of Directors shall further the policy of this state  
 13 to encourage and assist individuals with disabilities to achieve maximum personal independ-  
 14 ence through useful and productive gainful employment by ensuring an expanded and con-  
 15 stant market for sheltered workshop and activity center products and services, thereby  
 16 enhancing the dignity and capacity of individuals with disabilities for self-support and mini-  
 17 mizing their dependence on welfare and need for costly institutionalization.

18 (3) It shall be the duty of Portland State University to:

19 (a) Determine the price of all products manufactured and services offered for sale to the  
 20 university by any qualified nonprofit agency for individuals with disabilities. The price shall  
 21 recover for the workshops the cost of raw materials, labor, overhead, delivery costs and a  
 22 margin held in reserve for inventory and equipment replacement.

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

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

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

28 (4) The university shall establish and publish a list of sources or potential sources of  
 29 products produced by any qualified nonprofit agency for individuals with disabilities and the  
 30 services provided by any such agency that the university determines are suitable for its  
 31 procurement. The university, in its discretion, may utilize any list established and published  
 32 by the department.

33 (5) If the university intends to procure any product or service on the procurement list,  
 34 the university shall procure such product or service at the price established by the university  
 35 from a qualified nonprofit agency for individuals with disabilities, provided the product or  
 36 service is of the appropriate specifications and is available at the location and within the  
 37 period required by the university.

38 (6) It is the intent of the Legislative Assembly that there be close cooperation between  
 39 the board, the university and qualified nonprofit agencies for individuals with disabilities.  
 40 The university, on behalf of the board, is authorized to enter into such contractual ar-  
 41 rangements, cooperative working relationships or other arrangements as may be necessary  
 42 for effective coordination and efficient realization of the objective of this section.

43 **SECTION 76.** The Portland State University Board of Directors shall file with the Oregon  
 44 Education Investment Board, the Higher Education Coordinating Commission, the Legisla-  
 45 tive Assembly and the Governor, not later than April 15 of each year, a report of the activ-

ities and operations of Portland State University for the preceding year.

**SECTION 77.** (1) The Portland State University Board of Directors may lease, purchase or otherwise acquire such real property as in its sole discretion is necessary or convenient to carry out any power granted to Portland State University. The board may enter into contracts of purchase or agreements that the board deems necessary to carry out this authorization. The board may mortgage or pledge any property purchased, or its contracts to purchase, together with the income from such property, to secure the payment of the purchase price.

(2) Legal title to all real property acquired by Portland State University after the effective date of this 2012 Act shall be taken and held in the name of the university. Legal title to all real property of this state held or managed for the use and benefit of the university as of the effective date of this 2012 Act shall continue to be vested in this state.

(3) The board may lease, sell, convey and control the use of, in whole or in part, all property of this state held or managed for the use and benefit of the university as of the effective date of this 2012 Act or that is acquired by the university after the effective date of this 2012 Act. Authorized conveyances of all real property acquired by or vested in this state for the use or benefit of the university or acquired by or vested in the university, other than the state lands classified as university lands under ORS 273.251, shall be executed by the chairperson and secretary of the board.

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

**SECTION 78.** Portland State University may acquire, by condemnation or otherwise, private property that is necessary or convenient in carrying out any power granted to the university.

**SECTION 79.** Portland State University shall adopt a comprehensive alcohol and drug abuse policy and implementation plan.

**SECTION 80.** (1) Portland State University shall develop contract policies that support openness, impartiality and competition in the awarding of contracts in accordance with ORS 279A.015.

(2) The university shall also develop contract policies that are designed to encourage affirmative action, recycling, inclusion of art in public buildings, the purchase of goods and services from individuals with disabilities, the protection of workers through the payment of prevailing wages as determined by the Bureau of Labor and Industries, the provision of workers' compensation insurance to workers on contracts and the participation of emerging small businesses and businesses owned by women and minorities.

(3) The Portland State University Board of Directors shall have the authority to enact policies, appropriate for the use of the university, governing public contracting and may devise and publish forms for use in carrying out the policies.

**SECTION 81.** (1)(a) On or before September 1 of each even-numbered year Portland State University shall submit to the Oregon Department of Administrative Services a funding request for the following biennium.

(b) The department shall include and submit the university's funding request to the Legislative Assembly as part of the Governor's biennial budget. Any such request approved by the Legislative Assembly shall be appropriated to the department for direct allocation to

1 the university.

2 (2) The Portland State University Board of Directors is not required to seek expenditure  
 3 limitation approval from the Legislative Assembly to spend other available moneys, including  
 4 without limitation tuition and other fees or revenues collected pursuant to the board's au-  
 5 thority under section 71 of this 2012 Act.

6 (3) The Portland State University Board of Directors shall adopt a budget on a regular  
 7 schedule determined by the board.

8 **SECTION 82.** (1) Portland State University may conduct independent audits if such audits  
 9 are considered advisable by the university. The audits are subject to the exclusive discretion  
 10 and control of the university and are subject to disclosure pursuant to ORS 192.410 to 192.505.

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

13 **SECTION 83.** Portland State University may commission special campus security officers  
 14 with authority and immunities set forth in ORS 352.385.

15 **SECTION 84.** (1) The Portland State University Board of Directors may enact such reg-  
 16 ulations as the board deems convenient or necessary to provide for the policing, control and  
 17 regulation of traffic and parking of vehicles on Portland State University property. The reg-  
 18 ulations may provide for the registration of vehicles, the designation of parking areas and  
 19 the assessment and collection of reasonable fees and charges for parking. The board may  
 20 require that before a quarterly or yearly parking privilege for any vehicle is granted to any  
 21 full-time or part-time student to use board property, the student must show that the vehicle  
 22 is operated by a student holding a valid driver license, that the vehicle is currently registered  
 23 and that the student driving the vehicle is insured under a motor vehicle liability insurance  
 24 policy that meets the requirements described in ORS 806.080 or that the student or owner  
 25 of the vehicle has provided the Department of Transportation with other satisfactory proof  
 26 of compliance with the financial responsibility requirements of this state.

27 (2) The regulations enacted pursuant to subsection (1) of this section shall be enforced  
 28 administratively under procedures adopted by the board. Administrative and disciplinary  
 29 sanctions may be imposed upon students, faculty and staff for violation of the regulations,  
 30 including, but not limited to, a reasonable monetary penalty that may be deducted from  
 31 student deposits and faculty or staff salaries or other funds in the possession of the univer-  
 32 sity. The board shall provide opportunity for hearing for the determination of controversies  
 33 in connection with imposition of fines or penalties. Persons other than students, faculty or  
 34 staff may voluntarily submit to the hearing procedures prescribed by the board, and shall  
 35 be bound by the results of the hearing. The powers granted to the board by this section are  
 36 supplemental to the existing powers of the board with respect to the governance of activities  
 37 of students, faculty and staff and the control and management of property under the board's  
 38 jurisdiction.

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

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

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

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

13 **SECTION 85.** (1) For the purpose of requesting a state or nationwide criminal records  
 14 check under ORS 181.534, Portland State University may require the fingerprints of a person  
 15 who:

16 (a)(A) Is employed or applying for employment by the university; or

17 (B) Provides services or seeks to provide services to the university as a contractor or  
 18 volunteer; and

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

21 (2) For the purposes of this section, “critical or security-sensitive position” means a po-  
 22 sition in which the person:

23 (a) Has direct access to persons under 18 years of age, or has direct access to student  
 24 residence facilities because the person’s work duties require the person to be present in the  
 25 residence facility;

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

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

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

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

36 (f) Has financial, financial aid, payroll or purchasing responsibilities as one of the  
 37 person’s primary responsibilities; or

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

41 **SECTION 86.** Portland State University may adopt policies relating to the creation, use,  
 42 custody and disclosure of, including access to, student education records of the university  
 43 that are consistent with the requirements of applicable state and federal law. Whenever a  
 44 student has attained 18 years of age or is attending the university, the permission or consent  
 45 required of and the rights accorded to a parent of the student regarding education records

1 is thereafter only required of and accorded to the student.

2 **SECTION 87. (1) Portland State University may not refuse admission or expel a student**  
 3 **for the sole reason that, because of religious beliefs, the student is unable to attend classes**  
 4 **on a particular day.**

5 **(2) Any student enrolled at the university who, because of religious beliefs, is unable to**  
 6 **attend classes on a particular day, must be excused on that day from any examination, study**  
 7 **requirement or work requirement. However, at the student's own expense, the student may**  
 8 **be required to make up the examination, study requirement or work requirement missed**  
 9 **because of the absence.**

10 **SECTION 88. (1) A student enrolled at Portland State University who is a member of the**  
 11 **military and who is ordered to federal or state active duty for more than 30 consecutive days**  
 12 **has the following rights:**

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

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

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

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

20 **(b) The right to a credit described in section 89 of this 2012 Act for all amounts paid for**  
 21 **room, board, tuition and fees;**

22 **(c) If the student elects to withdraw from the university, the right to be readmitted and**  
 23 **reenrolled at the university within one year after release from active duty without a re-**  
 24 **quirement for redetermination of admission eligibility; and**

25 **(d) The right to continuation of scholarships and grants awarded to the student that were**  
 26 **funded by the university or the Oregon Student Access Commission before the student was**  
 27 **ordered to active duty.**

28 **(2) If the student elects to withdraw from a course under subsection (1)(a)(A) of this**  
 29 **section, the university may not:**

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

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

33 **(c) Alter the student's grade point average due to the student's withdrawal from the**  
 34 **course.**

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

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

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

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

45 **(4) The Portland State University Board of Directors shall adopt rules for the adminis-**

1 **tration of this section.**

2 **(5) As used in this section, “member of the military” means a person who is a member**  
 3 **of:**

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

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

7 **SECTION 89. (1)(a) The amount of the credit specified in section 88 (1)(b) of this 2012 Act**  
 8 **shall be based on:**

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

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

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

15 **(c) At the time a student withdraws from a course at Portland State University or from**  
 16 **the university, the student must elect to claim the credit:**

17 **(A) As a credit toward tuition and fees or room and board if the student reenrolls at the**  
 18 **university under section 88 (1)(c) of this 2012 Act; or**

19 **(B) As a monetary payment.**

20 **(2) A student who elects to claim the credit by the method described in subsection**  
 21 **(1)(c)(A) of this section may change the method of claiming the credit to the method de-**  
 22 **scribed in subsection (1)(c)(B) of this section by giving notice to the university.**

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

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

29 **(5) The Portland State University Board of Directors shall adopt rules for the adminis-**  
 30 **tration of this section, including rules that determine the amount of credit and the method**  
 31 **by which the credit is prorated.**

32 **SECTION 90. Portland State University shall give credit for education and training ob-**  
 33 **tained by a person while serving in the Armed Forces of the United States, as defined in ORS**  
 34 **351.642. The education and training for which credit may be given must meet the standards**  
 35 **adopted by the Portland State University Board of Directors.**

36 **SECTION 91. (1) Portland State University shall charge an enrolled student who is not**  
 37 **a resident of this state and who is attending classes as an undergraduate tuition and fees**  
 38 **no greater than the resident rate plus 50 percent of the difference between the resident rate**  
 39 **and the nonresident rate if the student served in the Armed Forces of the United States and**  
 40 **was relieved or discharged from that service under honorable conditions.**

41 **(2) The university shall participate to the fullest extent allowed in the federal educational**  
 42 **assistance programs under the Supplemental Appropriations Act, 2008 (P.L. 110-252) so as to**  
 43 **reduce the overall tuition rate for students eligible for tuition rate reduction under sub-**  
 44 **section (1) of this section to the resident tuition rate.**

45 **(3) A person who served in the Armed Forces of the United States and who receives**

1 federal tuition benefits in excess of the tuition and fees the person is charged under sub-  
 2 section (1) of this section at the university shall pay tuition and fees equal to the federal  
 3 tuition benefits received.

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

6 (5) If a nonresident student otherwise eligible for tuition benefits under this section is  
 7 receiving federal vocational rehabilitation education benefits, that student shall pay full  
 8 nonresident tuition and fees charged by Portland State University.

9 **SECTION 92.** (1) Portland State University shall convene a physical access committee to  
 10 identify barriers to access by persons with disabilities at the university. The committee shall  
 11 include, but not be limited to:

- 12 (a) One or more students with disabilities or, if there are no students with disabilities
- 13 willing to participate, a person with a disability who uses the university's facilities;
- 14 (b) One or more members of the faculty or staff who have disabilities;
- 15 (c) The coordinator of services for students with disabilities for the university;
- 16 (d) One or more administrators of the university; and
- 17 (e) One or more members of the physical plant staff of the university.

18 (2) The physical access committee shall present its findings and recommendations to the  
 19 Portland State University Board of Directors, listing access needs and priorities for meeting  
 20 those needs. These findings and recommendations shall identify the barriers to access that  
 21 prevent persons with disabilities from meaningfully utilizing campus facilities related to in-  
 22 struction, academic support, assembly and residence life.

23 (3) In preparing funding requests for each biennium pursuant to section 81 of this 2012  
 24 Act, the university shall include amounts for capital improvement that will be applied to the  
 25 substantial reduction and eventual elimination of barriers to access by persons with disabili-  
 26 ties as identified by the physical access committee.

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

30 **SECTION 93.** (1) The Portland State University Board of Directors may adopt policies  
 31 governing access to Portland State University personnel records that are less than 25 years  
 32 old.

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

39 (3) A rule or order adopted pursuant to this section may not deny to a faculty member  
 40 full access to the member's personnel file or records kept by the university, except as pro-  
 41 vided in subsection (4)(d) and (e) of this section.

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

44 (b) Any evaluation received by telephone shall be documented in each of the faculty  
 45 member's files by means of a written summary of the conversation with the names of the

1 conversants identified.

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

5 (d) Letters and other information for a faculty member of the university submitted in  
 6 confidence to the State Board of Higher Education or its institutions, schools or departments  
 7 prior to July 1, 1975, shall be maintained in the files designated by paragraph (a) of this  
 8 subsection. However, if a faculty member requests access to those files, the anonymity of  
 9 the contributor of letters and other information obtained prior to July 1, 1975, shall be pro-  
 10 tected. The full text shall be made available, except that portions of the text that would serve  
 11 to identify the contributor shall be excised by a faculty committee. Only the names of the  
 12 contributors and the excised portions of the documents may be kept in a file other than the  
 13 files designated by paragraph (a) of this subsection.

14 (e) Confidential letters and other information submitted to or solicited by the university  
 15 after July 1, 2012, and prior to the employment of a prospective faculty member are exempt  
 16 from the provisions of this paragraph. However, if the member is employed by the university,  
 17 the confidential preemployment materials shall be placed in the files designated by paragraph  
 18 (a) of this subsection. If a faculty member requests access to the member's files, the ano-  
 19 nymity of the contributor of confidential preemployment letters and other preemployment  
 20 information shall be protected. The full text shall be made available, except that portions of  
 21 the text that would serve to identify the contributor shall be excised and retained in a file  
 22 other than the files designated by paragraph (a) of this subsection.

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

27 (g) The university, when evaluating its employed faculty members, may not solicit or  
 28 accept letters, documents or other materials, given orally or in written form, from individ-  
 29 uals or groups who wish their identity kept anonymous or the information the individuals  
 30 or groups provide kept confidential.

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

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

37 (7) As used in this section, "personnel records" means records containing information  
 38 kept by the university concerning a faculty member and furnished by the faculty member  
 39 or by others about the faculty member at the member's or at the university's request, in-  
 40 cluding but not limited to information concerning discipline, membership activity and em-  
 41 ployment performance, or other personal records of individual persons.

42 **SECTION 94.** (1) The Portland State University Board of Directors may authorize receipt  
 43 of compensation by any officer or employee from private or public resources, including, but  
 44 not limited to, income from:

45 (a) Consulting;

1 (b) Appearances and speeches;

2 (c) Intellectual property conceived, reduced to practice or originated and therefore owned  
3 within Portland State University;

4 (d) Providing services or other valuable consideration for a private corporation, individual  
5 or entity, whether paid in cash or in-kind, stock or other equity interest, or anything of  
6 value regardless of whether there is a licensing agreement between the university and the  
7 private entity; and

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

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

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

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

24 **SECTION 95.** The president and professors constitute the faculty of Portland State Uni-  
25 versity and have the immediate government and discipline of it and the students therein. The  
26 faculty may, subject to the supervision of the Portland State University Board of Directors,  
27 prescribe the course of study to be pursued at the university and the textbooks to be used.

28 **SECTION 96.** Portland State University shall consider and maintain affirmative action  
29 plans and goals when reductions in faculty and staff are required as a result of:

30 (1) Reductions in revenue that necessitate discontinuance of the university's educational  
31 program at its anticipated level;

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

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

34 **SECTION 97.** A political or sectarian test may never be allowed or applied in the ap-  
35 pointment of faculty and other employees of Portland State University.

36 **SECTION 98.** (1) Nothing in sections 65 to 114 of this 2012 Act may be construed to impair  
37 the obligations or agreements of the State of Oregon or the State Board of Higher Education  
38 with respect to bonds, certificates of participation, financing agreements or other agree-  
39 ments for the borrowing of money issued prior to the effective date of this 2012 Act by the  
40 State of Oregon on behalf of the State Board of Higher Education for equipment or projects  
41 for the benefit of Portland State University. The university and the Oregon University Sys-  
42 tem shall take all actions necessary to ensure full compliance with all indentures, resol-  
43 utions, declarations, agreements and other documents issued with respect to the bonds,  
44 certificates of participation, financing agreements or other agreements for the borrowing of  
45 money issued prior to the effective date of this 2012 Act by the State of Oregon on behalf

1 of the State Board of Higher Education for the benefit of the university.

2 (2) The university and the Oregon University System shall establish, in a written agree-  
 3 ment that is subject to the approval of the State Treasurer:

4 (a) The responsibility of the university for the payment to the State Board of Higher  
 5 Education of moneys sufficient to pay when due all principal, interest and any other charges  
 6 on bonds, certificates of participation, financing agreements or other agreements for the  
 7 borrowing of money issued prior to the effective date of this 2012 Act by the State of Oregon  
 8 on behalf of the State Board of Higher Education for the benefit of the university; and

9 (b) A requirement that the university periodically provide cash flow projections and other  
 10 information as the State Treasurer requests to determine the sufficiency of the university's  
 11 revenues to satisfy the requirements of bonds, certificates of participation, financing agree-  
 12 ments or other agreements for the borrowing of money issued prior to and after the effective  
 13 date of this 2012 Act by the State of Oregon for the benefit of the university, credit en-  
 14 hancement devices or agreements for exchange of interest rates entered into in connection  
 15 with those borrowings and any loans to the university funded by state general obligation  
 16 bonds issued prior to the effective date of this 2012 Act.

17 (3)(a) Holders of obligations issued on or after the effective date of this 2012 Act by the  
 18 university may be paid after the university reserves sufficient funds each biennium to satisfy  
 19 any payment or reserve requirements relating to bonds, certificates of participation, financ-  
 20 ing agreements or other agreements for the borrowing of moneys issued by the State of  
 21 Oregon for the benefit of the university, credit enhancement devices or agreements for ex-  
 22 change of interest rates entered into in connection with those borrowings and loans to the  
 23 university funded by state general obligation bonds.

24 (b) The university may pledge all or a portion of its remaining rents, revenues, receipts,  
 25 appropriations or other income to secure revenue bonds issued under section 99 of this 2012  
 26 Act, credit enhancement devices or agreements for exchange of interest rates related to  
 27 such revenue bonds, or other obligations issued by the university, but only to the extent  
 28 that:

29 (A) Such holders have no rights, liens or other interests with respect to such rents, re-  
 30 venues, receipts, appropriations or other income of the university that are on parity with  
 31 or are senior or superior to the rights granted to the State of Oregon and the holders of  
 32 bonds, certificates of participation, financing agreements or other agreements for the bor-  
 33 rowing of moneys issued by the State Treasurer for the benefit of the university, credit en-  
 34 hancement devices or agreements for exchange of interest rates entered into in connection  
 35 with those borrowings and loans to the university funded by state general obligation bonds  
 36 issued prior to the effective date of this 2012 Act; and

37 (B) The State Board of Higher Education, the Oregon Department of Administrative  
 38 Services or the State of Oregon is granted a lien or other security interest in the rents, re-  
 39 venues, receipts, appropriations or other income of the university that is superior to any lien  
 40 or other security interest granted to the holders of obligations issued by the university.

41 (4)(a) The principal, interest and any premium on any bonds, certificates of participation,  
 42 financing agreements or other agreements for the borrowing of moneys issued before or af-  
 43 ter the effective date of this 2012 Act by the State of Oregon for the benefit of the university,  
 44 and any credit enhancement devices or agreements for exchange of interest rates entered  
 45 into in connection with those borrowings, shall be paid from the sources specified in the laws

1 and documents authorizing the bond, certificate of participation, financing agreement or  
2 other agreement for the borrowing of moneys, credit enhancement device or agreement for  
3 exchange of interest rates. The university must pay any other expenses and liabilities, in-  
4 cluding but not limited to closing costs, legal expenses, costs of settling claims, judgments,  
5 federal arbitrage rebates and penalties and expenses arising from an inquiry, audit or other  
6 action by a federal or state regulatory body, except to the extent that the liability or expense  
7 results from the negligence or willful misconduct of a state agency.

8 (b) Pursuant to ORS chapter 180, on behalf of the State Treasurer or any other state  
9 agency, the Attorney General shall appear, commence, prosecute or defend any action, suit,  
10 cause or proceeding arising from any bonds, certificates of participation, financing agree-  
11 ments or other agreements for the borrowing of moneys, and any credit enhancement de-  
12 vices or agreements for exchange of interest rates entered into in connection with those  
13 borrowings, issued by the State of Oregon for the benefit of the university.

14 (5) Any amounts deposited with the State Treasurer, the Controller of the Oregon Uni-  
15 versity System, or the Oregon Department of Administrative Services or its designated  
16 agents, in any debt service in reserve accounts for the debt service associated with any  
17 bonds, certificates of participation, financing agreements or other agreements for the bor-  
18 rowing of moneys issued prior to the effective date of this 2012 Act by the State of Oregon  
19 on behalf of the State Board of Higher Education for the benefit of the university shall re-  
20 main with the State Treasurer, the Controller of the Oregon University System, or the  
21 Oregon Department of Administrative Services or its designated agents, until such time as  
22 the bonds, certificates of participation, financing agreements or other agreements for the  
23 borrowing of moneys, for which such debt service in reserve accounts has been established,  
24 have been retired or defeased.

25 SECTION 99. Portland State University may from time to time issue and sell revenue  
26 bonds in accordance with ORS chapter 287A. The university must receive approval from the  
27 Oregon Education Investment Board before issuing or selling any revenue bonds. However,  
28 the provisions contained in ORS 287A.150 (2) to (6) do not apply to revenue bonds issued by  
29 the university. Such revenue bonds are neither a general obligation of the university nor a  
30 charge upon any revenues or property of the university not specifically pledged thereto. An  
31 obligation described in this section is not an indebtedness of the State of Oregon.

32 SECTION 100. Revenue bonds issued by Portland State University under section 99 of this  
33 2012 Act are considered to be bonds or obligations of a political subdivision of the State of  
34 Oregon for the purposes of all laws of this state.

35 SECTION 101. Refunding bonds and advance refunding bonds of the same character and  
36 tenor as those replaced by them may be issued by Portland State University pursuant to ORS  
37 287A.360 to 287A.380.

38 SECTION 102. In addition to, and not in limitation of, the means of satisfying state gen-  
39 eral obligation bond obligations under ORS 291.445, Portland State University, promptly upon  
40 the discovery of any shortfall in moneys available to the university for the payment when  
41 due of amounts under any bonds, certificates of participation, financing agreements or other  
42 agreements for the borrowing of moneys issued prior to the effective date of this 2012 Act  
43 by the State of Oregon on behalf of the State Board of Higher Education for equipment or  
44 projects for the benefit of the university, shall notify in writing the Legislative Assembly,  
45 or if the Legislative Assembly is not in session, the Emergency Board, of the existence and

1 amount of the shortfall. The Legislative Assembly or the Emergency Board, as the case may  
2 be, may allocate funds to satisfy the payment of any such amount. By enacting this section,  
3 the Legislative Assembly acknowledges its current intention to allocate, from funds other  
4 than those appropriated or otherwise made available to the Oregon University System or to  
5 the Oregon Department of Administrative Services for direct allocation to the university,  
6 funds to pay such amount. However, except as may be required by the Oregon Constitution  
7 or ORS 291.445, neither the Legislative Assembly nor the Emergency Board shall have any  
8 legal obligation to allocate funds under this section.

9 **SECTION 103.** In order to provide funds for the purposes specified in article XI-G of the  
10 Oregon Constitution, the Portland State University Board of Directors may request the State  
11 Treasurer to issue bonds in accordance with the provisions of ORS chapter 286A.

12 **SECTION 104.** In order to provide funds for the purposes specified in Article XI-F(1) of  
13 the Oregon Constitution, the Portland State University Board of Directors may request the  
14 State Treasurer to issue bonds in accordance with the provisions of ORS chapter 286A.

15 **SECTION 105.** If the electors of this state authorize the issuance of bonds for the benefit  
16 of Portland State University individually or in its capacity as a public university, the  
17 Portland State University Board of Directors may request the State Treasurer to issue bonds  
18 for such purposes in accordance with the provisions of ORS chapter 286A.

19 **SECTION 106.** If the Portland State University Board of Directors requests the State  
20 Treasurer to issue bonds pursuant to sections 103 to 105 of this 2012 Act, the board shall be  
21 a related agency under ORS 286A.001 to 286A.195 for issuance or administration of the bonds.

22 **SECTION 107.** As used in sections 107 to 111 of this 2012 Act:

23 (1) "Credit enhancement agreement" means any agreement or contractual relationship  
24 between Portland State University and any bank, trust company, insurance company, surety  
25 bonding company, pension fund or other financial institution providing additional credit on  
26 or security for a financing agreement or certificates of participation authorized by sections  
27 107 to 111 of this 2012 Act.

28 (2) "Financing agreement" means a lease-purchase agreement, an installment sale  
29 agreement, a loan agreement, a note agreement, short-term promissory notes, commercial  
30 papers, lines of credit or similar obligations or any other agreement to finance real or per-  
31 sonal property that is or will be owned and operated by the university, or to refinance pre-  
32 viously executed financing agreements.

33 (3) "Personal property" means tangible personal property, software and fixtures.

34 (4) "Property rights" means, with respect to personal property, the rights of a secured  
35 party under ORS chapter 79, and, with respect to real property, the rights of a trustee or  
36 lender under a lease authorized by section 110 (1)(d) of this 2012 Act.

37 (5) "Software" means software and training and maintenance contracts related to the  
38 operation of computing equipment.

39 **SECTION 108.** (1) Subject to the limitations of section 99 of this 2012 Act, Portland State  
40 University may enter into financing agreements in accordance with sections 107 to 111 of this  
41 2012 Act, upon such terms as the university finds to be advantageous. Amounts payable by  
42 the university under a financing agreement shall be limited to funds available for such pur-  
43 poses under section 99 of this 2012 Act and specifically pledged, budgeted for or otherwise  
44 made available by the university. If there are insufficient funds available to pay amounts due  
45 under a financing agreement, the lender may exercise any property rights that the university

1 has granted to it in the financing agreement against the property that was purchased with  
2 the proceeds of the financing agreement, and may apply the amounts so received toward  
3 payments scheduled to be made by the university under the financing agreement.

4 (2) Subsection (1) of this section does not apply to, and the university may not grant a  
5 security interest in, lease as security for or grant any other right under, a financing agree-  
6 ment with respect to any real or personal property that has been financed with general ob-  
7 ligation bonds, certificates of participation, financing agreements or other borrowings of the  
8 State of Oregon for the benefit of the university unless those obligations of the State of  
9 Oregon are fully paid.

10 SECTION 109. The Portland State University Board of Directors may delegate to any  
11 board member, the president of Portland State University or the president's designee the  
12 authority to determine maturity dates, principal amounts, redemption provisions, interest  
13 rates or methods for determining variable or adjustable interest rates, denominations and  
14 other terms and conditions of such obligations that are not appropriately determined at the  
15 time of enactment or adoption of the authorizing resolution. The board may also delegate  
16 entering into financing agreements or any other instruments authorized by law. This deleg-  
17 ated authority shall be exercised subject to applicable requirements of law and such limita-  
18 tions and criteria as may be set forth in the authorizing resolution.

19 SECTION 110. (1) Portland State University may:

20 (a) Enter into agreements with third parties to hold financing agreement proceeds, pay-  
21 ments and reserves as security for lenders, and to issue certificates of participation in the  
22 right to receive payments due from the university under a financing agreement. Amounts  
23 so held shall be invested at the direction of the Portland State University Board of Directors.  
24 Interest earned on any investments held as security for a financing agreement may, at the  
25 option of the board, be credited to the accounts held by the third party and applied in pay-  
26 ment of sums due under a financing agreement.

27 (b) Enter into credit enhancement agreements for financing agreements or certificates  
28 of participation, provided that such credit enhancement agreements shall be payable solely  
29 from funds specifically pledged, budgeted for or otherwise made available by the university  
30 and amounts received from the exercise of property rights granted under such financing  
31 agreements.

32 (c) Use financing agreements to finance the costs of acquiring or refinancing real or  
33 personal property, plus the costs of reserves, credit enhancements and costs associated with  
34 obtaining the financing.

35 (d) Grant leases of real property with a trustee or lender. Such leases may be for a term  
36 that ends on the date on which all amounts due under a financing agreement have been paid  
37 or provision for payment has been made, or for a term of up to 20 years after the last  
38 scheduled payment under a financing agreement, whichever is later. Such leases may grant  
39 the trustee or lender the right to evict the university and exclude it from possession of the  
40 real property for the term of the lease if the university fails to pay when due the amounts  
41 scheduled to be paid under a financing agreement, or otherwise defaults under a financing  
42 agreement. Upon default, the trustee or lender may sublease the land to third parties and  
43 apply any rentals toward payments scheduled to be made under a financing agreement.

44 (e) Grant security interests in personal property to trustees or lenders.

45 (f) Make pledges for the benefit of trustees and lenders.

1 (g) Purchase fire and extended coverage or other casualty insurance for property that is  
2 acquired or refinanced with proceeds of a financing agreement, assign the proceeds thereof  
3 to a lender or trustee to the extent of their interest, and covenant to maintain such insur-  
4 ance while the financing agreement is unpaid, as long as available funds are sufficient to  
5 purchase such insurance.

6 (2) The provisions of subsection (1) of this section do not apply to, and the university  
7 may not grant a security interest in, lease as security for or grant any other right under, a  
8 financing agreement with respect to any real or personal property that has been financed  
9 with general obligation bonds, certificates of participation, financing agreements or other  
10 borrowings of the State of Oregon for the benefit of the university unless those obligations  
11 of the State of Oregon are fully paid.

12 SECTION 111. A lease or financing agreement under sections 107 to 111 of this 2012 Act  
13 does not cause property to be subject to property taxation and is disregarded in determining  
14 whether property is exempt from taxation under ORS chapter 307.

15 SECTION 112. The Portland State University Board of Directors may, in its discretion,  
16 accept financial assistance and grants, either in the form of money or labor, from the United  
17 States or any of its agencies, subject to the terms and conditions thereof, regardless of any  
18 laws of this state in conflict with the regulations of the federal government with respect  
19 thereto, and may also accept from others any donation or grant of land or gift of money or  
20 other valuable gift or thing, for any of the purposes contemplated by Article XI-F(1) and  
21 Article XI-G of the Oregon Constitution and sections 100 to 111 of this 2012 Act. Unless en-  
22 joined by the terms or conditions of any such gift or grant, the board may convert the same,  
23 or any of them, into money, through sale or disposal thereof.

24 SECTION 113. (1) The Oregon Education Investment Board, in coordination with Portland  
25 State University, shall adopt performance benchmarks for the university. The benchmarks  
26 must reflect the educational outcomes that the Oregon Education Investment Board expects  
27 from the university. The Oregon Education Investment Board may not prescribe how the  
28 benchmarks are to be achieved. The president of the university and the Portland State Uni-  
29 versity Board of Directors have exclusive jurisdiction and control over the means and  
30 methods of achieving the performance benchmarks.

31 (2) The Oregon Education Investment Board annually shall assess the university's com-  
32 pliance with the benchmarks described in subsection (1) of this section and shall issue an  
33 annual report as to the university's achievements. The investment board may recommend  
34 to the Legislative Assembly incentives to encourage compliance with the benchmarks or  
35 penalties for failure to comply with one or more benchmarks.

36 (3) The university and the Oregon University System shall coordinate academic programs  
37 so that the programs are integrated and complementary. To accomplish this purpose, uni-  
38 versity officers shall maintain a role in the appropriate committees of the State Board of  
39 Higher Education and the Oregon University System.

40 (4) The Oregon Education Investment Board shall have final authority over creation of  
41 new degree programs at Portland State University.

42 SECTION 114. The Portland State University Board of Directors shall adopt a policy that  
43 prescribes the requirements for a venture grant program and the requirements that a grant  
44 applicant must meet in order to receive grant moneys from the university venture develop-  
45 ment fund administered by Portland State University, including requirements:

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

3 (2) That the university report amounts of tax credit certificates issued by the university  
 4 and cease issuing certificates until the total amount owed to the General Fund by the uni-  
 5 versity at any one time under ORS 351.697 (6) does not exceed \$2.4 million; and

6 (3) That the university maintain records of income realized by the university as the re-  
 7 sult of grants made from the university venture development fund and records of amounts  
 8 paid to the General Fund.

9 **SECTION 115.** As used in sections 115 to 126 of this 2012 Act:

10 (1) "Former university" means Portland State University in its former status as a uni-  
 11 versity within the Oregon University System under ORS 352.002, as set forth in the 2011  
 12 Edition of the Oregon Revised Statutes.

13 (2) "University" means Portland State University as established under section 66 of this  
 14 2012 Act.

15 (3) "University board" means the Portland State University Board of Directors estab-  
 16 lished under section 68 of this 2012 Act.

17 **SECTION 116.** (1) Pursuant to the provisions of ORS 236.605 to 236.640, and except as  
 18 otherwise expressly provided in sections 65 to 114 of this 2012 Act, all persons employed by  
 19 Portland State University on the effective date of this 2012 Act shall continue their employ-  
 20 ment with the university and shall retain any seniority, contractual rights or tenure granted  
 21 prior to the effective date of this 2012 Act.

22 (2) Nothing in sections 65 to 114 of this 2012 Act shall affect the representation rights  
 23 of collective bargaining organizations that represent university employees. Nothing in  
 24 sections 65 to 114 of this 2012 Act shall affect any term or condition of any collective bar-  
 25 gaining agreement in effect on the effective date of this 2012 Act.

26 **SECTION 117.** All of the duties, functions and powers of the former university are  
 27 transferred to the university as if the university were a continuation of the former univer-  
 28 sity and not a new authority.

29 **SECTION 118.** (1) All records and property of the former university shall be considered  
 30 the records and property of the university.

31 (2) There are transferred to the Portland State University Board of Directors title to and  
 32 possession of all the supplies, materials, equipment, records, books, papers and facilities of  
 33 the State Board of Higher Education pertaining to the former university.

34 (3) Title to real property acquired prior to the effective date of this 2012 Act utilized by  
 35 the former university or held or managed by the State of Oregon for the benefit of the for-  
 36 mer university shall be continuously held in the name of the State of Oregon, except that  
 37 the university has the exclusive care, custody and control of such real property and facilities.

38 (4) The Portland State University Board of Directors may sell, convey or lease such  
 39 property, or any interest therein, as the university board deems in the best interest of the  
 40 university as provided in section 77 of this 2012 Act.

41 **SECTION 119.** All unexpended moneys, including but not limited to General Fund appro-  
 42 priations, gifts, bequests, other funds, assessments, liability and worker's compensation re-  
 43 serves and premiums that are appropriated to, held, managed or invested by or on behalf of  
 44 or otherwise available to the former university or its president, for the purposes of any of  
 45 its duties, functions or powers transferred by sections 65 to 114 of this 2012 Act to the uni-

1    **versity, are appropriated and transferred to the university.**

2       **SECTION 120. (1) Any proceeding, action, prosecution or other business or matter**  
3 **undertaken or commenced before the effective date of this 2012 Act by the former university,**  
4 **with respect to the duties, functions or powers transferred to the university by sections 65**  
5 **to 114 of this 2012 Act and still pending on the effective date of this 2012 Act may be con-**  
6 **ducted and completed by the university in the same manner, under the same terms and**  
7 **conditions and with the same effect as though undertaken, conducted or completed by the**  
8 **former university before the transfer.**

9       **(2) The transfer of duties, functions and powers to the Portland State University Board**  
10 **of Directors under sections 65 to 114 of this 2012 Act does not affect any action, suit, pro-**  
11 **ceeding or prosecution involving or with respect to such duties, functions and powers begun**  
12 **before and pending at the time of the transfer, except that the university board shall be**  
13 **substituted for the State Board of Higher Education in any such action, suit, proceeding or**  
14 **prosecution.**

15       **(3) Any proceeding, action, prosecution or other business or matter undertaken or com-**  
16 **menced before the effective date of this 2012 Act by a state officer or agency, with respect**  
17 **to the duties, functions or powers transferred to the university and still pending on the ef-**  
18 **fective date of this 2012 Act, may be conducted and completed by the university in the same**  
19 **manner, under the same terms and conditions and with the same effect as though under-**  
20 **taken, conducted or completed by the former university before the transfer.**

21       **SECTION 121. Nothing in sections 65 to 114 of this 2012 Act relieves any person of any**  
22 **obligation with respect to a tax, fee, fine or other charge, interest, penalty, forfeiture or**  
23 **other liability, duty or obligation.**

24       **SECTION 122. The university is considered to be a continuation of the former university**  
25 **with respect to its duties, functions and powers, and not a new authority for the purpose of**  
26 **succession to all rights and obligations of the former university as constituted at the time**  
27 **of such assignment or transfer, except as otherwise provided in sections 65 to 114 of this 2012**  
28 **Act, with the same force and effect as if such duties, functions and powers had not been**  
29 **assigned or transferred.**

30       **SECTION 123. (1) Whenever, in any law or resolution of the Legislative Assembly or in**  
31 **any rule, document, record or proceeding authorized thereby, reference is made to the for-**  
32 **mer university, or an employee of the former university, whose duties, functions or powers**  
33 **are assigned or transferred by sections 65 to 114 of this 2012 Act, except as otherwise pro-**  
34 **vided by sections 65 to 114 of this 2012 Act, such reference is considered to describe the**  
35 **university or employee of the university that, by sections 65 to 114 of this 2012 Act, is**  
36 **charged with carrying out such duties, functions and powers.**

37       **(2) There are imposed upon, transferred to and vested in the Portland State University**  
38 **Board of Directors the duties, functions and powers of the State Board of Higher Education**  
39 **that pertain to the former university.**

40       **(3) Notwithstanding the transfer of duties, functions and powers by sections 65 to 114 of**  
41 **this 2012 Act, the lawfully adopted rules of the State Board of Higher Education pertaining**  
42 **to the former university in effect on the effective date of this 2012 Act continue in effect**  
43 **until lawfully superseded or repealed by the Portland State University Board of Directors.**  
44 **References in rules of the State Board of Higher Education to the state board or an officer**  
45 **or employee of the state board are considered to be references to the Portland State Uni-**



1 providing law library services.

2 (3) To the [*Oregon University System* ] **Portland State University and the University of**  
 3 **Oregon** to fund the programs and expenses of the Mark O. Hatfield School of Government and the  
 4 University of Oregon School of Law under ORS 36.100 to 36.238 and 183.502.

5 (4) To the Housing and Community Services Department for the purpose of funding programs  
 6 that defray the cost of rent for dwelling units for very low income households.

7 (5) To the Oregon University System to fund clinical legal education programs at accredited  
 8 institutions of higher education that provide civil legal services to victims of domestic violence,  
 9 stalking or sexual assault.

10 (6) To the State Department of Agriculture for the purpose of funding mediation programs es-  
 11 tablished by the department, other than individual farm credit mediations.

12 (7) To the Judicial Department for the purposes of funding the appellate mediation program es-  
 13 tablished under ORS 2.560.

14 (8) To the Department of Human Services for the funding of the Office of Children’s Advocate.

15 **SECTION 129.** ORS 30.264 is amended to read:

16 30.264. (1)(a) The State Board of Higher Education may authorize public universities listed in  
 17 ORS 352.002 to provide liability insurance coverage for students involved in off-campus experiential  
 18 activities, including, but not limited to, student teaching, internships, clinical experiences, capstone  
 19 projects and related activities.

20 [(2)] (b) If commercial liability insurance coverage is not available to the public universities,  
 21 students participating in the activities described in [*subsection (1) of this section*] **paragraph (a) of**  
 22 **this subsection** shall be considered to be acting within the course and scope of state employment  
 23 duties for purposes of ORS 30.260 to 30.300.

24 (2)(a) **The University of Oregon Board of Directors may authorize the University of**  
 25 **Oregon to provide liability insurance coverage for students involved in off-campus**  
 26 **experiential activities, including, but not limited to, student teaching, internships, clinical**  
 27 **experiences, capstone projects and related activities.**

28 (b) **If commercial liability insurance is not available to the university, students partic-**  
 29 **ipating in the activities described in paragraph (a) of this subsection shall be considered to**  
 30 **be acting within the course and scope of university employment duties for the purposes of**  
 31 **ORS 30.260 to 30.300.**

32 (3)(a) **The Portland State University Board of Directors may authorize Portland State**  
 33 **University to provide liability insurance coverage for students involved in off-campus**  
 34 **experiential activities, including, but not limited to, student teaching, internships, clinical**  
 35 **experiences, capstone projects and related activities.**

36 (b) **If commercial liability insurance is not available to the university, students partic-**  
 37 **ipating in the activities described in paragraph (a) of this subsection shall be considered to**  
 38 **be acting within the course and scope of university employment duties for the purposes of**  
 39 **ORS 30.260 to 30.300.**

40 **SECTION 130.** ORS 30.864 is amended to read:

41 30.864. (1) Any person claiming to be aggrieved by the reckless disclosure of personally iden-  
 42 tifiable information from a student’s education records as prohibited by rules of the State Board of  
 43 Education, **the Portland State University Board of Directors, the University of Oregon Board**  
 44 **of Directors** or the State Board of Higher Education may file a civil action in circuit court for  
 45 equitable relief or, subject to the terms and conditions of ORS 30.265 to 30.300, for damages, or both.

1 The court may order such other relief as may be appropriate.

2 (2) The action authorized by this section shall be filed within two years of the alleged unlawful  
3 disclosure.

4 (3) In an action brought under this section, the court may allow the prevailing party costs, dis-  
5 bursements and reasonable attorney fees.

6 **SECTION 131.** ORS 36.145 is amended to read:

7 36.145. The Dispute Resolution Account is established in the State Treasury, separate and dis-  
8 tinct from the General Fund. All moneys received under ORS 36.150 shall be deposited to the credit  
9 of the account. Notwithstanding the provisions of ORS 291.238, all moneys in the account are con-  
10 tinuously appropriated to the [*Oregon University System*] **University of Oregon or Portland State**  
11 **University** for the purposes for which the moneys were made available and shall be expended in  
12 accordance with the terms and conditions upon which the moneys were made available.

13 **SECTION 132.** ORS 36.150 is amended to read:

14 36.150. [*The Oregon University System*] **Portland State University**, on behalf of the Mark O.  
15 Hatfield School of Government, and **the University of Oregon, on behalf of** the University of  
16 Oregon School of Law, may accept and expend moneys from any public or private source, including  
17 the federal government, made available for the purpose of encouraging, promoting or establishing  
18 dispute resolution programs in Oregon or to facilitate and assist the schools in carrying out the  
19 responsibilities of the schools under ORS 36.100 to 36.238 and 183.502. All moneys received by [*the*  
20 *Oregon University System*] **Portland State University and the University of Oregon** under this  
21 section shall be deposited in the Dispute Resolution Account.

22 **SECTION 133.** ORS 36.155 is amended to read:

23 36.155. The Dean of the University of Oregon School of Law shall award grants for the purpose  
24 of providing dispute resolution services in counties. Grants under this section shall be made from  
25 funds [*appropriated*] **allocated** to the [*Oregon University System*] **University of Oregon** on behalf  
26 of the University of Oregon School of Law for distribution under this section. The [*State Board of*  
27 *Higher Education*] **University of Oregon Board of Directors** may adopt rules for the operation of  
28 the grant program.

29 **SECTION 134.** ORS 131.594 is amended to read:

30 131.594. (1) After the seizing agency distributes property under ORS 131.588, and when the  
31 seizing agency is not the state, the seizing agency shall dispose of and distribute property as follows:

32 (a) The seizing agency shall pay costs first from the property or its proceeds. As used in this  
33 subsection, "costs" includes the expenses of publication, service of notices, towing, storage and  
34 servicing or maintaining the seized property under ORS 131.564.

35 (b) After costs have been paid, the seizing agency shall distribute to the victim any amount the  
36 seizing agency was ordered to distribute under ORS 131.588 (4).

37 (c) After costs have been paid and distributions under paragraph (b) of this subsection have been  
38 made, the seizing agency shall distribute the rest of the property to the general fund of the political  
39 subdivision that operates the seizing agency.

40 (2) Of the property distributed under subsection (1)(c) of this section, the political subdivision  
41 shall distribute:

42 (a) Three percent to the Asset Forfeiture Oversight Account established in ORS 131A.460;

43 (b) Seven percent to the Illegal Drug Cleanup Fund established in ORS 475.495 for the purposes  
44 specified in ORS 475.495 (5) and (6); and

45 (c) Ten percent to the state General Fund.

1 (3) Of the property distributed under subsection (1)(c) of this section that remains in the general  
 2 fund of the political subdivision after the distributions required by subsection (2) of this section have  
 3 been made:

4 (a) Fifty percent must be for official law enforcement use; and

5 (b) Fifty percent must be used for substance abuse treatment pursuant to a plan developed under  
 6 ORS 430.420.

7 (4) Except as otherwise provided by intergovernmental agreement, the seizing agency may:

8 (a) Sell, lease, lend or transfer the property or proceeds to any federal, state or local law  
 9 enforcement agency or district attorney.

10 (b) Sell the forfeited property by public or other commercially reasonable sale and pay from the  
 11 proceeds the expenses of keeping and selling the property.

12 (c) Retain the property.

13 (d) With written authorization from the district attorney for the seizing agency's jurisdiction,  
 14 destroy any firearms or controlled substances.

15 (5) A political subdivision may sell as much property as may be needed to make the distributions  
 16 required by subsections (1) and (2) of this section. A political subdivision shall make distributions  
 17 to the Asset Forfeiture Oversight Account, the Illegal Drug Cleanup Fund and the state General  
 18 Fund that are required by subsection (2) of this section once every three months. The distributions  
 19 are due within 20 days of the end of each quarter. Interest does not accrue on amounts that are paid  
 20 within the period specified by this subsection.

21 (6) A seizing agency may donate growing equipment and laboratory equipment that was used,  
 22 or intended for use, in manufacturing of controlled substances to a public school, a community col-  
 23 lege [or], a public university listed in ORS 352.002, **Portland State University or the University**  
 24 **of Oregon**.

25 (7) This section applies only to criminal forfeiture proceeds arising out of prohibited conduct.

26 **SECTION 135.** ORS 181.871 is amended to read:

27 181.871. (1) ORS 181.870 to 181.887 do not apply to:

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

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

31 (c) An officer or employee of this state, **the University of Oregon established by section 2**  
 32 **of this 2012 Act, Portland State University established by section 66 of this 2012 Act,** Oregon  
 33 Health and Science University established by ORS 353.020 or the United States while performing  
 34 duties of the office or employment.

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

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

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

39 (g) A person who monitors alarm systems that are not designed to detect threats to public safety  
 40 or personal well-being.

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

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

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

45 (k) A person performing crowd management or guest services, including, but not limited to, a

1 person described as a ticket taker, an usher, a parking attendant or event staff or a person employed  
 2 for the purpose of age verification and controlling access at an entrance of the premises by a  
 3 licensee of the Oregon Liquor Control Commission.

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

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

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

11 (o) A person who provides security services as a volunteer or for de minimis consideration other  
 12 than money for an event operated for the benefit of a corporation that is organized not for profit  
 13 pursuant to ORS chapter 65 or any predecessor of ORS chapter 65 or that is exempt from taxation  
 14 under section 501(a) of the Internal Revenue Code as an organization described in section 501(c) of  
 15 the Internal Revenue Code.

16 (p) A student enrolled in a community college as defined in ORS 341.005 while engaged in non-  
 17 confrontational activities that contribute to campus safety under the direct or indirect supervision  
 18 of a law enforcement professional or private security professional certified or licensed by the De-  
 19 partment of Public Safety Standards and Training, provided the community college has conducted  
 20 a criminal background check on the student.

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

22 (a) To a person who is not:

23 (A) Armed;

24 (B) Permitted to initiate confrontational activities; or

25 (C) Hired with the primary responsibility of taking enforcement action as described in ORS  
 26 181.870 (8)(f);

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

30 (c) If any enforcement action, as described in ORS 181.870 (8)(f), other than incidental or tem-  
 31 porary action, is taken by or under the supervision of a person certified or licensed under ORS  
 32 181.878; and

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

36 **SECTION 136.** ORS 182.122 is amended to read:

37 182.122. (1) As used in this section:

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

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

43 (2) The Oregon Department of Administrative Services has responsibility for and authority over  
 44 information systems security in the executive department, including taking all measures reasonably  
 45 necessary to protect the availability, integrity or confidentiality of information systems or the in-

1 formation stored in information systems. The Oregon Department of Administrative Services shall,  
2 after consultation and collaborative development with agencies, establish a state information sys-  
3 tems security plan and associated standards, policies and procedures.

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

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

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

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

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

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

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

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

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

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

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

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

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

42 (8)(a) Agencies are responsible for the security of computers, hardware, software, storage media,  
43 networks, operational procedures and processes used in the collection, processing, storage, sharing  
44 or distribution of information outside the state's shared computing and network infrastructure fol-  
45 lowing information security standards, policies and procedures established by the Oregon Depart-

1 ment of Administrative Services and developed collaboratively with agencies. Agencies may  
 2 establish plans, standards and measures that are more stringent than the standards established by  
 3 the department to address specific agency needs if those plans, standards and measures do not  
 4 contradict or contravene the state information systems security plan. Independent agency security  
 5 plans shall be developed within the framework of the state information systems security plan.

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

9 (9) This section does not apply to:

10 (a) Research and student computer systems used by or in conjunction with the **University of**  
 11 **Oregon, Portland State University, the** State Board of Higher Education or any public university  
 12 listed in ORS 352.002; and

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

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

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

19 **SECTION 137.** ORS 183.635 is amended to read:

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

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

25 (a) Attorney General.

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

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

28 (d) Department of Corrections.

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

30 (f) Department of Human Services for vocational rehabilitation services cases under 29 U.S.C.  
 31 722(c) and disability determination cases under 42 U.S.C. 405.

32 (g) Department of Revenue.

33 (h) Department of State Police.

34 (i) Employment Appeals Board.

35 (j) Employment Relations Board.

36 (k) Energy Facility Siting Council.

37 (L) Fair Dismissal Appeals Board.

38 (m) Governor.

39 (n) Land Conservation and Development Commission.

40 (o) Land Use Board of Appeals.

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

42 (q) Oregon University System and public universities listed in ORS 352.002.

43 (r) Oregon Youth Authority.

44 (s) **Portland State University.**

45 [(s)] (t) Psychiatric Security Review Board.

1        [(t)] (u) The Oregon Health Authority for hearings conducted under ORS 161.315 to 161.351.

2        [(u)] (v) Public Utility Commission.

3        [(v)] (w) State Accident Insurance Fund Corporation.

4        [(w)] (x) State Apprenticeship and Training Council.

5        [(x)] (y) State Board of Parole and Post-Prison Supervision.

6        [(y)] (z) State Land Board.

7        [(z)] (aa) State Treasurer.

8        **(bb) University of Oregon.**

9        [(aa)] (cc) Wage and Hour Commission.

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

15        (a) ORS 86A.095 to 86A.198, 86A.990 and 86A.992 and ORS chapter 59;

16        (b) ORS chapter 455;

17        (c) ORS chapter 674;

18        (d) ORS chapters 706 to 716;

19        (e) ORS chapter 717;

20        (f) ORS chapters 723, 725 and 726; and

21        (g) ORS chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748 and 750.

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

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

27        (a) Federal law requires that a different administrative law judge or hearing officer be used; or

28        (b) Use of an administrative law judge from the office could result in a loss of federal funds.

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

32        **SECTION 138.** ORS 184.475 is amended to read:

33        184.475. (1) The purposes of information technology portfolio-based management are to:

34        (a) Ensure that state agencies link their information technology investments with business plans;

35        (b) Facilitate risk assessment of information technology projects and investments;

36        (c) Ensure that state agencies justify information technology investments on the basis of sound  
37 business cases;

38        (d) Ensure that state agencies facilitate development and review of information technology per-  
39 formance related to business operations;

40        (e) Identify projects that can cross agency and program lines to leverage resources; and

41        (f) Assist in state government-wide planning for common, shared information technology  
42 infrastructure.

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

1 (3) In cooperation with state agencies, the department shall conduct and maintain a continuous  
 2 inventory of each state agency's current and planned investments in information technology, a  
 3 compilation of information about those assets and the total life cycle cost of those assets. The de-  
 4 partment shall develop and implement state government-wide standards, processes and procedures  
 5 for the required inventory and for the management of the state government-wide information tech-  
 6 nology portfolio. State agencies shall participate in the information technology portfolio-based man-  
 7 agement and shall comply with the standards, processes and procedures established by the  
 8 department under this subsection. The provisions of this subsection do not relieve any state agency  
 9 from accountability for equipment, materials, supplies and tangible and intangible personal property  
 10 under its control.

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

14 (5) This section does not apply to competitive research grants and contracts at public universi-  
 15 ties listed in ORS 352.002, **Portland State University or the University of Oregon.**

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

19 **SECTION 139.** ORS 184.477 is amended to read:

20 184.477. (1) The purpose of enterprise management is to create a plan and implement a state  
 21 government-wide approach for managing distributed information technology assets to minimize total  
 22 ownership costs from acquisition through retirement, while realizing maximum benefits for trans-  
 23 acting the state's business and delivering services to its citizens.

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

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

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

34 (5) This section does not apply to competitive research grants and contracts at public universi-  
 35 ties listed in ORS 352.002, **Portland State University or the University of Oregon.**

36 **SECTION 140.** ORS 184.631 is amended to read:

37 184.631. (1) The Department of Transportation shall establish a public-private partnership re-  
 38 search and development program.

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

- 43 (a) Individuals.
- 44 (b) Businesses.
- 45 (c) Nonprofit organizations.

1 (d) The State Board of Higher Education.

2 (e) **The University of Oregon.**

3 (f) **Portland State University.**

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

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

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

11 **SECTION 141.** ORS 190.410 is amended to read:

12 190.410. As used in ORS 190.410 to 190.440, “public agency” includes:

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

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

17 (3) Oregon Health and Science University;

18 (4) **Portland State University; and**

19 (5) **The University of Oregon.**

20 **SECTION 142.** ORS 192.501 is amended to read:

21 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505  
22 unless the public interest requires disclosure in the particular instance:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and  
 25 663.180.

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

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

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

34 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and  
 35 564.100, regarding the habitat, location or population of any threatened species or endangered spe-  
 36 cies.

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

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

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

45 (b) Analyses, compilations and other manipulated forms of the original data produced by use of

1 the program; or

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

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

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

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

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

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

24 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS  
25 247.967.

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

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

30 (b) Credit reports;

31 (c) Project appraisals;

32 (d) Market studies and analyses;

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

34 (f) Commitment letters;

35 (g) Project pro forma statements;

36 (h) Project cost certifications and cost data;

37 (i) Audits;

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

39 (k) Tenant files relating to certification; and

40 (L) Housing assistance payment requests.

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

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

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

45 (c) Disrupt, interfere with or gain unauthorized access to public funds or to information pro-

1 censing, communication or telecommunication systems, including the information contained in the  
2 systems, that are used or operated by a public body.

3 (23) Records or information that would reveal or otherwise identify security measures, or  
4 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to  
5 protect:

6 (a) An individual;

7 (b) Buildings or other property;

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

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

12 (24) Personal information held by or under the direction of officials of the Oregon Health and  
13 Science University, **Portland State University, the University of Oregon** or the Oregon Univer-  
14 sity System about a person who has or who is interested in donating money or property to the  
15 university, the system or a public university listed in ORS 352.002, if the information is related to  
16 the family of the person, personal assets of the person or is incidental information not related to the  
17 donation.

18 (25) The home address, professional address and telephone number of a person who has or who  
19 is interested in donating money or property to **Portland State University, the University of**  
20 **Oregon** or the Oregon University System.

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

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

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

29 (29) The electronic mail address of a student who attends a public university listed in ORS  
30 352.002, **Portland State University, the University of Oregon** or Oregon Health and Science  
31 University.

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

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

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

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

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

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

1 closure;

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

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

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

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

9 (32) Unless the public records request is made by a financial institution, as defined in ORS  
 10 706.008, consumer finance company licensed under ORS chapter 725, mortgage banker or mortgage  
 11 broker licensed under ORS 86A.095 to 86A.198, or title company for business purposes, records de-  
 12 scribed in paragraph (a) of this subsection, if the exemption from disclosure of the records is sought  
 13 by an individual described in paragraph (b) of this subsection using the procedure described in par-  
 14 agraph (c) of this subsection:

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

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

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

21 (b) The individual claiming the exemption from disclosure must be a district attorney, a deputy  
 22 district attorney, the Attorney General or an assistant attorney general, the United States Attorney  
 23 for the District of Oregon or an assistant United States attorney for the District of Oregon, a city  
 24 attorney who engages in the prosecution of criminal matters or a deputy city attorney who engages  
 25 in the prosecution of criminal matters.

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

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

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

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

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

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

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

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

4 (36) A medical examiner’s report, autopsy report or laboratory test report ordered by a medical  
 5 examiner under ORS 146.117.

6 (37) Any document or other information related to an audit of a public body, as defined in ORS  
 7 174.109, that is in the custody of an auditor or audit organization operating under nationally re-  
 8 cognized government auditing standards, until the auditor or audit organization issues a final audit  
 9 report in accordance with those standards or the audit is abandoned. This exemption does not pro-  
 10 hibit disclosure of a draft audit report that is provided to the audited entity for the entity’s response  
 11 to the audit findings.

12 **SECTION 143.** ORS 192.501, as amended by section 3, chapter 455, Oregon Laws 2005, section  
 13 7, chapter 608, Oregon Laws 2007, section 2, chapter 687, Oregon Laws 2007, section 2, chapter 48,  
 14 Oregon Laws 2008, section 3, chapter 57, Oregon Laws 2009, section 2, chapter 135, Oregon Laws  
 15 2009, section 4, chapter 222, Oregon Laws 2009, section 2, chapter 769, Oregon Laws 2009, section  
 16 15, chapter 9, Oregon Laws 2011, section 2, chapter 285, Oregon Laws 2011, and section 69, chapter  
 17 637, Oregon Laws 2011, is amended to read:

18 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505  
 19 unless the public interest requires disclosure in the particular instance:

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

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

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

- 37 (a) The arrested person’s name, age, residence, employment, marital status and similar bi-  
 38 ographical information;
- 39 (b) The offense with which the arrested person is charged;
- 40 (c) The conditions of release pursuant to ORS 135.230 to 135.290;
- 41 (d) The identity of and biographical information concerning both complaining party and victim;
- 42 (e) The identity of the investigating and arresting agency and the length of the investigation;
- 43 (f) The circumstances of arrest, including time, place, resistance, pursuit and weapons used; and
- 44 (g) Such information as may be necessary to enlist public assistance in apprehending fugitives  
 45 from justice.

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

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

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

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

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

21 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and  
22 663.180.

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

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

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

31 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and  
32 564.100, regarding the habitat, location or population of any threatened species or endangered spe-  
33 cies.

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

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

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

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

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

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

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

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

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

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

21 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS  
 22 247.967.

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

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

27 (b) Credit reports;

28 (c) Project appraisals;

29 (d) Market studies and analyses;

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

31 (f) Commitment letters;

32 (g) Project pro forma statements;

33 (h) Project cost certifications and cost data;

34 (i) Audits;

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

36 (k) Tenant files relating to certification; and

37 (L) Housing assistance payment requests.

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

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

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

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

45 (23) Records or information that would reveal or otherwise identify security measures, or

1 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to  
2 protect:

3 (a) An individual;

4 (b) Buildings or other property;

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

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

9 (24) Personal information held by or under the direction of officials of the Oregon Health and  
10 Science University, **Portland State University, the University of Oregon** or the Oregon Univer-  
11 sity System about a person who has or who is interested in donating money or property to the  
12 university, the system or a public university listed in ORS 352.002, if the information is related to  
13 the family of the person, personal assets of the person or is incidental information not related to the  
14 donation.

15 (25) The home address, professional address and telephone number of a person who has or who  
16 is interested in donating money or property to **Portland State University, the University of**  
17 **Oregon** or the Oregon University System.

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

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

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

26 (29) The electronic mail address of a student who attends a public university listed in ORS  
27 352.002, **Portland State University, the University of Oregon** or Oregon Health and Science  
28 University.

29 (30) 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 (31) 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, or title company for business purposes, records de-  
 4 scribed in paragraph (a) of this subsection, if the exemption from disclosure of the records is sought  
 5 by an individual described in paragraph (b) of this subsection using the procedure described in par-  
 6 agraph (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 (32) Land management plans required for voluntary stewardship agreements entered into under  
 25 ORS 541.423.

26 (33) 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 (34) 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 (35) A medical examiner's report, autopsy report or laboratory test report ordered by a medical  
 42 examiner under ORS 146.117.

43 (36) Any document or other information related to an audit of a public body, as defined in ORS  
 44 174.109, that is in the custody of an auditor or audit organization operating under nationally re-  
 45 cognized government auditing standards, until the auditor or audit organization issues a final audit

1 report in accordance with those standards or the audit is abandoned. This exemption does not pro-  
 2 hibit disclosure of a draft audit report that is provided to the audited entity for the entity's response  
 3 to the audit findings.

4 **SECTION 144.** ORS 205.450 is amended to read:

5 205.450. As used in ORS 205.450 to 205.470:

6 (1) "Encumbrance" means a claim, lien, charge or liability attached to and binding property.

7 (2) "Encumbrance claimant" means a person who purportedly benefits from the filing of an  
 8 encumbrance.

9 (3) "Federal official or employee" has the meaning given the term "employee of the  
 10 government" in the Federal Tort Claims Act (28 U.S.C. 2671).

11 (4) "Filing" includes filing or recording.

12 (5) "Invalid claim of encumbrance" means a claim of encumbrance that is not a valid claim of  
 13 encumbrance.

14 (6) "Property" includes, but is not limited to, real and personal property.

15 (7) "State or local official or employee" means an appointed or elected official, employee or  
 16 agent of:

17 (a) A branch of government of this state or a state agency, board, commission or department  
 18 of a branch of government of this state;

19 (b) A public university listed in ORS 352.002, **Portland State University or the University**  
 20 **of Oregon**;

21 (c) A community college or local school district in this state;

22 (d) A city, county or other political subdivision in this state; or

23 (e) A public corporation in this state.

24 (8) "Valid claim of encumbrance" is an encumbrance that:

25 (a) Is an encumbrance authorized by statute;

26 (b) Is a consensual encumbrance recognized under the laws of this state; or

27 (c) Is an equitable, constructive or other encumbrance imposed by a court of competent juris-  
 28 diction.

29 **SECTION 145.** ORS 238.005 is amended to read:

30 238.005. For purposes of this chapter:

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

34 (2) "Annuity" means payments for life derived from contributions made by a member as provided  
 35 in this chapter.

36 (3) "Board" means the Public Employees Retirement Board.

37 (4) "Calendar year" means 12 calendar months commencing on January 1 and ending on De-  
 38 cember 31 following.

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

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

44 (b) An employee who was in the armed services on January 1, 1945, and returned to the service  
 45 of the employer within one year of the date of being otherwise than dishonorably discharged and

1 remained in that employment until having established membership in the Public Employees Retirement System.  
2

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

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

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

12 (a) Persons engaged as independent contractors.

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

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

18 (d) Persons employed and paid from federal funds received under a federal program intended  
19 primarily to alleviate unemployment. However, any such person shall be considered an "employee"  
20 if not otherwise excluded by paragraphs (a) to (c) of this subsection and the public employer elects  
21 to have the person so considered by an irrevocable written notice to the board.

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

25 (9) "Final average salary" means whichever of the following is greater:

26 (a) The average salary per calendar year paid by one or more participating public employers to  
27 an employee who is an active member of the system in three of the calendar years of membership  
28 before the effective date of retirement of the employee, in which three years the employee was paid  
29 the highest salary. The three calendar years in which the employee was paid the largest total salary  
30 may include calendar years in which the employee was employed for less than a full calendar year.  
31 If the number of calendar years of active membership before the effective date of retirement of the  
32 employee is three or fewer, the final average salary for the employee is the average salary per cal-  
33 endar year paid by one or more participating public employers to the employee in all of those years,  
34 without regard to whether the employee was employed for the full calendar year.

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

38 (10) "Firefighter" does not include a volunteer firefighter, but does include:

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

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

43 (11) "Fiscal year" means 12 calendar months commencing on July 1 and ending on June 30 fol-  
44 lowing.

45 (12) "Fund" means the Public Employees Retirement Fund.

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

4 (14) "Institution of higher education" means a public university listed in ORS 352.002, the  
5 Oregon Health and Science University, **Portland State University**, **the University of Oregon** and  
6 a community college, as defined in ORS 341.005.

7 (15) "Member" means a person who has established membership in the system and whose mem-  
8 bership has not been terminated as described in ORS 238.095. "Member" includes active, inactive  
9 and retired members.

10 (16) "Member account" means the regular account and the variable account.

11 (17) "Normal retirement age" means:

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

15 (b) For a person who establishes membership in the system on or after January 1, 1996, as de-  
16 scribed in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or  
17 firefighter or 60 years of age if the employee retires at that age as other than a police officer or  
18 firefighter.

19 (18) "Pension" means annual payments for life derived from contributions by one or more public  
20 employers.

21 (19) "Police officer" includes:

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

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

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

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

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

35 (f) Police officers who are commissioned by a university under ORS 352.383 and who are clas-  
36 sified as police officers by the university.

37 (g) Parole and probation officers employed by the Department of Corrections, parole and pro-  
38 bation officers who are transferred to county employment under ORS 423.549 and adult parole and  
39 probation officers, as defined in ORS 181.610, who are classified as police officers for the purposes  
40 of this chapter by the county governing body. If a county classifies adult parole and probation offi-  
41 cers as police officers for the purposes of this chapter, and the employees so classified are repres-  
42 ented by a labor organization, any proposal by the county to change that classification or to cease  
43 to classify adult parole and probation officers as police officers for the purposes of this chapter is  
44 a mandatory subject of bargaining.

45 (h) Police officers appointed under ORS 276.021 or 276.023.

1 (i) Employees of the Port of Portland who are classified as airport police by the Board of Com-  
2 missioners of the Port of Portland.

3 (j) Employees of the State Department of Agriculture who are classified as livestock police of-  
4 ficers by the Director of Agriculture.

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

7 (L) Investigators of the Criminal Justice Division of the Department of Justice.

8 (m) Corrections officers as defined in ORS 181.610.

9 (n) Employees of the Oregon State Lottery Commission who are classified by the Director of the  
10 Oregon State Lottery as enforcement agents pursuant to ORS 461.110.

11 (o) The Director of the Department of Corrections.

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

16 (q) An employee of the Department of Corrections classified as a police officer on or prior to  
17 July 27, 1989, whether or not that classification was authorized by law, as long as the employee  
18 remains in the position held on July 27, 1989. The initial classification of an employee under a sys-  
19 tem implemented pursuant to ORS 240.190 does not affect police officer status.

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

23 (s) Employees at youth correction facilities and juvenile detention facilities under ORS 419A.050,  
24 419A.052 and 420.005 to 420.915 who are required to hold valid Oregon teaching licenses and who  
25 have supervisory, control or teaching responsibilities over juveniles committed to the custody of the  
26 Department of Corrections or the Oregon Youth Authority.

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

30 (u) Employees of the Oregon Youth Authority who are classified as juvenile parole and pro-  
31 bation officers.

32 (20) "Prior service credit" means credit provided under ORS 238.442 or under ORS 238.225 (2)  
33 to (6) (1999 Edition).

34 (21) "Public employer" means the state, one of its agencies, any city, county, or municipal or  
35 public corporation, any political subdivision of the state or any instrumentality thereof, or an agency  
36 created by one or more such governmental organizations to provide governmental services. For  
37 purposes of this chapter, such agency created by one or more governmental organizations is a gov-  
38 ernmental instrumentality and a legal entity with power to enter into contracts, hold property and  
39 sue and be sued.

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

44 (23) "Regular account" means the account established for each active and inactive member un-  
45 der ORS 238.250.

1 (24) "Retired member" means a member who is retired for service or disability.

2 (25) "Retirement credit" means a period of time that is treated as creditable service for the  
3 purposes of this chapter.

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

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

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

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

13 (C) Retroactive payments described in ORS 238.008; and

14 (D) Wages of a deceased member paid to a surviving spouse or dependent children under ORS  
15 652.190.

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

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

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

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

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

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

25 (F) Any retirement incentive, retirement severance pay, retirement bonus or retirement  
26 gratuitous payment;

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

30 (H) Payments for instructional services rendered to public universities of the Oregon University  
31 System, **the University of Oregon, Portland State University** or the Oregon Health and Science  
32 University when such services are in excess of full-time employment subject to this chapter. A per-  
33 son employed under a contract for less than 12 months is subject to this subparagraph only for the  
34 months to which the contract pertains; or

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

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

38 (28) "System" means the Public Employees Retirement System.

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

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

42 (31) "Volunteer firefighter" means a firefighter whose position normally requires less than 600  
43 hours of service per year.

44 **SECTION 146.** ORS 238.200 is amended to read:

45 238.200. (1)(a) An active member of the Public Employees Retirement System shall contribute to

1 the Public Employees Retirement Fund and there shall be withheld from salary of the member six  
2 percent of that salary as an employee contribution.

3 (b) Notwithstanding paragraph (a) of this subsection, an employee who is an active member of  
4 the system on August 21, 1981, shall contribute to the fund and there shall be withheld from salary  
5 of the member, as long as the employee continues to be an active member of the system, four percent  
6 of that salary if the salary for a month is less than \$500, or five percent of that salary if the salary  
7 for a month is \$500 or more and less than \$1,000. Notwithstanding subsection (2) of this section, for  
8 the purpose of computing the percentage of salary to be withheld under this paragraph from a  
9 member who is an employee of a school district, **Portland State University, the University of**  
10 **Oregon** or [of] the State Board of Higher Education whose salary is based on an annual agreement,  
11 the agreed annual salary of the member shall be divided into 12 equal installments, and each in-  
12 stallment shall be considered as earned and paid in separate, consecutive months, commencing with  
13 the first month that payment is actually made under the terms of the salary agreement.

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

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

23 (4) Notwithstanding subsections (1) to (3) of this section, a member of the system, or a partic-  
24 ipating employer acting on behalf of the member pursuant to ORS 238.205, is not permitted or re-  
25 quired to make employee contributions to the fund for service performed on or after January 1, 2004.  
26 This subsection does not affect any contribution for the purpose of unit purchases under ORS  
27 238.440 or amounts paid for acquisition of creditable service under ORS 238.105 to 238.175.

28 **SECTION 147.** ORS 238.215 is amended to read:

29 238.215. Notwithstanding any other provision of this chapter:

30 (1) An employee, as defined in ORS 243.910 (2), who is an active member of the system and who  
31 has elected, and not canceled that election, to be assisted by the State Board of Higher Education,  
32 **the Portland State University Board of Directors or the University of Oregon Board of Di-**  
33 **rectors** under ORS 243.920 (1), shall not contribute to the fund on any part of the annual salary of  
34 the employee in excess of \$4,800 at any time during which the [*State Board of Higher Education*]  
35 **relevant board** assists the employee under ORS 243.920 (1).

36 (2) The current service pension, whether for service or disability retirement, under this chapter  
37 provided by the contributions of the employers of such employee shall be:

38 (a) If the State Board of Higher Education, **the Portland State University Board of Directors**  
39 **or the University of Oregon Board of Directors** is assisting such employee under ORS 243.920 (1)  
40 at the time of retirement, a pension equal to the annuity provided by the employee's accumulated  
41 contributions to the fund.

42 (b) If the State Board of Higher Education, **the Portland State University Board of Directors**  
43 **or the University of Oregon Board of Directors** is not assisting such employee under ORS 243.920  
44 (1) at the time of retirement, but previously so assisted the employee:

45 (A) For service before the date the [*State Board of Higher Education*] **relevant board** last

1 ceased to assist the employee, a pension equal to the annuity provided by the employee's accumu-  
2 lated contributions to the fund before that date.

3 (B) For service on and after the date the [*State Board of Higher Education*] **relevant board** last  
4 ceased to so assist the employee, a pension computed as provided in ORS 238.300 (2), but if the  
5 employee retires before reaching the normal retirement age, actuarially reduced and computed on  
6 the then attained age. For the purpose of computing the pension under this subparagraph, only the  
7 number of years of membership of the employee after the day before that date and only the salary  
8 of the employee on which the employee contributes to the fund for those years shall be considered.

9 (3) Subsection (2) of this section does not apply to an employee, as defined in ORS 243.910 (2),  
10 who is an active member of the system, who elected to be assisted by the State Board of Higher  
11 Education, **the Portland State University Board of Directors or the University of Oregon**  
12 **Board of Directors** under ORS 243.920 (1) before January 1, 1968, who canceled that election within  
13 the first 60 days of the calendar year 1968 as provided in ORS 243.940 (5) and who does not there-  
14 after elect to be assisted by the [*State Board of Higher Education*] **relevant board** under ORS  
15 243.920 (1).

16 (4) Subsection (2) of this section does not apply to an employee, as defined in ORS 243.910 (2),  
17 who is an active member of the system and has been an active member of the system continuously  
18 since any date before January 1, 1968; who elected to be assisted by the State Board of Higher Ed-  
19 ucation, **the Portland State University Board of Directors or the University of Oregon Board**  
20 **of Directors** under ORS 243.920 (1) before January 1, 1968; and who cancels that election in any  
21 calendar year after 1968, but before the calendar year in which the employee retires, as provided  
22 in ORS 243.940 (5) and does not thereafter elect to be assisted by the [*State Board of Higher Edu-*  
23 *cation*] **relevant board** under ORS 243.920 (1). In this case the benefit, whether for service or disa-  
24 bility retirement, shall be computed as under ORS 238.300; however, for service during periods in  
25 which the employee was assisted by the [*State Board of Higher Education*] **relevant board** under  
26 ORS 243.920 (1), a year of membership as used in ORS 238.300 (2) shall be a portion of a year which  
27 is represented by a fraction the numerator of which is \$4,800 and the denominator of which is the  
28 salary earned by the employee in that year. However, in no case shall the fraction be greater than  
29 one.

30 **SECTION 148.** ORS 238A.005 is amended to read:

31 238A.005. For the purposes of this chapter:

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

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

37 (3) "Board" means the Public Employees Retirement Board.

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

40 (a) Persons engaged as independent contractors;

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

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

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

45 (e) Any person who is an inmate of a state institution;

1 (f) Employees of foreign trade offices of the Oregon Business Development Department who live  
2 and perform services in foreign countries under the provisions of ORS 285A.075 (1)(g);

3 (g) An employee actively participating in an alternative retirement program established under  
4 ORS 353.250 or an optional retirement plan established under ORS 341.551;

5 (h) Employees of the Oregon University System who are actively participating in an optional  
6 retirement plan offered under ORS 243.800;

7 (i) Any employee who belongs to a class of employees that was not eligible on August 28, 2003,  
8 for membership in the system under the provisions of ORS chapter 238 or other law;

9 (j) Any person who belongs to a class of employees who are not eligible to become members of  
10 the Oregon Public Service Retirement Plan under the provisions of ORS 238A.070 (2);

11 (k) Any person who is retired under ORS 238A.100 to 238A.245 or ORS chapter 238 and who  
12 continues to receive retirement benefits while employed; and

13 (L) Judges.

14 (5) "Firefighter" means:

15 (a) A person employed by a local government, as defined in ORS 174.116, whose primary job  
16 duties include the fighting of fires;

17 (b) The State Fire Marshal, the chief deputy state fire marshal and deputy state fire marshals;  
18 and

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

22 (6) "Fund" means the Public Employees Retirement Fund.

23 (7)(a) "Hour of service" means:

24 (A) An hour for which an eligible employee is directly or indirectly paid or entitled to payment  
25 by a participating public employer for performance of duties in a qualifying position; and

26 (B) An hour of vacation, holiday, illness, incapacity, jury duty, military duty or authorized leave  
27 during which an employee does not perform duties but for which the employee is directly or indi-  
28 rectly paid or entitled to payment by a participating public employer for services in a qualifying  
29 position, as long as the hour is within the number of hours regularly scheduled for the performance  
30 of duties during the period of vacation, holiday, illness, incapacity, jury duty, military duty or au-  
31 thorized leave.

32 (b) "Hour of service" does not include any hour for which payment is made or due under a plan  
33 maintained solely for the purpose of complying with applicable workers' compensation laws or un-  
34 employment compensation laws.

35 (8) "Inactive member" means a member of the pension program or the individual account pro-  
36 gram of the Oregon Public Service Retirement Plan whose membership has not been terminated, who  
37 is not a retired member and who is not employed in a qualifying position.

38 (9) "Individual account program" means the defined contribution individual account program of  
39 the Oregon Public Service Retirement Plan established under ORS 238A.025.

40 (10) "Institution of higher education" means a public university listed in ORS 352.002, the  
41 Oregon Health and Science University, **Portland State University**, **the University of Oregon** or  
42 a community college, as defined in ORS 341.005.

43 (11) "Member" means an eligible employee who has established membership in the pension pro-  
44 gram or the individual account program of the Oregon Public Service Retirement Plan and whose  
45 membership has not been terminated under ORS 238A.110 or 238A.310.

1 (12) "Participating public employer" means a public employer as defined in ORS 238.005 that  
 2 provides retirement benefits for employees of the public employer under the system.

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

5 (14) "Police officer" means a police officer as described in ORS 238.005.

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

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

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

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

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

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

23 (C) Any amount that is contributed to a cafeteria plan or qualified transportation fringe benefit  
 24 plan by the employer at the election of the employee and that is not includable in the taxable in-  
 25 come of the employee by reason of 26 U.S.C. 125 or 132(f)(4), as in effect on December 31, 2010.

26 (D) Any amount that is contributed to a cash or deferred arrangement by the employer at the  
 27 election of the employee and that is not included in the taxable income of the employee by reason  
 28 of 26 U.S.C. 402(e)(3), as in effect on December 31, 2010.

29 (E) Retroactive payments described in ORS 238.008.

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

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

35 (H) Wages of a deceased member paid to a surviving spouse or dependent children under ORS  
 36 652.190.

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

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

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

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

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

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

1 (F) Payment for a leave of absence after the date the employer and employee have agreed that  
 2 no future services in a qualifying position will be performed.

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

8 (H) The amount of an employee contribution to the individual account program that is paid by  
 9 the employer and is not deducted from the compensation of the employee, as provided under ORS  
 10 238A.335 (1) and (2)(b).

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

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

17 **SECTION 149.** ORS 240.185 is amended to read:

18 240.185. (1) On and after January 1, 1984, the number of persons employed by the state shall not  
 19 exceed 1.5 percent of the state's population of the prior year.

20 (2) The population figure shall be that required by ORS 190.510 to 190.610.

21 (3) This section applies to all full-time equivalent budgeted positions.

22 (4) This section does not apply to the Governor, the Secretary of State, the State Treasurer, the  
 23 Supreme Court or the Legislative Assembly in the conduct of duties vested in any of them by the  
 24 Oregon Constitution. However, this exception applies only to the office of the Governor and not to  
 25 the executive branch of government.

26 (5) This section does not apply to personnel who administer unemployment insurance benefits  
 27 programs of the Employment Department, to personnel who administer programs required to be im-  
 28 plemented as a condition for the continued certification of the Employment Division Law by the  
 29 United States Secretary of Labor or to personnel who administer programs implemented by the  
 30 United States Department of Labor under federal law if the state is required to enter into contracts  
 31 to provide such programs.

32 (6) This section does not apply to personnel whose positions are funded by the gifts, grants and  
 33 contracts program in the Oregon University System, **Portland State University or the University**  
 34 **of Oregon.**

35 (7) In order to assess the effect of subsection (1) of this section, the Oregon Department of Ad-  
 36 ministrative Services by December 31 of each even-numbered year shall conduct a workload analysis  
 37 of each state agency, regardless of whether the agency is exempt from the application of subsection  
 38 (1) of this section. The workload analysis of each agency shall be submitted to the Legislative As-  
 39 sembly prior to its convening in the subsequent odd-numbered year regular session and shall ac-  
 40 company the agency's budget request before the Joint Ways and Means Committee.

41 **SECTION 150.** ORS 243.105 is amended to read:

42 243.105. As used in ORS 243.105 to 243.285, unless the context requires otherwise:

43 (1) "Benefit plan" includes, but is not limited to:

44 (a) Contracts for insurance or other benefits, including medical, dental, vision, life, disability and  
 45 other health care recognized by state law, and related services and supplies;

1 (b) Comparable benefits for employees who rely on spiritual means of healing; and

2 (c) Self-insurance programs managed by the Public Employees' Benefit Board.

3 (2) "Board" means the Public Employees' Benefit Board.

4 (3) "Carrier" means an insurance company or health care service contractor holding a valid  
5 certificate of authority from the Director of the Department of Consumer and Business Services, or  
6 two or more companies or contractors acting together pursuant to a joint venture, partnership or  
7 other joint means of operation, or a board-approved guarantor of benefit plan coverage and com-  
8 pensation.

9 (4)(a) "Eligible employee" means an officer or employee of a state agency who elects to partic-  
10 ipate in one of the group benefit plans described in ORS 243.135. The term includes state officers  
11 and employees in the exempt, unclassified and classified service, and state officers and employees,  
12 whether or not retired, who:

13 (A) Are receiving a service retirement allowance, a disability retirement allowance or a pension  
14 under the Public Employees Retirement System or are receiving a service retirement allowance, a  
15 disability retirement allowance or a pension under any other retirement or disability benefit plan  
16 or system offered by the State of Oregon for its officers and employees;

17 (B) Are eligible to receive a service retirement allowance under the Public Employees Retire-  
18 ment System and have reached earliest retirement age under ORS chapter 238;

19 (C) Are eligible to receive a pension under ORS 238A.100 to 238A.245, and have reached earliest  
20 retirement age as described in ORS 238A.165; or

21 (D) Are eligible to receive a service retirement allowance or pension under another retirement  
22 benefit plan or system offered by the State of Oregon and have attained earliest retirement age  
23 under the plan or system.

24 (b) "Eligible employee" does not include individuals:

25 (A) Engaged as independent contractors;

26 (B) Whose periods of employment in emergency work are on an intermittent or irregular basis;

27 (C) Who are employed on less than half-time basis unless the individuals are employed in posi-  
28 tions classified as job-sharing positions, unless the individuals are defined as eligible under rules of  
29 the board;

30 (D) Appointed under ORS 240.309;

31 (E) Provided sheltered employment or make-work by the state in an employment or industries  
32 program maintained for the benefit of such individuals; or

33 (F) Provided student health care services in conjunction with their enrollment as students at a  
34 public university listed in ORS 352.002, **Portland State University or the University of Oregon.**

35 (5) "Family member" means an eligible employee's spouse and any unmarried child or stepchild  
36 within age limits and other conditions imposed by the board with regard to unmarried children or  
37 stepchildren.

38 (6) "Payroll disbursing officer" means the officer or official authorized to disburse moneys in  
39 payment of salaries and wages of employees of a state agency.

40 (7) "Premium" means the monthly or other periodic charge for a benefit plan.

41 (8) "State agency" means every state officer, board, commission, department or other activity  
42 of state government.

43 **SECTION 151.** ORS 243.107 is amended to read:

44 243.107. A person employed by a public university listed in ORS 352.002, **the University of**  
45 **Oregon, Portland State University** or the Oregon Health and Science University may be consid-

1 ered an eligible employee for participation in one of the group benefit plans described in ORS  
 2 243.135 if the State Board of Higher Education, **the University of Oregon Board of Directors, the**  
 3 **Portland State University Board of Directors**, or the Oregon Health and Science University  
 4 Board of Directors [*for Oregon Health and Science University employees*], determines that funds are  
 5 available therefor and if:

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

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

11 **SECTION 152.** ORS 243.778 is amended to read:

12 243.778. (1) When an appropriate bargaining unit includes members of the faculty of a public  
 13 university listed in ORS 352.002, **Portland State University or the University of Oregon**, the duly  
 14 organized and recognized entity of student government at that university may designate three rep-  
 15 resentatives to meet and confer with the public employer of those members of the faculty and the  
 16 exclusive representative of that appropriate bargaining unit prior to collective bargaining.

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

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

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

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

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

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

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

38 **SECTION 153.** ORS 243.820 is amended to read:

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

42 (a) The employee’s salary will be reduced monthly by a stated amount, or the employee will  
 43 forgo monthly a salary increase of a stated amount; and

44 (b) On behalf of the employee, the employer shall contribute monthly an amount equal to the  
 45 stated amount determined under paragraph (a) of this subsection as premiums for an annuity con-

1 tract or to a custodial account for investment in the stock of regulated investment companies as  
 2 defined in 26 U.S.C. 403(b)(7)(C). The amount contributed by the employer under this subsection  
 3 may not exceed the stated amount.

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

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

14 (4) As used in this section:

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

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

22 **SECTION 154.** ORS 243.850 is amended to read:

23 243.850. (1) An eligible football coach and the State Board of Higher Education, **the Portland**  
 24 **State University Board of Directors or the University of Oregon Board of Directors** may enter  
 25 into an agreement to provide that:

26 (a) The coach's salary will be reduced monthly by a stated amount that is not less than \$25 a  
 27 month, or the coach will forgo monthly a salary increase of a stated amount that is not less than  
 28 \$25 a month; and

29 (b) The State Board of Higher Education, **the Portland State University Board of Directors**  
 30 **or the University of Oregon Board of Directors** will contribute monthly an amount equal to the  
 31 stated amount determined under paragraph (a) of this subsection for the month to a designated  
 32 qualified football coaches plan. The amount contributed by the employer shall not exceed the stated  
 33 amount.

34 (2) The amount by which an eligible football coach's salary or wages is reduced by reason of the  
 35 salary reduction or forgoing of a salary increase authorized by subsection (1) of this section shall  
 36 continue to be included as regular compensation for the purpose of computing the retirement, pen-  
 37 sion and Social Security benefits earned by the coach, but that amount shall not be considered  
 38 current taxable income for the purpose of computing federal and state income taxes withheld on  
 39 behalf of that coach.

40 (3) For the purposes of this section:

41 (a) "Eligible football coach" means a staff member of the Oregon University System, **Portland**  
 42 **State University or the University of Oregon** who primarily coaches football as a full-time em-  
 43 ployee of a four-year university described in 26 U.S.C. 170(b)(1)(A)(ii).

44 (b) "Qualified football coaches plan" has the meaning given that term in 29 U.S.C. 1002(37).

45 **SECTION 155.** ORS 243.910 is amended to read:

1 243.910. As used in ORS 243.910 to 243.945:

2 (1) "Board" means the State Board of Higher Education for all public universities listed in ORS  
 3 352.002, **the University of Oregon Board of Directors for the University of Oregon, the**  
 4 **Portland State University Board of Directors for Portland State University** and [*for the Oregon*  
 5 *Health and Science University means*] the Oregon Health and Science University Board of Directors  
 6 **for the Oregon Health and Science University.**

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

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

10 **SECTION 156.** ORS 243.945 is amended to read:

11 243.945. Notwithstanding ORS 243.910 to 243.945, any person who is hired on or after September  
 12 9, 1995, is not eligible to be assisted by the Oregon University System, **Portland State University**  
 13 **or the University of Oregon** under the provisions of ORS 243.910 to 243.945.

14 **SECTION 157.** ORS 244.050 is amended to read:

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

18 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the  
 19 Bureau of Labor and Industries, district attorneys and members of the Legislative Assembly.

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

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

23 (d) The Deputy Attorney General.

24 (e) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the  
 25 Secretary of the Senate and the Chief Clerk of the House of Representatives.

26 (f) The Chancellor and Vice Chancellors of the Oregon University System and the president and  
 27 vice presidents, or their administrative equivalents, in each public university listed in ORS 352.002.

28 (g) The following state officers:

29 (A) Adjutant General.

30 (B) Director of Agriculture.

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

32 (D) Water Resources Director.

33 (E) Director of Department of Environmental Quality.

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

35 (G) State Fish and Wildlife Director.

36 (H) State Forester.

37 (I) State Geologist.

38 (J) Director of Human Services.

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

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

41 (M) State Librarian.

42 (N) Administrator of Oregon Liquor Control Commission.

43 (O) Superintendent of State Police.

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

45 (Q) Director of Department of Revenue.

- 1 (R) Director of Transportation.
- 2 (S) Public Utility Commissioner.
- 3 (T) Director of Veterans' Affairs.
- 4 (U) Executive director of Oregon Government Ethics Commission.
- 5 (V) Director of the State Department of Energy.
- 6 (W) Director and each assistant director of the Oregon State Lottery.
- 7 (X) Director of the Department of Corrections.
- 8 (Y) Director of the Oregon Department of Aviation.
- 9 (Z) Executive director of the Oregon Criminal Justice Commission.
- 10 (AA) Director of the Oregon Business Development Department.
- 11 (BB) Director of the Office of Emergency Management.
- 12 (CC) Director of the Employment Department.
- 13 (DD) Chief of staff for the Governor.
- 14 (EE) Administrator of the Office for Oregon Health Policy and Research.
- 15 (FF) Director of the Housing and Community Services Department.
- 16 (GG) State Court Administrator.
- 17 (HH) Director of the Department of Land Conservation and Development.
- 18 (II) Board chairperson of the Land Use Board of Appeals.
- 19 (JJ) State Marine Director.
- 20 (KK) Executive director of the Oregon Racing Commission.
- 21 (LL) State Parks and Recreation Director.
- 22 (MM) Public defense services executive director.
- 23 (NN) Chairperson of the Public Employees' Benefit Board.
- 24 (OO) Director of the Department of Public Safety Standards and Training.
- 25 (PP) Chairperson of the Oregon Student Access Commission.
- 26 (QQ) Executive director of the Oregon Watershed Enhancement Board.
- 27 (RR) Director of the Oregon Youth Authority.
- 28 (SS) Director of the Oregon Health Authority.
- 29 (TT) Deputy Superintendent of Public Instruction.
- 30 (h) Any assistant in the Governor's office other than personal secretaries and clerical personnel.
- 31 (i) Every elected city or county official.
- 32 (j) Every member of a city or county planning, zoning or development commission.
- 33 (k) The chief executive officer of a city or county who performs the duties of manager or prin-
- 34 cipal administrator of the city or county.
- 35 (L) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
- 36 (m) Every member of a governing body of a metropolitan service district and the executive of-
- 37 ficer thereof.
- 38 (n) Each member of the board of directors of the State Accident Insurance Fund Corporation.
- 39 (o) The chief administrative officer and the financial officer of each common and union high
- 40 school district, education service district and community college district.
- 41 (p) Every member of the following state boards and commissions:
- 42 (A) Board of Geologic and Mineral Industries.
- 43 (B) Oregon Business Development Commission.
- 44 (C) State Board of Education.
- 45 (D) Environmental Quality Commission.

- 1 (E) Fish and Wildlife Commission of the State of Oregon.
- 2 (F) State Board of Forestry.
- 3 (G) Oregon Government Ethics Commission.
- 4 (H) Oregon Health Policy Board.
- 5 (I) State Board of Higher Education.
- 6 (J) Oregon Investment Council.
- 7 (K) Land Conservation and Development Commission.
- 8 (L) Oregon Liquor Control Commission.
- 9 (M) Oregon Short Term Fund Board.
- 10 (N) State Marine Board.
- 11 (O) Mass transit district boards.
- 12 (P) Energy Facility Siting Council.
- 13 (Q) Board of Commissioners of the Port of Portland.
- 14 (R) Employment Relations Board.
- 15 (S) Public Employees Retirement Board.
- 16 (T) Oregon Racing Commission.
- 17 (U) Oregon Transportation Commission.
- 18 (V) Wage and Hour Commission.
- 19 (W) Water Resources Commission.
- 20 (X) Workers' Compensation Board.
- 21 (Y) Oregon Facilities Authority.
- 22 (Z) Oregon State Lottery Commission.
- 23 (AA) Pacific Northwest Electric Power and Conservation Planning Council.
- 24 (BB) Columbia River Gorge Commission.
- 25 (CC) Oregon Health and Science University Board of Directors.
- 26 (DD) Capitol Planning Commission.
- 27 (EE) Higher Education Coordinating Commission.
- 28 **(FF) University of Oregon Board of Directors.**
- 29 **(GG) Portland State University Board of Directors.**
- 30 (q) The following officers of the State Treasurer:
  - 31 (A) Deputy State Treasurer.
  - 32 (B) Chief of staff for the office of the State Treasurer.
  - 33 (C) Director of the Investment Division.
- 34 (r) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725
- 35 or 777.915 to 777.953.
- 36 (s) Every member of the board of directors of an authority created under ORS 441.525 to 441.595.
- 37 (2) By April 15 next after the date an appointment takes effect, every appointed public official
- 38 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-
- 39 ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070
- 40 and 244.090.
- 41 (3) By April 15 next after the filing deadline for the primary election, each candidate described
- 42 in subsection (1) of this section shall file with the commission a statement of economic interest as
- 43 required under ORS 244.060, 244.070 and 244.090.
- 44 (4) Within 30 days after the filing deadline for the general election, each candidate described in
- 45 subsection (1) of this section who was not a candidate in the preceding primary election, or who

1 was nominated for public office described in subsection (1) of this section at the preceding primary  
2 election by write-in votes, shall file with the commission a statement of economic interest as re-  
3 quired under ORS 244.060, 244.070 and 244.090.

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

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

13 **SECTION 158.** ORS 270.100 is amended to read:

14 270.100. (1)(a) Before offering for sale any real property or equitable interest therein owned by  
15 the state, the state agency acting for the state in such transaction shall report its intent of sale or  
16 transfer to the Oregon Department of Administrative Services. The department, or the agency spe-  
17 cifically designated by the department, shall notify other state agencies authorized to own real  
18 property of the intended sale or transfer to determine whether acquisition of the real property or  
19 interest therein would be advantageous to another state agency.

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

26 (c) If property is not disposed of under paragraph (a) or (b) of this subsection, in accordance  
27 with rules adopted by the department, the state agency desiring to sell or transfer the property shall  
28 cause it to be appraised by one or more competent and experienced appraisers. Except as provided  
29 in ORS 273.825, if such property has an appraised value exceeding \$5,000 it shall not be sold to any  
30 private person except after notice calling for such proposals as set forth in ORS 270.130.

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

32 (2) Before acquisition of any real property or interest therein by any state agency, except for  
33 highway right of way acquired by the Department of Transportation and park properties acquired  
34 by the State Parks and Recreation Department and property within the approved projected campus  
35 boundaries for public universities of the Oregon University System, **Portland State University or**  
36 **the University of Oregon**, the state agency shall report its intent of acquisition to the Oregon  
37 Department of Administrative Services. The department shall notify other state agencies owning  
38 land of the intended acquisition to determine whether another state agency desires to sell or  
39 transfer property which would meet the needs of the purchasing agency. In accordance with rules  
40 adopted by the Oregon Department of Administrative Services, if no other state agency desires to  
41 sell or transfer property which would meet the needs of the agency, the agency may acquire the real  
42 property or interest therein, consistent with applicable provisions of law.

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

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

- 3 (a) Property controlled by the State Department of Fish and Wildlife;
- 4 (b) State forestlands controlled by the State Forestry Department;
- 5 (c) Property controlled by the Department of Transportation;
- 6 (d) Property controlled by the Department of State Lands;
- 7 (e) Property controlled by the Oregon University System, **Portland State University or the**  
 8 **University of Oregon;**
- 9 (f) Property controlled by the legislative or judicial branches of state government; and
- 10 (g) Property controlled by the State Parks and Recreation Department.

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

14 (6) The provisions of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190, 273.416, 273.426 to  
 15 273.436, 273.551 and 308A.709 (1) to (4) do not apply to a home or farm acquired, sold, or both, by  
 16 the Department of Veterans' Affairs under ORS 88.720, 406.050, 407.135, 407.145, 407.375 and 407.377.

17 **SECTION 159.** ORS 270.110 is amended to read:

18 270.110. (1) Except as provided in subsection (2) of this section, whenever the state or any  
 19 agency thereof possesses or controls real property not needed for public use, or whenever the public  
 20 interest may be furthered, the state or its agency may sell, exchange, convey or lease for any period  
 21 not exceeding 99 years all or any part of its interest in the property to or with the state or any  
 22 political subdivision of the state or the United States or any agency thereof or private individual  
 23 or corporation. Except where the state is exchanging real property, the consideration for the  
 24 transfer or lease may be cash or real property, or both.

25 (2) If the ownership, right or title of the state to any real property set apart by deed, will or  
 26 otherwise for a burial ground or cemetery, or for the purpose of interring the remains of deceased  
 27 persons, is limited or qualified or the use of such real property is restricted, whether by dedication  
 28 or otherwise, the state or its agency may, after first declaring by resolution that such real property  
 29 is not needed for public use, or that the sale, exchange, conveyance or lease thereof will further the  
 30 public interest, file a complaint in the circuit court for the county in which such real property is  
 31 located against all persons claiming any right, title or interest in such real property, whether the  
 32 interest be contingent, conditional or otherwise, for authority to sell, exchange, convey or lease all  
 33 or any part of such real property. The resolution is prima facie evidence that such real property is  
 34 not needed for public use, or that the sale, exchange, conveyance or lease will further the public  
 35 interest. The action shall be commenced and prosecuted to final determination in the same manner  
 36 as an action not triable by right to a jury. The complaint shall contain a description of such real  
 37 property, a statement of the nature of the restrictions, qualifications or limitations, and a statement  
 38 that the defendants claim some interest therein. The court shall make such judgment as it shall  
 39 deem proper, taking into consideration the limitations, qualifications or restrictions, the resolution  
 40 and all other matters pertinent thereto. Neither costs nor disbursements may be recovered against  
 41 any defendant.

42 (3) The authority to lease property granted by this section includes authority to lease property  
 43 not owned or controlled by the state at the time of entering into the lease. Such lease shall be  
 44 conditioned upon the subsequent acquisition of the interest covered by the lease.

45 (4) Any lease of state real property exceeding five years must be approved in advance by the

1 Oregon Department of Administrative Services, except for leases:

2 (a) Negotiated by the Oregon Department of Aviation;

3 (b) Of state forestlands;

4 (c) Of property controlled by the Department of State Lands, Department of Transportation,  
5 **Portland State University, University of Oregon** or Oregon University System; or

6 (d) Of property controlled by the legislative or judicial branches of state government.

7 **SECTION 160.** ORS 273.785 is amended to read:

8 273.785. ORS 273.551 and 273.775 to 273.790 do not apply to:

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

11 (2) Mineral or geothermal resource rights or proceeds from those rights acquired by the State  
12 Fish and Wildlife Commission pursuant to an agreement with the federal government under 16 U.S.C.  
13 669 to 669i (P.L. 75-415).

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

17 (4) Proceeds of mineral and geothermal resource rights acquired by the state pursuant to ORS  
18 530.010 and 530.030, other than those distributed under ORS 530.110 (1)(c).

19 (5) Mineral or geothermal resource rights or proceeds from those rights acquired after January  
20 1, 1974, for the state by the Department of Veterans' Affairs pursuant to ORS 88.720, 406.050 (2),  
21 407.135 or 407.145. After consultation, the Department of State Lands and the Department of  
22 Veterans' Affairs shall enter into an interagency agreement governing consultation between them  
23 concerning mineral and geothermal resource values on properties acquired for the state by the De-  
24 partment of Veterans' Affairs. The Department of Veterans' Affairs shall adopt rules relating to the  
25 release of mineral and geothermal rights on such properties.

26 (6) Mineral or geothermal resource rights or proceeds from those rights given by a donor to any  
27 public university or office, department or activity under the control of the State Board of Higher  
28 Education, **the Portland State University Board of Directors or the University of Oregon**  
29 **Board of Directors** that are acquired or held for the state by the State Board of Higher Education  
30 pursuant to ORS chapters 351 and 567, **the Portland State University Board of Directors pur-**  
31 **suant to sections 65 to 114 of this 2012 Act and ORS chapter 567 or the University of Oregon**  
32 **Board of Directors pursuant to sections 1 to 52 of this 2012 Act and ORS chapter 567.** In  
33 managing mineral or geothermal resource leases, the State Board of Higher Education, **the**  
34 **Portland State University Board of Directors or the University of Oregon Board of Directors**  
35 shall consult with the Department of State Lands in accordance with an interagency agreement es-  
36 tablished by the department and the State Board of Higher Education, **the Portland State Uni-**  
37 **versity Board of Directors or the University of Oregon Board of Directors** governing  
38 consultation between the department and the State Board of Higher Education, **the Portland State**  
39 **University Board of Directors or the University of Oregon Board of Directors** and governing  
40 management of the mineral or geothermal resources.

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

**SECTION 161.** ORS 276.227 is amended to read:

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

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

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

(b) The director, in consultation with the board, may request that agencies submit updated long-range facility plans and funding strategies that reflect changes in technology and priorities. The director may ask the board to report on and make recommendations related to long-range plans, the condition of facilities, maintenance schedules, funding strategies and options for new facilities. The director may seek recommendations from the board regarding the needs of existing facilities, funding strategies and long-term facility goals.

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

(d) For each state agency proposing a capital project, the review process may include an examination of the following:

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

(B) The effectiveness of space utilization, including an inventory of existing occupied and unoccupied building space;

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

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

(E) Appropriate technology;

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

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

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

(f) With assistance from the board, the department shall provide recommendations and information to the Governor and the Legislative Assembly on the construction, leasing and facilities management issues of state government.

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

(5) State agencies shall establish and implement long-range maintenance and management plans

1 for facilities for which this state is responsible to ensure that facilities are maintained in good re-  
 2 pair and that the useful lives of facilities are maximized. For each new facility, a maintenance and  
 3 management plan appropriate to the use and useful life of the facility shall be developed and im-  
 4 plemented.

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

6 (7) The provisions of this section do not apply to public universities listed in ORS 352.002,  
 7 **Portland State University, the University of Oregon**, the Oregon Health and Science University  
 8 or a community college as defined in ORS 341.005.

9 **SECTION 162.** ORS 276.229 is amended to read:

10 276.229. (1) State agencies shall develop four-year major construction budgets. Projects included  
 11 in these budgets may be accelerated or deferred upon approval of the Emergency Board.

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

16 (3) The provisions of this section do not apply to public universities listed in ORS 352.002,  
 17 **Portland State University, the University of Oregon**, the Oregon Health and Science  
 18 University[,] or a community college as defined in ORS 341.005.

19 **SECTION 163.** ORS 276.610 is amended to read:

20 276.610. There is established a fund in the State Treasury to be known as the State Building  
 21 Fund which shall be used for the construction, alteration and repair of buildings required for use  
 22 of institutions and activities under the jurisdiction of the Department of Corrections, the Depart-  
 23 ment of Human Services, the Oregon Health Authority, [or] the State Board of Education, **the**  
 24 **Portland State University Board of Directors, the University of Oregon Board of Directors**  
 25 and the State Board of Higher Education and for the furnishing and equipping of buildings so con-  
 26 structed, altered or repaired.

27 **SECTION 164.** ORS 276.612 is amended to read:

28 276.612. The Department of Corrections, the Department of Human Services, the Oregon Health  
 29 Authority and the State Board of Education each shall determine the buildings to be constructed,  
 30 altered, repaired, furnished and equipped for the use of institutions and activities under their re-  
 31 spective jurisdictions. The State Board of Higher Education, **the Portland State University Board**  
 32 **of Directors and the University of Oregon Board of Directors** shall determine the buildings to  
 33 be constructed, altered, repaired, furnished and equipped for the use of public universities or offices,  
 34 departments or activities under [its] **the jurisdiction of the relevant board.**

35 **SECTION 165.** ORS 279A.025 is amended to read:

36 279A.025. (1) Except as provided in subsections (2) to (4) of this section, the Public Contracting  
 37 Code applies to all public contracting.

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

39 (a) Contracts between a contracting agency and:

40 (A) Another contracting agency;

41 (B) The Oregon Health and Science University;

42 (C) **The University of Oregon;**

43 (D) **Portland State University;**

44 [(C)] (E) The Oregon State Bar;

45 [(D)] (F) A governmental body of another state;

- 1        ~~(E)~~ **(G)** The federal government;
- 2        ~~(F)~~ **(H)** An American Indian tribe or an agency of an American Indian tribe;
- 3        ~~(G)~~ **(I)** A nation, or a governmental body in a nation, other than the United States; or
- 4        ~~(H)~~ **(J)** An intergovernmental entity formed between or among:
  - 5            (i) Governmental bodies of this or another state;
  - 6            (ii) The federal government;
  - 7            (iii) An American Indian tribe or an agency of an American Indian tribe;
  - 8            (iv) A nation other than the United States; or
  - 9            (v) A governmental body in a nation other than the United States;
- 10       (b) Agreements authorized by ORS chapter 190 or by a statute, charter provision, ordinance or
   
11 other authority for establishing agreements between or among governmental bodies or agencies or
   
12 tribal governing bodies or agencies;
- 13       (c) Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and
   
14 414.145 for purposes of source selection;
- 15       (d) Grants;
- 16       (e) Contracts for professional or expert witnesses or consultants to provide services or testimony
   
17 relating to existing or potential litigation or legal matters in which a public body is or may become
   
18 interested;
- 19       (f) Acquisitions or disposals of real property or interest in real property;
- 20       (g) Sole-source expenditures when rates are set by law or ordinance for purposes of source se-
   
21 lection;
- 22       (h) Contracts for the procurement or distribution of textbooks;
- 23       (i) Procurements by a contracting agency from an Oregon Corrections Enterprises program;
- 24       (j) The procurement, transportation or distribution of distilled liquor, as defined in ORS 471.001,
   
25 or the appointment of agents under ORS 471.750 by the Oregon Liquor Control Commission;
- 26       (k) Contracts entered into under ORS chapter 180 between the Attorney General and private
   
27 counsel or special legal assistants;
- 28       (L) Contracts for the sale of timber from lands owned or managed by the State Board of Forestry
   
29 and the State Forestry Department;
- 30       (m) Contracts for forest protection or forest related activities, as described in ORS 477.406, by
   
31 the State Forester or the State Board of Forestry;
- 32       (n) Sponsorship agreements entered into by the State Parks and Recreation Director in accord-
   
33 ance with ORS 565.080 (4);
- 34       (o) Contracts entered into by the Housing and Community Services Department in exercising the
   
35 department's duties prescribed in ORS chapters 456 and 458, except that the department's public
   
36 contracting for goods and services is subject to ORS chapter 279B;
- 37       (p) Contracts entered into by the State Treasurer in exercising the powers of that office pre-
   
38 scribed in ORS chapters 178, 286A, 287A, 289, 293, 294 and 295, including but not limited to invest-
   
39 ment contracts and agreements, banking services, clearing house services and collateralization
   
40 agreements, bond documents, certificates of participation and other debt repayment agreements, and
   
41 any associated contracts, agreements and documents, regardless of whether the obligations that the
   
42 contracts, agreements or documents establish are general, special or limited, except that the State
   
43 Treasurer's public contracting for goods and services is subject to ORS chapter 279B;
- 44       (q) Contracts, agreements or other documents entered into, issued or established in connection
   
45 with:

1 (A) The issuance of obligations, as defined in ORS 286A.100 and 287A.310, of a public body;

2 (B) The making of program loans and similar extensions or advances of funds, aid or assistance  
 3 by a public body to a public or private body for the purpose of carrying out, promoting or sustaining  
 4 activities or programs authorized by law; or

5 (C) The investment of funds by a public body as authorized by law, and other financial trans-  
 6 actions of a public body that by their character cannot practically be established under the com-  
 7 petitive contractor selection procedures of ORS 279B.050 to 279B.085;

8 (r) Contracts for employee benefit plans as provided in ORS 243.105 (1), 243.125 (4), 243.221,  
 9 243.275, 243.291, 243.303 and 243.565;

10 (s) Contracts for employee benefit plans as provided in ORS 243.860 to 243.886; or

11 (t) Any other public contracting of a public body specifically exempted from the code by another  
 12 provision of law.

13 (3) The Public Contracting Code does not apply to the contracting activities of:

14 (a) The Oregon State Lottery Commission;

15 (b) The Oregon University System and member public universities, except as provided in ORS  
 16 351.086;

17 **(c) The University of Oregon, except as provided in section 9 of this 2012 Act;**

18 **(d) Portland State University, except as provided in section 73 of this 2012 Act;**

19 [(c)] **(e)** The legislative department;

20 [(d)] **(f)** The judicial department;

21 [(e)] **(g)** Semi-independent state agencies listed in ORS 182.454, except as provided in ORS  
 22 279.835 to 279.855 and 279A.250 to 279A.290;

23 [(f)] **(h)** Oregon Corrections Enterprises;

24 [(g)] **(i)** The Oregon Film and Video Office, except as provided in ORS 279A.100 and 279A.250  
 25 to 279A.290;

26 [(h)] **(j)** The Travel Information Council, except as provided in ORS 279A.250 to 279A.290;

27 [(i)] **(k)** The Oregon 529 College Savings Network and the Oregon 529 College Savings Board;

28 [(j)] **(L)** The Oregon Innovation Council;

29 [(k)] **(m)** The Oregon Utility Notification Center; or

30 [(L)] **(n)** Any other public body specifically exempted from the code by another provision of law.

31 (4) ORS 279A.200 to 279A.225 and 279B.050 to 279B.085 do not apply to contracts made with  
 32 qualified nonprofit agencies providing employment opportunities for individuals with disabilities un-  
 33 der ORS 279.835 to 279.855.

34 **SECTION 166.** ORS 282.076 is amended to read:

35 282.076. (1) An athletic department of **Portland State University, the University of Oregon**  
 36 **or** any university under the jurisdiction of the State Board of Higher Education shall not be re-  
 37 quired to use state printing services controlled by the Director of the Oregon Department of Ad-  
 38 ministrative Services or the designee of the director as required by ORS 282.020 (1).

39 (2) A state agency that gives to the director prior written notice of its intent to use other  
 40 printing services shall not be required to use state printing services controlled by the director or  
 41 the director's designee as required by ORS 282.020 (1), if the agency can demonstrate that these  
 42 other printing services provide better value in the form of lower prices or better responsiveness  
 43 than those services already provided by the Oregon Department of Administrative Services.

44 **SECTION 167.** ORS 283.143 is amended to read:

45 283.143. (1) To encourage utilization of statewide integrated videoconferencing and statewide

1 online access services, the Oregon Department of Administrative Services shall, in addition to any  
 2 other charge or assessment for providing telecommunications services to state agencies, impose  
 3 upon each agency and public corporation a surcharge, in an amount established by the department.  
 4 All surcharge moneys collected shall be deposited in the Oregon Department of Administrative  
 5 Services Operating Fund, and may be expended only for state agency and public corporation tele-  
 6 communication and videoconferencing activities, under such terms and conditions as the department  
 7 may prescribe.

8 (2) Notwithstanding subsection (1) of this section, the Oregon Department of Administrative  
 9 Services shall not impose the surcharge established by this section on the Oregon University  
 10 System, **Portland State University, the University of Oregon** or the Oregon Health and Science  
 11 University. The Oregon Department of Administrative Services shall enter into an agreement with  
 12 the Oregon University System, **Portland State University, the University of Oregon** and the  
 13 Oregon Health and Science University on the amounts to be paid by the Oregon University  
 14 System, **Portland State University, the University of Oregon** and the Oregon Health and Science  
 15 University to the Oregon Department of Administrative Services in lieu of the surcharge provided  
 16 for in this section.

17 **SECTION 168.** ORS 284.633 is amended to read:

18 284.633. (1) The Oregon Progress Board may enter into an agreement with:

19 (a) Any state agency for the provision of clerical, technical and management personnel to the  
 20 board to serve as the board's staff and for the provision of other administrative, operational or  
 21 overhead expenses necessary to accomplish the public purposes of the board.

22 (b) A nongovernmental entity for the provision of administrative, operational or overhead ex-  
 23 penses necessary to accomplish the public purposes of the board.

24 (2) As used in this section:

25 (a) "Public institution of higher education" means a community college, **Portland State Uni-**  
 26 **versity, the University of Oregon** or a public university listed in ORS 352.002.

27 (b) "State agency" means any officer, board, commission, department, division or institution in  
 28 the executive or administrative branch of state government or a public institution of higher educa-  
 29 tion.

30 **SECTION 169.** ORS 284.701 is amended to read:

31 284.701. As used in ORS 284.701 to 284.749:

32 (1) "Clean energy" means a technology, product, process or innovation that involves conserva-  
 33 tion of natural resources, solar energy, green building products and services, biofuels, biomass en-  
 34 ergy, bio-based products or other renewable and sustainable energy.

35 (2) "Innovation-based economic development" includes, but is not limited to, a technology,  
 36 product, process or innovation that:

37 (a) Derives from and supports innovation and research;

38 (b) Promotes Oregon's market capacities and competitive advantages;

39 (c) Involves technology-based innovation;

40 (d) Facilitates the creation of new products, processes and services that retain and create  
 41 high-wage jobs;

42 (e) Involves the establishment of partnerships between and collaboration with research insti-  
 43 tutions, the private sector and public entities;

44 (f) Endeavors to transfer innovative technologies to the private sector or to commercialize in-  
 45 novative research and development; and

1 (g) Includes, but is not limited to, clean energy and clean energy economic development.

2 (3) "Oregon growth business" means:

3 (a) An individual, group of individuals or private sector business entity, including but not limited  
 4 to a partnership, limited liability company, corporation, firm, association or other business entity,  
 5 that engages in business that furthers innovation-based economic development, that has the capacity  
 6 upon obtaining appropriate capital to generate significant high-skill, high-wage employment in  
 7 Oregon and that conducts business in Oregon; or

8 (b) An emerging growth business as defined in ORS 348.701.

9 (4) "Public entity" means any agency of the federal or state government, county, city, town,  
 10 public corporation or political subdivision in this state.

11 (5) "Research institution" means:

12 (a) A community college as defined in ORS 341.005;

13 (b) A public university listed in ORS 352.002, **Portland State University or the University**  
 14 **of Oregon;**

15 (c) The Oregon Health and Science University public corporation created under ORS 353.020;

16 (d) An Oregon-based, generally accredited, not-for-profit private institution of higher education;

17 (e) A federal research laboratory conducting research in Oregon;

18 (f) A private not-for-profit research institution located in Oregon;

19 (g) An institution for higher education as defined in ORS 289.005; or

20 (h) A private institution of higher education located in Oregon.

21 (6) "Traded sector" has the meaning given that term in ORS 285A.010.

22 **SECTION 170.** ORS 284.735 is amended to read:

23 284.735. (1) The Oregon Innovation Council may make grants and loans from the Oregon  
 24 Commercialized Research Fund to Oregon growth businesses.

25 (2) To qualify for a grant or loan under this section, an Oregon growth business must enter into  
 26 an agreement with one or more research institutions to carry out proof of concept activities 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 growth business may receive a grant or loan  
 31 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;

35 (d) Furthering innovation-based economic development; and

36 (e) Other activities as defined by rule of the council.

37 (4) To receive a grant or loan, the Oregon growth business or a research institution that has  
 38 entered into an agreement with the business must agree to provide a cash match equivalent to:

39 (a) 30 percent of the amount of the grant or loan for businesses with fewer than 20 employees.

40 (b) 50 percent of the amount of the grant or loan for businesses with 20 or more but fewer than  
 41 50 employees.

42 (c) 75 percent of the amount of the grant or loan for businesses with 50 or more but fewer than  
 43 100 employees.

44 (5)(a) The council shall award grant or loan moneys to an Oregon growth business in a two-  
 45 phase contract. Each phase of the contract shall have clearly defined performance measures in-

1 cluded in the contract between the business and the council.

2 (b) Under phase I of the contract, a business may be granted or loaned an initial investment not  
3 to exceed \$75,000. Phase I shall also include an agreement that upon successful completion of the  
4 performance measures for phase I, the business shall be eligible for funding under phase II. The  
5 amount of grant or loan moneys available to a business under both phases may not exceed \$200,000.

6 (6) The council shall require any Oregon growth business that receives a grant or loan under  
7 this section and that moves more than 50 percent of the employees of the business out of the state  
8 within two years after receiving grant or loan moneys to repay the total amount of the grant or loan  
9 moneys.

10 (7) The council shall require an Oregon growth business that receives a loan under this section  
11 to repay the loan within five years after receiving the loan. The council shall deposit any loan  
12 moneys received under this subsection in the Oregon Commercialized Research Fund.

13 (8) The council may award up to 15 percent of the amount of moneys available in the fund for  
14 grants or loans:

15 (a) To the Oregon University System, **Portland State University and the University of**  
16 **Oregon** for education of faculty on issues related to developing effective technology transfer and  
17 commercialized research processes; and

18 (b) For other activities as defined by rule of the council.

19 (9) The council may adopt rules to administer this section. The council shall follow the advice  
20 of the Oregon Commercialized Research Fund Advisory Council when adopting rules to administer  
21 this section.

22 **SECTION 171.** ORS 285B.168 is amended to read:

23 285B.168. (1) The Oregon Business Development Department may make grants available to a  
24 community college district, a community college service district, **Portland State University or the**  
25 **University of Oregon** or, with the concurrence of the Commissioner for Community College Ser-  
26 vices and the Chancellor of the Oregon University System, a public university listed in ORS 352.002  
27 to assist in the formation, improvement and operation of small business development centers. If a  
28 community college district, a community college service district or a public university is unable to  
29 adequately provide services in a specific geographic area, the department may make grants available  
30 to other service 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, the public university or other service  
35 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 **SECTION 172.** ORS 285B.174 is amended to read:

13 285B.174. In cooperation with other state agencies and private organizations, public universities  
 14 listed in ORS 352.002, **Portland State University, the University of Oregon** and community col-  
 15 leges may develop programs to assist Oregon businesses with the procurement of government con-  
 16 tracts and grants. Small business development centers established under ORS 285B.165 to 285B.171  
 17 may assist with these programs.

18 **SECTION 173.** ORS 286A.001 is amended to read:

19 286A.001. As used in this chapter:

20 (1) "Agreement for exchange of interest rates" means a contract, or an option or forward com-  
 21 mitment to enter into a contract, for the exchange of interest rates that provides for:

22 (a) Payments based on levels of or changes in interest rates; or

23 (b) Provisions to hedge payment, rate, spread or similar exposure including, but not limited to,  
 24 an interest rate floor or cap or an option, put or call.

25 (2) "Bond":

26 (a) Means a contractual undertaking or instrument of the State of Oregon to repay borrowed  
 27 moneys.

28 (b) Does not mean a financing agreement, as defined in ORS 283.085, if the principal amount of  
 29 the agreement is \$100,000 or less, or a credit enhancement device.

30 (3) "Counterparty" means an entity with whom the State of Oregon enters into an agreement for  
 31 exchange of interest rates.

32 (4) "Credit enhancement device":

33 (a) Means a letter of credit, line of credit, standby bond purchase agreement, bond insurance  
 34 policy, reserve surety bond or other device or facility used to enhance the creditworthiness, liquidity  
 35 or marketability of bonds or agreements for the exchange of interest rates; and

36 (b) Does not mean a bond.

37 (5) "Credit enhancement device fee" means a payment required to be made to the provider of a  
 38 credit enhancement device securing a bond or securing an agreement for the exchange of interest  
 39 rates.

40 (6) "General obligation bond" means a bond that constitutes indebtedness of the state under  
 41 section 7, Article XI of the Oregon Constitution, and that is exempt from the \$50,000 limitation on  
 42 indebtedness set forth in that section.

43 (7) "Operative document" means a bond declaration, trust agreement, indenture, security  
 44 agreement or other document in which the State of Oregon pledges property as security for an ob-  
 45 ligation, as defined in ORS 286A.100.

1 (8) "Refunding bond" means a bond of the State of Oregon that is issued to refund another bond,  
 2 regardless of whether the refunding is on a current, advance, forward delivery, synthetic or other  
 3 basis.

4 (9) "Related agency" means the state agency that requests the State Treasurer to issue bonds  
 5 pursuant to ORS 286A.025 or for which the State Treasurer has issued bonds.

6 (10) "Related bond" means a bond for which the State of Oregon enters into an agreement for  
 7 exchange of interest rates.

8 (11) "Revenue" means all fees, tolls, excise taxes, assessments, property taxes and other taxes,  
 9 rates, charges, rentals and other income or receipts derived by a state agency or to which a state  
 10 agency is entitled.

11 (12) "Revenue bond" means a bond of the State of Oregon that is not a general obligation bond.

12 (13) "State agency":

13 (a) Includes a statewide elected officer, board, commission, department, division, authority or  
 14 other entity, without regard to the designation given to the entity, that is within state government,  
 15 as defined in ORS 174.111; and

16 (b) Does not include:

17 (A) A statewide elected judge;

18 (B) The State Treasurer;

19 (C) A local government, as defined in ORS 174.116;

20 (D) The Oregon Health and Science University;

21 **(E) The University of Oregon;**

22 **(F) Portland State University;**

23 ~~[(E)]~~ **(G)** A special government body, as defined in ORS 174.117, except to the extent a special  
 24 government body must be considered a state agency in order to achieve the purposes of Article XI-K  
 25 of the Oregon Constitution; or

26 ~~[(F)]~~ **(H)** A semi-independent state agency listed in ORS 182.454, 377.835 or 674.305, or any other  
 27 state agency denominated by statute as a semi-independent state agency.

28 (14) "Termination payment" means the amount payable under an agreement for exchange of in-  
 29 terest rates by one party to another party as a result of the termination, in whole or part, of the  
 30 agreement prior to the expiration of the stated term.

31 **SECTION 174.** ORS 286A.700 is amended to read:

32 286A.700. (1) As used in this section:

33 (a) "Oregon Baccalaureate Bonds" means bonds of the State of Oregon issued by the State  
 34 Treasurer at the request of the Oregon University System, **Portland State University or the**  
 35 **University of Oregon** that are designated as baccalaureate bonds.

36 (b) "Post-secondary education" means training and instruction provided by fully accredited  
 37 public universities or private institutions of higher learning, community colleges and post-high-  
 38 school career schools.

39 (2) The Legislative Assembly encourages citizens of the State of Oregon to avail themselves of  
 40 post-secondary education opportunities.

41 (3) The Legislative Assembly finds:

42 (a) For the benefit of its citizens, the state supports a system of common schools, public uni-  
 43 versities and community colleges.

44 (b) A post-secondary education advances a citizen's ability to pursue life, liberty and happiness  
 45 through a wide range of employment opportunities.

1 (c) A well-educated citizenry contributes to the economic well-being of the state and nation.

2 (d) A well-trained and skilled citizenry enhances economic development of the state.

3 (e) While students have just begun their education upon completion of a formal education, a  
4 lifetime pursuit of learning contributes to a well-informed citizenry and to Oregon's cherished qual-  
5 ity of life.

6 (f) Citizens educated in Oregon are more likely to pursue careers in Oregon.

7 (g) It is in the interest of this state to encourage its citizens to plan and save for a post-  
8 secondary education.

9 (h) An Oregon Baccalaureate Bond program that provides citizens an opportunity to save for a  
10 post-secondary education for their children, themselves or any citizen is in the social and economic  
11 interest of the State of Oregon.

12 (i) A systematic way to save for post-secondary education can assist all of Oregon's higher ed-  
13 ucation, community college and career schools to better project enrollments, thereby permitting the  
14 prudent allocation of scarce resources.

15 (4) At the request of the Oregon University System, **Portland State University or the Uni-**  
16 **versity of Oregon**, the State Treasurer may:

17 (a) Issue bonds as Oregon Baccalaureate Bonds, to encourage investors to save for post-  
18 secondary education opportunities.

19 (b) Investigate and implement the means and procedures to facilitate the participation by the  
20 broadest practical range of investors in the Oregon Baccalaureate Bond program. The means and  
21 procedures may include, but are not limited to, adjustments in the denominations in which the bonds  
22 are issued and the frequency with which the bonds are issued.

23 (5) The purchase of an Oregon Baccalaureate Bond does not guarantee the purchaser, owner  
24 or beneficiary of the bond admittance to a public university or private post-secondary institution.

25 **SECTION 175.** ORS 287A.001 is amended to read:

26 287A.001. As used in this chapter:

27 (1) "Advance refunding bond" means a bond all or part of the proceeds of which are to be used  
28 to pay an outstanding bond one year or more after the advance refunding bond is issued.

29 (2) "Agreement for exchange of interest rates" means a contract, or an option or forward com-  
30 mitment to enter into a contract, for an exchange of interest rates for related bonds that provides  
31 for:

32 (a) Payments based on levels or changes in interest rates; or

33 (b) Provisions to hedge payment, rate, spread or similar exposure including, but not limited to,  
34 an interest rate floor or cap or an option, put or call.

35 (3) "Bond":

36 (a) Means a contractual undertaking or instrument of a public body to repay borrowed moneys.

37 (b) Does not mean a credit enhancement device.

38 (4) "Capital construction" has the meaning given that term in ORS 310.140.

39 (5) "Capital improvements" has the meaning given that term in ORS 310.140.

40 (6) "Credit enhancement device":

41 (a) Means a letter of credit, line of credit, standby bond purchase agreement, bond insurance  
42 policy, reserve surety bond or other device or facility used to enhance the creditworthiness, liquidity  
43 or marketability of bonds or agreements for exchange of interest rates.

44 (b) Does not mean a bond.

45 (7) "Current refunding bond" means a bond the proceeds of which are to be used to pay or

1 purchase an outstanding bond less than one year after the current refunding bond is issued.

2 (8) "Forward current refunding" means execution and delivery of a purchase agreement or sim-  
3 ilar instrument under which a public body contracts to sell current refunding bonds for delivery at  
4 a future date that is one year or more after execution of the purchase agreement or similar instru-  
5 ment.

6 (9) "General obligation bond" means exempt bonded indebtedness, as defined in ORS 310.140,  
7 that is secured by a commitment to levy ad valorem taxes outside the limits of sections 11 and 11b,  
8 Article XI of the Oregon Constitution.

9 (10) "Lawfully available funds" means revenues or other moneys of a public body including, but  
10 not limited to, moneys credited to the general fund of the public body, revenues from an ad valorem  
11 tax and revenues derived from other taxes levied by the public body that are not dedicated, re-  
12 stricted or obligated by law or contract to an inconsistent expenditure or use.

13 (11) "Operative document" means a bond declaration, trust agreement, indenture, security  
14 agreement or other document in which a public body pledges revenue or property as security for a  
15 bond.

16 (12) "Pledge" means:

17 (a) To create a lien on property pursuant to ORS 287A.310.

18 (b) A lien created on property pursuant to ORS 287A.310.

19 (13) "Public body" means:

20 (a) A county of this state;

21 (b) A city of this state;

22 (c) A local service district as defined in ORS 174.116 (2);

23 (d) A special government body as defined in ORS 174.117;

24 (e) **The University of Oregon;**

25 (f) **Portland State University;**

26 [(e)] (g) Oregon Health and Science University; or

27 [(f)] (h) 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 176.** 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, [or] any public univer-  
29 sity listed in ORS 352.002, **Portland State University or the University of Oregon.**

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 177.** 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 during the period beginning on the  
 6 date of adjournment sine die of a regular session of the Legislative Assembly and ending on the date  
 7 of adjournment sine die of the next regular session of the Legislative Assembly:

8 (a) Are not effective for agencies in the executive department of government unless approved  
 9 in writing by the Director of the Oregon Department of Administrative Services;

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

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

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

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

19 (2) This section does not apply to:

20 (a) Any tuition or fees charged by the State Board of Higher Education [*and*] **for** the public  
 21 universities listed in ORS 352.002, **by the Portland State University Board of Directors or by**  
 22 **the University of Oregon Board of Directors.**

23 (b) Taxes or other payments made or collected from employers for unemployment insurance re-  
 24 quired by ORS chapter 657 or premium assessments required by ORS 656.612 and 656.614 or contri-  
 25 butions and assessments calculated by cents per hour for workers' compensation coverage required  
 26 by ORS 656.506.

27 (c) Fees or payments required for:

28 (A) Health care services provided by the Oregon Health and Science University, by the Oregon  
 29 Veterans' Homes and by other state agencies and institutions pursuant to ORS 179.610 to 179.770.

30 (B) Assessments and premiums paid to the Oregon Medical Insurance Pool established by ORS  
 31 735.614 and 735.625.

32 (C) Copayments and premiums paid to the Oregon medical assistance program.

33 (D) Assessments paid to the Department of Consumer and Business Services under ORS 743.951  
 34 and 743.961.

35 (d) Fees created or authorized by statute that have no established rate or amount but are cal-  
 36 culated for each separate instance for each fee payer and are based on actual cost of services pro-  
 37 vided.

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

39 (f) Any intergovernmental charges.

40 (g) Forest protection district assessment rates established by ORS 477.210 to 477.265 and the  
 41 Oregon Forest Land Protection Fund fees established by ORS 477.760.

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

43 (i) Any charges established by the State Parks and Recreation Director in accordance with ORS  
 44 565.080 (3).

45 (j) Assessments on premiums charged by the Department of Consumer and Business Services

1 pursuant to ORS 731.804 or fees charged by the Division of Finance and Corporate Securities of the  
 2 Department of Consumer and Business Services to banks, trusts and credit unions pursuant to ORS  
 3 706.530 and 723.114.

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

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

8 (m) New or increased fees that are anticipated in the legislative budgeting process for an  
 9 agency, revenues from which are included, explicitly or implicitly, in the legislatively adopted  
 10 budget or the legislatively approved budget for the agency.

11 (n) Tolls approved by the Oregon Transportation Commission pursuant to ORS 383.004.

12 (o) Convenience fees as defined in ORS 182.126 and established by the Oregon Department of  
 13 Administrative Services under ORS 182.132 (3) and recommended by the Electronic Government  
 14 Portal Advisory Board.

15 (3)(a) Fees temporarily decreased for competitive or promotional reasons or because of unex-  
 16 pected and temporary revenue surpluses may be increased to not more than their prior level without  
 17 compliance with subsection (1) of this section if, at the time the fee is decreased, the state agency  
 18 specifies the following:

19 (A) The reason for the fee decrease; and

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

21 (b) Fees that are decreased for reasons other than those described in paragraph (a) of this sub-  
 22 section may not be subsequently increased except as allowed by ORS 291.050 to 291.060 and 294.160.

23 **SECTION 178.** ORS 292.043 is amended to read:  
 24 292.043. (1) As used in this section:

25 (a) "Foundation" means:

26 (A) A tax exempt organization designated by a rule adopted by a state agency; [or]

27 (B) A tax exempt organization designated by the State Board of Higher Education to solicit  
 28 contributions for the support of a public university listed in ORS 352.002;

29 **(C) A tax exempt organization designated by the Portland State University Board of Di-**  
 30 **rectors to solicit contributions for the support of Portland State University; or**

31 **(D) A tax exempt organization designated by the University of Oregon Board of Directors**  
 32 **to solicit contributions for the support of the University of Oregon.**

33 (b) "Salary and wages" has the meaning given that term in ORS 292.014.

34 (2) Any state official authorized to disburse funds in payment of salaries or wages of the officers  
 35 and employees of a state agency, or of the officers, teachers, instructors and other employees of the  
 36 Oregon University System, **Portland State University or the University of Oregon**, is authorized,  
 37 upon written request of the individual, to deduct each month from the salary or wages of the indi-  
 38 vidual the amount of money designated by the individual for payment to a foundation.

39 (3) The individual may withdraw the authorization at any time if the individual so notifies such  
 40 officer in writing.

41 (4) The moneys so deducted shall be paid over promptly to the foundation designated by the  
 42 individual. Subject to any rules prescribed by a state agency, [or] the State Board of Higher Edu-  
 43 cation, **the Portland State University Board of Directors or the University of Oregon Board**  
 44 **of Directors**, the state official authorized to disburse the funds in payment of salaries and wages  
 45 may prescribe any procedures necessary to carry out this section.

**SECTION 179.** ORS 307.095 is amended to read:

307.095. (1) Any portion of state property that is used during the tax year for parking on a rental or fee basis to private individuals is subject to ad valorem taxation.

(2) The real market value of such portion shall be computed by determining that percentage which the total of receipts from private use bears to the total of receipts from all use of the property. The assessed value of such portion shall be computed as provided in ORS 308.146. However, receipts from any use by a state officer or employee in the performance of the official duties of the state officer or employee shall not be considered as receipts from private use in computing the portion subject to ad valorem taxation.

(3) This section and ORS 276.592 do not apply to state property that is used by the Oregon University System, **Portland State University, the University of Oregon** or the Oregon Health and Science University solely to provide parking for employees, students or visitors.

**SECTION 180.** ORS 307.110 is amended to read:

307.110. (1) Except as provided in ORS 307.120, all real and personal property of this state or any institution or department thereof or of any county or city, town or other municipal corporation or political subdivision of this state, held under a lease or other interest or estate less than a fee simple, by any person whose real property, if any, is taxable, except employees of the state, municipality or political subdivision as an incident to such employment, shall be subject to assessment and taxation for the assessed or specially assessed value thereof uniformly with real property of nonexempt ownerships.

(2) Each leased or rented premises not exempt under ORS 307.120 and subject to assessment and taxation under this section which is located on property used as an airport and owned by and serving a municipality or port shall be separately assessed and taxed.

(3) Nothing contained in this section shall be construed as subjecting to assessment and taxation any publicly owned property described in subsection (1) of this section that is:

(a) Leased for student housing by a school or college to students attending such a school or college.

(b) Leased to or rented by persons, other than sublessees or subrenters, for agricultural or grazing purposes and for other than a cash rental or a percentage of the crop.

(c) Utilized by persons under a land use permit issued by the Department of Transportation for which the department's use restrictions are such that only an administrative processing fee is able to be charged.

(d) County fairgrounds and the buildings thereon, in a county holding annual county fairs, managed by the county fair board under ORS 565.230, if utilized, in addition to county fair use, for any of the purposes described in ORS 565.230 (2), or for horse stalls or storage for recreational vehicles or farm machinery or equipment.

(e) The properties and grounds managed and operated by the State Parks and Recreation Director under ORS 565.080, if utilized, in addition to the purpose of holding the Oregon State Fair, for horse stalls or for storage for recreational vehicles or farm machinery or equipment.

(f) State property that is used by the Oregon University System, **Portland State University, the University of Oregon** or the Oregon Health and Science University to provide parking for employees, students or visitors.

(g) Property of a housing authority created under ORS chapter 456 which is leased or rented to persons of lower income for housing pursuant to the public and governmental purposes of the housing authority. For purposes of this paragraph, "persons of lower income" has the meaning given

1 the phrase under ORS 456.055.

2 (h) Property of a health district if:

3 (A) The property is leased or rented for the purpose of providing facilities for health care  
4 practitioners practicing within the county; and

5 (B) The county is a frontier rural practice county under rules adopted by the Office of Rural  
6 Health.

7 (4) Property determined to be an eligible project for tax exemption under ORS 285C.600 to  
8 285C.626 and 307.123 that was acquired with revenue bonds issued under ORS 285B.320 to 285B.371  
9 and that is leased by this state, any institution or department thereof or any county, city, town or  
10 other municipal corporation or political subdivision of this state to an eligible applicant shall be  
11 assessed and taxed in accordance with ORS 307.123. The property's continued eligibility for taxation  
12 and assessment under ORS 307.123 is not affected:

13 (a) If the eligible applicant retires the bonds prior to the original dates of maturity; or

14 (b) If any applicable lease or financial agreement is terminated prior to the original date of ex-  
15 piration.

16 (5) The provisions of law for liens and the payment and collection of taxes levied against real  
17 property of nonexempt ownerships shall apply to all real property subject to the provisions of this  
18 section. Taxes remaining unpaid upon the termination of a lease or other interest or estate less than  
19 a fee simple, shall remain a lien against the real or personal property.

20 (6) If the state enters into a lease of property with, or grants an interest or other estate less  
21 than a fee simple in property to, a person whose real property, if any, is taxable, then within 30 days  
22 after the date of the lease, or within 30 days after the date the interest or estate less than a fee  
23 simple is created, the state shall file a copy of the lease or other instrument creating or evidencing  
24 the interest or estate with the county assessor. This section applies notwithstanding that the prop-  
25 erty may otherwise be entitled to an exemption under this section, ORS 307.120 or as otherwise  
26 provided by law.

27 **SECTION 181.** ORS 326.543 is amended to read:

28 326.543. (1) As used in this section:

29 (a) "Education service district" has the meaning given that term in ORS 334.003.

30 (b) "Facility" means the school operated under ORS 346.010.

31 (c) "Post-secondary institution" means:

32 (A) A community college as defined in ORS 341.005;

33 (B) A public university listed in ORS 352.002;

34 **(C) Portland State University;**

35 **(D) The University of Oregon;** and

36 [~~C~~] **(E) The Oregon Health and Science University.**

37 (d) "School district" has the meaning given that term in ORS 330.005.

38 (2) The interest or estate of an education service district, a facility, a post-secondary institution  
39 or a school district in any real property may not be extinguished or diminished by adverse pos-  
40 session.

41 **SECTION 182.** ORS 326.587 is amended to read:

42 326.587. (1) A public university listed in ORS 352.002, **Portland State University and the**  
43 **University of Oregon** may not disclose the Social Security number of a student who is attending  
44 the public university.

45 (2) Subsection (1) of this section does not apply if the public university discloses the Social Se-

1 security number:

2 (a) At the request of a law enforcement agency or an agency providing support enforcement  
3 services under ORS 25.080;

4 (b) After obtaining written permission for the disclosure from the student to whom the number  
5 refers;

6 (c) In the payment of wages or benefits;

7 (d) In the payment or collection of taxes or of a debt owed by the student to whom the number  
8 refers; or

9 (e) For purposes of statistical analysis.

10 **SECTION 183.** ORS 332.114 is amended to read:

11 332.114. (1) A person who meets the requirements under subsection (3) of this section may re-  
12 quest a school district to issue the person a high school diploma if the person resides within the  
13 boundaries of the school district or is a resident of this state and attended a high school of the  
14 school district.

15 (2) A representative of a deceased person who meets the requirements under subsection (3) of  
16 this section may request a school district to issue a high school diploma on behalf of the deceased  
17 person if the deceased person resided within the boundaries of the school district at the time of  
18 death or was a resident of this state at the time of death and attended a high school of the school  
19 district.

20 (3) Notwithstanding the requirements for a high school diploma established under ORS 329.451  
21 and by the State Board of Education and school districts, a school district that receives a request  
22 under subsection (1) or (2) of this section shall issue a high school diploma to a person if the person:

23 (a) Attended a high school before serving in the Armed Forces of the United States;

24 (b) Did not graduate from a high school because the person was serving in the Armed Forces  
25 of the United States;

26 (c) Was discharged or released under honorable conditions from the Armed Forces of the United  
27 States;

28 (d) Served in the Armed Forces of the United States as described in subsection (4) of this sec-  
29 tion; and

30 (e)(A) Has received a General Educational Development (GED) certificate;

31 (B) Has received a post-secondary degree from a community college, public university listed in  
32 ORS 352.002, **Portland State University, the University of Oregon** or other generally accredited  
33 institution of higher education; or

34 (C) Has received a minimum score on the Armed Services Vocational Aptitude Battery (ASVAB),  
35 as established by the Oregon Military Department.

36 (4) The provisions of subsection (3) of this section apply to a person who:

37 (a) Served in the Armed Forces of the United States at any time during:

38 (A) World War I;

39 (B) World War II;

40 (C) The Korean Conflict; or

41 (D) The Vietnam War;

42 (b) Served in the Armed Forces of the United States and was physically present in:

43 (A) Operation Urgent Fury (Grenada);

44 (B) Operation Just Cause (Panama);

45 (C) Operation Desert Shield/Desert Storm (the Persian Gulf War);

- 1 (D) Operation Restore Hope (Somalia);  
2 (E) Operation Enduring Freedom (Afghanistan); or  
3 (F) Operation Iraqi Freedom (Iraq); or

4 (c) Served in the Armed Forces of the United States in an area designated as a combat zone by  
5 the President of the United States.

6 **SECTION 184.** ORS 332.155 is amended to read:

7 332.155. A district school board:

8 (1) May furnish, equip, repair, lease, purchase and build schoolhouses, including high schools,  
9 junior high schools, career and technical education schools, gymnasiums, houses for teachers and  
10 other employees, and like buildings; and locate, buy and lease lands for all school purposes. Leases  
11 authorized by this section include lease-purchase agreements whereunder the district may acquire  
12 ownership of the leased property at a nominal price. Such leases and lease-purchase agreements may  
13 be for a term of up to 30 years.

14 (2) May contract for the removal or containment of asbestos substances in school buildings and  
15 for repairs made necessary by such removal or containment. Contracts authorized by this section  
16 may be for a term exceeding one year.

17 (3) May construct or cooperate in the construction of schools for training of student teachers  
18 on state or district owned lands, for any public university, **including public universities** listed in  
19 ORS 352.002, **Portland State University and the University of Oregon**, that is in or contiguous  
20 to the district, and to expend district funds in so doing.

21 (4) May acquire personal property by a lease-purchase agreement or contract of purchase for a  
22 term exceeding one year. A lease-purchase agreement is one in which the rent payable by the dis-  
23 trict is expressly agreed to have been established to reflect the savings resulting from the exemption  
24 from taxation, and the district is entitled to ownership of the property at a nominal or other price  
25 that is stated or determinable by the terms of the agreement and was not intended to reflect the true  
26 value of the property.

27 (5) May lease, sell and convey all property of the district as may not in the judgment of the  
28 district school board be required for school purposes.

29 (6) May sell property of the district in transactions whereby the district has the right to lease,  
30 occupy or reacquire the property following the sale or have facilities constructed thereon or fur-  
31 nished to the specifications of the district. The construction or furnishing of such facilities shall be  
32 subject to:

33 (a) ORS chapter 279A, except ORS 279A.125 and 279A.250 to 279A.290;

34 (b) ORS chapter 279B, except ORS 279B.235, 279B.240, 279B.270, 279B.275 and 279B.280; and

35 (c) ORS chapter 279C.005, 279C.100 to 279C.125 and 279C.300 to 279C.470.

36 (7) Shall furnish the schools with supplies, equipment, apparatus and services essential to  
37 meeting the requirements of a standard school and may furnish such other supplies, equipment, ap-  
38 paratus and services as the board considers advisable.

39 (8) May construct, purchase or lease in cooperation with other school districts or community  
40 college districts facilities for secondary career and technical education programs for pupils of more  
41 than one district and may furnish or cooperate in furnishing supplies and equipment for such facil-  
42 ities, to be financed in the same manner as other school buildings and supplies are financed.

43 (9) May purchase real property upon a contractual basis when the period of time allowed for  
44 payment under the contract does not exceed 30 years.

45 (10) May purchase relocatable classrooms and other relocatable structures in installment

1 transactions in which deferred installments of the purchase price are payable over not more than  
 2 10 years from the date such property is delivered to the district for occupancy and are secured by  
 3 a security interest in such property. Such transactions may take the form of, but are not limited to,  
 4 lease-purchase agreements.

5 (11) May enter into rental or lease-purchase agreements covering motor vehicles operated by the  
 6 district.

7 **SECTION 185.** ORS 337.500 is amended to read:

8 337.500. As used in ORS 337.500 to 337.506:

9 (1) "Adopter" means any faculty member or academic department or other adopting entity at a  
 10 higher education institution responsible for considering and choosing course materials to be utilized  
 11 in connection with accredited courses taught at the institution.

12 (2) "Higher education institution" means:

13 (a) A community college, as defined in ORS 341.005;

14 (b) A public university listed in ORS 352.002;

15 (c) **Portland State University;**

16 (d) **The University of Oregon;**

17 [(c)] (e) The Oregon Health and Science University;

18 [(d)] (f) A private institution of higher education located in Oregon; and

19 [(e)] (g) A bookstore that serves as the primary bookstore for an entity listed in paragraphs (a)  
 20 to [(d)] (f) of this subsection.

21 (3) "Special edition" means a bound book that does not constitute a traditional textbook and  
 22 that may or may not be used for instructional purposes.

23 (4)(a) "Textbook bundle" means a textbook packaged together with other supplemental course  
 24 materials, including but not limited to workbooks, study guides, online technologies, online course  
 25 resources, CD-ROMs or other books, to be sold as course material for one price.

26 (b) "Textbook bundle" does not include a textbook that is unusable without the supplemental  
 27 course materials, materials that cannot be sold separately due to third-party contractual agreements,  
 28 custom editions or special editions.

29 **SECTION 186.** ORS 337.511 is amended to read:

30 337.511. As used in ORS 337.511 to 337.524:

31 (1) "Alternative format" means any medium or format for the presentation of instructional ma-  
 32 terials other than standard print that is needed by a post-secondary student with a print disability  
 33 for a reading accommodation, including but not limited to Braille, large print texts, audio re-  
 34 cordings, digital texts and digital talking books.

35 (2) "Electronic format" means a medium or format containing digital text.

36 (3) "Instructional material" means a textbook or other material if:

37 (a) The textbook or other material, including additional prints or new editions of previously  
 38 published instructional material, is published on or after January 1, 2004, and is published primarily  
 39 for use by students in a course of study in which a post-secondary student with a print disability is  
 40 enrolled;

41 (b) The textbook or other material is required for a student's success in the course, as deter-  
 42 mined by the course instructor in consultation with the representative making the request for an  
 43 electronic format under ORS 337.517 (2);

44 (c) The textbook or other material is required for the course as stated in the course syllabus  
 45 or other curriculum documents, or the use of the materials by the student is necessary for the

1 completion of course assignments that are used to evaluate the student, such as to determine the  
2 student's proficiency level or assign a grade; and

3 (d) Software is commercially available to permit the conversion of an electronic file of the  
4 textbook or other material into a format that is compatible with assistive technologies such as  
5 speech synthesis software or Braille translation software.

6 (4) "Post-secondary education institution" means:

7 (a) A public university listed in ORS 352.002;

8 **(b) Portland State University;**

9 **(c) The University of Oregon;**

10 [(b)] (d) A community college operated under ORS chapter 341;

11 [(c)] (e) The Oregon Health and Science University; or

12 [(d)] (f) An Oregon-based, generally accredited institution of higher education.

13 (5) "Print disability" means a disability that prevents a student from effectively utilizing print  
14 material and may include blindness, other serious visual impairments, specific learning disabilities  
15 or the inability to hold a book.

16 (6) "Printed instructional material" means instructional material in book or other printed form.

17 (7) "Publisher" means any person that publishes or manufactures instructional material used by  
18 students attending a post-secondary education institution.

19 (8) "Structural integrity" means the inclusion of all of the information provided in printed in-  
20 structional material, including but not limited to the text of the material sidebars, the tables of  
21 contents, the chapter headings and subheadings, the footnotes, the page numbers, the indexes and  
22 the glossaries.

23 (9) "Working day" means a day that is not a Saturday, Sunday or legal holiday.

24 **SECTION 187.** ORS 338.115 is amended to read:

25 338.115. (1) Statutes and rules that apply to school district boards, school districts or other  
26 public schools do not apply to public charter schools. However, the following laws do apply to public  
27 charter schools:

28 (a) Federal law;

29 (b) ORS 30.260 to 30.300 (tort claims);

30 (c) ORS 192.410 to 192.505 (public records law);

31 (d) ORS 192.610 to 192.690 (public meetings law);

32 (e) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law);

33 (f) ORS 326.565, 326.575 and 326.580 (student records);

34 (g) ORS 181.534, 326.603, 326.607, 342.223 and 342.232 (criminal records checks);

35 (h) ORS 329.045 (academic content standards and instruction);

36 (i) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative cer-  
37 tificate);

38 (j) The statewide assessment system developed by the Department of Education for mathematics,  
39 science and English under ORS 329.485 (2);

40 (k) ORS 337.150 (textbooks);

41 (L) ORS 339.141, 339.147 and 339.155 (tuition and fees);

42 (m) ORS 339.250 (12) (prohibition on infliction of corporal punishment);

43 (n) ORS 339.326 (notice concerning students subject to juvenile court petitions);

44 (o) ORS 339.370, 339.372, 339.388 and 339.400 (reporting of child abuse and training on pre-  
45 vention and identification of child abuse);

- 1 (p) ORS chapter 657 (Employment Department Law);  
 2 (q) ORS 659.850, 659.855 and 659.860 (discrimination);  
 3 (r) Any statute or rule that establishes requirements for instructional time provided by a school  
 4 during each day or during a year;  
 5 (s) Health and safety statutes and rules;  
 6 (t) Any statute or rule that is listed in the charter;  
 7 (u) ORS 339.119 (consideration for educational services); and  
 8 (v) This chapter.
- 9 (2) Notwithstanding subsection (1) of this section, a charter may specify that statutes and rules  
 10 that apply to school district boards, school districts and other public schools may apply to a public  
 11 charter school.
- 12 (3) If a statute or rule applies to a public charter school, then the terms “school district” and  
 13 “public school” include public charter school as those terms are used in that statute or rule.
- 14 (4) A public charter school may not violate the Establishment Clause of the First Amendment  
 15 to the United States Constitution or section 5, Article I of the Oregon Constitution, or be religion  
 16 based.
- 17 (5)(a) A public charter school shall maintain an active enrollment of at least 25 students.
- 18 (b) For a public charter school that provides educational services under a cooperative agree-  
 19 ment described in ORS 338.080, the public charter school is in compliance with the requirements of  
 20 this subsection if the public charter school provides educational services under the cooperative  
 21 agreement to at least 25 students, without regard to the school districts in which the students are  
 22 residents.
- 23 (6) A public charter school may sue or be sued as a separate legal entity.
- 24 (7) The sponsor, members of the governing board of the sponsor acting in their official capacities  
 25 and employees of a sponsor acting in their official capacities are immune from civil liability with  
 26 respect to all activities related to a public charter school within the scope of their duties or em-  
 27 ployment.
- 28 (8) A public charter school may enter into contracts and may lease facilities and services from  
 29 a school district, education service district, public university listed in ORS 352.002, **Portland State**  
 30 **University, the University of Oregon**, other governmental unit or any person or legal entity.
- 31 (9) A public charter school may not levy taxes or issue bonds under which the public incurs li-  
 32 ability.
- 33 (10) A public charter school may receive and accept gifts, grants and donations from any source  
 34 for expenditure to carry out the lawful functions of the school.
- 35 (11) The school district in which the public charter school is located shall offer a high school  
 36 diploma, a modified diploma, an extended diploma or an alternative certificate to any public charter  
 37 school student who meets the district’s and state’s standards for a high school diploma, a modified  
 38 diploma, an extended diploma or an alternative certificate.
- 39 (12) A high school diploma, a modified diploma, an extended diploma or an alternative certificate  
 40 issued by a public charter school grants to the holder the same rights and privileges as a high  
 41 school diploma, a modified diploma, an extended diploma or an alternative certificate issued by a  
 42 nonchartered public school.
- 43 (13) Prior to beginning operation, the public charter school shall show proof of insurance to the  
 44 sponsor as specified in the charter.
- 45 (14) A public charter school may receive services from an education service district in the same

1 manner as a nonchartered public school in the school district in which the public charter school is  
 2 located.

3 **SECTION 188.** ORS 338.115, as amended by section 7, chapter 839, Oregon Laws 2007, section  
 4 12, chapter 50, Oregon Laws 2008, section 4, chapter 618, Oregon Laws 2009, section 3, chapter 53,  
 5 Oregon Laws 2010, section 3, chapter 94, Oregon Laws 2011, section 118, chapter 637, Oregon Laws  
 6 2011, and section 5, chapter 682, Oregon Laws 2011, is amended to read:

7 338.115. (1) Statutes and rules that apply to school district boards, school districts or other  
 8 public schools do not apply to public charter schools. However, the following laws do apply to public  
 9 charter schools:

- 10 (a) Federal law;
- 11 (b) ORS 30.260 to 30.300 (tort claims);
- 12 (c) ORS 192.410 to 192.505 (public records law);
- 13 (d) ORS 192.610 to 192.690 (public meetings law);
- 14 (e) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law);
- 15 (f) ORS 326.565, 326.575 and 326.580 (student records);
- 16 (g) ORS 181.534, 326.603, 326.607, 342.223 and 342.232 (criminal records checks);
- 17 (h) ORS 329.045 (academic content standards and instruction);
- 18 (i) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative cer-  
 19 tificate);
- 20 (j) ORS 329.496 (physical education);
- 21 (k) The statewide assessment system developed by the Department of Education for mathematics,  
 22 science and English under ORS 329.485 (2);
- 23 (L) ORS 337.150 (textbooks);
- 24 (m) ORS 339.141, 339.147 and 339.155 (tuition and fees);
- 25 (n) ORS 339.250 (12) (prohibition on infliction of corporal punishment);
- 26 (o) ORS 339.326 (notice concerning students subject to juvenile court petitions);
- 27 (p) ORS 339.370, 339.372, 339.388 and 339.400 (reporting of child abuse and training on pre-  
 28 vention and identification of child abuse);
- 29 (q) ORS chapter 657 (Employment Department Law);
- 30 (r) ORS 659.850, 659.855 and 659.860 (discrimination);
- 31 (s) Any statute or rule that establishes requirements for instructional time provided by a school  
 32 during each day or during a year;
- 33 (t) Health and safety statutes and rules;
- 34 (u) Any statute or rule that is listed in the charter;
- 35 (v) ORS 339.119 (consideration for educational services); and
- 36 (w) This chapter.

37 (2) Notwithstanding subsection (1) of this section, a charter may specify that statutes and rules  
 38 that apply to school district boards, school districts and other public schools may apply to a public  
 39 charter school.

40 (3) If a statute or rule applies to a public charter school, then the terms “school district” and  
 41 “public school” include public charter school as those terms are used in that statute or rule.

42 (4) A public charter school may not violate the Establishment Clause of the First Amendment  
 43 to the United States Constitution or section 5, Article I of the Oregon Constitution, or be religion  
 44 based.

45 (5)(a) A public charter school shall maintain an active enrollment of at least 25 students.

1 (b) For a public charter school that provides educational services under a cooperative agree-  
 2 ment described in ORS 338.080, the public charter school is in compliance with the requirements of  
 3 this subsection if the public charter school provides educational services under the cooperative  
 4 agreement to at least 25 students, without regard to the school districts in which the students are  
 5 residents.

6 (6) A public charter school may sue or be sued as a separate legal entity.

7 (7) The sponsor, members of the governing board of the sponsor acting in their official capacities  
 8 and employees of a sponsor acting in their official capacities are immune from civil liability with  
 9 respect to all activities related to a public charter school within the scope of their duties or em-  
 10 ployment.

11 (8) A public charter school may enter into contracts and may lease facilities and services from  
 12 a school district, education service district, public university listed in ORS 352.002, **Portland State**  
 13 **University, the University of Oregon**, other governmental unit or any person or legal entity.

14 (9) A public charter school may not levy taxes or issue bonds under which the public incurs li-  
 15 ability.

16 (10) A public charter school may receive and accept gifts, grants and donations from any source  
 17 for expenditure to carry out the lawful functions of the school.

18 (11) The school district in which the public charter school is located shall offer a high school  
 19 diploma, a modified diploma, an extended diploma or an alternative certificate to any public charter  
 20 school student who meets the district's and state's standards for a high school diploma, a modified  
 21 diploma, an extended diploma or an alternative certificate.

22 (12) A high school diploma, a modified diploma, an extended diploma or an alternative certificate  
 23 issued by a public charter school grants to the holder the same rights and privileges as a high  
 24 school diploma, a modified diploma, an extended diploma or an alternative certificate issued by a  
 25 nonchartered public school.

26 (13) Prior to beginning operation, the public charter school shall show proof of insurance to the  
 27 sponsor as specified in the charter.

28 (14) A public charter school may receive services from an education service district in the same  
 29 manner as a nonchartered public school in the school district in which the public charter school is  
 30 located.

31 **SECTION 189.** ORS 339.331 is amended to read:

32 339.331. (1) There is created the Center for School Safety within the [*Oregon University*  
 33 *System*] **University of Oregon**. The mission of the center shall be to:

34 (a) Serve as the central point for data analysis;

35 (b) Conduct research;

36 (c) Disseminate information about successful school safety programs, research results and new  
 37 programs; and

38 (d) Provide technical assistance for improving the safety of schools in collaboration with the  
 39 Department of Education and others.

40 (2) To fulfill its mission, the Center for School Safety shall:

41 (a) Establish a clearinghouse for information and materials concerning school violence pre-  
 42 vention and intervention services. As used in this paragraph, "intervention services" means any  
 43 preventive, developmental, corrective or supportive service or treatment provided to a student who  
 44 is at risk of school failure, is at risk of participation in violent behavior or juvenile crime or has  
 45 been expelled from the school district. "Intervention services" may include, but is not limited to:

- 1 (A) Screening to identify students at risk for emotional disabilities or antisocial behavior;
- 2 (B) Direct instruction in academic, social, problem-solving and conflict resolution skills;
- 3 (C) Alternative education programs;
- 4 (D) Psychological services;
- 5 (E) Identification and assessment of abilities;
- 6 (F) Counseling services;
- 7 (G) Medical services;
- 8 (H) Day treatment;
- 9 (I) Family services; and
- 10 (J) Work and community service programs.

11 (b) Provide program development and implementation expertise and technical support to schools,  
 12 law enforcement agencies and communities. The expertise and support may include coordinating  
 13 training for administrators, teachers, students, parents and other community representatives.

14 (c) Analyze the data collected in compliance with section 5, chapter 618, Oregon Laws 2001.

15 (d) Research and evaluate school safety programs so schools and communities are better able  
 16 to address their specific needs.

17 (e) Promote interagency efforts to address discipline and safety issues within communities  
 18 throughout the state.

19 (f) Prepare and disseminate information regarding the best practices in creating safe and effec-  
 20 tive schools.

21 (g) Advise the State Board of Education on rules and policies.

22 (h) Provide an annual report on the status of school safety in Oregon by July 1 of each year to:

- 23 (A) The Governor;
- 24 (B) The Attorney General;
- 25 (C) The State Board of Education; and
- 26 (D) All relevant legislative committees.

27 (3) The University of Oregon Institute on Violence and Destructive Behavior shall provide staff  
 28 support to the Center for School Safety board of directors and shall manage the center.

29 (4) The Center for School Safety board of directors may seek and accept public and private funds  
 30 for the center.

31 **SECTION 190.** ORS 339.336 is amended to read:

32 339.336. (1) The [*Oregon University System*] **University of Oregon** may seek and accept contri-  
 33 butions of funds and assistance from the United States, its agencies or from any other source, public  
 34 or private, and agree to conditions thereon not inconsistent with ORS 339.331, 339.333 and 339.339.  
 35 All such funds are to aid in financing the functions of the Center for School Safety and shall be  
 36 deposited in the Center for School Safety Account and shall be disbursed for the purpose for which  
 37 contributed.

38 (2) The Center for School Safety Account is established in the General Fund of the State  
 39 Treasury. Except for moneys otherwise designated by statute, all federal funds or other moneys re-  
 40 ceived by the [*Oregon University System*] **University of Oregon** for the center shall be paid into the  
 41 State Treasury and credited to the account. All moneys in the account are appropriated contin-  
 42 uously to the [*Oregon University System*] **University of Oregon** and shall be used by the [*system*]  
 43 **university** for the purposes of carrying out ORS 339.331, 339.333 and 339.339.

44 **SECTION 191.** ORS 339.885 is amended to read:

45 339.885. (1) No secret society of any kind, including a fraternity or sorority, shall be permitted

1 in any public school.

2 (2) The district school board may order the suspension or expulsion of any pupil who belongs  
3 to a secret society.

4 (3) This section does not apply to any public university listed in ORS 352.002, **Portland State**  
5 **University or the University of Oregon.**

6 **SECTION 192.** ORS 340.005 is amended to read:

7 340.005. For purposes of ORS 340.005 to 340.090:

8 (1) "Accelerated college credit program" has the meaning given that term by rules adopted by  
9 the State Board of Education.

10 (2) "At-risk student" means:

11 (a) A student who qualifies for a free or reduced lunch program; or

12 (b) An at-risk student as defined by rules adopted by the board if the board has adopted rules  
13 to define an at-risk student.

14 (3) "Duplicate course" means a course with a scope that is identical to the scope of another  
15 course.

16 (4)(a) "Eligible post-secondary course" means any nonsectarian course or program offered  
17 through an eligible post-secondary institution if the course or program may lead to high school  
18 completion, a certificate, professional certification, associate degree or baccalaureate degree.

19 (b) "Eligible post-secondary course" does not include a duplicate course offered at the student's  
20 resident school.

21 (c) "Eligible post-secondary course" includes:

22 (A) Academic courses;

23 (B) Career and technical education courses; and

24 (C) Distance education courses.

25 (5) "Eligible post-secondary institution" means:

26 (a) A community college;

27 (b) A public university listed in ORS 352.002;

28 (c) **Portland State University;**

29 (d) **The University of Oregon;** and

30 [(c)] (e) The Oregon Health and Science University.

31 (6)(a) "Eligible student" means a student who is enrolled in an Oregon public school and who:

32 (A) Is 16 years of age or older at the time of enrollment in a course under the Expanded Options  
33 Program;

34 (B)(i) Is in grade 11 or 12 at the time of enrollment in a course under the Expanded Options  
35 Program; or

36 (ii) Is not in grade 11 or 12, because the student has not completed the required number of  
37 credits, but who has been allowed by the school district to participate in the program;

38 (C) Has developed an educational learning plan as described in ORS 340.025; and

39 (D) Has not successfully completed the requirements for a high school diploma as established  
40 by ORS 329.451, the State Board of Education and the school district board.

41 (b) "Eligible student" does not include a foreign exchange student enrolled in a school under a  
42 cultural exchange program.

43 (7) "Expanded Options Program" means the program created under ORS 340.005 to 340.090.

44 (8) "Scope" means depth and breadth of course content as evidenced through a planned course  
45 statement including content outline, applicable state content standards where appropriate, course

1 goals and student outcomes.

2 **SECTION 193.** ORS 340.310 is amended to read:

3 340.310. (1) The [*Joint Boards of Education*] **Higher Education Coordinating Commission** shall  
4 develop statewide standards for dual credit programs to be implemented by public high schools,  
5 community colleges, **public universities listed in ORS 352.002, Portland State University and**  
6 **the University of Oregon** [*and state institutions of higher education within the Oregon University*  
7 *System*]. The standards must establish the manner by which:

8 (a) A student may, upon completion of a course, earn course credit both for high school and for  
9 a community college, **a public university listed in ORS 352.002, Portland State University or**  
10 **the University of Oregon** [*or state institution of higher education within the Oregon University*  
11 *System*]; and

12 (b) Teachers of courses that are part of a dual credit program will work together to determine  
13 the quality of the program and to ensure the alignment of the content, objectives and outcomes of  
14 individual courses.

15 (2) Each public high school, community college **and public university, including public uni-**  
16 **versities listed in ORS 352.002, Portland State University and the University of Oregon,** [*and*  
17 *state institution of higher education within the Oregon University System*] that provides a dual credit  
18 program must implement the statewide standards developed under subsection (1) of this section.

19 (3) Each school district, community college **and public university, including public universi-**  
20 **ties listed in ORS 352.002, Portland State University and the University of Oregon,** [*and state*  
21 *institution of higher education within the Oregon University System*] that provides a dual credit pro-  
22 gram shall submit an annual report to the [*Joint Boards of Education*] **Higher Education Coordi-**  
23 **nating Commission** on the academic performance of students enrolled in a dual credit program.  
24 The [*Joint Boards of Education*] **commission** shall establish the required contents of the report,  
25 which must provide sufficient information to allow the [*Joint Boards of Education*] **commission** to  
26 determine the quality of the dual credit program.

27 **SECTION 194.** ORS 341.430 is amended to read:

28 341.430. (1) As used in this section:

29 (a) "Associate transfer degree" means an associate degree that is awarded by a community  
30 college and that is intended to allow a student to apply the credits earned for the degree towards  
31 a baccalaureate degree.

32 (b) "Community college" means a community college operated under ORS chapter 341.

33 (c) "State institution of higher education" means a [*state institution of higher education*] **public**  
34 **university** listed in ORS 352.002, **Portland State University or the University of Oregon.**

35 (d) "Transfer program" means a one-year program that is designed to allow a student to apply  
36 the credits earned through the program towards a baccalaureate degree.

37 (2) The [*Joint Boards of Education*] **Higher Education Coordinating Commission** shall develop  
38 standards related to the ability of students to apply credits earned through courses of study at  
39 community colleges to baccalaureate degrees awarded by state institutions of higher education. The  
40 standards shall be known as the "Transfer Student Bill of Rights and Responsibilities."

41 (3) The standards developed under this section may include:

42 (a) Admission standards to state institutions of higher education for students who have earned  
43 an associate transfer degree.

44 (b) The maximum number of credits that students who have earned an associate transfer degree  
45 would need to complete prior to receiving various types of baccalaureate degrees at state insti-

1 tutions of higher education.

2 (c) The maximum number of credits that students who have completed a transfer program would  
3 need to complete prior to receiving various types of baccalaureate degrees at state institutions of  
4 higher education.

5 (d) A process by which a community college would award an associate degree to a student upon  
6 completion of necessary credits, regardless of whether the student applied to receive the degree or  
7 whether the student earned the credits for the degree at a community college or a state institution  
8 of higher education.

9 (e) Any other issues identified by the [*Joint Boards of Education*] **Higher Education Coordi-**  
10 **nating Commission** that relate to courses of study at community colleges and the ability of a stu-  
11 dent to transfer credits to a community college or a state institution of higher education, to be  
12 admitted to a state institution of higher education or to earn a degree at a community college or  
13 a state institution of higher education.

14 (f) Requirements that students must meet in order to benefit from the standards described in  
15 paragraphs (a) to (e) of this subsection.

16 (4) Each community college and state institution of higher education shall submit annual reports  
17 to the [*Joint Boards of Education*] **Higher Education Coordinating Commission** related to:

18 (a) The number of students who attend a community college and then a state institution of  
19 higher education, or a state institution of higher education and then a community college.

20 (b) The number of students who attend one community college and then a different community  
21 college.

22 (c) The number of students who transfer from a community college to a state institution of  
23 higher education and who have an associate transfer degree or have completed a transfer program.

24 (d) The average number of credits students have when they transfer from a community college  
25 to a state institution of higher education.

26 (e) The average number of credits students have when they attend one community college and  
27 then a different community college.

28 (f) The average number of credits that a student earning an associate transfer degree completed  
29 at a community college.

30 (g) The average number of credits students who have transferred from a community college to  
31 a state institution of higher education must earn prior to receiving a baccalaureate degree compared  
32 to the average number of credits students who did not transfer from a community college must earn  
33 prior to receiving a baccalaureate degree.

34 **SECTION 195.** ORS 341.440 is amended to read:

35 341.440. (1) A community college district may contract with another community college district,  
36 common or union high school district, education service district, the Oregon University System,  
37 **Portland State University, the University of Oregon,** the Oregon Health and Science University,  
38 with a private educational institution accredited by the Northwest Association of Schools and Col-  
39 leges or its successor or a career school as defined in ORS 345.010 to obtain educational services  
40 for students enrolled in the community college of the district. However, the educational services so  
41 obtained must meet the standards for educational services provided by the college and the contract  
42 price to the college for such services must not exceed the costs which would otherwise be incurred  
43 by the college to provide its students the same or similar services.

44 (2) Educational services for which a district operating a community college may contract include  
45 services offered by correspondence and services offered electronically or through telecommuni-

1 cations if such services are accredited by a nationally recognized accrediting association.

2 (3) For purposes of ORS 341.626, costs incurred under subsection (1) of this section shall be  
3 considered operating expenses of the district if the contract is approved by the Commissioner for  
4 Community College Services.

5 **SECTION 196.** ORS 342.144 is amended to read:

6 342.144. (1) As used in this section, "American Indian tribe" means an Indian tribe as that term  
7 is defined in ORS 97.740.

8 (2) The Legislative Assembly declares that teaching American Indian languages is essential to  
9 the proper education of American Indian children.

10 (3) The Teacher Standards and Practices Commission shall establish an American Indian lan-  
11 guages teaching license.

12 (4) Each American Indian tribe may develop a written and oral test that must be successfully  
13 completed by an applicant for an American Indian languages teaching license in order to determine  
14 whether the applicant is qualified to teach the tribe's native language. When developing the test, the  
15 tribe shall determine:

16 (a) Which dialects will be used on the test;

17 (b) Whether the tribe will standardize the tribe's writing system; and

18 (c) How the teaching methods will be evaluated in the classroom.

19 (5) The test shall be administered at an appropriate location that does not create hardship for  
20 the tribal members administering the test.

21 (6) The commission may not require an applicant to hold a specific academic degree, to complete  
22 a specific amount of education or to complete a teacher education program to receive an American  
23 Indian languages teaching license.

24 (7)(a) An American Indian languages teaching license qualifies the holder to accept a teaching  
25 position in a school district, a public charter school, an education service district, a community  
26 college, **Portland State University, the University of Oregon** or a public university listed in ORS  
27 352.002.

28 (b) A holder of an American Indian languages teaching license who does not also have a  
29 teaching license issued under ORS 342.125 may not teach in a school district or education service  
30 district any subject other than the American Indian language the holder of the license is approved  
31 to teach by the tribe.

32 (c) A holder of an American Indian languages teaching license who does not also have a  
33 teaching license or registration issued under ORS 342.125 may not teach in a public charter school  
34 any subject other than the American Indian language the holder of the license is approved to teach  
35 by the tribe.

36 (8)(a) As used in this subsection, "technical assistance program" means a program provided to  
37 an American Indian languages teacher by a licensed teacher with three or more years of teaching  
38 experience. A technical assistance program may include direct classroom observation and consulta-  
39 tion, assistance in instructional planning and preparation, support in implementation and delivery  
40 of classroom instruction, and other assistance intended to enhance the professional performance and  
41 development of the American Indian languages teacher.

42 (b) The holder of an American Indian languages teaching license who does not also have an  
43 administrative license, teaching license or registration issued under ORS 342.125 and who is em-  
44 ployed by a school district, public charter school or education service district shall participate in  
45 a technical assistance program with a person holding a teaching license issued by the commission

1 under ORS 342.125. The technical assistance program shall meet the guidelines specified in ORS  
2 329.815 (2) to (4).

3 (9) An American Indian languages teaching license shall be valid for three years and may be  
4 renewed upon application from the holder of the license.

5 **SECTION 197.** ORS 342.147 is amended to read:

6 342.147. (1) After considering recommendations of the State Board of Education, the Teacher  
7 Standards and Practices Commission shall establish by rule standards for approval of teacher edu-  
8 cation institutions and teacher education programs. Public teacher education institutions shall be  
9 approved for programs of more than four years' duration only if teacher education programs which  
10 are reasonably attainable in a four-year period are also available in the system of higher education  
11 and are designed to culminate in a baccalaureate degree that qualifies its graduates for entry-level  
12 teaching licenses.

13 (2) The commission shall establish rules that allow teacher education programs leading to  
14 graduate degrees to commence prior to the student's completion of baccalaureate degree require-  
15 ments and that allow the combined use of undergraduate and graduate level course work in  
16 achieving program completion.

17 (3) Whenever any teacher education institution or program is denied approved status or has  
18 such status withdrawn, such denial or withdrawal must be treated as a contested case within the  
19 meaning of ORS chapter 183.

20 (4) Nothing in this section is intended to grant any authority to the commission relating to  
21 granting degrees or establishing degree requirements that are within the authority of the State  
22 Board of Higher Education, **Portland State University, the University of Oregon** or any of the  
23 public universities listed in ORS 352.002, or that are within the authority of the governing board  
24 of any private institution of higher education.

25 **SECTION 198.** ORS 342.443 is amended to read:

26 342.443. (1) The Education and Workforce Policy Advisor shall report biennially to the Legisla-  
27 tive Assembly longitudinal data on the number and percentage of:

28 (a) Minority students enrolled in community colleges;

29 (b) Minority students applying for admission to public universities, **including public universi-**  
30 **ties** listed in ORS 352.002, **Portland State University and the University of Oregon;**

31 (c) Minority students accepted in public universities;

32 (d) Minority students graduated from public universities;

33 (e) Minority candidates seeking to enter public teacher education programs in this state;

34 (f) Minority candidates admitted to public teacher education programs;

35 (g) Minority candidates who have completed approved public teacher education programs;

36 (h) Minority candidates receiving Oregon teaching licenses based on preparation in this state  
37 and preparation in other states;

38 (i) Minority teachers who are newly employed in the public schools in this state; and

39 (j) Minority teachers already employed in the public schools.

40 (2) The advisor also shall report comparisons of minorities' and nonminorities' scores on basic  
41 skills, pedagogy and subject matter tests.

42 (3) The Oregon University System, **the University of Oregon, Portland State University,** the  
43 Department of Education, the Teacher Standards and Practices Commission, community colleges and  
44 school districts shall cooperate with the advisor in collecting data and preparing the report.

45 **SECTION 199.** ORS 344.259 is amended to read:

1 344.259. (1) The State Board of Education shall coordinate continuing education in lower divi-  
 2 sion, developmental, adult self-improvement, professional and technical education for agencies under  
 3 its regulatory authority. The State Board of Higher Education shall coordinate continuing education  
 4 in upper division and graduate education for public universities under its jurisdiction.

5 (2) When significantly adverse impact is alleged by one or more of the agencies listed in this  
 6 subsection, the affected parties jointly shall provide for written agreements. These agreements shall  
 7 allocate responsibility for planning and providing continuing education or off-campus instruction in  
 8 specific areas or by specific types. The agencies are:

9 (a) The State Board of Education.

10 (b) The State Board of Higher Education.

11 **(c) The Portland State University Board of Directors.**

12 **(d) The University of Oregon Board of Directors.**

13 [(c)] **(e)** Community college districts.

14 [(d)] **(f)** Independent colleges.

15 [(e)] **(g)** Proprietary schools.

16 (3) In the event the affected parties fail to reach a written agreement within 120 days following  
 17 receipt of written notice of the allegation, either party may request the Education and Workforce  
 18 Policy Advisor to review and to recommend resolution.

19 (4) Nothing in this section prohibits the offering of upper division or graduate programs within  
 20 30 miles of the campus of the Oregon University System university, **Portland State University or**  
 21 **the University of Oregon** [offering] **that offers** the program, or the offering of lower division  
 22 programs within 30 miles of the campus [offering] **that offers** the program in areas outside a com-  
 23 munity college district. Such programs are entitled to the same college credit and financial support  
 24 as programs offered on the campus of the university.

25 **SECTION 200.** ORS 344.557 is amended to read:

26 344.557. (1) The Department of Human Services may refer a person for vocational training only  
 27 to the following schools or programs:

28 (a) A school that has accreditation recognized by the United States Department of Education.

29 (b) A school that has been approved by the Higher Education Coordinating Commission to offer  
 30 and confer degrees in Oregon.

31 (c) A community college.

32 (d) A public university listed in ORS 352.002.

33 **(e) Portland State University.**

34 **(f) The University of Oregon.**

35 [(e)] **(g)** The Oregon Health and Science University.

36 [(f)] **(h)** A career school licensed under ORS 345.010 to 345.450.

37 [(g)] **(i)** An apprenticeship program that is registered with the State Apprenticeship and Training  
 38 Council.

39 (2) This section does not apply to vocational rehabilitation training.

40 **SECTION 201.** ORS 344.753 is amended to read:

41 344.753. (1) Employers who enter into written agreements with educational institutions and who  
 42 are providing training to participants in youth apprenticeship and training or work based learning  
 43 programs are eligible for reimbursement of expenses incurred in the training process. These ex-  
 44 penses may include wages paid to the student, training costs for mentors and supervisors, equipment  
 45 costs to set up youth training capacity, curriculum development costs, costs of establishing interfirm

1 training centers or other costs necessitated by the training agreement.

2 (2) The amount of reimbursement shall be 50 percent of the actual cost of the investment, such  
3 reimbursement not to exceed \$2,500 per student who completes the agreed upon course of study.  
4 In the event that a student drops out of the program through no fault of the employer, the Depart-  
5 ment of Education may reimburse the employer for costs incurred to that point.

6 (3) Eligible employers may elect to receive education service credits in lieu of the reimburse-  
7 ment provided in this section. The amount of the education service credit shall equal the value of  
8 the potential reimbursement on a dollar-for-dollar basis. Education service credits may be used to  
9 purchase educational services provided to the employer by school districts, education service dis-  
10 tricts, community colleges, **Portland State University, the University of Oregon**, the Oregon  
11 University System or private providers approved by the Department of Education.

12 (4) Employers who terminate students without the concurrence of the school forfeit all claim to  
13 reimbursements or education service credits earned under this section.

14 (5) The total amount of employer reimbursement allowable under this section to all employers  
15 shall not exceed the amount allocated therefor biennially from the Administrative Services Eco-  
16 nomic Development Fund.

17 (6) Reimbursements allowed under this section must first be certified with regard to eligibility  
18 and availability of funds pursuant to a method established by the Department of Education in con-  
19 sultation with the Bureau of Labor and Industries.

20 **SECTION 202.** ORS 348.005 is amended to read:

21 348.005. (1) The Legislative Assembly finds that:

22 (a) The State of Oregon can achieve its full economic and social potential only if all Oregonians  
23 have the opportunity to contribute to the full extent of their capabilities and only when financial  
24 barriers to their educational goals are removed;

25 (b) All Oregonians who meet the appropriate admissions requirements should be able to attend  
26 any community college, **any** public university listed in ORS 352.002, **Portland State University,**  
27 **the University of Oregon** or **any** independent not-for-profit institution of post-secondary  
28 education, regardless of individual economic or social circumstances;

29 (c) The interests of this state are best served when public subsidies supporting college students  
30 are distributed fairly, equitably and consciously to ensure maximum access and choice for all  
31 Oregonians at the least cost to the taxpayers;

32 (d) Need-based student financial aid is an effective, efficient and essential means of assisting  
33 Oregonians who are unable to afford the full cost of higher education;

34 (e) Student financial aid allows Oregonians with limited resources to select academic programs  
35 based on their interests, aptitudes and career goals;

36 (f) Student financial aid encourages and permits capable and promising Oregonians to persist in  
37 their education and training within this state; and

38 (g) By assisting Oregonians in this manner, student financial aid contributes to the quality of  
39 life of each Oregonian and to the social, cultural and economic well-being of all Oregonians.

40 (2) It is the intention of the Legislative Assembly to establish financial assistance programs to  
41 enable qualified Oregonians who need student aid to obtain post-secondary education in Oregon's  
42 community colleges, public universities or independent not-for-profit institutions of post-secondary  
43 education.

44 **SECTION 203.** ORS 348.010 is amended to read:

45 348.010. (1) An account in the Oregon University System Fund established under ORS 351.506

1 is designated for the purpose of granting student loans under the terms established by the National  
 2 Defense Education Act of 1958, as amended, under the terms of the Health Professions Educational  
 3 Assistance Act of 1963, as amended, and under the terms of the Nurses Training Act of 1964, as  
 4 amended.

5 (2) The account designated under this section consists of:

6 (a) All moneys made available to the State Board of Higher Education, **Portland State Uni-**  
 7 **versity and the University of Oregon** for student loan purposes by state appropriations and by the  
 8 federal government under terms of the National Defense Education Act of 1958, as amended, under  
 9 the terms of the Health Professions Educational Assistance Act of 1963, as amended, and under the  
 10 terms of the Nurses Training Act of 1964, as amended;

11 (b) Repayments of loans identified in paragraph (a) of this subsection;

12 (c) Interest earned on student loans identified in paragraph (a) of this subsection; and

13 (d) Earnings from investments of the account.

14 (3) The repayment in whole or part of any student loan made under terms of the National De-  
 15 fense Education Act of 1958, as amended, under the terms of the Health Professions Educational  
 16 Assistance Act of 1963, as amended, and under the terms of the Nurses Training Act of 1964, as  
 17 amended, shall be made pursuant to the provisions of the applicable federal statutes and repayment  
 18 to the account designated under this section shall be made in accordance with applicable federal  
 19 statutes.

20 (4) Income and interest derived from moneys in the account designated by this section are  
 21 credited to the account.

22 **SECTION 204.** ORS 348.180 is amended to read:

23 348.180. As used in this section and ORS 348.186, 348.205, 348.230, 348.250, 348.260 and 348.285:

24 (1) "Cost of education" includes but is not limited to, tuition, fees and living expenses.

25 (2) "Eligible post-secondary institution" means:

26 (a) A public university listed in ORS 352.002;

27 **(b) Portland State University;**

28 **(c) The University of Oregon;**

29 *[(b)]* **(d)** A community college operated under ORS chapter 341;

30 *[(c)]* **(e)** The Oregon Health and Science University; or

31 *[(d)]* **(f)** An Oregon-based, generally accredited, not-for-profit institution of higher education.

32 (3) "Qualified student" means any resident student who plans to attend an eligible post-  
 33 secondary institution and who:

34 (a) Has not achieved a baccalaureate or higher degree from any post-secondary institution;

35 (b) Is enrolled in an eligible program as defined by rule of the Oregon Student Access Commis-  
 36 sion; and

37 (c) Is making satisfactory academic progress as defined by rule of the commission.

38 **SECTION 205.** ORS 348.205 is amended to read:

39 348.205. (1) The Oregon Opportunity Grant program is established within the Oregon Student  
 40 Access Commission.

41 (2) Under the program, the cost of education of a qualified student shall be shared by the stu-  
 42 dent, the family of the student, the federal government and the state.

43 (3) The commission shall determine the cost of education of a qualified student based on the type  
 44 of eligible post-secondary institution the student is attending. The cost of education equals:

45 (a) For a student attending a community college, the average cost of education of attending a

1 community college in this state;

2 (b) For a student attending a public university under the direction of the State Board of Higher  
3 Education, the average cost of education of attending a public university under the direction of the  
4 board;

5 **(c) For a student attending the University of Oregon or Portland State University, the**  
6 **average cost of education of attending the university;**

7 [(c)] (d) For a student attending a two-year Oregon-based, generally accredited, not-for-profit  
8 institution of higher education, the average cost of education of attending a community college in  
9 this state; and

10 [(d)] (e) For a student attending the Oregon Health and Science University or a four-year  
11 Oregon-based, generally accredited, not-for-profit institution of higher education, the average cost  
12 of education of attending an institution under the direction of the board.

13 (4)(a) The commission shall determine the amount of the student share. The student share shall  
14 be based on:

15 (A) The type of eligible post-secondary institution the student is attending;

16 (B) The number of hours of work that the commission determines may be reasonably expected  
17 from the student; and

18 (C) The amount of loans that the commission determines would constitute a manageable debt  
19 burden for the student.

20 (b) The student shall determine how to cover the student share through income from work,  
21 loans, savings and scholarships.

22 (c) The student share for a student who attends a community college may not exceed the amount  
23 that the commission determines a student may earn based on the number of hours of work reason-  
24 ably expected from the student under paragraph (a) of this subsection.

25 (d) The student share for a student who attends an eligible post-secondary institution that is not  
26 a community college may not exceed the sum of the amount that the commission determines a stu-  
27 dent may receive as loans plus the amount a student may earn based on the number of hours of  
28 work reasonably expected from the student under paragraph (a) of this subsection.

29 (5) The commission shall determine the amount of the family share. The family share shall be  
30 based on the resources of the family.

31 (6) The commission shall determine the amount of the federal share based on how much the  
32 student or the student's family is expected to receive from the federal government as grants, loans,  
33 tax credits or other student assistance.

34 (7)(a) The commission shall determine the amount of the state share. The state share shall be  
35 equal to the cost of education reduced by the student share, family share and amount received by  
36 the student from the federal government.

37 (b) The commission shall establish a minimum amount that a student may receive as a state  
38 share. If the commission determines that the amount of the state share of a student is below the  
39 minimum amount, the student may not receive the state share.

40 (c) In determining the amount of the state share, the commission shall consider the total amount  
41 available to award as grants to all qualified students. If the commission must reduce the amount of  
42 the state share under this paragraph, the commission may not reduce the amount of the state share  
43 awarded to students in the low income range in a greater proportion than the amount that the state  
44 share for students in other income ranges is reduced.

45 (8)(a) The commission shall adopt rules that prioritize current foster children and former foster

1 children for receiving Oregon Opportunity Grants when the Oregon Opportunity Grant program  
2 does not have sufficient funding to serve all eligible Oregon students.

3 (b) For the purposes of this subsection, “former foster child” has the meaning given that term  
4 in ORS 351.293.

5 **SECTION 206.** ORS 348.270 is amended to read:

6 348.270. (1) In addition to any other scholarships provided by law, the commission shall award  
7 scholarships in any public university listed in ORS 352.002, **in Portland State University, in the**  
8 **University of Oregon**, in the Oregon Health and Science University, in any community college  
9 operated under ORS chapter 341, or in any Oregon-based regionally accredited independent institu-  
10 tion, to any student applying for enrollment or who is enrolled therein, who is:

11 (a) The natural child, adopted child or stepchild of any public safety officer who, in the line of  
12 duty, was killed or so disabled, as determined by the commission, that the income of the public  
13 safety officer is less than that earned by public safety officers performing duties comparable to those  
14 performed at the highest rank or grade attained by the public safety officer; or

15 (b) A current foster child or former foster child who enrolls in an institution of higher education  
16 as an undergraduate student not later than three years from the date the student was removed from  
17 the care of the Department of Human Services, the date the student graduated from high school or  
18 the date the student received the equivalent of a high school diploma, whichever date is earliest.

19 (2) Scholarships awarded under this section to students who are dependents of public safety of-  
20 ficers or who are current foster children or former foster children shall equal the amount of tuition  
21 and all fees levied by the institution against the recipient of the scholarship. However, scholarships  
22 awarded to students who attend independent institutions shall not exceed the amount of tuition and  
23 all fees levied by the University of Oregon.

24 (3) If the student who is the dependent of a deceased public safety officer continues to remain  
25 enrolled in a public university listed in ORS 352.002, **Portland State University or the University**  
26 **of Oregon**, or **in** a community college or an independent institution within the State of Oregon, the  
27 student shall be entitled to renewal of the scholarship until the student has received the equivalent  
28 of four years of undergraduate education and four years of post-graduate education.

29 (4) If the student who is a current foster child or former foster child or who is the dependent  
30 of a public safety officer with a disability continues to remain enrolled in a public university listed  
31 in ORS 352.002, **Portland State University or the University of Oregon**, or **in** a community col-  
32 lege or an independent institution within the State of Oregon, the student shall be entitled to re-  
33 newal of the scholarship until the student has received the equivalent of four years of undergraduate  
34 education.

35 (5) The commission may require proof of the student’s relationship to a public safety officer de-  
36 scribed in subsection (1) of this section or proof that the student is a current foster child or former  
37 foster child.

38 (6) As used in this section:

39 (a) “Former foster child” means an individual who, for a total of 12 or more months while be-  
40 tween the ages of 16 and 21, was a ward of the court pursuant to ORS 419B.100 (1)(b) to (e) and in  
41 the legal custody of the Department of Human Services for out-of-home placement.

42 (b) “Public safety officer” means:

43 (A) A firefighter or police officer as those terms are defined in ORS 237.610.

44 (B) A member of the Oregon State Police.

45 (C) A police officer commissioned by a university under ORS 352.383.

(D) An authorized tribal police officer as defined in section 1, chapter 644, Oregon Laws 2011.

**SECTION 207.** ORS 348.270, as amended by section 51, chapter 644, Oregon Laws 2011, is amended to read:

348.270. (1) In addition to any other scholarships provided by law, the commission shall award scholarships in any public university listed in ORS 352.002, **in Portland State University, in the University of Oregon**, in the Oregon Health and Science University, in any community college operated under ORS chapter 341, or in any Oregon-based regionally accredited independent institution, to any student applying for enrollment or who is enrolled therein, who is:

(a) The natural child, adopted child or stepchild of any public safety officer who, in the line of duty, was killed or so disabled, as determined by the commission, that the income of the public safety officer is less than that earned by public safety officers performing duties comparable to those performed at the highest rank or grade attained by the public safety officer; or

(b) A current foster child or former foster child who enrolls in an institution of higher education as an undergraduate student not later than three years from the date the student was removed from the care of the Department of Human Services, the date the student graduated from high school or the date the student received the equivalent of a high school diploma, whichever date is earliest.

(2) Scholarships awarded under this section to students who are dependents of public safety officers or who are current foster children or former foster children shall equal the amount of tuition and all fees levied by the institution against the recipient of the scholarship. However, scholarships awarded to students who attend independent institutions shall not exceed the amount of tuition and all fees levied by the University of Oregon.

(3) If the student who is the dependent of a deceased public safety officer continues to remain enrolled in a public university listed in ORS 352.002, **Portland State University or the University of Oregon**, or **in** a community college or an independent institution within the State of Oregon, the student shall be entitled to renewal of the scholarship until the student has received the equivalent of four years of undergraduate education and four years of post-graduate education.

(4) If the student who is a current foster child or former foster child or who is the dependent of a public safety officer with a disability continues to remain enrolled in a public university listed in ORS 352.002, **Portland State University or the University of Oregon**, or **in** a community college or an independent institution within the State of Oregon, the student shall be entitled to renewal of the scholarship until the student has received the equivalent of four years of undergraduate education.

(5) The commission may require proof of the student's relationship to a public safety officer described in subsection (1) of this section or proof that the student is a current foster child or former foster child.

(6) As used in this section:

(a) "Former foster child" means an individual who, for a total of 12 or more months while between the ages of 16 and 21, was a ward of the court pursuant to ORS 419B.100 (1)(b) to (e) and in the legal custody of the Department of Human Services for out-of-home placement.

(b) "Public safety officer" means:

(A) A firefighter or police officer as those terms are defined in ORS 237.610.

(B) A member of the Oregon State Police.

(C) A police officer commissioned by a university under ORS 352.383.

**SECTION 208.** ORS 348.282 is amended to read:

348.282. As used in this section and ORS 348.283:

- 1 (1) “Armed Forces of the United States” means:
- 2 (a) The Army, Navy, Air Force, Marine Corps and Coast Guard of the United States;
- 3 (b) The reserves of the Army, Navy, Air Force, Marine Corps and Coast Guard of the United
- 4 States; and
- 5 (c) The Oregon National Guard and a National Guard of any other state or territory.
- 6 (2) “Public post-secondary institution” means:
- 7 (a) A public university under the direction of the State Board of Higher Education;
- 8 **(b) Portland State University;**
- 9 **(c) The University of Oregon;** and
- 10 *[(b)] (d)* A community college operated under ORS chapter 341.
- 11 (3) “Veteran” has the meaning given that term in ORS 408.225.
- 12 **SECTION 209.** ORS 348.394 is amended to read:
- 13 348.394. As used in ORS 348.394 to 348.406:
- 14 (1) “Eligible post-secondary institution” means:
- 15 (a) A public university listed in ORS 352.002;
- 16 (b) A community college as defined in ORS 341.005;
- 17 **(c) Portland State University;**
- 18 **(d) The University of Oregon;** or
- 19 *[(c)] (e)* A generally accredited, not-for-profit institution of higher education.
- 20 (2) “Participant” means a student who receives a grant under ORS 348.401.
- 21 **SECTION 210.** ORS 348.470 is amended to read:
- 22 348.470. The Legislative Assembly finds and declares that:
- 23 (1) It is the policy of this state to encourage cooperation between the Oregon University
- 24 System, **Portland State University, the University of Oregon** and community colleges on issues
- 25 affecting students who transfer *[between the two]* **among the** segments; and
- 26 (2) All unnecessary obstacles that restrict student transfer opportunities *[between the two]*
- 27 **among the** segments shall be eliminated.
- 28 **SECTION 211.** ORS 348.597 is amended to read:
- 29 348.597. (1) Except as provided in subsection (2) of this section, ORS 348.594 to 348.615 apply to
- 30 all schools that operate in this state.
- 31 (2) ORS 348.594 to 348.615 do not apply to:
- 32 (a) An Oregon community college;
- 33 (b) A public university listed in ORS 352.002, **Portland State University or the University**
- 34 **of Oregon;**
- 35 (c) The Oregon Health and Science University;
- 36 (d) A school, or a separately accredited campus of a school, if the school:
- 37 (A) Is a nonprofit school that is exempt from federal income tax under section 501(c)(3) of the
- 38 Internal Revenue Code;
- 39 (B) Conferred degrees in this state under the same control for at least five consecutive years;
- 40 and
- 41 (C) Is accredited by a regional accrediting association or its national successor;
- 42 (e) A school that, on July 14, 2005, was a school that met the criteria and followed procedures
- 43 to obtain a religious exemption adopted by rule by the Oregon Student Access Commission and that
- 44 offered only degrees with approved titles in theology or religious occupations; or
- 45 (f) A school that is exempt from ORS 348.594 to 348.615 under ORS 348.604.

1 (3) The Higher Education Coordinating Commission shall issue a separate license to issue de-  
2 grees to each school that meets the requirements for exemption from evaluation by the office set  
3 forth in subsection (2)(d) of this section. The license shall remain in effect if the school continues  
4 to meet the requirements of subsection (2)(d) of this section.

5 **SECTION 212.** ORS 348.890 is amended to read:

6 348.890. (1) The Higher Education Coordinating Commission shall provide policy direction to  
7 implement regional partnership proposals and any other joint program or activity approved by the  
8 State Board of Education, **Portland State University, the University of Oregon** [and] or the State  
9 Board of Higher Education.

10 (2) Notwithstanding ORS 351.063 (3), the Department of Community Colleges and Workforce  
11 Development and the Oregon University System may use appropriations from the General Fund to  
12 implement agreements approved by the Higher Education Coordinating Commission that provide di-  
13 rect aid to a student, or other incentives that encourage shared use of facilities, programs and other  
14 resources of public universities listed in ORS 352.002 and community colleges.

15 **SECTION 213.** ORS 348.900 is amended to read:

16 348.900. (1) The Employment Department, in consultation with health care industry employers,  
17 shall perform a statewide and regional needs assessment for health care occupations to identify  
18 emerging occupations and occupations for which there is high demand or a shortage of workers. The  
19 assessment shall be performed as necessary on a periodic basis, as determined by the department,  
20 in consultation with industry employers. To perform the needs assessment, the department may  
21 consider any reliable data sources available to the department.

22 (2) Based on the needs assessment, the Higher Education Coordinating Commission shall inform  
23 the community colleges, public universities listed in ORS 352.002, **Portland State University, the**  
24 **University of Oregon,** Oregon Health and Science University and health care industry employers  
25 of the identified statewide needs and invite the development of health care education programs that  
26 are responsive to those needs.

27 (3) When approving health care education programs, the State Board of Education, the State  
28 Board of Higher Education and the Oregon Health and Science University Board of Directors shall  
29 use the statewide needs assessment to evaluate whether a program fulfills statewide needs. If a  
30 board determines there is a statewide need, the board shall facilitate the:

31 (a) Coordination of new health care education programs and existing health care education  
32 programs that are similar to the new health care education programs to address the statewide need;  
33 and

34 (b) Alignment of health care education programs relating to statewide access, student  
35 transferability between programs, course articulation and common student learning outcomes for  
36 health care education programs.

37 (4) In the development and approval of health care education programs, community colleges,  
38 public universities, Oregon Health and Science University, the State Board of Education, the State  
39 Board of Higher Education, **the Portland State University Board of Directors, the University**  
40 **of Oregon Board of Directors** and the Oregon Health and Science University Board of Directors  
41 shall consider issues related to statewide access, student transferability between programs, course  
42 articulation and common student learning outcomes for health care education programs. The com-  
43 munity colleges, public universities, Oregon Health and Science University and boards shall con-  
44 tinue to provide and improve upon an effective articulation and transfer framework for students in  
45 Oregon's post-secondary sectors.

1       **SECTION 214.** ORS 348.910 is amended to read:

2       348.910. (1) As used in this section, “applied baccalaureate degree” means a bachelor’s degree  
3 designed to incorporate applied associate courses and degrees with additional coursework empha-  
4 sizing higher-order thinking skills and advanced technical knowledge and skills.

5       (2) The Higher Education Coordinating Commission shall develop a plan for offering applied  
6 baccalaureate degree programs at community colleges, **Portland State University, the University**  
7 **of Oregon** and public universities listed in ORS 352.002. The commission shall consider the follow-  
8 ing types of programs for the purpose of offering some of these types and the possibility of combi-  
9 nations of these types:

10       (a) A career ladder program that requires a substantial number of upper level courses in the  
11 same technical area of study as the student’s applied associate degree;

12       (b) An inverse program that reverses the traditional curriculum sequence by adding general  
13 education courses in the student’s third and fourth years to the associate degree courses taken in  
14 the student’s first and second years;

15       (c) A management ladder program that combines associate degree requirements with applied  
16 management skills coursework; and

17       (d) A work experience program that combines general education and technical coursework with  
18 direct, supervised work experience in a relevant field.

19       (3) The plan must include the following elements:

20       (a) The method by which the applied baccalaureate degree programs will be created, including  
21 any necessary accreditation by the relevant accrediting agency;

22       (b) The criteria for approving the degree and course options offered by **Portland State Uni-**  
23 **versity, the University of Oregon**, public universities listed in ORS 352.002 and community col-  
24 leges;

25       (c) The articulation agreements between community colleges, **Portland State University, the**  
26 **University of Oregon** and public universities listed in ORS 352.002 necessary to ensure that the  
27 applied baccalaureate degree programs are as widely available as possible;

28       (d) The resources required to implement the applied baccalaureate degree program;

29       (e) The timeline necessary to implement the applied baccalaureate degree program; and

30       (f) A recommendation as to whether community colleges should be allowed to offer applied  
31 baccalaureate degrees.

32       **SECTION 215.** ORS 351.015 is amended to read:

33       351.015. The Oregon University System shall be conducted under the control of a board of 15  
34 directors, to be known as the State Board of Higher Education. Except as otherwise provided by  
35 law, the board has sole authority to govern, set policy and otherwise manage the affairs of the  
36 public universities listed in ORS 352.002. The board shall consist of:

37       (1) Two students who at the time of their appointment to the board are attending different public  
38 universities listed in ORS 352.002.

39       (2) One member of the faculty at Oregon State University[, *Portland State University or Uni-*  
40 *versity of Oregon*].

41       (3) One member of the faculty at Eastern Oregon University, Oregon Institute of Technology,  
42 Southern Oregon University or Western Oregon University.

43       (4) Eleven members of the general public who are not students or faculty members at the time  
44 of appointment.

45       **SECTION 216.** ORS 351.509 is amended to read:

1 351.509. (1) There is established in the General Fund an account to be known as the Portland  
2 State University Center for Nanoscience and Nanotechnology Account. Funds in the account shall  
3 be used for the acquisition and expansion of microscopy and materials characterization facilities at  
4 Portland State University related to a signature research center.

5 (2) The account shall consist of proceeds from lottery bonds made available to [*the Oregon*  
6 *University System*] **Portland State University** for the purpose of the Portland State University  
7 center for nanoscience and nanotechnology project described in subsection (1) of this section. In-  
8 terest earned on moneys in the account shall be credited to the account.

9 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]  
10 **Portland State University** for the center for nanoscience and nanotechnology project described in  
11 subsection (1) of this section. The account may not be credited with more than \$500,000 in interest  
12 and proceeds from lottery bonds.

13 **SECTION 217.** ORS 351.511 is amended to read:

14 351.511. (1) There is established in the General Fund an account to be known as the Portland  
15 State University Northwest Engineering Science Center Phase I Account. Funds in the account shall  
16 be used for acquisition or construction of an engineering science center at Portland State Univer-  
17 sity.

18 (2) The account shall consist of federal and local government funds made available to and funds  
19 donated to [*the Oregon University System*] **Portland State University** for the purpose of the  
20 Portland State University Northwest Engineering Science Center Phase I project described in sub-  
21 section (1) of this section. Interest earned on moneys in the account shall be credited to the ac-  
22 count.

23 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]  
24 **Portland State University** for the purposes described in subsection (1) of this section. The account  
25 may not be credited with more than \$26,500,000 in interest, donations and federal and local gov-  
26 ernment funds for purposes of this subsection.

27 **SECTION 218.** ORS 351.517 is amended to read:

28 351.517. (1) There is established in the General Fund an account to be known as the University  
29 of Oregon Education Building and Complex Account. Funds in the account shall be used for the  
30 acquisition, construction, remodeling, expansion and renovation of facilities for an education build-  
31 ing and complex at the University of Oregon.

32 (2) The account shall consist of federal and local government funds made available to and funds  
33 donated to the Oregon University System for the purpose of the education building and complex  
34 project described in subsection (1) of this section. Interest earned on moneys in the account shall  
35 be credited to the account. The account may not be credited with more than \$19,400,000 in interest,  
36 donations and federal and local government funds for purposes of this subsection.

37 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**  
38 **behalf of the University of Oregon**, and may be transferred to the account designated by ORS  
39 351.626 for the education building and complex project described in subsection (1) of this section.

40 **SECTION 219.** ORS 351.518 is amended to read:

41 351.518. (1) There is established in the General Fund an account to be known as the University  
42 of Oregon Gilbert Hall Account. Funds in the account shall be used for the acquisition, construction,  
43 remodeling, expansion and renovation of facilities for Gilbert Hall at the University of Oregon.

44 (2) The account shall consist of federal and local government funds made available to and funds  
45 donated to the Oregon University System for the purpose of the Gilbert Hall project described in

1 subsection (1) of this section. Interest earned on moneys in the account shall be credited to the ac-  
2 count. The account may not be credited with more than \$3,300,000 in interest, donations and federal  
3 and local government funds for purposes of this subsection.

4 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**  
5 **behalf of the University of Oregon** and may be transferred to the account designated by ORS  
6 351.626 for the Gilbert Hall project described in subsection (1) of this section.

7 **SECTION 220.** ORS 351.519 is amended to read:

8 351.519. (1) There is established in the General Fund an account to be known as the University  
9 of Oregon Integrative Science Complex Account. Funds in the account shall be used for the acqui-  
10 sition, construction, remodeling, expansion and renovation of facilities for an integrative science  
11 complex at the University of Oregon that includes a multiscale materials and devices laboratory and  
12 other facilities related to a signature research center.

13 (2) The account shall consist of proceeds from lottery bonds made available to the Oregon Uni-  
14 versity System **or the University of Oregon** for the purpose of the University of Oregon integrative  
15 science complex project described in subsection (1) of this section. Interest earned on moneys in the  
16 account shall be credited to the account.

17 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**  
18 **behalf of the University of Oregon** for the integrative science complex project described in sub-  
19 section (1) of this section. The account may not be credited with more than \$4,750,000 in interest  
20 and proceeds from lottery bonds.

21 **SECTION 221.** ORS 351.521 is amended to read:

22 351.521. (1) There is established in the General Fund an account to be known as the University  
23 of Oregon School of Music Account. Funds in the account shall be used for additions and alterations  
24 to the School of Music at the University of Oregon.

25 (2) The account shall consist of federal and local government funds made available to and funds  
26 donated to the Oregon University System **or the University of Oregon** for the purpose of the  
27 University of Oregon School of Music project described in subsection (1) of this section. Interest  
28 earned on moneys in the account shall be credited to the account.

29 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**  
30 **behalf of the University of Oregon** for that purpose. The account may not be credited with more  
31 than \$7,600,000 in interest, donations and federal and local government funds for purposes of this  
32 subsection.

33 **SECTION 222.** ORS 351.538 is amended to read:

34 351.538. (1) There is established in the General Fund an account to be known as the Museum  
35 of Art Project Account. Funds in the account shall be used for additions to and alterations of the  
36 Museum of Art at the University of Oregon.

37 (2) The account shall consist of federal and local government funds made available to and funds  
38 donated to the Oregon University System **or the University of Oregon** for the purposes of the  
39 Museum of Art project described in subsection (1) of this section. Interest earned on moneys in the  
40 account shall be credited to the account.

41 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**  
42 **behalf of the University of Oregon** for that purpose. The account may not be credited with more  
43 than \$6,360,000 in interest, donations and federal and local government funds for purposes of this  
44 subsection.

45 **SECTION 223.** ORS 351.539 is amended to read:

1 351.539. (1) There is established in the General Fund an account to be known as the Straub Hall  
2 Project Account. Funds in the account shall be used for the additions to and alterations of Straub  
3 Hall at the University of Oregon.

4 (2) The account shall consist of federal and local government funds made available to and funds  
5 donated to the Oregon University System **or the University of Oregon** for the purposes of the  
6 Straub Hall project described in subsection (1) of this section. Interest earned on moneys in the  
7 account shall be credited to the account.

8 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**  
9 **behalf of the University of Oregon** for that purpose. The account may not be credited with more  
10 than \$1,166,000 in interest, donations and federal and local government funds for purposes of this  
11 subsection.

12 **SECTION 224.** ORS 351.642 is amended to read:

13 351.642. (1) As used in this section:

14 (a) "Active member of the Armed Forces of the United States" includes officers and enlisted  
15 personnel of the Armed Forces of the United States who:

16 (A) Reside in this state while assigned to duty at any base, station, shore establishment or other  
17 facility in this state;

18 (B) Reside in this state while serving as members of the crew of a ship that has an Oregon port  
19 or shore establishment as its home port or permanent station; or

20 (C) Reside in another state or a foreign country and establish Oregon residency by filing Oregon  
21 state income taxes no later than 12 months before leaving active duty.

22 (b) "Armed Forces of the United States" includes:

23 (A) The Army, Navy, Air Force, Marine Corps and Coast Guard of the United States;

24 (B) Reserve components of the Army, Navy, Air Force, Marine Corps and Coast Guard of the  
25 United States; and

26 (C) The National Guard of the United States and the Oregon National Guard.

27 (c) "Dependent children" includes any children of an active member of the Armed Forces of the  
28 United States who:

29 (A) Are under 18 years of age and not married, otherwise emancipated or self-supporting; or

30 (B) Are under 23 years of age, unmarried, enrolled in a full-time course of study in an institution  
31 of higher learning and dependent on the member for over one-half of their support.

32 (2) Active members of the Armed Forces of the United States and their spouses and dependent  
33 children shall be considered residents of this state for the purpose of admission and for the purpose  
34 of determining fees and tuition to be paid by such individuals while attending **Portland State**  
35 **University, the University of Oregon or** any public university that is under the control of the  
36 State Board of Higher Education.

37 (3) The State Board of Higher Education, **Portland State University, and the University of**  
38 **Oregon** may contract with the Armed Forces of the United States to furnish educational service in  
39 the public universities to active members of the Armed Forces of the United States.

40 (4) The State Board of Higher Education, **Portland State University and the University of**  
41 **Oregon** shall determine the number of such students that should be accepted and shall make final  
42 decisions on admission of individual applicants.

43 (5) Students attending the public universities under contracts with the Armed Forces of the  
44 United States under this section shall pay fees and tuition customarily charged Oregon students.

45 (6) Payments made by the Armed Forces of the United States under such contracts shall be de-

1 posited in a designated account in the Oregon University System Fund established by ORS 351.506  
 2 in the same manner that fees and tuition payments for resident students are deposited and credited.

3 **SECTION 225.** ORS 351.649 is amended to read:

4 351.649. (1) For the purposes of this section:

5 (a) “Public institution of higher education” means:

6 (A) A community college;

7 (B) A public university listed in ORS 352.002;

8 **(C) Portland State University;**

9 **(D) The University of Oregon;** and

10 [~~C~~] **(E) The Oregon Health and Science University.**

11 (b) “School-sponsored media” means materials that are prepared, substantially written, published  
 12 or broadcast by student journalists, that are distributed or generally made available, either free of  
 13 charge or for a fee, to members of the student body and that are prepared under the direction of a  
 14 student media adviser. “School-sponsored media” does not include media intended for distribution  
 15 or transmission solely in the classrooms in which they are produced.

16 (c) “Student journalist” means a student who gathers, compiles, writes, edits, photographs, re-  
 17 cords or prepares information for dissemination in school-sponsored media.

18 (d) “Student media adviser” means a person who is employed, appointed or designated by a  
 19 public institution of higher education to supervise, or provide instruction relating to, school-  
 20 sponsored media.

21 (2) Student journalists are responsible for determining the news, opinion, feature and advertising  
 22 content of school-sponsored media. This subsection does not prevent a student media adviser from  
 23 teaching professional standards of English and journalism to the student journalists.

24 (3) Nothing in this section may be interpreted to authorize expression by students that:

25 (a) Is libelous or slanderous;

26 (b) Constitutes an unwarranted invasion of privacy;

27 (c) Violates federal or state statutes, rules or regulations or state common law; or

28 (d) So incites students as to create a clear and present danger of:

29 (A) The commission of unlawful acts on or off school premises;

30 (B) The violation of school policies; or

31 (C) The material and substantial disruption of the orderly operation of the school. A school of-  
 32 ficial must base a forecast of material and substantial disruption on specific facts, including past  
 33 experience in the school and current events influencing student behavior, and not on undifferen-  
 34 tiated fear or apprehension.

35 (4) Any student enrolled in a public institution of higher education may commence a civil action  
 36 to obtain damages under this subsection and appropriate injunctive or declaratory relief as deter-  
 37 mined by a court for a violation of subsection (2) of this section, the First Amendment to the United  
 38 States Constitution or section 8, Article I of the Oregon Constitution. Upon a motion, a court may  
 39 award \$100 in damages and injunctive and declaratory relief to a prevailing plaintiff in a civil action  
 40 brought under this subsection.

41 **SECTION 226.** ORS 351.656 is amended to read:

42 351.656. (1) As used in this section:

43 (a) “Child” means a child, adopted child or stepchild of a service member.

44 (b) “Eligible post-secondary institution” means:

45 (A) A public university listed in ORS 352.002;

- 1       **(B) Portland State University;**
- 2       **(C) The University of Oregon;** and
- 3       **[(B)] (D) The Oregon Health and Science University.**

4       (c) “Qualified student” means a child, a spouse or an unremarried surviving spouse of a service  
5 member.

6       (d) “Service member” means a person who:

7       (A) As a member of the Armed Forces of the United States, died on active duty;

8       (B) As a member of the Armed Forces of the United States, died as a result of a military service  
9 connected disability; or

10      (C) Is 100 percent disabled as the result of a military service connected disability, as certified  
11 by the United States Department of Veterans Affairs or any branch of the Armed Forces of the  
12 United States.

13      (2) Subject to subsections (3) to (6) of this section, an eligible post-secondary institution shall  
14 waive tuition for a qualified student for courses that may lead to a baccalaureate degree or a  
15 master’s degree. A qualified student who received a tuition waiver for a baccalaureate degree may  
16 also qualify for a tuition waiver for a master’s degree.

17      (3)(a) The maximum waiver granted under this section shall be as follows:

18      (A) For a baccalaureate degree, the total number of credit hours that equals four years of full-  
19 time attendance at an eligible post-secondary institution.

20      (B) For a master’s degree, the total number of credit hours that equals two years of full-time  
21 attendance at an eligible post-secondary institution.

22      (b) Notwithstanding paragraph (a) of this subsection, a waiver may not exceed the total number  
23 of credit hours the qualified student needs to graduate with a baccalaureate degree or a master’s  
24 degree.

25      (4) A waiver may be granted under this section only for credit hours for courses that are offered  
26 by an eligible post-secondary institution and are available for enrollment regardless of whether the  
27 qualified student attends the course and pays tuition.

28      (5) A qualified student may receive a waiver under this section if the student:

29      (a) At the time of application for a waiver, is considered a resident of this state for the purpose  
30 of determining tuition to be paid at an eligible post-secondary institution; and

31      (b) Has been admitted to an eligible post-secondary institution for a baccalaureate degree pro-  
32 gram or has been admitted to a master’s degree program at an eligible post-secondary institution.

33      (6)(a) A child who applies for a waiver under this section must be 23 years of age or younger  
34 at the time the child applies for a waiver.

35      (b) Notwithstanding paragraph (a) of this subsection, a child who is older than 23 years of age  
36 is eligible for a waiver for a master’s degree if the child:

37      (A) Applied for and received a waiver for a baccalaureate degree when the child was 23 years  
38 of age or younger; and

39      (B) Applied for a waiver for a master’s degree within 12 months of receiving a baccalaureate  
40 degree.

41      **SECTION 227.** ORS 351.658 is amended to read:

42      351.658. (1) The State Board of Higher Education shall direct each public university listed in  
43 ORS 352.002 to waive tuition for any course audited by an Oregon resident 65 years of age or older  
44 if:

45      (a) Space is available in the course for additional students to register after degree-seeking stu-

dents have registered;

(b) The department in which the course is being taught approves; and

(c) The auditing student is registered for eight credits or fewer per term.

**(2) The Portland State University Board of Directors shall waive tuition for any course audited by an Oregon resident 65 years of age or older if:**

**(a) Space is available in the course for additional students to register after degree-seeking students have registered;**

**(b) The department in which the course is being taught approves; and**

**(c) The auditing student is registered for eight credits or fewer per term.**

**(3) The University of Oregon Board of Directors shall waive tuition for any course audited by an Oregon resident 65 years of age or older if:**

**(a) Space is available in the course for additional students to register after degree-seeking students have registered;**

**(b) The department in which the course is being taught approves; and**

**(c) The auditing student is registered for eight credits or fewer per term.**

[(2)] (4) The public university may charge the student attending under [subsection (1)] **subsections (1) to (3)** of this section fees associated with the course being audited.

[(3)] (5) A public university may develop rules for implementation of this section, including rules relating to registration, admission and fees.

**SECTION 228.** ORS 351.695 is amended to read:

351.695. (1) A university within the Oregon University System may deposit moneys received for its university venture development fund in the Higher Education Donation Fund established under ORS 351.130.

(2) Notwithstanding ORS 351.697 (5), the State Treasurer, as payment for expenses, may deduct a fee pursuant to ORS 293.718 from a university venture development fund administered by a university within the Oregon University System, **Portland State University, the University of Oregon** or the Oregon Health and Science University.

(3) A university within the Oregon University System, **Portland State University, the University of Oregon** or the Oregon Health and Science University may direct that moneys credited to its university venture development fund be held and invested by the university's affiliated foundation. Any moneys held by an affiliated foundation under this section or ORS 351.697 are not subject to the provisions of ORS chapter 293 or 295 and may not be considered public or state funds for any purpose. Moneys transferred to an affiliated foundation under this section or ORS 351.697 may be used only as provided under ORS 351.692, 351.695, 351.697 and 353.445.

(4) At the request of a university within the Oregon University System, moneys in the Higher Education Donation Fund that were deposited by the university under this section may be transferred to the university's affiliated foundation.

(5) A university within the Oregon University System, **Portland State University, the University of Oregon** or the Oregon Health and Science University may retain or may elect to have its affiliated foundation retain some or all of the principal contributed to a university venture development fund for investment to perpetuate and increase the moneys available for expenditure. The balance of the fund and the earnings on that balance may be used as provided under ORS 351.692, 351.695, 351.697 and 353.445.

**SECTION 229.** ORS 351.697 is amended to read:

351.697. (1) Each university in the Oregon University System, **Portland State University,**

1 **University of Oregon** and Oregon Health and Science University may elect to establish a univer-  
 2 sity venture development fund as provided in this section for the purpose of facilitating the  
 3 commercialization of university research and development. A university shall direct that the uni-  
 4 versity venture development fund be administered, in whole or in part, by the university or by the  
 5 university's affiliated foundation.

6 (2) The purposes of a university venture development fund are to provide:

7 (a) Capital for university entrepreneurial programs;

8 (b) Opportunities for students to gain experience in applying research to commercial activities;

9 (c) Proof-of-concept funding for transforming research and development concepts into commer-  
 10 cially viable products and services;

11 (d) Entrepreneurial opportunities for persons interested in transforming research into viable  
 12 commercial ventures that create jobs in this state; and

13 (e) Tax credits for contributors to university research commercialization activities.

14 (3) Each university that elects to establish a university venture development fund shall:

15 (a) Notify the Department of Revenue of the establishment of the fund;

16 (b) Either directly or through its affiliated foundation, solicit contributions to the fund and re-  
 17 ceive, manage and disburse moneys contributed to the fund;

18 (c) Subject to ORS 315.521 (1), 351.692 (3) and 353.445 (3), issue tax credit certificates to con-  
 19 tributors to the fund in the amount of the contributions;

20 *[(d) Establish a grant program that meets the requirements for a venture grant program under*  
 21 *policies adopted by the State Board of Higher Education under ORS 351.692 or under policies adopted*  
 22 *by the Oregon Health and Science University Board of Directors under ORS 353.445; and]*

23 **(d) Establish a grant program that meets the requirements for a venture grant program**  
 24 **under policies adopted by:**

25 **(A) The State Board of Higher Education under ORS 351.692;**

26 **(B) The University of Oregon Board of Directors under section 52 of this 2012 Act;**

27 **(C) The Portland State University Board of Directors under section 114 of this 2012 Act;**

28 **or**

29 **(D) The Oregon Health and Science University Board of Directors under ORS 353.445; and**

30 (e) Subject to available moneys from the fund, provide qualified grant applicants with moneys  
 31 for the purpose of facilitating the commercialization of university research and development.

32 (4) Except as provided in subsection (5) of this section, moneys in a university venture devel-  
 33 opment fund shall be disbursed only as directed by a university.

34 (5) A university or its affiliated foundation may charge its customary administrative assessment  
 35 to manage its university venture development fund in an amount not to exceed three percent of the  
 36 fund's average balance during the fiscal year of the university or its affiliated foundation. The ad-  
 37 ministrative assessment may be paid from the assets in the fund. Except as authorized by law, no  
 38 other fees or indirect costs shall be charged against the university venture development fund or any  
 39 associated grants or other disbursements from the fund.

40 (6) A university that has established a university venture development fund shall monitor the  
 41 use of grants made from the fund and identify the income realized by the university as the result  
 42 of the use of the grants. Income consists of cash realized from royalties, milestone and license fee  
 43 payments and cash from the sale of equity. The university shall cause the transfer of 20 percent of  
 44 the income realized from the grants to the General Fund, but not to exceed the amount of the tax  
 45 credits issued by the university as a result of contributions to its university venture development

1 fund. Immediately upon deposit of the transferred amount into the General Fund, the university may  
 2 issue new tax credits to equal the transferred amount.

3 (7) A university that has established a university venture development fund shall report annually  
 4 to the Legislative Assembly or, if the Legislative Assembly is not in session, to the interim legisla-  
 5 tive committees on revenue. The report shall be at the end of the fiscal year of the university or  
 6 of its affiliated foundation and provide information for that fiscal year. The university shall include  
 7 in the report the following information pertaining to its university venture development fund:

- 8 (a) The amount of donations received for the fund;
- 9 (b) The amount of income received from the fund;
- 10 (c) The amount of disbursements and grants paid from the fund;
- 11 (d) The amount of income and royalties received from disbursements from the fund; and
- 12 (e) The amount of moneys transferred from the fund to the General Fund.

13 **SECTION 230.** ORS 351.700 is amended to read:

14 351.700. As used in ORS 351.704 and 351.708, “public institution of higher education” means:

- 15 (1) A community college; [or]
- 16 (2) A public university listed in ORS 352.002;
- 17 **(3) Portland State University; or**
- 18 **(4) The University of Oregon.**

19 **SECTION 231.** ORS 351.704 is amended to read:

20 351.704. (1) Subject to ORS 351.094 and any group health and welfare insurance benefit plan  
 21 developed under ORS 351.094, **or any group health and welfare insurance benefit plan developed**  
 22 **by Portland State University or the University of Oregon**, a part-time faculty member at a  
 23 public institution of higher education is eligible for the same health care benefits as full-time faculty  
 24 members if the part-time faculty member is eligible for membership in the Public Employees Retirement  
 25 System or another plan authorized under ORS chapter 238 or 238A by teaching either at a  
 26 single public institution of higher education or in aggregate at multiple public institutions of higher  
 27 education during the prior year.

28 (2) A part-time faculty member at a public institution of higher education shall pay all insurance  
 29 premiums for health care benefits unless otherwise provided for by the policy of the institution or  
 30 by collective bargaining at the institution.

31 **SECTION 232.** ORS 351.708 is amended to read:

32 351.708. The State Board of Education, **the Portland State University Board of Directors,**  
 33 **the University of Oregon Board of Directors** and the State Board of Higher Education shall es-  
 34 tablish baselines and conduct annual reviews of each public institution of higher education with  
 35 respect to the employment of full-time faculty and of faculty working less than full-time. Each public  
 36 institution of higher education shall provide the necessary data for the board’s report prior to Sep-  
 37 tember 1 of each year. The boards shall report the results of the reviews to the Legislative Assembly  
 38 and the Governor’s office prior to October 1 of each year. The reviews shall include:

- 39 (1) Examination of data related to the ratio of courses taught by the following faculty catego-  
 40 ries:
  - 41 (a) Full-time faculty;
  - 42 (b) Part-time faculty; and
  - 43 (c) Graduate assistants;
- 44 (2) The pay differential for the faculty categories; and
- 45 (3) The health care and other benefits provided for each faculty category.

1        **SECTION 233.** ORS 351.718 is amended to read:

2        351.718. (1) The members of the Higher Education Coordinating Commission must be residents  
3 of this state who are well informed on the principles of higher education.

4        (2) A member of the State Board of Higher Education, Oregon Health and Science University  
5 Board of Directors, **Portland State University Board of Directors, University of Oregon Board**  
6 **of Directors** or the governing board of a community college district may not serve as a member  
7 of the Higher Education Coordinating Commission.

8        **SECTION 234.** ORS 351.735 is amended to read:

9        351.735. The Higher Education Coordinating Commission shall:

10       (1) Develop state goals and associated accountability measures for the state post-secondary ed-  
11 ucation system, including community colleges, [and] public universities listed in ORS 352.002,  
12 **Portland State University and the University of Oregon**, and for the Oregon Student Access  
13 Commission.

14       (2) Develop a strategic plan for achieving state higher education goals, identifying priority areas  
15 for attention and taking into consideration the contributions of this state's independent institutions  
16 and other organizations dedicated to helping Oregonians reach state goals. Goals should include, but  
17 need not be limited to:

18       (a) Increasing the educational attainment of the population;

19       (b) Increasing this state's global economic competitiveness and the quality of life of its citizens;

20       (c) Ensuring affordable access for qualified Oregon students at each college or public university;

21 and

22       (d) Ensuring that public higher education in this state is provided in a cost-effective manner.

23       (3) Evaluate and recommend changes to statutory goals and missions described for community  
24 colleges in ORS 341.009 and for public universities in ORS 351.003 and 351.009 after receiving rec-  
25 ommendations from the appropriate governing board. The appropriate governing board shall have  
26 decision-making authority over program offerings to implement established goals and missions.

27       (4) Develop a finance model for higher education aligned with the goals in the system strategic  
28 plan, including:

29       (a) Recommended biennial appropriations to institutions, including a component specifically tied  
30 to institutional contributions to state educational priorities;

31       (b) Recommended limits regarding the setting of tuition rates at public universities listed in ORS  
32 352.002, **Portland State University and the University of Oregon** in accordance with criteria set  
33 by the State Board of Higher Education, **the Portland State University Board of Directors or**  
34 **the University of Oregon Board of Directors, as appropriate**, with the goal of encouraging tui-  
35 tion affordability for students;

36       (c) Tuition rates set by each community college governing board for community colleges in this  
37 state;

38       (d) Recommended biennial appropriations for student financial aid; and

39       (e) Recommended biennial appropriations for any future statewide higher education initiatives.

40       (5) Each biennium, recommend to the Governor and the Legislative Assembly a consolidated  
41 higher education budget request consistent with the finance model, including appropriations for:

42       (a) Ongoing operations of the Oregon Student Access Commission;

43       (b) Ongoing operations for the Oregon University System, **Portland State University and the**  
44 **University of Oregon**;

45       (c) Ongoing operations for community colleges;

1 (d) Needed new facilities or programs; and

2 (e) Capital improvements.

3 (6) Design and maintain a statewide educational data system, in collaboration with the State  
4 Board of Education.

5 (7) Coordinate with the Oregon Student Access Commission to maximize the effectiveness of  
6 student financial assistance programs, including the Oregon Opportunity Grant program under ORS  
7 348.260.

8 (8) Approve and authorize degrees for the Oregon University System, **Portland State Univer-**  
9 **sity and the University of Oregon.**

10 (9) Authorize degrees to be offered in this state in accordance with ORS 348.594 to 348.615, and  
11 adopt any rules to implement that authority.

12 **SECTION 235.** ORS 351.810 is amended to read:

13 351.810. The State Board of Higher Education, **Portland State University, the University of**  
14 **Oregon,** the Oregon Health and Science University and the Oregon members of the Western Inter-  
15 state Commission for Higher Education are authorized to take any action necessary to achieving the  
16 ends of the Western Regional Higher Education Compact.

17 **SECTION 236.** ORS 351.820 is amended to read:

18 351.820. (1) Prior to June 1 of each even-numbered year the Oregon members of the Western  
19 Interstate Commission for Higher Education shall determine the quotas of Oregon students for whom  
20 various kinds of educational service should be purchased in out-of-state institutions during the next  
21 biennium and shall recommend to the State Board of Higher Education, **the Portland State Uni-**  
22 **versity Board of Directors, the University of Oregon Board of Directors** and the Oregon Health  
23 and Science University Board of Directors the amount to be included in *[its]* **the** biennial budget  
24 **of the relevant board** to cover the cost of such educational service for students enrolled in their  
25 respective institutions.

26 (2) The State Board of Higher Education, **the Portland State University Board of Directors,**  
27 **the University of Oregon Board of Directors** and the Oregon Health and Science University  
28 Board of Directors shall negotiate contracts with the Western Interstate Commission for Higher  
29 Education for educational service of the kind and amount indicated by the quotas determined under  
30 subsection (1) of this section. The *[board]* **boards** shall make payments required by such contracts  
31 out of the money appropriated to *[it]* **them** for that purpose.

32 (3) The State Board of Higher Education may also contract with higher education institutions,  
33 or others, which are not members of the Western Interstate Commission for Higher Education, to  
34 furnish educational services to students who are residents of the State of Oregon in those areas of  
35 higher education where the educational institutions of the State of Oregon are unable to provide the  
36 desired professional educational opportunities.

37 **SECTION 237.** ORS 351.840 is amended to read:

38 351.840. (1) The State Board of Higher Education, **the Portland State University Board of**  
39 **Directors, the University of Oregon Board of Directors** and the Oregon Health and Science  
40 University Board of Directors may contract with the Western Interstate Commission for Higher  
41 Education to furnish educational service in their respective Oregon public universities to out-of-state  
42 students.

43 (2) The State Board of Higher Education, **the Portland State University Board of Directors,**  
44 **the University of Oregon Board of Directors** and the Oregon Health and Science University  
45 Board of Directors shall determine the number of out-of-state students that should be accepted into

1 their respective universities, and shall make final decisions on admission of individual applicants.

2 (3) Payments made by the commission under such contracts shall be deposited in and credited  
3 to a designated account in the Oregon University System Fund established by ORS 351.506 for stu-  
4 dents enrolled in public universities under the jurisdiction of the State Board of Higher Education  
5 in the same manner that fees and tuition payments for resident students are deposited and credited.  
6 The estimated amount of the payments must be considered by the board in making its biennial  
7 budgetary requests. Payments made by the commission under such contracts must be deposited with  
8 the Oregon Health and Science University for students who enroll in that university under the terms  
9 of such contracts. **Payments made by the commission under such contracts for students who**  
10 **enroll in Portland State University or the University of Oregon must be deposited with the**  
11 **respective university under the terms of such contracts.**

12 **SECTION 238.** ORS 352.002 is amended to read:

13 352.002. The Oregon University System established in ORS 351.011 consists of the following  
14 public universities under the jurisdiction of the State Board of Higher Education:

15 [(1) *University of Oregon.*]

16 [(2)] (1) Oregon State University.

17 [(3) *Portland State University.*]

18 [(4)] (2) Oregon Institute of Technology.

19 [(5)] (3) Western Oregon University.

20 [(6)] (4) Southern Oregon University.

21 [(7)] (5) Eastern Oregon University.

22 **SECTION 239.** ORS 352.021 is amended to read:

23 352.021. (1) As used in this section, "internment camp" means a relocation center to which  
24 persons were ordered evacuated by Presidential Executive Order 9066, signed on February 19, 1942.

25 (2) A person who meets the requirements of subsection (4) of this section may request a public  
26 university listed in ORS 352.002, **Portland State University or the University of Oregon** to award  
27 the person an honorary post-secondary degree.

28 (3) A representative of a deceased person who meets the requirements of subsection (4) of this  
29 section may request a public university to award an honorary post-secondary degree on behalf of the  
30 deceased person.

31 (4) Notwithstanding the requirements for a post-secondary degree established by a public uni-  
32 versity or by the State Board of Higher Education, a public university that receives a request under  
33 subsection (2) or (3) of this section may award an honorary post-secondary degree to a person, or  
34 on behalf of a deceased person, who:

35 (a) Was a student at the public university in 1942; and

36 (b) Did not graduate from the public university because the person was ordered to an internment  
37 camp.

38 **SECTION 240.** ORS 352.043 is amended to read:

39 352.043. (1) There is created [*within the Oregon University System*] the University of Oregon  
40 School of Law. The school shall be administered by the University of Oregon.

41 (2) The University of Oregon School of Law shall:

42 (a) Prepare students for careers in the legal profession.

43 (b) Perform the duties required of the school under ORS 36.100 to 36.238.

44 (3) The president of the University of Oregon shall appoint the Dean of the University of Oregon  
45 School of Law.

1       **SECTION 241.** ORS 352.046 is amended to read:

2       352.046. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the  
3 Center for Brain, Biology and Machine. The center shall be administered by the University of  
4 Oregon.

5       (2) The purpose of the center is to promote interdisciplinary teaching and research in scientific  
6 areas, including but not limited to brain structure, development and functions, genetics and  
7 genomics, cognitive neuroscience, molecular biology, computational science, computing, magnetic  
8 resonance imaging and optics.

9       (3) The [*Oregon University System*] **University of Oregon** may receive moneys from any public  
10 or private source to support the Center for Brain, Biology and Machine created under subsections  
11 (1) and (2) of this section. Gifts or grants received to support the center shall be deposited in an  
12 appropriate fund at the University of Oregon [*by the Oregon University System*].

13       **SECTION 242.** ORS 352.048 is amended to read:

14       352.048. (1) There is created [*within the Oregon University System*] the Industrialized Housing  
15 Development Program. The program shall be administered in conjunction with the Center for  
16 Housing Innovation at the University of Oregon.

17       (2) The purpose of the program is to provide assistance to industrialized housing manufacturers  
18 to help them achieve demonstrated best practice by researching, evaluating and disseminating in-  
19 formation on opportunities to improve design technology, including but not limited to:

- 20       (a) Methods to improve the affordability of housing;
- 21       (b) Better utilization of new products in industrialized housing;
- 22       (c) Improving the energy efficiency of industrialized housing; and
- 23       (d) Specialized training for workers and management.

24       **SECTION 243.** ORS 352.049 is amended to read:

25       352.049. (1) In fulfilling the purpose described in ORS 352.048, the Industrialized Housing De-  
26 velopment Program shall:

27       (a) Emphasize client-directed problem solving with the planning and design of appropriate design  
28 technologies;

29       (b) Provide or arrange for the provision of management assistance, specialized training for  
30 workers and other consulting services;

31       (c) Supplement the design skills and expertise of program staff by developing relations with ex-  
32 perts who may work in a consulting role;

33       (d) Research new and developing design technology in the United States and overseas with the  
34 purpose of adapting proven technologies and management practices to Oregon conditions; and

35       (e) Disseminate research findings to all interested firms throughout the industrialized housing  
36 industry.

37       (2) The Industrialized Housing Development Program shall establish a schedule of fees for the  
38 services it provides. The program may establish a minimum level of service for which it does not  
39 charge fees.

40       (3) The Industrialized Housing Development Program may hire individuals on a contract basis,  
41 to provide either full-time or part-time staffing. However, employees of the program shall not be  
42 considered tenured employees of the [*Oregon University System*] **University of Oregon**.

43       **SECTION 244.** ORS 352.051 is amended to read:

44       352.051. The [*State Board of Higher Education*] **University of Oregon Board of Directors** shall  
45 adopt rules necessary to carry out the provisions of ORS 352.048 to 352.053.

1       **SECTION 245.** ORS 352.063 is amended to read:

2       352.063. [*The Oregon University System*] **Portland State University** may receive moneys from  
3 any public or private source to support the Mark O. Hatfield School of Government, the Center for  
4 Lakes and Reservoirs, the Graduate School of Social Work or the Institute of Portland Metropolitan  
5 Studies created under ORS 352.066, 352.068, 352.071 and 352.074. Gifts and grants received to support  
6 the Mark O. Hatfield School of Government, the Center for Lakes and Reservoirs, the Graduate  
7 School of Social Work or the Institute of Portland Metropolitan Studies shall be credited to the  
8 appropriate fund at Portland State University [*by the Oregon University System*].

9       **SECTION 246.** ORS 352.066 is amended to read:

10       352.066. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the  
11 Mark O. Hatfield School of Government. The Mark O. Hatfield School of Government shall be ad-  
12 ministered by Portland State University. The president of Portland State University shall appoint  
13 the director of the Mark O. Hatfield School of Government.

14       (2) The purposes of the Mark O. Hatfield School of Government are:

15       (a) To prepare students for careers in political service, public administration and the adminis-  
16 tration of justice;

17       (b) To perform the duties required of the school under ORS 36.179, 183.502 and 390.240; and

18       (c) To assist the Criminal Justice Research and Policy Institute in carrying out the duties under  
19 subsection (3) of this section.

20       (3) There is created within the Mark O. Hatfield School of Government the Criminal Justice  
21 Research and Policy Institute. The institute may assist the Legislative Assembly and state and local  
22 governments in developing policies to reduce crime and delinquency by:

23       (a) Providing the Legislative Assembly with objective, nonpartisan analyses of existing or pro-  
24 posed state criminal justice policies, which analyses may not be inconsistent with state or federal  
25 law or the Oregon or United States Constitution;

26       (b) Evaluating programs, including but not limited to programs dealing with public safety  
27 professionalism, ethics in leadership and childhood development, funded directly or indirectly by the  
28 State of Oregon that are intended to reduce criminal and delinquent behavior or to improve  
29 professionalism in public safety careers;

30       (c) Managing reviews and evaluations relating to major long-term issues confronting the state  
31 involving criminal and juvenile justice, public safety professionalism, ethics in leadership and early  
32 childhood development programs;

33       (d) Initiating, sponsoring, conducting and publishing research on criminal and juvenile justice,  
34 public safety professionalism, ethics in leadership and early childhood development that is peer re-  
35 viewed and directly useful to policymakers;

36       (e) Organizing conferences on current state issues that bring together policymakers, public  
37 agencies and leading academicians; and

38       (f) Seeking to strengthen the links among the Legislative Assembly, state and local governments,  
39 the Oregon Criminal Justice Commission, the Department of Public Safety Standards and Training  
40 and the academic community in the interest of more informed policymaking, the application of best  
41 practices and more relevant academic research.

42       (4) The Governor, the Chief Justice of the Supreme Court, the President of the Senate, the  
43 Speaker of the House of Representatives or the chairperson of a legislative committee with respon-  
44 sibility over criminal or juvenile justice systems or childhood development programs may request the  
45 assistance of the Criminal Justice Research and Policy Institute in evaluating criminal or juvenile

1 justice programs developed for, but not necessarily limited to, preventing delinquency, reducing  
2 crime and improving professionalism in public safety careers.

3 (5) Agencies, departments and officers of state and local governments may assist the Criminal  
4 Justice Research and Policy Institute in the performance of its functions and furnish information,  
5 data and advice as requested by the institute.

6 **SECTION 247.** ORS 352.068 is amended to read:

7 352.068. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the  
8 Center for Lakes and Reservoirs. The Center for Lakes and Reservoirs shall be administered by  
9 Portland State University.

10 (2) The purpose of the Center for Lakes and Reservoirs is to assist state and federal agencies  
11 in researching and mitigating nonindigenous, invasive aquatic species in this state and to work with  
12 communities in developing effective management of lakes and reservoirs.

13 **SECTION 248.** ORS 352.071 is amended to read:

14 352.071. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the  
15 Graduate School of Social Work. The Graduate School of Social Work shall be administered by  
16 Portland State University.

17 (2) The purpose of the Graduate School of Social Work is to provide a center for specialized  
18 education and research in the social services for the betterment of communities in the Portland  
19 metropolitan area, the state and the Pacific Northwest.

20 **SECTION 249.** ORS 352.074 is amended to read:

21 352.074. (1) Pursuant to ORS 351.870, there is created [*within the Oregon University System*] the  
22 Institute of Portland Metropolitan Studies. The Institute of Portland Metropolitan Studies shall be  
23 administered by Portland State University.

24 (2) The purpose of the Institute of Portland Metropolitan Studies is to build partnerships be-  
25 tween Portland State University's urban studies programs and the surrounding communities of met-  
26 ropolitan Portland and to sponsor public service research.

27 **SECTION 250.** ORS 353.440 is amended to read:

28 353.440. The Legislative Assembly finds that:

29 (1) Public universities in the Oregon University System, **Portland State University, the Uni-**  
30 **versity of Oregon** and other educational sectors have academic programs that are related to or  
31 integrated with the programs of Oregon Health and Science University.

32 (2) It is in the best interest of the state that a coordinated approach be taken to these related  
33 and integrated academic programs.

34 (3) In order to best ensure the continued harmony of such academic programs, the Oregon  
35 Health and Science University, **Portland State University, the University of Oregon** and the  
36 Oregon University System shall coordinate such programs and shall advise each other of the fol-  
37 lowing proposed changes to such academic programs:

38 (a) Creation or significant revision, such as a merger or closure, of degree programs;

39 (b) Creation or significant revision, such as a merger or closure, of schools; and

40 (c) Creation or significant revision of major academic policies.

41 (4) The Oregon Health and Science University and the Higher Education Coordinating Com-  
42 mission shall coordinate and advise each other of the following types of proposed changes to their  
43 related or integrated academic programs:

44 (a) Coordination of strategic plans for achieving higher education goals;

45 (b) Seeking advice and input from each other on modifications to statutory educational missions;

- 1 (c) Working to develop a statewide educational data system;
- 2 (d) Collaborating as necessary on the creation of any new degree programs; and
- 3 (e) Notifying each other and commenting on tuition rate changes.

4 (5) In order to further the coordination described by this section, Oregon Health and Science  
 5 University officers shall maintain a role in the appropriate committees of the State Board of Higher  
 6 Education, the Higher Education Coordinating Commission and the Oregon University System.

7 **SECTION 251.** ORS 353.600 is amended to read:

8 353.600. As used in ORS 353.600 to 353.612:

9 (1) "Committee" means the Oregon Nursing Shortage Coalition Committee created in ORS  
 10 353.606.

11 (2) "Post-secondary education institution" means:

12 (a) A public university listed in ORS 352.002;

13 **(b) Portland State University;**

14 **(c) The University of Oregon;**

15 [(b)] **(d)** A community college operated under ORS chapter 341;

16 [(c)] **(e)** A school or division of Oregon Health and Science University; or

17 [(d)] **(f)** An Oregon-based, generally accredited, not-for-profit private institution of higher edu-  
 18 cation.

19 **SECTION 252.** ORS 353.603 is amended to read:

20 353.603. (1) Oregon Health and Science University shall distribute grants to post-secondary ed-  
 21 ucation institutions to support nursing education programs based on the selections of the Oregon  
 22 Nursing Shortage Coalition Committee and in accordance with appropriate university policies and  
 23 procedures. If the university is not able to distribute a grant to a post-secondary education institu-  
 24 tion selected by the committee, the university shall report to the committee the reason for not dis-  
 25 tributing the grant.

26 (2) Grants distributed under this section to a community college, **the University of Oregon,**  
 27 **Portland State University** or a public university listed in ORS 352.002 may be based on an inter-  
 28 governmental agreement entered into by Oregon Health and Science University and the college or  
 29 public university.

30 (3) Oregon Health and Science University may not use more than five percent of the amount  
 31 received from the Nursing Education Grant Fund established in ORS 353.612 for the grant program  
 32 in any biennium for administrative expenses incurred in administering ORS 353.600 to 353.612.

33 (4) Oregon Health and Science University may accept contributions of funds and assistance from  
 34 the United States Government or its agencies, or from any other source, public or private, and agree  
 35 to conditions placed on the funds not inconsistent with the purposes of ORS 353.600 to 353.612. The  
 36 university shall use funds and assistance received under this subsection for grants distributed under  
 37 this section or for administering ORS 353.600 to 353.612.

38 (5) Oregon Health and Science University shall deposit moneys received by the university for  
 39 purposes of ORS 353.600 to 353.612 in the Nursing Education Grant Fund. The total amount of  
 40 grants distributed under this section may not exceed the amount of moneys available for distribution  
 41 in the fund.

42 **SECTION 253.** ORS 357.004 is amended to read:

43 357.004. As used in ORS 357.001 to 357.200, unless the context requires otherwise:

44 (1) "Depository library" means a library that is designated as such under ORS 357.095.

45 (2)(a) "Issuing agency" means state government, as that term is defined in ORS 174.111.

(b) "Issuing agency" does not include:

(A) The State Board of Higher Education or any public university or office, department or activity under the control of the board;

(B) **Portland State University; or**

(C) **The University of Oregon.**

(3)(a) "Public document" means informational matter produced for public distribution or access regardless of format, medium, source or copyright, originating in or produced with the imprint of, by the authority of or at the total or partial expense of any state agency. "Public document" includes informational matter produced on computer diskettes, CD-ROMs, computer tapes, the Internet or in other electronic formats.

(b) "Public document" does not include:

(A) Correspondence, forms, interoffice or intraoffice memoranda;

(B) Legislative bills;

(C) Oregon Revised Statutes or any edition thereof; or

(D) Reports and publications of the Oregon Supreme Court, the Oregon Court of Appeals and the Oregon Tax Court.

**SECTION 254.** ORS 357.203 is amended to read:

357.203. (1) The State Library and State of Oregon Law Library operating budget for services to state agencies shall be assessed against all state agencies except the Oregon University System, **Portland State University and the University of Oregon.** The State Library assessment shall be apportioned among the agencies as follows:

(a) One-third of the assessment shall be based on the use of the State Library by the agency; and

(b) Two-thirds of the assessment shall be based on the number of full-time equivalent employees budgeted by the agency.

(2) Except as provided in subsection (4) of this section, the Oregon Department of Administrative Services shall cause the amount assessed to be transferred from the moneys appropriated to each state agency to the Miscellaneous Receipts Account for the State Library.

(3) Subject to the provisions of subsection (5) of this section, the department shall determine and may at any time redetermine which state funds or appropriations shall be assessed a reasonable share of State Library and State of Oregon Law Library operating expenses that support state agencies. In determining or redetermining the funds that shall be so assessed:

(a) A fund consisting of moneys the use of which is restricted by the Oregon Constitution shall be assessed only those governmental service expenses ascertained as being necessarily incurred in connection with the purposes set forth in the Oregon Constitution.

(b) Trust funds shall be assessed only those governmental service expenses ascertained as being necessarily incurred in connection with the purposes for which the trust fund was established.

(c) State agencies shall be assessed only the State Library and State of Oregon Law Library expenditures that support state agencies.

(4) The Oregon Department of Administrative Services shall cause the amount assessed against state agencies for the operating budget of the State of Oregon Law Library to be transferred to the Judicial Department. Moneys transferred under this subsection are continuously appropriated to the Judicial Department and may be used only for the costs of operating the State of Oregon Law Library.

(5) Unless the Oregon Department of Administrative Services and the Judicial Department agree

1 to a different methodology and formula, the State of Oregon Law Library assessment shall be ap-  
2 portioned on the basis of the number of full-time equivalent employees budgeted by the agency.

3 **SECTION 255.** 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, [and] each public university in the Oregon University  
12 System[,] as described in ORS 352.002, **Portland State University and the University of Oregon**,  
13 [is] **are** provided veterans’ services.

14 (5) Each community college, [and] **each** public university in the Oregon University System,  
15 **Portland State University and the University of Oregon** shall provide office space that may be  
16 used for the provision of veterans’ services.

17 (6) The department may adopt rules to implement the Campus Veterans’ Service Officers Pro-  
18 gram.

19 **SECTION 256.** ORS 431.690 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, **Portland State University, the University of Oregon** or a public  
30 university listed in ORS 352.002 shall have at least one automated external defibrillator on the  
31 campus of the community college or public university; and

32 (b) If the campus of the community college or public university contains more than one place  
33 of public assembly, the community college or public university shall ensure that at least one auto-  
34 mated external defibrillator is readily available to each place of public assembly.

35 (4) Subsection (2) of this section does not apply to a building primarily used for worship or ed-  
36 ucation associated with worship.

37 **SECTION 257.** ORS 433.090 is amended to read:

38 433.090. As used in ORS 433.090 to 433.102:

39 (1) “Authorized user” means a person or entity authorized to provide information to or to re-  
40 ceive information from an immunization registry or tracking and recall system under ORS 433.090  
41 to 433.102. “Authorized user” includes, but is not limited to:

42 (a) The Oregon Health Authority and its agents;

43 (b) Local health departments and their agents;

44 (c) Licensed health care providers and their agents;

45 (d) Health care institutions;

- 1 (e) Insurance carriers;
- 2 (f) State health plans as defined in ORS 192.556;
- 3 (g) Parents, guardians or legal custodians of children under 18 years of age;
- 4 (h) Clients 18 years of age or older;
- 5 (i) Post-secondary education institutions;
- 6 (j) Schools; and
- 7 (k) Children’s facilities.
- 8 (2) “Children’s facility” has the meaning given that term in ORS 433.235.
- 9 (3) “Client” means a person registered with any Oregon tracking and recall system.
- 10 (4) “Immunization record” includes but is not limited to records of the following:
- 11 (a) Any immunization received;
- 12 (b) Date immunization was received;
- 13 (c) Complication or side effect associated with immunization;
- 14 (d) Date and place of birth of a client;
- 15 (e) Hospital where a client was born;
- 16 (f) Client’s name; and
- 17 (g) Mother’s name.
- 18 (5) “Immunization registry” means a listing of clients and information relating to their immu-
- 19 nization status, without regard to whether the registry is maintained in this state or elsewhere.
- 20 (6) “Local health department” has the meaning given that term in ORS 433.235.
- 21 (7) “Parent or guardian” has the meaning given the term “parent” in ORS 433.235.
- 22 (8) “Post-secondary education institution” means:
- 23 (a) A public university listed in ORS 352.002;
- 24 **(b) Portland State University;**
- 25 **(c) The University of Oregon;**
- 26 *[(b)]* **(d)** A community college operated under ORS chapter 341;
- 27 *[(c)]* **(e)** A school or division of Oregon Health and Science University; or
- 28 *[(d)]* **(f)** An Oregon-based, generally accredited, private institution of higher education.
- 29 (9) “Provider” means a physician or a health care professional who is acting within the scope
- 30 of the physician’s or professional’s licensure and is responsible for providing immunization services
- 31 or for coordinating immunization services within a clinic, public health site, school or other immu-
- 32 nization site.
- 33 (10) “School” has the meaning given that term in ORS 433.235.
- 34 (11) “Tracking and recall record” means information needed to send reminder cards to, place
- 35 telephone calls to or personally contact the client or the parent or guardian of a client for the
- 36 purposes of informing the client, parent or guardian that the client is late in receiving recommended
- 37 immunizations, hearing or lead screenings, or other public health interventions, including but not
- 38 limited to the client’s:
- 39 (a) Name;
- 40 (b) Address;
- 41 (c) Telephone number;
- 42 (d) Insurance carrier; and
- 43 (e) Health care provider.
- 44 (12) “Tracking and recall system” means a system attached to an immunization registry designed
- 45 to contact clients listed in the immunization registry for the purposes of assisting in the timely

1 completion of immunization series, hearing or lead screenings, or other public health interventions  
2 designated by rule of the authority.

3 **SECTION 258.** ORS 461.543 is amended to read:

4 461.543. (1) Except as otherwise specified in subsection (5) of this section, the Sports Lottery  
5 Account is continuously appropriated to and shall be used by the State Board of Higher Education  
6 to fund sports programs at public universities listed in ORS 352.002, **Portland State University**  
7 **and the University of Oregon**. Seventy percent of the revenues in the fund shall be used to fund  
8 nonrevenue producing sports and 30 percent shall be used for revenue producing sports. Of the total  
9 amount available in the fund, at least 50 percent shall be made available for women's athletics.

10 (2) The board shall allocate moneys in the Sports Lottery Account among the public universities,  
11 giving due consideration to:

12 (a) The athletic conference to which the public university belongs and the relative costs of  
13 competing in that conference.

14 (b) The level of effort being made by the public university to generate funds and support from  
15 private sources.

16 (3) As used in subsections (1) to (3) of this section, "revenue producing sport" is a sport that  
17 produces net revenue over expenditures during a calendar year or if its season extends into two  
18 calendar years, produces net revenue over expenditures during the season.

19 (4) An amount equal to one percent of the moneys transferred to the Administrative Services  
20 Economic Development Fund from the State Lottery Fund shall be allocated from the Administrative  
21 Services Economic Development Fund to the Sports Lottery Account.

22 (5) The amounts received by the Sports Lottery Account shall be allocated as follows:

23 (a) Eighty-eight percent for the purposes specified in subsections (1) to (3) of this section, but  
24 not to exceed \$8 million annually, adjusted annually pursuant to the Consumer Price Index, as de-  
25 fined in ORS 327.006.

26 (b) Twelve percent for the purpose of scholarships, to be distributed equally between scholar-  
27 ships based on academic merit and scholarships based on need, as determined by rule of the board,  
28 but not to exceed \$1,090,909 annually.

29 (c) All additional money to the Oregon Student Access Commission for the Oregon Opportunity  
30 Grant program under ORS 348.260.

31 **SECTION 259.** ORS 541.932 is amended to read:

32 541.932. (1)(a) The following entities may submit a request for funding for, or for advice and  
33 assistance in developing, a project under ORS 541.890 to 541.969:

34 (A) A person;

35 (B) An Indian tribe;

36 (C) A watershed council;

37 (D) A soil and water conservation district;

38 (E) A community college;

39 (F) A public university listed in ORS 352.002, **Portland State University or the University**  
40 **of Oregon**;

41 (G) An independent not-for-profit institution of higher education; or

42 (H) A political subdivision of this state that is not a state agency.

43 (b) A state agency or federal agency may apply for funding under this section only as a  
44 coapplicant with an entity described in paragraph (a) of this subsection.

45 (2) The request under subsection (1) of this section shall be filed in the manner, be in the form

1 and contain the information required by the Oregon Watershed Enhancement Board, regardless of  
2 the anticipated funding source for the project.

3 (3) The board may establish a grant program through soil and water conservation districts or-  
4 ganized under ORS 568.210 to 568.808 and 568.900 to 568.933 that provides funds for local imple-  
5 mentation of watershed enhancement, education and monitoring efforts.

6 (4) The board may fund implementation of action plans based on a watershed assessment that  
7 addresses water quality and aquatic resources of the watershed.

8 (5) A project may use mechanical, vegetative or structural methods including, but not limited  
9 to, management techniques, erosion control, streambank stabilization, forest, range or crop land  
10 treatment, site specific in-stream structures, acquisitions or leases of land or water rights from a  
11 willing owner, watershed assessments, landowner incentives and action plan development, imple-  
12 mentation and monitoring.

13 (6) The actions of a soil and water conservation district carried out pursuant to a grant program  
14 established by the board under subsection (3) of this section shall not be subject to review and ap-  
15 proval by the Natural Resources Division under ORS 561.400.

16 (7) If a project or a portion of a project is not subject to the funding criteria described in ORS  
17 541.958 and applies to receive funding from the board, the board may approve the project or portion  
18 of a project for funding only if the project or portion of a project:

19 (a) Is based on sound principles of native fish or wildlife habitat conservation or watershed  
20 management;

21 (b) Uses methods most adapted to the project locale;

22 (c) Meets the criteria established by the board under ORS 541.906; and

23 (d) Contributes to either:

24 (A) The improved health of a stream, lake or reservoir and toward the achievement of standards  
25 that satisfy the requirements of the Federal Water Pollution Control Act (P.L. 92-500), as amended;  
26 or

27 (B) The conservation or restoration of habitat for, or of watershed or ecosystem function for,  
28 native fish or wildlife.

29 (8) The Oregon Watershed Enhancement Board may fund a project for the restoration of a  
30 riparian area or associated upland that is carried out in conjunction with a storage structure.  
31 However, the board shall not approve funding for any proposed project that consists solely of con-  
32 struction of a storage structure for out-of-stream use.

33 (9) The Oregon Watershed Enhancement Board may fund projects involving the acquisition of  
34 lands and waters, or interests therein from willing sellers, for the purpose of maintaining or re-  
35 storing watersheds and habitat for native fish or wildlife. Interests in these lands and waters may  
36 be held by local, state and federal agencies, tribes, not-for-profit land conservation organizations and  
37 trusts, public universities listed in ORS 352.002, independent not-for-profit institutions of higher ed-  
38 ucation or political subdivisions of this state, as long as the entity continues to use the land or  
39 water for the purposes specified under section 4b, Article XV of the Oregon Constitution.

40 (10) If the Oregon Watershed Enhancement Board approves funding for a project under this  
41 section, the board may not disburse funds to the applicant for any part of the project that requires  
42 the applicant to obtain a permit or license from a local, state or federal agency or governing body  
43 until the applicant presents evidence that the agency has granted the permit or license.

44 **SECTION 260.** ORS 634.660 is amended to read:

45 634.660. Each of the following state agencies shall implement integrated pest management

1 practices when carrying out the agency’s duties related to pest control:

- 2 (1) State Department of Agriculture, including the control of noxious weeds.
- 3 (2) State Department of Fish and Wildlife.
- 4 (3) Department of Transportation.
- 5 (4) State Parks and Recreation Department.
- 6 (5) State Forestry Department.
- 7 (6) Department of Corrections.
- 8 (7) Oregon Department of Administrative Services.
- 9 (8) The Department of State Lands.

10 (9) Each public university listed in ORS 352.002, **Portland State University and the Univer-**  
 11 **sity of Oregon**, for the public university’s own building and grounds maintenance.

12 **SECTION 261.** ORS 659.850 is amended to read:

13 659.850. (1) As used in this section, “discrimination” means any act that unreasonably differen-  
 14 tiates treatment, intended or unintended, or any act that is fair in form but discriminatory in oper-  
 15 ation, either of which is based on race, color, religion, sex, sexual orientation, national origin,  
 16 marital status, age or disability. “Discrimination” does not include enforcement of an otherwise  
 17 valid dress code or policy, as long as the code or policy provides, on a case-by-case basis, for rea-  
 18 sonable accommodation of an individual based on the health and safety needs of the individual.

19 (2) A person may not be subjected to discrimination in any public elementary, secondary or  
 20 community college education program or service, school or interschool activity or in any higher  
 21 education program or service, school or interschool activity where the program, service, school or  
 22 activity is financed in whole or in part by moneys appropriated by the Legislative Assembly.

23 (3) The State Board of Education, **the Portland State University Board of Directors, the**  
 24 **University of Oregon Board of Directors** and the State Board of Higher Education shall establish  
 25 rules necessary to ensure compliance with subsection (2) of this section in the manner required by  
 26 ORS chapter 183.

27 **SECTION 262.** ORS 659.860 is amended to read:

28 659.860. (1) Any person claiming to be aggrieved by unlawful discrimination as prohibited by  
 29 ORS 659.850 may file a civil action in circuit court for equitable relief or, subject to the terms and  
 30 conditions of ORS 30.265 to 30.300, damages, or both. The court may order such other relief as may  
 31 be appropriate. Damages shall be \$200 or actual damages, whichever is greater.

32 (2) The action authorized by this section shall be filed within one year of the filing of a griev-  
 33 ance.

34 (3) No action shall be filed unless, within 180 days of the alleged discrimination, a grievance has  
 35 been filed with the school district board, public charter school governing body, community college  
 36 board of education, **Portland State University Board of Directors, University of Oregon Board**  
 37 **of Directors** or State Board of Higher Education.

38 (4) No action may be filed until 90 days after filing a grievance unless only injunctive relief is  
 39 sought pursuant to ORCP 79. The right to temporary or preliminary injunctive relief shall be inde-  
 40 pendent of the right to pursue any administrative remedy available to complainants pursuant to ORS  
 41 659.850.

42 (5) No action may be filed if the school district board, public charter school governing body,  
 43 community college board of education, **Portland State University Board of Directors, University**  
 44 **of Oregon Board of Directors** or State Board of Higher Education has obtained a conciliation  
 45 agreement with the person filing the grievance or if a final determination of a grievance has been

1 made except as provided in ORS 183.480.

2 (6) Notwithstanding the filing of a grievance, pursuant to subsection (3) of this section, any  
 3 person seeking to maintain an action under this section shall also file a notice of claim within 180  
 4 days of the alleged discrimination as required by ORS 30.275.

5 (7) The court shall award reasonable attorney fees to a prevailing plaintiff in any action under  
 6 this section. The court may award reasonable attorney fees and expert witness fees incurred by a  
 7 defendant who prevails in the action if the court determines that the plaintiff had no objectively  
 8 reasonable basis for asserting a claim or no objectively reasonable basis for appealing an adverse  
 9 decision of a trial court.

10 (8) Nothing in this section is intended to reduce the obligations of the education agencies under  
 11 this section and ORS 659.850 and 659.855.

12 **SECTION 263.** ORS 660.315 is amended to read:

13 660.315. (1) The Governor shall designate regional workforce committees to advise the Governor,  
 14 local workforce investment boards that represent federally recognized workforce areas containing  
 15 multiple regions, and county elected officials on regional and local needs for workforce development.  
 16 The committees shall also prepare plans for achieving regional goals and coordinate the provision  
 17 of services within regions. The committees shall have private and public sector members. However,  
 18 a majority of the members of each committee shall represent the private sector and include business  
 19 and labor representatives. The chairperson of each committee shall be a private sector member and  
 20 be elected by the committee.

21 (2) The private sector committee members shall play a critical role in workforce development,  
 22 including but not limited to:

- 23 (a) Identifying current and future workforce needs;
- 24 (b) Providing feedback on public sector programs;
- 25 (c) Assisting public agencies in changing programs to be more effective in meeting private sector  
 26 needs; and
- 27 (d) Being a partner in addressing workforce needs.

28 (3) Private sector members of a committee created under this section shall be appointed by  
 29 county commissioners and, in the region that includes the City of Portland, the Mayor of Portland.  
 30 The members of the committee shall reflect the broadest feasible representation from the groups  
 31 described in ORS 660.312 (4)(a) to (h).

32 (4) The public sector representatives on the committee are representatives who receive re-  
 33 sources and deliver education and workforce programs within the labor market area. Public sector  
 34 members shall include the broadest feasible representation from, but not be limited to, the following:

- 35 (a) The Department of Human Services;
- 36 (b) School districts, education service districts, community colleges, public universities listed in  
 37 ORS 352.002, **Portland State University, University of Oregon** and Oregon Health and Science  
 38 University;
- 39 (c) The Oregon Business Development Department and local economic development entities;
- 40 (d) The Employment Department;
- 41 (e) The federal Act programs; and
- 42 (f) Other public sector partners.

43 (5) A region may recommend to the Governor an alternate structure for its regional committee,  
 44 based on regional determination and mutually agreed to by the current public and private sector  
 45 members of the regional workforce committee and the chief elected officials. The alternate structure

1 must retain a private sector chairperson, appointments of the private sector members as provided  
2 in subsection (3) of this section, and substantive public and private sector and other stakeholder  
3 participation through formalized methods, such as standing committees.

4 (6) A regional workforce committee shall develop and implement a strategic regional workforce  
5 plan that responds to the current and future workforce needs of the regional labor market.

6 (7) The strategic regional workforce plan shall:

7 (a) Consider the supply and demand outlook for the region;

8 (b) Identify and prioritize initiatives and resources, both public and private, to meet the regional  
9 workforce needs;

10 (c) Articulate and include the coordination of both public and private resources in addressing  
11 the workforce needs and goals; and

12 (d) Ensure the most appropriate use of resource investments.

13 (8) The regional workforce committee shall create or enhance the workforce program delivery  
14 system to meet the strategic priorities of the region and any strategic priorities of a federally re-  
15 cognized workforce area that includes that region.

16 (9) Within each region, or within overlapping regions, regional workforce committees, local  
17 workforce investment boards and regional investment boards shall coordinate their planning efforts  
18 to ensure that the strategic efforts and resource allocation of economic and workforce development  
19 of an area are consistent. Regional workforce committees and regional investment boards will ex-  
20 tend opportunities to other entities engaged in economic and workforce development programs and  
21 services to participate in their joint or integrated strategic planning.

22 (10)(a) A local workforce investment board that represents a multiregional workforce area shall  
23 hold regional workforce committees in the area accountable for any policy and operational respon-  
24 sibilities under 2832(d) of the federal Act that is delegated to the committees in accordance with  
25 state policy and local workforce investment board policy.

26 (b) A regional workforce committee within a multiregional workforce area is accountable to the  
27 local workforce investment board for any policy and operational responsibilities carried out under  
28 the federal Act on behalf of the board.

29 (c) As it relates to regional responsibilities under this section, a regional workforce committee  
30 may, through a vote of the committee, determine the methodology for delegating the responsibilities  
31 of the regional workforce committee to a local workforce investment board representing the multi-  
32 regional workforce area.

33 **SECTION 264.** ORS 660.358 is amended to read:

34 660.358. (1) The State Workforce Investment Board, in consultation with the Governor, the Ed-  
35 ucation and Workforce Policy Advisor and other parties deemed appropriate by the board and after  
36 consideration of the clean energy and energy efficiency policies of this state, shall develop a plan  
37 for a green jobs growth initiative to promote the development of emerging technologies and inno-  
38 vations that lead to, create or sustain family wage green jobs.

39 (2) The plan for the initiative developed by the board shall:

40 (a) Identify industries that are high demand green industries based on current and projected  
41 creation of family wage green jobs and the potential for career pathways created for such jobs.

42 (b) Use the needs of identified high demand green industries as the basis for the planning of  
43 workforce development activities that promote the development of emerging green technologies and  
44 innovations. These activities include, but are not limited to, such efforts undertaken by community  
45 colleges, the public universities of the Oregon University System, **Portland State University, the**

1 **University of Oregon**, designated signature research centers, registered apprenticeship programs  
2 and other private sector training programs.

3 (c) Leverage and align existing public workforce development programs and other public and  
4 private resources to the goal of recruiting, supporting, educating and training of targeted popu-  
5 lations of workers.

6 (d) Require the board to work collaboratively with stakeholders from business, labor and low  
7 income advocacy groups in the regional economy to develop and implement the initiative.

8 (e) Link adult basic and remedial education programs with job training for skills necessary for  
9 green jobs.

10 (f) Require the board to collaborate with employers and labor organizations to identify skills and  
11 competencies necessary for green job career pathways.

12 (g) Ensure that support services are integrated with education and training for green jobs and  
13 that such services are provided by organizations with direct access to and experience with targeted  
14 populations.

15 (h) Include an analysis of occupations in the forest products industry to:

16 (A) Determine key growth factors and employment projections for green jobs in the forest pro-  
17 ducts industry; and

18 (B) Define the educational and skill standards required for current and emerging green occupa-  
19 tions in the forest products industry.

20 (3) Based on the analysis conducted under subsection (2)(h) of this section, the State Workforce  
21 Investment Board, in consultation with the Education and Workforce Policy Advisor, shall identify  
22 those forest products industries to be classified as high-demand green industries, taking into con-  
23 sideration current and future job creation and the strategic importance of the development of high-  
24 demand green forest products industry jobs to the development and growth of the state's green  
25 economy.

26 (4) As used in this section, "forest products industry" includes, but is not limited to, businesses  
27 that grow, manage, harvest, transport or process forest, wood and paper products.

28 **SECTION 265.** ORS 679.020 is amended to read:

29 679.020. (1) A person may not practice dentistry without a license.

30 (2) Only a person licensed as a dentist by the Oregon Board of Dentistry may own, operate,  
31 conduct or maintain a dental practice, office or clinic in this state.

32 (3) The restrictions of subsection (2) of this section, as they relate to owning and operating a  
33 dental office or clinic, do not apply to a dental office or clinic owned or operated by any of the  
34 following:

35 (a) A labor organization as defined in ORS 243.650 and 663.005 (6), or to any nonprofit organ-  
36 ization formed by or on behalf of such labor organization for the purpose of providing dental ser-  
37 vices. Such labor organization must have had an active existence for at least three years, have a  
38 constitution and bylaws, and be maintained in good faith for purposes other than providing dental  
39 services.

40 (b) The School of Dentistry of the Oregon Health and Science University.

41 (c) Public universities listed in ORS 352.002, **Portland State University or the University of**  
42 **Oregon.**

43 (d) Local governments.

44 (e) Institutions or programs accredited by the Commission on Dental Accreditation of the  
45 American Dental Association to provide education and training.

1 (f) Nonprofit corporations organized under Oregon law to provide dental services to rural areas  
 2 and medically underserved populations of migrant, rural community or homeless individuals under  
 3 42 U.S.C. 254b or 254c or health centers qualified under 42 U.S.C. 1396d(1)(2)(B) operating in com-  
 4 pliance with other applicable state and federal law.

5 (g) Nonprofit charitable corporations as described in section 501(c)(3) of the Internal Revenue  
 6 Code and determined by the Oregon Board of Dentistry as providing dental services by volunteer  
 7 licensed dentists to populations with limited access to dental care at no charge or a substantially  
 8 reduced charge.

9 (4) For the purpose of owning or operating a dental office or clinic, an entity described in sub-  
 10 section (3) of this section must:

11 (a) Name an actively licensed dentist as its dental director, who shall be subject to the pro-  
 12 visions of ORS 679.140 in the capacity as dental director. The dental director, or an actively licensed  
 13 dentist designated by the director, shall have responsibility for the clinical practice of dentistry,  
 14 which includes, but is not limited to:

15 (A) Diagnosis of conditions within the human oral cavity and its adjacent tissues and structures.

16 (B) Prescribing drugs that are administered to patients in the practice of dentistry.

17 (C) The treatment plan of any dental patient.

18 (D) Overall quality of patient care that is rendered or performed in the practice of dentistry.

19 (E) Supervision of dental hygienists, dental assistants or other personnel involved in direct pa-  
 20 tient care and the authorization for procedures performed by them in accordance with the standards  
 21 of supervision established by statute or by the rules of the board.

22 (F) Other specific services within the scope of clinical dental practice.

23 (G) Retention of patient dental records as required by statute or by rule of the board.

24 (H) Ensuring that each patient receiving services from the dental office or clinic has a dentist  
 25 of record.

26 (b) Maintain current records of the names of licensed dentists who supervise the clinical activ-  
 27 ities of dental hygienists, dental assistants or other personnel involved in direct patient care utilized  
 28 by the entity. The records must be available to the board upon written request.

29 (5) Subsections (1) and (2) of this section do not apply to an expanded practice dental hygienist  
 30 who renders services authorized by a permit issued by the board pursuant to ORS 680.200.

31 (6) Nothing in this chapter precludes a person or entity not licensed by the board from:

32 (a) Ownership or leasehold of any tangible or intangible assets used in a dental office or clinic.  
 33 These assets include real property, furnishings, equipment and inventory but do not include dental  
 34 records of patients related to clinical care.

35 (b) Employing or contracting for the services of personnel other than licensed dentists.

36 (c) Management of the business aspects of a dental office or clinic that do not include the clin-  
 37 ical practice of dentistry.

38 (7) If all of the ownership interests of a dentist or dentists in a dental office or clinic are held  
 39 by an administrator, executor, personal representative, guardian, conservator or receiver of the es-  
 40 tate of a former shareholder, member or partner, the administrator, executor, personal represen-  
 41 tative, guardian, conservator or receiver may retain the ownership interest for a period of 12 months  
 42 following the creation of the ownership interest. The board shall extend the ownership period for  
 43 an additional 12 months upon 30 days' notice and may grant additional extensions upon reasonable  
 44 request.

45 **SECTION 266.** ORS 696.182 is amended to read:

1 696.182. (1) The Real Estate Agency, with advice from real estate professionals and educators,  
 2 shall prescribe rules for certifying real estate continuing education providers.

3 (2) The agency shall include in the rules that an applicant for certification under this section  
 4 must be:

5 (a) A main or branch office, with a registered business name as provided under ORS 696.026,  
 6 of a licensed real estate property manager or principal real estate broker;

7 (b) A licensed title or escrow company conducting business in this state;

8 (c) A real estate trade association or a trade association in a related field;

9 (d) A real estate multiple listing service;

10 (e) An attorney admitted to practice in this state;

11 (f) A private career school licensed by the Department of Education and approved by the agency  
 12 to provide the basic real estate broker's or property manager's educational courses required under  
 13 ORS 696.022;

14 (g) An accredited community college, an accredited public university listed in ORS 352.002,  
 15 **Portland State University, the University of Oregon** or a private and independent institution of  
 16 higher education as defined in ORS 352.720;

17 (h) A distance learning provider as provided by rule of the agency; or

18 (i) Another provider approved by the Real Estate Board.

19 (3) The Real Estate Agency may provide continuing education without being certified under this  
 20 section.

21 (4) The agency, in consultation with real estate professionals and educators, shall provide by  
 22 rule:

23 (a) A broad list of course topics that are eligible for continuing education credit required by  
 24 ORS 696.174; and

25 (b) Learning objectives for each course topic.

26 (5) The list of course topics developed by the agency under subsection (4) of this section must  
 27 allow for changes in the real estate profession.

28 (6) The minimum length of each course is one hour. A continuing education provider or course  
 29 instructor may allow a break of no more than 10 minutes for each hour of instruction.

30 **SECTION 267.** ORS 743.550 is amended to read:

31 743.550. (1) Student health insurance is subject to ORS 743.537, 743.540, 743.543, 743.546 and  
 32 743.549, except as provided in this section.

33 (2) Coverage under a student health insurance policy may be mandatory for all students at the  
 34 institution, voluntary for all students at the institution, or mandatory for defined classes of students  
 35 and voluntary for other classes of students. As used in this subsection, "classes" refers to under-  
 36 graduates, graduate students, domestic students, international students or other like classifications.  
 37 Any differences based on a student's nationality may be established only for the purpose of com-  
 38 plying with federal law in effect when the policy is issued.

39 (3) When coverage under a student health insurance policy is mandatory, the policyholder may  
 40 allow any student subject to the policy to decline coverage if the student provides evidence ac-  
 41 ceptable to the policyholder that the student has similar health coverage.

42 (4) A student health insurance policy may provide for any student to purchase optional supple-  
 43 mental coverage.

44 (5) Student health insurance coverage for athletic injuries may:

45 (a) Exclude coverage for injuries of students who have not obtained medical release for a similar

1 injury; and

2 (b) Be provided in excess of or in addition to any other coverage under any other health insur-  
3 ance policy, including a student health insurance policy.

4 (6) A student health insurance policy may provide that coverage under the policy is secondary  
5 to any other health insurance for purposes of guidelines established under ORS 743.552.

6 (7) A student health insurance policy may provide, on request by the policyholder, that all or  
7 any portion of any indemnities provided by such policy on account of hospital, nursing, medical or  
8 surgical services may, at the insurer's option, be paid directly to the hospital or person rendering  
9 such services. However, the amount of any such payment shall not exceed the amount of benefit  
10 provided by the policy with respect to the service or billing of the provider of aid. The amount of  
11 such payments pursuant to one or more assignments shall not exceed the amount of expenses in-  
12 curred on account of such hospitalization or medical or surgical aid.

13 (8) An insurer providing student health insurance as primary coverage may negotiate and enter  
14 into contracts for alternative rates of payment with providers and offer the benefit of such alterna-  
15 tive rates to insureds who select such providers. An insurer may utilize such contracts by offering  
16 a choice of plans at the time an insured enrolls, one of which provides benefits only for services by  
17 members of a particular provider organization with whom the insurer has an agreement. If an in-  
18 sured chooses such a plan, benefits are payable only for services rendered by a member of that  
19 provider organization, unless such services were requested by a member of such organization or are  
20 rendered as the result of an emergency.

21 (9) Payments made under subsection (8) of this section shall discharge the insurer's obligation  
22 with respect to the amount of insurance paid.

23 (10) An insurer shall provide each student health insurance policyholder with a current roster  
24 of institutional and professional providers under contract to provide services at alternative rates  
25 under the group policy and shall also make such lists available for public inspection during regular  
26 business hours at the insurer's principal office within this state.

27 (11) As used in this section, "student health insurance" means that form of health insurance  
28 under a policy issued to a college, school or other institution of learning, a school district or dis-  
29 tricts, or school jurisdictional unit, or recognized student government at a public university listed  
30 in ORS 352.002, **Portland State University or the University of Oregon**, or to the head, principal  
31 or governing board of any such educational unit, who or which shall be deemed the policyholder,  
32 that is available exclusively to students at the college, school or other institution.

33 **SECTION 268.** ORS 759.445 is amended to read:

34 759.445. (1) There is established in the State Treasury, separate and distinct from the General  
35 Fund, the Connecting Oregon Communities Fund. Moneys in the fund shall consist of amounts de-  
36 posited in the fund under ORS 759.405 and any other moneys deposited by a telecommunications  
37 carrier that elects to be subject to ORS 759.405 and 759.410, including amounts deposited pursuant  
38 to a performance assurance plan implemented by a telecommunications carrier in connection with  
39 an application under 47 U.S.C. 271, as in effect on January 1, 2002. Interest earned on moneys in the  
40 fund shall accrue to the fund. Moneys in the fund may be invested as provided in ORS 293.701 to  
41 293.820. Moneys in the fund shall be used to provide access to advanced telecommunications tech-  
42 nology in elementary schools and high schools, colleges and universities, community colleges, public  
43 television corporations, rural health care providers, public libraries and other eligible persons.

44 (2) Two dedicated accounts shall be established within the Connecting Oregon Communities  
45 Fund for purposes of supporting education and public access to advanced telecommunications ser-

1 vices. The first \$25 million of the moneys deposited in the Connecting Oregon Communities Fund in  
2 both 2000 and 2001 shall be appropriated to the School Technology Account established under sub-  
3 section (3) of this section. Except as provided in subsection (8) of this section, any additional moneys  
4 available in the fund shall be appropriated to the Public Access Account established under sub-  
5 section (4) of this section.

6 (3) There is established the School Technology Account within the Connecting Oregon Commu-  
7 nities Fund. The purpose of the School Technology Account is to improve access to advanced tele-  
8 communications services for students attending public school in kindergarten through grade 12.  
9 Moneys in the account shall be expended as provided in section 34, chapter 1093, Oregon Laws 1999.

10 (4)(a) There is established the Public Access Account within the Connecting Oregon Communi-  
11 ties Fund. The purpose of the Public Access Account is to improve access to advanced telecommu-  
12 nications services for community colleges, universities, public libraries and rural health care  
13 providers.

14 (b) If funding has not been provided from other sources, the first \$3 million available in the  
15 Public Access Account shall be transferred to the Oregon University System for the purpose of  
16 funding the Oregon Wide Area Network project to provide and expand Internet access for the  
17 Oregon University System. The Oregon University System shall complete an audit of bandwidth  
18 utilization and report to the Joint Legislative Committee on Information Management and Technol-  
19 ogy during the Seventy-first Legislative Assembly in the manner provided in ORS 192.245.

20 (c) Following the transfer of funds described in paragraph (b) of this subsection, the next \$1  
21 million available in the Public Access Account shall be transferred to the Oregon University System  
22 for Oregon State University for the purpose of providing virtual access to persons with disabilities.

23 (d) Following the transfer of funds as described in paragraphs (b) and (c) of this subsection, the  
24 next \$2 million available in the Public Access Account shall be transferred to the Department of  
25 Community Colleges and Workforce Development for distribution to community colleges for the  
26 purpose of developing connectivity and distance education programs.

27 (e) Following the transfer of funds described in paragraphs (b) to (d) of this subsection, the next  
28 \$4 million available in the Public Access Account shall be transferred to the Oregon University  
29 System for video transport and network management services for the Oregon University System.

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 public  
39 university listed in ORS 352.002, **Portland State University, the University of Oregon** or the  
40 Oregon Health and Science University may apply for one-time matching funds up to \$1 million from  
41 the Public Access Account to endow a telecommunications chair for the purpose of increasing re-  
42 search and development of advanced telecommunications services applications. Only one chair may  
43 be endowed 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, public universities listed in ORS 352.002, **Portland State University,**  
2 **the University of Oregon,** public libraries, public television corporations and rural health care  
3 providers may apply to the Oregon Business Development Commission for funding from the Public  
4 Access Account 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 269.** 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, **Portland State University, the**  
 4 **University of Oregon** 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 270.** 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 University of Oregon Board of Directors may adopt and enforce separate rules**  
 17 **of the type described under this section for school buses and school activity vehicles that are**  
 18 **under the board's jurisdiction, except that the board may not authorize the use of school**  
 19 **buses manufactured before April 1, 1977.**

20 **(4) The Portland State University Board of Directors may adopt and enforce separate**  
 21 **rules of the type described under this section for school buses and school activity vehicles**  
 22 **that are under the board's jurisdiction, except that the board may not authorize the use of**  
 23 **school buses manufactured before April 1, 1977.**

24 [(3)] (5) The State Board of Education shall adopt and enforce standards for school bus stop  
 25 arms authorized by ORS 820.105.

26 [(4)] (6) Rules adopted under this section:

27 (a) Must be consistent with requirements established by statute or by rule adopted under stat-  
 28 utory authority that relate to the same subject.

29 (b) Shall be consistent with minimum uniform national standards, if such standards exist.

30 (c) May include different requirements for different classes or types of school buses or school  
 31 activity vehicles.

32 (d) May include any exemptions determined appropriate under ORS 820.150.

33 **SECTION 271.** ORS 820.110 is amended to read:

34 820.110. (1) The State Board of Education shall adopt and enforce rules to establish requirements  
 35 of operation, qualifications or special training of drivers and special accident reports for school  
 36 buses and school activity vehicles.

37 (2) The State Board of Higher Education may adopt and enforce separate rules of the type de-  
 38 scribed under this section for school buses and school activity vehicles that are under its jurisdic-  
 39 tion.

40 **(3) The University of Oregon Board of Directors may adopt and enforce separate rules**  
 41 **of the type described under this section for school buses and school activity vehicles that are**  
 42 **under its jurisdiction.**

43 **(4) The Portland State University Board of Directors may adopt and enforce separate**  
 44 **rules of the type described under this section for school buses and school activity vehicles**  
 45 **that are under its jurisdiction.**

1 [(3)] (5) The rules adopted under this section:

2 (a) Are subject to ORS 820.190 and 820.200 and to any other statute or regulation relating to  
3 the operation of vehicles, qualifications of drivers and accident reports.

4 (b) Must be consistent with requirements established by statute or by rule adopted under stat-  
5 utory authority that relate to the same subject.

6 (c) May include different requirements for different classes or types of school buses or school  
7 activity vehicles.

8 (d) May include any exemptions determined appropriate under ORS 820.150.

9 [(4)] (6) If the Department of Transportation suspends, cancels or revokes any driving privileges  
10 of a person who holds a school bus endorsement under ORS 807.035 (5), the Department of Trans-  
11 portation shall notify the Department of Education of the suspension, cancellation or revocation.

12 **SECTION 272.** ORS 820.120 is amended to read:

13 820.120. (1) The State Board of Education shall adopt and enforce rules to provide for the in-  
14 spection of school buses and school activity vehicles to assure that the vehicles are in compliance  
15 with requirements under rules established under ORS 820.100 and 820.110, as applicable, and that  
16 the vehicles are safe for operation. The rules may include intervals of inspections.

17 (2) The State Board of Higher Education may adopt and enforce separate rules of the type de-  
18 scribed under this section for school buses and school activity vehicles that are under its jurisdic-  
19 tion.

20 **(3) The University of Oregon Board of Directors may adopt and enforce separate rules**  
21 **of the type described under this section for school buses and school activity vehicles that are**  
22 **under its jurisdiction.**

23 **(4) The Portland State University Board of Directors may adopt and enforce separate**  
24 **rules of the type described under this section for school buses and school activity vehicles**  
25 **that are under its jurisdiction.**

26 [(3)] (5) The rules adopted under this section:

27 (a) Are subject to any other statute or regulation relating to the safety of vehicles for operation  
28 and the inspection of vehicles.

29 (b) May include different requirements for different classes or types of school buses or school  
30 activity vehicles.

31 (c) May include any exemptions determined appropriate under ORS 820.150.

32 **SECTION 273.** ORS 820.130 is amended to read:

33 820.130. The Department of Transportation shall issue registration for a school bus when noti-  
34 fied that the vehicle conforms to applicable rules under ORS 820.100 to 820.120 and that the vehicle  
35 is safe for operation on the highways. Notification required by this section shall be from:

36 (1) The State Board of Education or its authorized representative regarding vehicles under its  
37 regulatory authority.

38 (2) The State Board of Higher Education or its authorized representative regarding vehicles  
39 under its jurisdiction.

40 **(3) The University of Oregon Board of Directors or its authorized representative regard-**  
41 **ing vehicles under its jurisdiction.**

42 **(4) The Portland State University Board of Directors or its authorized representative**  
43 **regarding vehicles under its jurisdiction.**

44 **SECTION 274.** ORS 820.150 is amended to read:

45 820.150. (1) The State Board of Education, by rule, may establish classes or types of vehicles

1 that are not considered school buses or school activity vehicles for purposes of the Oregon Vehicle  
 2 Code or classes of school buses or school activity vehicles that are not subject to regulation under  
 3 the Oregon Vehicle Code either partially or completely.

4 (2) The State Board of Higher Education may adopt separate rules of the type described under  
 5 this section for vehicles that are under its jurisdiction.

6 **(3) The University of Oregon Board of Directors may adopt separate rules of the type**  
 7 **described under this section for vehicles that are under its jurisdiction.**

8 **(4) The Portland State University Board of Directors may adopt separate rules of the**  
 9 **type described under this section for vehicles that are under its jurisdiction.**

10 [(3)] (5) Rules adopted under this section are subject to the following:

11 (a) Any exemption, either partial or total, established under this section may be based upon  
 12 passenger capacity, on limited use or on any other basis the State Board of Education, [or] the State  
 13 Board of Higher Education, **the Portland State University Board of Directors or the University**  
 14 **of Oregon Board of Directors** considers appropriate.

15 (b) No exemption, either partial or total, shall be established under this section for any vehicle  
 16 that is marked with or displays the words "school bus."

17 (c) Any vehicle determined not to be a school bus under this section is not a school bus within  
 18 the definition established under ORS 801.460. Partial exemptions established for vehicles under this  
 19 section may include removal of the vehicle from any provisions relating to school buses under the  
 20 vehicle code.

21 (d) Any vehicle determined not to be a school activity vehicle under this section is not a school  
 22 activity vehicle within the definition established under ORS 801.455. Partial exemptions established  
 23 for vehicles under this section may include removal of the vehicle from any provisions relating to  
 24 school activity vehicles under the vehicle code.

25 (e) In considering any rules under this section, the boards shall consider the need to assure  
 26 student safety.

27 **SECTION 275.** Section 14, chapter 761, Oregon Laws 2007, as amended by section 94, chapter  
 28 762, Oregon Laws 2009, and section 33, chapter 2, Oregon Laws 2011, is amended to read:

29 **Sec. 14.** (1) There is established in the General Fund an account to be known as the University  
 30 of Oregon Integrative Science Complex, Phase 2 Account. Funds in the account shall be used for the  
 31 acquisition, construction, remodeling, expansion and renovation of facilities for an Interactive Sci-  
 32 ence Complex, Phase 2 at the University of Oregon.

33 (2) The account shall consist of grant funds, gift funds, federal and local government funds made  
 34 available to and funds donated to the [*Oregon University System*] **University of Oregon** for the  
 35 purpose of the Interactive Science Complex, Phase 2 project described in subsection (1) of this sec-  
 36 tion. Interest earned on moneys in the account shall be credited to the account. The account may  
 37 not be credited with more than \$30,000,000 for purposes of this subsection.

38 (3) Moneys in the account are continuously appropriated to the [*Oregon University System*]  
 39 **University of Oregon** and may be transferred to the account designated by [*ORS 351.626*] **the**  
 40 **university** for the Interactive Science Complex, Phase 2 project described in subsection (1) of this  
 41 section.

42 **SECTION 276.** Section 13, chapter 761, Oregon Laws 2007, as amended by section 5, chapter  
 43 2, Oregon Laws 2009, section 93, chapter 762, Oregon Laws 2009, and section 32, chapter 2, Oregon  
 44 Laws 2011, is amended to read:

45 **Sec. 13.** (1) There is established in the General Fund an account to be known as the Portland

1 State University Science Research and Teaching Center and Hazardous Waste Facility Account.  
 2 Funds in the account shall be used for the acquisition, construction, remodeling, expansion and  
 3 renovation of facilities for a Science Research and Teaching Center and Hazardous Waste Facility  
 4 Phase I at Portland State University.

5 (2) The account shall consist of proceeds from certificates of participation, grant funds, gift  
 6 funds, proceeds of legal settlements, federal and local government funds made available to and funds  
 7 donated to [*the Oregon University System*] **Portland State University** for the purpose of the center  
 8 and facility project described in subsection (1) of this section. Interest earned on moneys in the ac-  
 9 count shall be credited to the account. The account may not be credited with more than \$7,000,000  
 10 for purposes of this subsection.

11 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]  
 12 **Portland State University** and may be transferred to the account designated by [*ORS 351.626*] **the**  
 13 **university** for the center and facility project described in subsection (1) of this section.

14 **SECTION 277.** Section 15, chapter 761, Oregon Laws 2007, as amended by section 95, chapter  
 15 762, Oregon Laws 2009, and section 34, chapter 2, Oregon Laws 2011, is amended to read:

16 **Sec. 15.** (1) There is established in the General Fund an account to be known as the University  
 17 of Oregon Hayward Field Account. Funds in the account shall be used for the purposes described  
 18 in Article XI-G of the Oregon Constitution at Hayward Field at the University of Oregon.

19 (2) The account shall consist of funds received from not-for-profit organizations, grant funds, gift  
 20 funds, federal and local government funds made available to and funds donated to the [*Oregon Uni-*  
 21 *versity System*] **University of Oregon** for the purpose of the Hayward Field project described in  
 22 subsection (1) of this section. Interest earned on moneys in the account shall be credited to the ac-  
 23 count. The account may not be credited with more than \$2,500,000 for purposes of this subsection.

24 (3) Moneys in the account are continuously appropriated to the [*Oregon University System*]  
 25 **University of Oregon** and may be transferred to the account designated by [*ORS 351.626*] **the**  
 26 **university** for the purposes described in subsection (1) of this section.

27 **SECTION 278.** Section 17, chapter 761, Oregon Laws 2007, as amended by section 97, chapter  
 28 762, Oregon Laws 2009, and section 36, chapter 2, Oregon Laws 2011, is amended to read:

29 **Sec. 17.** (1) There is established in the General Fund an account to be known as the Portland  
 30 State University Science PCAT Redevelopment Account. Funds in the account shall be used for the  
 31 acquisition, construction, remodeling, expansion and renovation of facilities on the current site of  
 32 the Portland Center for Advanced Technology at Portland State University.

33 (2) The account shall consist of grant funds, gift funds, proceeds of legal settlements, federal and  
 34 local government funds made available to and funds donated to [*the Oregon University System*]  
 35 **Portland State University** for the purpose of the project described in subsection (1) of this section.  
 36 Interest earned on moneys in the account shall be credited to the account. The account may not be  
 37 credited with more than \$10,000,000 for purposes of this subsection.

38 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]  
 39 **Portland State University** and may be transferred to the account designated by [*ORS 351.626*] **the**  
 40 **university** for the project described in subsection (1) of this section.

41 **SECTION 279.** Section 22, chapter 904, Oregon Laws 2009, as amended by section 50, chapter  
 42 2, Oregon Laws 2011, and section 46, chapter 9, Oregon Laws 2011, is amended to read:

43 **Sec. 22.** (1) There is established in the General Fund an account to be known as the Portland  
 44 State University Science Research and Teaching Center/Hazardous Waste Facility Phase 2 Project  
 45 Account. Funds in the account shall be used for the acquisition, construction, remodeling, expansion

1 and renovation of facilities for a facility project at Oregon State University.

2 (2) The account shall consist of proceeds from grant funds, gift funds and federal and local  
3 government funds made available to [*the Oregon University System*] **Portland State University** for  
4 the purpose of the facility project described in subsection (1) of this section. Interest earned on  
5 moneys in the account shall be credited to the account. The account may not be credited with more  
6 than \$2,500,000 for purposes of this subsection.

7 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]  
8 **Portland State University** and may be transferred to the account designated by [*ORS 351.626*] **the**  
9 **university** for the facility project described in subsection (1) of this section.

10 **SECTION 280.** Section 24, chapter 904, Oregon Laws 2009, as amended by section 52, chapter  
11 2, Oregon Laws 2011, and section 48, chapter 9, Oregon Laws 2011, is amended to read:

12 **Sec. 24.** (1) There is established in the General Fund an account to be known as the University  
13 of Oregon Allen Hall Expansion and Remodel Project Account. Funds in the account shall be used  
14 for the acquisition, construction, remodeling, expansion and renovation of facilities for a facility  
15 project at the University of Oregon.

16 (2) The account shall consist of proceeds from grant funds and gift funds made available to and  
17 funds donated to the [*Oregon University System*] **University of Oregon** for the purpose of the fa-  
18 cility project described in subsection (1) of this section. Interest earned on moneys in the account  
19 shall be credited to the account. The account may not be credited with more than \$7,500,000 for  
20 purposes of this subsection.

21 (3) Moneys in the account are continuously appropriated to the [*Oregon University System*]  
22 **University of Oregon** and may be transferred to the account designated by [*ORS 351.626*] **the**  
23 **university** for the facility project described in subsection (1) of this section.

24 **SECTION 281.** Section 3, chapter 797, Oregon Laws 2001, is amended to read:

25 **Sec. 3.** Subject to available funding, if a building evaluated under section 2 (4), **chapter 797,**  
26 **Oregon Laws 2001,** [*of this 2001 Act*] is found by a board to pose an undue risk to life safety during  
27 a seismic event, the State Board of Higher Education, **Portland State University Board of Di-**  
28 **rectors, University of Oregon Board of Directors,** local school district board, community college  
29 board or education service district board, as appropriate, shall develop a plan for seismic rehabili-  
30 tation of the building or for other actions to reduce the risk. For a board that is subject to ORS  
31 291.224, the board's plan to rehabilitate or take other action to reduce the seismic risk of a building  
32 must be included in the capital construction program of the board. A board that is subject to ORS  
33 291.224 shall rank the relative benefit of projects to reduce seismic risk in comparison with other  
34 life safety and code requirement projects. Subject to availability of funding, all seismic rehabili-  
35 tations or other actions to reduce seismic risk must be completed before January 1, 2032. If the  
36 building is listed on a national or state register of historic places or properties or is designated as  
37 a landmark by local ordinance, the plan for seismic rehabilitation or other action shall be developed  
38 in a manner that gives consideration to preserving the character of the building.

39 **SECTION 282.** ORS 182.415 is amended to read:

40 182.415. As used in ORS 182.415 to 182.435 unless the context requires otherwise:

41 (1) "Furnishings" includes furniture usually used in connection with occupancy of a household  
42 but does not include rugs, draperies, ranges, refrigerators, washers, dryers or any item of furnishings  
43 received by the state or one of its agencies as a gift, nor does it include any furniture purchased  
44 for the state-owned residence required in relation to the official duties of an institutional executive  
45 or the Chancellor of the Oregon University System prior to September 9, 1971.

1 (2) "Housing" includes single and multiple family dwellings, apartments, and manufactured  
2 dwellings and manufactured dwelling pads, available on a monthly tenancy but does not include  
3 guard stations maintained by the State Forestry Department or dormitory facilities at any state in-  
4 stitution or at any public university listed in ORS 352.002, **Portland State University or the**  
5 **University of Oregon.**

6 (3) "Dormitory" includes any facility that houses students and those facilities used primarily for  
7 sleeping purposes by the employees of the Department of Human Services or the Oregon Health  
8 Authority.

9 (4) "State agency" has the meaning given that term in ORS 291.002.

10 **SECTION 283.** ORS 205.455 is amended to read:

11 205.455. (1) No person or county shall accept for filing an invalid claim of encumbrance.

12 (2) No person or county shall accept for filing a claim of encumbrance against the property of  
13 a federal official or employee or a state or local official or employee based on the performance or  
14 nonperformance of the official duties of the official or employee unless accompanied by an order  
15 from a court of competent jurisdiction authorizing the filing of the encumbrance.

16 (3) A claim of encumbrance against the property of a federal official or employee or a state or  
17 local official or employee based on the performance or nonperformance of the official duties of the  
18 official or employee that is not accompanied by an order from a court of competent jurisdiction is  
19 an invalid claim of encumbrance and has no legal effect.

20 (4) If an invalid claim of encumbrance against the property of a federal official or employee or  
21 against the property of a state or local official or employee is accepted for filing, the filing officer  
22 shall accept for filing a notice of invalid encumbrance signed and submitted by:

23 (a) The assistant United States attorney representing the federal agency of which the individual  
24 is an official or employee;

25 (b) The assistant attorney general representing the state official, employee or agent, or the state  
26 agency, board, commission, department or public university, **including public universities** listed in  
27 ORS 352.002, **Portland State University and the University of Oregon**, of which the individual  
28 is an official, employee or agent; or

29 (c) The attorney representing the community college or local school district, political subdivi-  
30 sion or public corporation of which the individual is an official, employee or agent.

31 (5) A notice of invalid encumbrance shall be in substantially the following form:  
32

33  
34 NOTICE OF INVALID ENCUMBRANCE

35 FILED AGAINST

36 \_\_\_\_\_ (Insert name)

37 (ORS 205.455)

38 \_\_\_\_\_ IS A \_\_\_\_\_

39 (Name) (Title)

40 NOTICE is hereby given that the document entitled \_\_\_\_\_, purporting to create an  
41 obligation against or an interest in the real or personal property of the person named above, filed  
42 and/or signed by \_\_\_\_\_ (insert name), and filed or recorded in book/reel/volume No.  
43 \_\_\_\_\_ on page \_\_\_\_\_ or document/fee/file/ instrument/microfilm No. \_\_\_\_\_ in the  
44 \_\_\_\_\_ (insert name of office where document was filed or recorded), is an invalid claim  
45 of encumbrance under ORS 205.450 and 205.455.

1 No order from a court of competent jurisdiction authorizing the filing of such encumbrance ac-  
2 companied the filing and, pursuant to ORS 205.455, the encumbrance has no legal effect and is in-  
3 valid.

4 A copy of this Notice of Invalid Encumbrance has been mailed this day by depositing a true  
5 copy of the notice in the United States mail, addressed to \_\_\_\_\_ (name and address of  
6 encumbrance claimant), the last-known address of \_\_\_\_\_ (insert name of encumbrance  
7 claimant).

8 DATED this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

9 \_\_\_\_\_  
10 Attorney for \_\_\_\_\_

11  
12 SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

13 \_\_\_\_\_  
14  
15 NOTARY PUBLIC FOR OREGON  
16 My commission expires: \_\_\_\_\_  
17 \_\_\_\_\_

18  
19 (6) A copy of the notice of invalid encumbrance filed under this section shall be posted at the  
20 county courthouse and mailed by the attorney to the encumbrance claimant at the encumbrance  
21 claimant’s last-known address, if available.

22 (7) No person or county shall be liable under this section for accepting for filing an invalid claim  
23 of encumbrance or for accepting for filing a notice of invalid encumbrance.

24 (8) Filing a notice of invalid encumbrance under this section shall clear title to all property that  
25 is affected by the claim of encumbrance that is the subject of the notice of invalid encumbrance from  
26 all claims, liens, charges or liabilities attached to the property under the claim of encumbrance.

27 **SECTION 284.** ORS 310.155 is amended to read:

28 310.155. (1) For purposes of ORS 310.150, taxes are levied or imposed to fund the public school  
29 system if the taxes will be used exclusively for educational services, including support services,  
30 provided by any unit of government, at any level from prekindergarten through post-graduate  
31 training.

32 (2) Taxes on property levied or imposed by a unit of government whose principal function is to  
33 provide educational services shall be considered to be dedicated to fund the public school system  
34 unless the sole purpose of a particular, voter approved levy is for other than educational services  
35 or support services as defined in this section.

36 (3) Taxes on property levied or imposed by a unit of government whose principal function is to  
37 perform government operations other than educational services shall be considered to be dedicated  
38 to fund the public school system only if the sole purpose of a particular, voter approved levy is for  
39 educational services or support services as defined in this section.

40 (4) As used in this section, “educational services” includes:

41 (a) Establishment and maintenance of preschools, kindergartens, elementary schools, high  
42 schools, community colleges, [and the] public universities listed in ORS 352.002, **Portland State**  
43 **University and the University of Oregon.**

44 (b) Establishment and maintenance of career schools, adult education programs, evening school  
45 programs and schools or facilities for persons with physical, mental or emotional disabilities.

1 (5) As used in this section, “support services” includes clerical, administrative, professional and  
 2 managerial services, property maintenance, transportation, counseling, training and other services  
 3 customarily performed in connection with the delivery of educational services.

4 (6) “Educational services” does not include community recreation programs, civic activities,  
 5 public libraries, programs for custody or care of children or community welfare activities if those  
 6 programs or activities are provided to the general public and not for the benefit of students or other  
 7 participants in the programs and activities described in subsection (4) of this section.

8 **SECTION 285.** ORS 338.005 is amended to read:

9 338.005. As used in this chapter, unless the context requires otherwise:

10 (1) “Applicant” means any person or group that develops and submits a written proposal for a  
 11 public charter school to a sponsor.

12 (2) “Institution of higher education” means a community college operated under ORS chapter  
 13 341, [*an institution of higher education*] **a public university** listed in ORS 352.002, **Portland State**  
 14 **University, the University of Oregon** or the Oregon Health and Science University.

15 (3) “Public charter school” means an elementary or secondary school offering a comprehensive  
 16 instructional program operating under a written agreement entered into between a sponsor and an  
 17 applicant and operating pursuant to this chapter.

18 (4) “Remote and necessary school district” means a school district that offers kindergarten  
 19 through grade 12 and has:

20 (a) An average daily membership (ADM), as defined in ORS 327.006, in the prior fiscal year of  
 21 less than 110; and

22 (b) A school that is located, by the nearest traveled road, more than 20 miles from the nearest  
 23 school or from a city with a population of more than 5,000.

24 (5) “Sponsor” means:

25 (a) The board of the common school district or the union high school district in which the public  
 26 charter school is located that has developed a written charter with an applicant to create a public  
 27 charter school.

28 (b) The State Board of Education pursuant to ORS 338.075.

29 (c) An institution of higher education pursuant to ORS 338.075.

30 (6)(a) “Virtual public charter school” means a public charter school that provides online  
 31 courses.

32 (b) “Virtual public charter school” does not include a public charter school that primarily serves  
 33 students in a physical location.

34  
 35 **REPEALS**

36  
 37 **SECTION 286.** ORS 352.035 and section 10, chapter 519, Oregon Laws 2011, are repealed.

38  
 39 **RECLASSIFICATION OF EXISTING ORS SECTIONS**

40  
 41 **SECTION 287.** ORS 351.517, 351.518, 351.519, 351.521, 351.538, 351.539, 352.043, 352.045,  
 42 352.046, 352.048, 352.049, 352.051, 352.052 and 352.053 are added to and made a part of sections  
 43 1 to 52 of this 2012 Act.

44 **SECTION 288.** ORS 351.509, 351.511, 352.063, 352.066, 352.067, 352.068, 352.071 and 352.074  
 45 are added to and made a part of sections 65 to 114 of this 2012 Act.

## CAPTIONS

1  
2  
3     **SECTION 289.** The unit captions used in this 2012 Act are provided only for the conven-  
4 ience of the reader and do not become part of the statutory law of this state or express any  
5 legislative intent in the enactment of this 2012 Act.  
6

## OPERATIVE DATE AND TRANSITIONAL PROVISIONS

7  
8  
9     **SECTION 290.** Sections 1 to 127 of this 2012 Act, the amendments to statutes by sections  
10 128 to 285 of this 2012 Act and the repeal of statutes by section 286 of this 2012 Act become  
11 operative on July 1, 2012.

12     **SECTION 291.** The State Board of Higher Education shall continue to have jurisdiction  
13 over the operations of the University of Oregon and Portland State University for the  
14 2012-2013 academic year. However, the University of Oregon Board of Directors and the  
15 Portland State University Board of Directors shall propose funding requests pursuant to  
16 sections 18 and 81 of this 2012 Act and shall prepare budgets, in cooperation with the State  
17 Board of Higher Education, for the biennium beginning July 1, 2013. The presidents of the  
18 University of Oregon and Portland State University shall assume responsibilities for admin-  
19 istration of the respective universities under the provisions of this 2012 Act on July 1, 2013.

20     **SECTION 292.** For the biennium beginning July 1, 2013, the funding requests required to  
21 be submitted by the University of Oregon and Portland State University under sections 18  
22 and 81 of this 2012 Act shall be submitted to the Oregon Department of Administrative Ser-  
23 vices prior to November 1, 2012.

24     **SECTION 293.** This 2012 Act being necessary for the immediate preservation of the public  
25 peace, health and safety, an emergency is declared to exist, and this 2012 Act takes effect  
26 on its passage.  
27

---