

Senate Bill 277

Sponsored by Senator BEYER (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.

Requires Oregon Education Investment Board to approve selection of university presidents 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. 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.

Removes sunset for Oregon Education Investment Board.

Becomes operative July 1, 2014.

Declares emergency, effective on passage.

A BILL FOR AN ACT

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Relating to higher education; 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, 243.800, 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, 291.229, 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, 351.065, 351.067, 351.296, 351.509, 351.511, 351.517, 351.518, 351.519, 351.521, 351.538, 351.539, 351.642, 351.643, 351.644, 351.646, 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, 352.008, 352.012, 352.015, 352.021, 352.043, 352.046, 352.048, 352.049, 352.051, 352.063, 352.066, 352.068, 352.071, 352.074, 352.360, 352.375, 352.385, 353.440, 353.600, 353.603, 357.004, 357.203, 408.095, 419B.005, 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, sections 22 and 24, chapter 904, Oregon Laws 2009, and section 14, chapter 36, Oregon Laws 2012; repealing section 10, chapter 519, Oregon Laws 2011; and declaring an emergency.

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

SECTION 1. (1) The University of Oregon is established as a public university.

(2) Portland State University is established as a public university.

(3) The University of Oregon shall be governed by the University of Oregon Board of Di-

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 rectors. Portland State University shall be governed by the Portland State University Board
2 of Directors.

3 (4) Each board may exercise authority over matters of university concern to the fullest
4 extent allowed by the Constitutions and laws of the United States and this state.

5 (5) Each board shall exercise and carry out all of the powers, rights and duties that are
6 expressly conferred upon the board or that are implied by law or incident to such powers,
7 rights and duties.

8 (6) Each public university listed in this section is an instrumentality of state government,
9 performing governmental functions and exercising governmental powers. The university is
10 independent, has statewide purposes and is without territorial boundaries. The university is
11 a state institution of higher education, but is not an agency, department or division of this
12 state, a unit of local or municipal government or part of the executive branch.

13 **SECTION 2.** (1)(a) The University of Oregon Board of Directors consists of 15 or more
14 members as follows:

15 (A) Twelve members appointed by the Governor and confirmed by the Senate in the
16 manner prescribed in ORS 171.562 and 171.565, including:

- 17 (i) One student enrolled at the university;
- 18 (ii) One regular employee, as defined in ORS 240.015, of the university; and
- 19 (iii) One faculty member of the university.

20 (B) One member who is a member of the Oregon Education Investment Board, appointed
21 by the Oregon Education Investment Board.

22 (C) One member who is a member of the University of Oregon Foundation Board of
23 Trustees, appointed by the University of Oregon Board of Directors in consultation with the
24 foundation board of trustees.

25 (D) The president of the university, who is a nonvoting member.

26 (E) Other nonvoting members, if the board deems it to be in the best interests of the
27 university.

28 (b) The Portland State University Board of Directors consists of 14 or more members as
29 follows:

30 (A) Twelve members appointed by the Governor and confirmed by the Senate in the
31 manner prescribed in ORS 171.562 and 171.565, including:

- 32 (i) One student enrolled at the university;
- 33 (ii) One regular employee, as defined in ORS 240.015, of the university; and
- 34 (iii) One faculty member of the university.

35 (B) One member who is a member of the Oregon Education Investment Board, appointed
36 by the Oregon Education Investment Board.

37 (C) The president of the university, who is a nonvoting member.

38 (D) Other nonvoting members, if the board deems it to be in the best interests of the
39 university.

40 (2) When appointing the faculty member under subsection (1) of this section, the Govern-
41 nor shall consider recommendations from the university faculty. When appointing the stu-
42 dent member under subsection (1) of this section, the Governor shall consider
43 recommendations from a general student association recognized by the university.

44 (3)(a) Except for the president of the university, the term of office of each nonstudent
45 member is four years. The term of office of the student member is two years.

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

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

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

9 (4) Except as provided in subsection (1) of this section, a voting member may not be an
10 employee of the university, the Oregon University System or the State of Oregon.

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

16 (6) The board shall meet at least once every three months on the university's campus.
17 Board members may participate in the meeting electronically as provided in ORS 192.610 to
18 192.690. Each board shall meet at such other times and places specified by the chairperson
19 or by a majority of the members of that board.

20 (7) An appointing authority may remove any member appointed by the authority at any
21 time for cause, after notice and public hearing.

22 **SECTION 3.** Notwithstanding the terms of office specified in section 2 of this 2013 Act,
23 of the members first appointed to the board of directors of a public university listed in sec-
24 tion 1 of this 2013 Act, other than the president of the university:

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

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

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

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

31 (c) For the University of Oregon Board of Directors, the member appointed in consulta-
32 tion with the University of Oregon Foundation Board of Trustees.

33 **SECTION 4.** The Governor and the Oregon Education Investment Board shall appoint
34 members to the University of Oregon Board of Directors as described in section 2 of this 2013
35 Act no later than July 15, 2014. These board members shall appoint the board member de-
36 scribed in section 2 (1)(a)(C) of this 2013 Act no later than 60 days after confirmation of the
37 gubernatorial appointees by the Senate.

38 **SECTION 5.** (1) The board of directors of a public university listed in section 1 of this
39 2013 Act may, within or outside the state, do all things necessary or convenient involving
40 matters of concern to the university including the following:

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

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

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

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

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

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

10 (g) 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, improve,
12 develop, use, expend and dispose of real property.

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

14 (i) Obtain and receive gifts, bequests and donations for the benefit of each university and,
15 subject to the terms of the gift, retain, invest and use such gifts as deemed appropriate by
16 the university or the board. Each board may assess a reasonable management fee against
17 all gifts, bequests and donations and the earnings thereon.

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

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

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

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

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

33 (o) Authorize, establish, eliminate, manage, operate, reorganize, reduce or expand any
34 program, school, institute, college or unit of operation, except that any new degree or pro-
35 gram or any policy regarding transferability of credits to and from a public university listed
36 in ORS 352.002, a community college in this state, Oregon Health and Science University or
37 a university listed in section 1 of this 2013 Act must be authorized or approved by the Higher
38 Education Coordinating Commission.

39 (p) Authorize, establish, eliminate, charge, collect, manage, use in any manner and ex-
40 pend all revenue derived from tuition, fees and any other charges and fines. The board shall
41 request the joint recommendation of the recognized student government and the president
42 of the university prior to authorizing, establishing or eliminating incidental fees for pro-
43 grams under the supervision or control of the board and found by the board to be advanta-
44 geous to the cultural or physical development of students. Any increase in tuition or any
45 student fees above five percent on an annual basis must be approved by the Oregon Educa-

1 **tion Investment Board.**

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

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

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

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

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

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

15 **SECTION 6.** (1) The board of directors of a university listed in section 1 of this 2013 Act
16 shall appoint a president of the university.

17 (2) The president of the university is the president of the faculty and is the chief execu-
18 tive officer of the university. The president of the university has authority to direct the af-
19 fairs and operation of the university, subject to the policies and direction of the board.

20 (3) The board's selection of the university president must be approved by the Oregon
21 Education Investment Board.

22 **SECTION 7.** The president and professors constitute the faculty of a university listed in
23 section 1 of this 2013 Act and have the immediate government and discipline of the university
24 and the students therein. The faculty may, subject to the supervision of the board of direc-
25 tors of the university, prescribe the course of study to be pursued at the university and the
26 textbooks to be used.

27 **SECTION 8.** A political or sectarian test may not be allowed or applied in the appoint-
28 ment of faculty and other employees of a public university listed in section 1 of this 2013 Act.

29 **SECTION 9.** A public university listed in section 1 of this 2013 Act shall consider and
30 maintain affirmative action plans and goals when reductions in faculty and staff are required
31 as a result of:

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

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

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

36 **SECTION 10.** Except as otherwise provided by law, the provisions of ORS 35.550 to 35.575,
37 180.060, 180.210 to 180.235, 184.305 to 184.345, 190.430, 190.480, 190.490, 192.105, 200.035, 243.696,
38 279.835 to 279.855, 357.805 to 357.895 and 656.017 (2) and ORS chapters 182, 183, 240, 270, 273,
39 276, 278, 279A, 279B, 279C, 282, 283, 291, 292, 293, 294 and 297 do not apply to a public univer-
40 sity listed in section 1 of this 2013 Act, a not-for-profit organization or other entity if the
41 equity of the entity is owned exclusively by the university and if the organization or entity
42 is created by the university to advance any of the university's statutory missions.

43 **SECTION 11.** Notwithstanding section 10 of this 2013 Act, collective bargaining agree-
44 ments negotiated by this state pursuant to ORS 240.321 after July 1, 2014, that are applicable
45 to employees of the Oregon University System apply to the University of Oregon and

1 Portland State University if the new collective bargaining agreement is a successor to a
2 collective bargaining agreement negotiated by this state and applicable to the same class of
3 employees of the university prior to July 1, 2014. Such successor agreements shall continue
4 to apply to the university until the board and the applicable collective bargaining organiza-
5 tion agree to bargain a separate collective bargaining agreement between the university and
6 the collective bargaining organization.

7 **SECTION 12.** (1) As used in this section:

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

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

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

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

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

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

23 (2) The board of directors of a public university listed in section 1 of this 2013 Act shall
24 further the policy of this state to encourage and assist individuals with disabilities to achieve
25 maximum personal independence through useful and productive gainful employment by en-
26 suring an expanded and constant market for sheltered workshop and activity center products
27 and services, thereby enhancing the dignity and capacity of individuals with disabilities for
28 self-support and minimizing their dependence on welfare and need for costly
29 institutionalization.

30 (3) It is the duty of the university to:

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

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

36 (c) Make such rules regarding specifications, time of delivery and other relevant matters
37 of procedure as are necessary.

38 (d) Utilize prices and specifications, in the university's discretion, established by the
39 Oregon Department of Administrative Services.

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

45 (5) If the university intends to procure any product or service on the procurement list,

1 the university shall procure such product or service at the price established by the university
2 from a qualified nonprofit agency for individuals with disabilities, provided the product or
3 service is of the appropriate specifications and is available at the location and within the
4 period required by the university.

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

10 **SECTION 13.** The board of directors of a public university listed in section 1 of this 2013
11 Act shall file with the Oregon Education Investment Board, the Higher Education Coordi-
12 nating Commission, the Legislative Assembly and the Governor, not later than April 15 of
13 each year, a report of the activities and operations of the university for the preceding year.

14 **SECTION 14.** (1) The board of directors of a public university listed in section 1 of this
15 2013 Act may lease, purchase or otherwise acquire such real property as in its sole discretion
16 is necessary or convenient to carry out any power granted to each university. The board
17 may enter into contracts of purchase or agreements that the board deems necessary to carry
18 out this authorization. The board may mortgage or pledge any property purchased, or its
19 contracts to purchase, together with the income from such property, to secure the payment
20 of the purchase price.

21 (2) Legal title to all real property acquired by the University of Oregon or Portland State
22 University shall be taken and held in the name of the university. Legal title to all real
23 property of this state held or managed for the use and benefit of the university shall con-
24 tinue to be vested in this state.

25 (3) The board may lease, sell, convey and control the use of, in whole or in part, all
26 property of this state held or managed for the use and benefit of the university or that is
27 acquired by the university. Authorized conveyances of all real property acquired by or vested
28 in this state for the use or benefit of the university or acquired by or vested in the univer-
29 sity, other than the state lands classified as university lands under ORS 273.251, shall be
30 executed by the chairperson and secretary of the board.

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

34 **SECTION 15.** The board of directors of a public university listed in section 1 of this 2013
35 Act may, in the management of all forestlands under its control and supervision, sell the
36 forest products on such lands. In the management of its forestlands, the board may lease
37 mineral and geothermal resource rights.

38 **SECTION 16.** A public university listed in section 1 of this 2013 Act may acquire, by
39 condemnation or otherwise, private property that is necessary or convenient in carrying out
40 any power granted to the university.

41 **SECTION 17.** (1) A public university listed in section 1 of this 2013 Act shall develop
42 contract policies that support openness, impartiality and competition in the awarding of
43 contracts in accordance with ORS 279A.015.

44 (2) The university shall also develop contract policies that are designed to encourage af-
45 firmative action, recycling, inclusion of art in public buildings, the purchase of goods and

1 services from individuals with disabilities, the protection of workers through the payment
2 of prevailing wages as determined by the Bureau of Labor and Industries, the provision of
3 workers' compensation insurance to workers on contracts and the participation of emerging
4 small businesses and businesses owned by women and minorities.

5 (3) The board of directors of the university shall have the authority to enact policies,
6 appropriate for the use of the university, governing public contracting and may devise and
7 publish forms for use in carrying out the policies.

8 **SECTION 18.** (1)(a) On or before September 1 of each even-numbered year, each public
9 university listed in section 1 of this 2013 Act shall submit to the Oregon Department of Ad-
10 ministrative Services a funding request for the following biennium.

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

15 (2) The board of directors of the university is not required to seek expenditure limitation
16 approval from the Legislative Assembly to spend other available moneys, including without
17 limitation tuition and other fees or revenues collected pursuant to each board's authority
18 under section 5 of this 2013 Act.

19 (3) The board shall adopt a budget on a regular schedule determined by the board.

20 **SECTION 19.** A public university listed in section 1 of this 2013 Act may conduct inde-
21 pendent audits if such audits are considered advisable by the university. The audits are
22 subject to the exclusive discretion and control of the university and are subject to disclosure
23 pursuant to ORS 192.410 to 192.505.

24 **SECTION 20.** The board of directors of a public university listed in section 1 of this 2013
25 Act may open, establish, lay out and dedicate to the public use any streets through lands
26 owned by or used for the university. When streets are opened, established and laid out, they
27 are dedicated to the public use. The university is the road authority pursuant to ORS 810.010
28 (4) for all roads through lands owned by or used for the university.

29 **SECTION 21.** A public university listed in section 1 of this 2013 Act may adopt policies
30 relating to the creation, use, custody and disclosure of, including access to, student educa-
31 tion records of the university that are consistent with the requirements of applicable state
32 and federal law. Whenever a student has attained 18 years of age or is attending the uni-
33 versity, the permission or consent required of and the rights accorded to a parent of the
34 student regarding education records is thereafter only required of and accorded to the stu-
35 dent.

36 **SECTION 22.** (1) A public university listed in section 1 of this 2013 Act may not refuse
37 admission or expel a student for the sole reason that, because of religious beliefs, the student
38 is unable to attend classes on a particular day.

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

44 **SECTION 23.** A public university listed in section 1 of this 2013 Act shall give credit for
45 education and training obtained by a person while serving in the Armed Forces of the United

1 States, as defined in ORS 351.642. The education and training for which credit may be given
2 must meet the standards adopted by the university's board of directors.

3 **SECTION 24.** (1) Nothing in sections 1 to 34 of this 2013 Act may be construed to impair
4 the obligations or agreements of the State of Oregon or the State Board of Higher Education
5 with respect to bonds, certificates of participation, financing agreements or other agree-
6 ments for the borrowing of money issued prior to July 1, 2014, by the State of Oregon on
7 behalf of the State Board of Higher Education for equipment or projects for the benefit of
8 the University of Oregon or Portland State University. The University of Oregon, Portland
9 State University and the Oregon University System shall take all actions necessary to ensure
10 full compliance with all indentures, resolutions, declarations, agreements and other docu-
11 ments issued with respect to the bonds, certificates of participation, financing agreements
12 or other agreements for the borrowing of money issued prior to July 1, 2014, by the State
13 of Oregon on behalf of the State Board of Higher Education for the benefit of the University
14 of Oregon or Portland State University.

15 (2) Each university and the Oregon University System shall establish, in a written
16 agreement that is subject to the approval of the State Treasurer:

17 (a) The responsibility of the university for the payment to the State Board of Higher
18 Education of moneys sufficient to pay when due all principal, interest and any other charges
19 on bonds, certificates of participation, financing agreements or other agreements for the
20 borrowing of money issued prior to July 1, 2014, by the State of Oregon on behalf of the State
21 Board of Higher Education for the benefit of the university; and

22 (b) A requirement that the university periodically provide cash flow projections and other
23 information as the State Treasurer requests to determine the sufficiency of the university's
24 revenues to satisfy the requirements of bonds, certificates of participation, financing agree-
25 ments or other agreements for the borrowing of money issued by the State of Oregon for the
26 benefit of the university, credit enhancement devices or agreements for exchange of interest
27 rates entered into in connection with those borrowings and any loans to the university
28 funded by state general obligation bonds issued prior to July 1, 2014.

29 (3)(a) Holders of obligations issued on or after July 1, 2014, by the university may be paid
30 after the university reserves sufficient funds each biennium to satisfy any payment or re-
31 serve requirements relating to bonds, certificates of participation, financing agreements or
32 other agreements for the borrowing of moneys issued by the State of Oregon for the benefit
33 of the university, credit enhancement devices or agreements for exchange of interest rates
34 entered into in connection with those borrowings and loans to the university funded by state
35 general obligation bonds.

36 (b) Each university may pledge all or a portion of its remaining rents, revenues, receipts,
37 appropriations or other income to secure revenue bonds issued under section 25 of this 2013
38 Act, credit enhancement devices or agreements for exchange of interest rates related to
39 such revenue bonds, or other obligations issued by the university, but only to the extent
40 that:

41 (A) Such holders have no rights, liens or other interests with respect to such rents, re-
42 venues, receipts, appropriations or other income of the university that are on parity with
43 or are senior or superior to the rights granted to the State of Oregon and the holders of
44 bonds, certificates of participation, financing agreements or other agreements for the bor-
45 rowing of moneys issued by the State Treasurer for the benefit of the university, credit en-

1 hancement devices or agreements for exchange of interest rates entered into in connection
 2 with those borrowings and loans to the university funded by state general obligation bonds
 3 issued prior to July 1, 2014; and

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

8 (4)(a) The principal, interest and any premium on any bonds, certificates of participation,
 9 financing agreements or other agreements for the borrowing of moneys issued by the State
 10 of Oregon for the benefit of the university, and any credit enhancement devices or agree-
 11 ments for exchange of interest rates entered into in connection with those borrowings, shall
 12 be paid from the sources specified in the laws and documents authorizing the bond, certif-
 13 icate of participation, financing agreement or other agreement for the borrowing of moneys,
 14 credit enhancement device or agreement for exchange of interest rates. The university must
 15 pay any other expenses and liabilities, including but not limited to closing costs, legal ex-
 16 penses, costs of settling claims, judgments, federal arbitrage rebates and penalties and ex-
 17 penses arising from an inquiry, audit or other action by a federal or state regulatory body,
 18 except to the extent that the liability or expense results from the negligence or willful mis-
 19 conduct of a state agency.

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

26 (5) Any amounts deposited with the State Treasurer, the Controller of the Oregon Uni-
 27 versity System, or the Oregon Department of Administrative Services or its designated
 28 agents, in any debt service in reserve accounts for the debt service associated with any
 29 bonds, certificates of participation, financing agreements or other agreements for the bor-
 30 rowing of moneys issued prior to July 1, 2014, by the State of Oregon on behalf of the State
 31 Board of Higher Education for the benefit of the university shall remain with the State
 32 Treasurer, the Controller of the Oregon University System, or the Oregon Department of
 33 Administrative Services or its designated agents, until such time as the bonds, certificates
 34 of participation, financing agreements or other agreements for the borrowing of moneys, for
 35 which such debt service in reserve accounts has been established, have been retired or
 36 defeased.

37 **SECTION 25.** (1) A public university listed in section 1 of this 2013 Act may from time
 38 to time issue and sell revenue bonds in accordance with ORS chapter 287A. The university
 39 must receive approval from the Oregon Education Investment Board before issuing or selling
 40 any revenue bonds.

41 (2) The provisions contained in ORS 287A.150 do not apply to revenue bonds issued by the
 42 university. Such revenue bonds are neither a general obligation of the university nor a
 43 charge upon any revenues or property of the university not specifically pledged thereto.

44 (3) An obligation described in this section is not an indebtedness of the State of Oregon.

45 (4) Revenue bonds issued by the University of Oregon or Portland State University under

1 this section are bonds or obligations of a political subdivision of the State of Oregon for
2 purposes of the laws of this state.

3 (5) Refunding bonds and advance refunding bonds of the same character and tenor as
4 those replaced by them may be issued by the university pursuant to ORS 287A.360 to
5 287A.380.

6 **SECTION 26.** (1) In addition to the means of satisfying state general obligation bond ob-
7 ligations under ORS 291.445, a public university listed in section 1 of this 2013 Act, promptly
8 upon the discovery of any shortfall in moneys available to the university for the payment
9 when due of amounts under any bonds, certificates of participation, financing agreements
10 or other agreements for the borrowing of moneys issued prior to July 1, 2014, by the State
11 of Oregon on behalf of the State Board of Higher Education for equipment or projects for the
12 benefit of the university, shall notify in writing the Legislative Assembly, or, if the Legisla-
13 tive Assembly is not in session, the Emergency Board, of the existence and amount of the
14 shortfall.

15 (2) The Legislative Assembly or the Emergency Board, as the case may be, may allocate
16 funds to satisfy the payment of any such amount. By enacting this section, the Legislative
17 Assembly acknowledges its current intention to allocate, from funds other than those ap-
18 propriated or otherwise made available to the Oregon University System or to the Oregon
19 Department of Administrative Services for direct allocation to the university, funds to pay
20 such amount. However, except as may be required by the Oregon Constitution or ORS
21 291.445, neither the Legislative Assembly nor the Emergency Board shall have any legal ob-
22 ligation to allocate funds under this section.

23 **SECTION 27.** (1) A public university listed in section 1 of this 2013 Act may request the
24 State Treasurer to issue bonds in accordance with the provisions of ORS chapter 286A in
25 order to provide funds for the purposes specified in Article XI-F(1) or XI-G of the Oregon
26 Constitution.

27 (2) If the electors of this state authorize the issuance of bonds for the benefit of the
28 university individually or in the school's capacity as a public university, the board of direc-
29 tors of the university may request the State Treasurer to issue bonds for such purposes in
30 accordance with the provisions of ORS chapter 286A.

31 (3) If the board requests the State Treasurer to issue bonds pursuant to this section, the
32 board is a related agency for purposes of ORS chapter 286A for issuance or administration
33 of the bonds.

34 **SECTION 28.** As used in sections 28 to 32 of this 2013 Act:

35 (1) "Credit enhancement agreement" means any agreement or contractual relationship
36 between a public university listed in section 1 of this 2013 Act and any bank, trust company,
37 insurance company, surety bonding company, pension fund or other financial institution
38 providing additional credit on or security for a financing agreement or certificates of par-
39 ticipation authorized by sections 28 to 32 of this 2013 Act.

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

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

1 (4) "Property rights" means, with respect to personal property, the rights of a secured
2 party under ORS chapter 79 and, with respect to real property, the rights of a trustee or
3 lender under a lease authorized by section 31 (1)(d) of this 2013 Act.

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

6 **SECTION 29.** (1) Subject to the limitations of section 25 of this 2013 Act, a public uni-
7 versity listed in section 1 of this 2013 Act may enter into financing agreements in accordance
8 with sections 28 to 32 of this 2013 Act, upon such terms as the university finds to be advan-
9 tageous. Amounts payable by the university under a financing agreement shall be limited to
10 funds available for such purposes under section 25 of this 2013 Act and specifically pledged,
11 budgeted for or otherwise made available by the university. If there are insufficient funds
12 available to pay amounts due under a financing agreement, the lender may exercise any
13 property rights that the university has granted to it in the financing agreement against the
14 property that was purchased with the proceeds of the financing agreement, and may apply
15 the amounts so received toward payments scheduled to be made by the university under the
16 financing agreement.

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

23 **SECTION 30.** The board of directors of a public university listed in section 1 of this 2013
24 Act may delegate to any board member, the president of the university or the president's
25 designee the authority to determine maturity dates, principal amounts, redemption pro-
26 visions, interest rates or methods for determining variable or adjustable interest rates, de-
27 nominations and other terms and conditions of such obligations that are not appropriately
28 determined at the time of enactment or adoption of the authorizing resolution. The board
29 may also delegate entering into financing agreements or any other instruments authorized
30 by law. This delegated authority shall be exercised subject to applicable requirements of law
31 and such limitations and criteria as may be set forth in the authorizing resolution.

32 **SECTION 31.** (1) A public university listed in section 1 of this 2013 Act may:

33 (a) Enter into agreements with third parties to hold financing agreement proceeds, pay-
34 ments and reserves as security for lenders, and to issue certificates of participation in the
35 right to receive payments due from the university under a financing agreement. Amounts
36 so held shall be invested at the direction of the university board of directors. Interest earned
37 on any investments held as security for a financing agreement may, at the option of the
38 board, be credited to the accounts held by the third party and applied in payment of sums
39 due under the financing agreement.

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

45 (c) Use financing agreements to finance the costs of acquiring or refinancing real or

1 personal property, plus the costs of reserves, credit enhancements and costs associated with
2 obtaining the financing.

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

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

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

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

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

25 SECTION 32. A lease or financing agreement under sections 28 to 32 of this 2013 Act does
26 not cause property to be subject to property taxation and is disregarded in determining
27 whether property is exempt from taxation under ORS chapter 307.

28 SECTION 33. The board of directors of a public university listed in section 1 of this 2013
29 Act may, in the board's discretion, accept financial assistance and grants, either in the form
30 of money or labor, from the United States or any of its agencies, subject to the terms and
31 conditions thereof, regardless of any laws of this state in conflict with the regulations of the
32 federal government with respect thereto, and may also accept from others any donation or
33 grant of land or gift of money or other valuable gift or thing, for any of the purposes con-
34 templated by Article XI-F(1) and XI-G of the Oregon Constitution and sections 25 to 32 of
35 this 2013 Act. Unless enjoined by the terms or conditions of any such gift or grant, the board
36 may convert the same, or any of them, into money, through sale or disposal thereof.

37 SECTION 34. The board of directors of a public university listed in section 1 of this 2013
38 Act shall adopt a policy that prescribes the requirements for a venture grant program and
39 the requirements that a grant applicant must meet in order to receive grant moneys from
40 the university venture development fund administered by the university, including require-
41 ments:

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 35.** As used in sections 35 to 45 of this 2013 Act:

6 (1) "Former university" means the University of Oregon or Portland State University in
7 the university's former status as a university within the Oregon University System.

8 (2) "University" means a public university listed in section 1 of this 2013 Act.

9 (3) "University board" means the board of directors of a public university listed in section
10 1 of this 2013 Act.

11 **SECTION 36.** (1) Pursuant to the provisions of ORS 236.605 to 236.640, and except as
12 otherwise expressly provided in sections 1 to 34 of this 2013 Act, all persons employed by the
13 university on July 1, 2014, shall continue their employment with the university and shall re-
14 tain any seniority, contractual rights or tenure granted prior to July 1, 2014.

15 (2) Nothing in sections 1 to 34 of this 2013 Act shall affect the representation rights of
16 collective bargaining organizations that represent university employees. Nothing in sections
17 1 to 34 of this 2013 Act shall affect any term or condition of any collective bargaining
18 agreement in effect on July 1, 2014.

19 **SECTION 37.** All of the duties, functions and powers of the former university are trans-
20 ferred to the university as if the university were a continuation of the former university and
21 not a new authority.

22 **SECTION 38.** (1) All records and property of the former university shall be considered
23 the records and property of the university.

24 (2) There are transferred to the university board title to and possession of all the sup-
25 plies, materials, equipment, records, books, papers and facilities of the State Board of Higher
26 Education pertaining to the former university.

27 (3) Title to real property acquired prior to July 1, 2014, utilized by the former university
28 or held or managed by the State of Oregon for the benefit of the former university shall be
29 continuously held in the name of the State of Oregon, except that the university has the
30 exclusive care, custody and control of such real property and facilities.

31 (4) The university board may sell, convey or lease such property, or any interest therein,
32 as the board deems in the best interest of the university as provided in section 14 of this 2013
33 Act.

34 **SECTION 39.** All unexpended moneys, including but not limited to General Fund appro-
35 priations, gifts, bequests, other funds, assessments, liability and workers' compensation re-
36 serves and premiums that are appropriated to, held, managed or invested by or on behalf of
37 or otherwise available to the former university or its president, for the purposes of any of
38 the former university's duties, functions or powers transferred to the university, are appro-
39 priated and transferred to the university.

40 **SECTION 40.** (1) Any action, suit, proceeding, prosecution or other business or matter
41 undertaken or commenced before the operative date of section 37 of this 2013 Act by the
42 former university, with respect to the duties, functions or powers transferred to the uni-
43 versity by section 37 of this 2013 Act and still pending on the operative date of section 37 of
44 this 2013 Act, may be conducted and completed by the university in the same manner, under
45 the same terms and conditions and with the same effect as though undertaken, conducted

1 or completed by the former university before the transfer.

2 (2) The transfer of duties, functions and powers to the university board under section 37
3 of this 2013 Act does not affect any action, suit, proceeding or prosecution involving or with
4 respect to such duties, functions and powers begun before and pending at the time of the
5 transfer, except that the university board shall be substituted for the State Board of Higher
6 Education in any such action, suit, proceeding or prosecution.

7 (3) Any action, suit, proceeding, prosecution or other business or matter undertaken or
8 commenced before the operative date of section 37 of this 2013 Act by a state officer or
9 agency, with respect to the duties, functions or powers transferred to the university and still
10 pending on the operative date of section 37 of this 2013 Act, may be conducted and completed
11 by the university in the same manner, under the same terms and conditions and with the
12 same effect as though undertaken, conducted or completed by the former university before
13 the transfer.

14 **SECTION 41.** Nothing in sections 1 to 34 of this 2013 Act relieves any person of any ob-
15 ligation with respect to a tax, fee, fine or other charge, interest, penalty, forfeiture or other
16 liability, duty or obligation.

17 **SECTION 42.** The university is considered to be a continuation of the former university
18 with respect to its duties, functions and powers, and not a new authority for the purpose of
19 succession to all rights and obligations of the former university as constituted at the time
20 of such assignment or transfer, except as otherwise provided in sections 1 to 34 of this 2013
21 Act, with the same force and effect as if such duties, functions and powers had not been
22 assigned or transferred.

23 **SECTION 43.** (1) Whenever, in any law or resolution of the Legislative Assembly or in
24 any rule, document, record or proceeding authorized thereby, reference is made to the for-
25 mer university, or an employee of the former university, whose duties, functions or powers
26 are assigned or transferred by sections 1 to 34 of this 2013 Act, except as otherwise provided
27 by sections 1 to 34 of this 2013 Act, such reference is considered to describe the university
28 or employee of the university that, by sections 1 to 34 of this 2013 Act, is charged with car-
29 rying out such duties, functions and powers.

30 (2) There are imposed upon, transferred to and vested in the university board the duties,
31 functions and powers of the State Board of Higher Education that pertain to the former
32 university.

33 (3) Notwithstanding the transfer of duties, functions and powers by sections 1 to 34 of
34 this 2013 Act, the lawfully adopted rules of the State Board of Higher Education pertaining
35 to the former university in effect on the operative date of section 37 of this 2013 Act continue
36 in effect until lawfully superseded or repealed by the university board. References in rules
37 of the State Board of Higher Education to the state board or an officer or employee of the
38 state board are considered to be references to the university board.

39 **SECTION 44.** The rights and obligations of the State Board of Higher Education legally
40 incurred under contracts, leases and business transactions executed, entered into or begun
41 before the operative date of section 37 of this 2013 Act pertaining to the former university
42 are transferred to the university board. For the purpose of succession to these rights and
43 obligations, the university board is considered to be a continuation of the State Board of
44 Higher Education and not a new authority, and the university board must exercise such
45 rights and fulfill such obligations as if they had not been transferred.

1 **SECTION 45.** For the purpose of administering and enforcing the duties, functions and
 2 powers transferred by sections 1 to 34 of this 2013 Act and for the payment of the expenses
 3 lawfully incurred by the State Board of Higher Education with respect to the administration
 4 and enforcement of such duties, functions and powers pertaining to the former university,
 5 the university board may expend the moneys that are authorized to be expended by the State
 6 Board of Higher Education for administering and enforcing the duties, functions and powers
 7 transferred by sections 1 to 34 of this 2013 Act and that are unexpended on the operative date
 8 of section 37 of this 2013 Act. Subject to section 24 of this 2013 Act, the university board shall
 9 assume and pay all outstanding obligations lawfully incurred by the State Board of Higher
 10 Education pertaining to the former university before the operative date of section 37 of this
 11 2013 Act that are properly charged against amounts authorized by this section to be ex-
 12 pended by the university board.

13 **SECTION 46.** Section 14, chapter 36, Oregon Laws 2012, is amended to read:

14 **Sec. 14.** (1) For the purposes of this section:

15 (a) “Achievement compact” means an agreement entered into between the Oregon Education
 16 Investment Board and the governing body of an education entity as described in this section.

17 (b) “Education entity” means:

18 (A) A school district, as defined in ORS 332.002;

19 (B) An education service district operated under ORS chapter 334;

20 (C) A community college district or community college service district operated under ORS
 21 chapter 341;

22 (D) The Oregon University System established by ORS 351.011;

23 (E) A public university of the Oregon University System, as listed in ORS 352.002; *[and]*

24 **(F) A public university listed in section 1 of this 2013 Act; and**

25 *[(F)]* **(G)** The health professions and graduate science programs of the Oregon Health and Sci-
 26 ence University operated under ORS chapter 353.

27 (c) “Governing body of an education entity” means:

28 (A) For a school district, the school district board.

29 (B) For an education service district, the board of directors of the education service district.

30 (C) For a community college district or a community college service district, the board of edu-
 31 cation of the community college district.

32 (D) For the Oregon University System, the State Board of Higher Education.

33 (E) For a public university of the Oregon University System, the president of the university.

34 **(F) For a public university listed in section 1 of this 2013 Act, the board of directors of**
 35 **the university.**

36 *[(F)]* **(G)** For the Oregon Health and Science University, the Oregon Health and Science Uni-
 37 versity Board of Directors.

38 (2)(a) Prior to the beginning of each fiscal year, the governing body of each education entity
 39 must enter into an achievement compact with the Oregon Education Investment Board for the fiscal
 40 year.

41 (b) Governing bodies of education entities identified in subsection (1)(b)(A) to (C) of this section
 42 shall enter into achievement compacts as part of the budgeting process under ORS 294.305 to 294.565
 43 and shall submit achievement compacts to the board prior to July 1 of each year.

44 (c) The board shall specify a process for adoption and a timeline for submission of achievement
 45 compacts for education entities identified in subsection (1)(b)(D) to *[(F)]* **(G)** of this section.

1 (d) The board shall provide to each school district a number quantifying the district's estimated
2 level of funding for the next fiscal year compared to the determination of funding needed to ensure
3 that the state's system of kindergarten through grade 12 public education meets the quality goals
4 specified under ORS 327.506.

5 (3)(a) The board shall establish the terms for achievement compacts.

6 (b) The terms of an achievement compact may include:

7 (A) A description of goals for outcomes that are consistent with the educational goals identified
8 in ORS 329.015, the findings described in ORS 351.003 and the mission of education provided in ORS
9 351.009.

10 (B) A description of the outcomes and measures of progress that will allow each education entity
11 to quantify:

12 (i) Completion rates for:

13 (I) Critical stages of learning and programs of study;

14 (II) The attainment of diplomas, certificates and degrees; and

15 (III) Achieving the high school and post-secondary education goals established in ORS 351.009
16 and a projection of the progress needed to achieve those goals by 2025;

17 (ii) Validations of the quality of knowledge and skills acquired by students of the education en-
18 tity; and

19 (iii) The relevance of the knowledge and skills acquired by the students of the education entity
20 and the means by which those skills and knowledge will contribute to the workforce, the economy
21 and society as described in state policy.

22 (C) Other information suggested by the governing body of an education entity and approved by
23 the board.

24 (c) Notwithstanding the terms described in paragraph (b) of this subsection, for an achievement
25 compact entered into by an education entity identified in subsection [(1)(b)(F)] **(1)(b)(G)** of this sec-
26 tion, the terms of the achievement compact shall be limited to the enrollment of, and attainment of
27 degrees by, Oregon residents in programs for which the state provides funding.

28 (4)(a) The governing body of each education entity shall identify a target number and percentage
29 of students for achievement of the outcomes, measures of progress and goals specified in the
30 achievement compact for the fiscal year.

31 (b) The governing body of each education entity shall provide a target number and percentage
32 of students for the aggregate of all disadvantaged subgroups, as defined by federal law or specified
33 by rules adopted by the board. The target number and percentage of students must reflect the edu-
34 cation entity's goals of improving education outcomes for disadvantaged student groups and closing
35 any student achievement gaps between disadvantaged student groups and other student groups.

36 (5) As part of the process of entering into an achievement compact, the governing body of an
37 education entity shall ensure that open communications are provided to parents, students, teachers
38 or faculty, employees, exclusive bargaining representatives and community representatives for the
39 purposes of explaining and discussing the outcomes, measures of progress, goals and targets speci-
40 fied in the achievement compact for the fiscal year. The open communications must be provided
41 during each education entity's public budget process.

42 (6) The board shall specify the format of the achievement compacts and provide model achieve-
43 ment compacts to the governing body of each education entity.

44 (7) The board may adopt a timeline and method for governing bodies of education entities to
45 provide the board with a report at the end of a fiscal year that describes the achievements made

1 by the education entities during the fiscal year. The report:

2 (a) Must include disaggregated data for each disadvantaged student group specified by the
3 board; and

4 (b) May state achievements in numbers and percentages and in relation to the outcomes, meas-
5 ures of progress, goals and targets specified in the achievement compact for the fiscal year.

6 **SECTION 47.** ORS 21.007, as amended by section 8, chapter 48, Oregon Laws 2012, is amended
7 to read:

8 21.007. It is the intent of the Legislative Assembly that funding be provided to the following
9 entities by appropriations each biennium to fund programs, services and activities that were funded
10 through court fees before the 2011-2013 biennium:

11 (1) To the counties of this state for the purposes of funding mediation services, conciliation
12 services and other services in domestic relations cases.

13 (2) To the counties of this state for the purposes of funding the operation of law libraries or of
14 providing law library services.

15 (3) To the [*Oregon University System*] **public universities listed in section 1 of this 2013 Act**
16 to fund the programs and expenses of the Mark O. Hatfield School of Government and the Univer-
17 sity of Oregon School of Law under ORS 36.100 to 36.238 and 183.502.

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

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

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

25 (7) To the Judicial Department for the purposes of funding the appellate settlement program
26 established under ORS 2.560.

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

28 **SECTION 48.** ORS 30.264 is amended to read:

29 30.264. (1)(a) The State Board of Higher Education may authorize public universities listed in
30 ORS 352.002 to provide liability insurance coverage for students involved in off-campus experiential
31 activities, including, but not limited to, student teaching, internships, clinical experiences, capstone
32 projects and related activities.

33 **(b) The board of directors of a public university listed in section 1 of this 2013 Act may**
34 **authorize the university to provide liability insurance coverage for students involved in off-**
35 **campus experiential activities, including, but not limited to, student teaching, internships,**
36 **clinical experiences, capstone projects and related activities.**

37 (2) If commercial liability insurance coverage is not available to the public universities, students
38 participating in the activities described in subsection (1) of this section shall be considered to be
39 acting within the course and scope of state employment duties for purposes of ORS 30.260 to 30.300.

40 **SECTION 49.** 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, [*or*] the State Board of Higher Education **or the board of directors of a public uni-**
44 **versity listed in section 1 of this 2013 Act** may file a civil action in circuit court for equitable
45 relief or, subject to the terms and conditions of ORS 30.265 to 30.300, for damages, or both. The

1 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 50.** 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 51.** 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*] **University of Oregon and Portland State University** under this sec-
21 tion shall be deposited in the Dispute Resolution Account.

22 **SECTION 52.** 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 53.** 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 or **section 1 of this 2013 Act**.

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

25 **SECTION 54.** ORS 181.871, as amended by section 2, chapter 28, Oregon Laws 2012, is amended
26 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, Oregon Health and Science University, [*established by*
32 *ORS 353.020*] **a public university listed in section 1 of this 2013 Act** or the United States while
33 performing duties of the office or employment.

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

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

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

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

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

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

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

44 (k) A person performing crowd management or guest services, including, but not limited to, a
45 person described as a ticket taker, an usher, a parking attendant or event staff.

1 (L) A person who has a valid service permit issued by the Oregon Liquor Control Commission
2 pursuant to ORS 471.360 and who is an employee of a licensee of the commission when the person
3 is performing age verification and controlling access to premises of the licensee, if the person is not:

4 (A) Armed;

5 (B) Permitted to initiate confrontational activities, including physical contact and the confis-
6 cation of property; or

7 (C) Hired with the primary responsibility of taking enforcement action as described in ORS
8 181.870 (8)(f).

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

11 (n) An individual while on active duty as a member of the armed services or while performing
12 duties as a law enforcement officer.

13 (o) An employee of a financial institution who has been designated as a security officer for the
14 financial institution pursuant to the Bank Protection Act of 1968 (12 U.S.C. 1881 et seq.) and regu-
15 lations adopted under the act or pursuant to ORS 723.276 (5).

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

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

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

27 (a) To a person who is not:

28 (A) Armed;

29 (B) Permitted to initiate confrontational activities, including physical contact and the confis-
30 cation of property; or

31 (C) Hired with the primary responsibility of taking enforcement action as described in ORS
32 181.870 (8)(f);

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

36 (c) If any enforcement action, as described in ORS 181.870 (8)(f), other than incidental or tem-
37 porary action, is taken by or under the supervision of a person certified or licensed under ORS
38 181.878; and

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

42 (3) The exemption provided by subsection (1)(L) of this section does not apply during an organ-
43 ized event that is on a scale substantially outside the ordinary course of the licensee's business.

44 **SECTION 55.** ORS 182.122 is amended to read:

45 182.122. (1) As used in this section:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5 (8)(a) Agencies are responsible for the security of computers, hardware, software, storage media,
 6 networks, operational procedures and processes used in the collection, processing, storage, sharing
 7 or distribution of information outside the state's shared computing and network infrastructure fol-
 8 lowing information security standards, policies and procedures established by the Oregon Depart-
 9 ment of Administrative Services and developed collaboratively with agencies. Agencies may
 10 establish plans, standards and measures that are more stringent than the standards established by
 11 the department to address specific agency needs if those plans, standards and measures do not
 12 contradict or contravene the state information systems security plan. Independent agency security
 13 plans shall be developed within the framework of the state information systems security plan.

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

17 (9) This section does not apply to:

18 (a) Research and student computer systems used by or in conjunction with the State Board of
 19 Higher Education or any public university listed in ORS 352.002 **or section 1 of this 2013 Act**; and

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

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

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

26 **SECTION 56.** ORS 182.415 is amended to read:

27 182.415. As used in ORS 182.415 to 182.435 unless the context requires otherwise:

28 (1) "Furnishings" includes furniture usually used in connection with occupancy of a household
 29 but does not include rugs, draperies, ranges, refrigerators, washers, dryers or any item of furnishings
 30 received by the state or one of its agencies as a gift, nor does it include any furniture purchased
 31 for the state-owned residence required in relation to the official duties of an institutional executive
 32 or the Chancellor of the Oregon University System prior to September 9, 1971.

33 (2) "Housing" includes single and multiple family dwellings, apartments, and manufactured
 34 dwellings and manufactured dwelling pads, available on a monthly tenancy but does not include
 35 guard stations maintained by the State Forestry Department or dormitory facilities at any state in-
 36 stitution or at any public university listed in ORS 352.002 **or section 1 of this 2013 Act**.

37 (3) "Dormitory" includes any facility that houses students and those facilities used primarily for
 38 sleeping purposes by the employees of the Department of Human Services or the Oregon Health
 39 Authority.

40 (4) "State agency" has the meaning given that term in ORS 291.002.

41 **SECTION 57.** ORS 183.635 is amended to read:

42 183.635. (1) Except as provided in this section, all agencies must use administrative law judges
 43 assigned from the Office of Administrative Hearings established under ORS 183.605 to conduct con-
 44 tested case hearings, without regard to whether those hearings are subject to the procedural re-
 45 quirements for contested case hearings.

- 1 (2) The following agencies need not use administrative law judges assigned from the office:
 2 (a) Attorney General.
 3 (b) Boards of stewards appointed by the Oregon Racing Commission.
 4 (c) Bureau of Labor and Industries and the Commissioner of the Bureau of Labor and Industries.
 5 (d) Department of Corrections.
 6 (e) Department of Education, State Board of Education and Superintendent of Public Instruction.
 7 (f) Department of Human Services for vocational rehabilitation services cases under 29 U.S.C.
 8 722(c) and disability determination cases under 42 U.S.C. 405.
 9 (g) Department of Revenue.
 10 (h) Department of State Police.
 11 (i) Employment Appeals Board.
 12 (j) Employment Relations Board.
 13 (k) Energy Facility Siting Council.
 14 (L) Fair Dismissal Appeals Board.
 15 (m) Governor.
 16 (n) Land Conservation and Development Commission.
 17 (o) Land Use Board of Appeals.
 18 (p) Local government boundary commissions created pursuant to ORS 199.430.
 19 (q) Oregon University System and public universities listed in ORS 352.002.
 20 (r) Oregon Youth Authority.
 21 (s) Psychiatric Security Review Board.
 22 **(t) Public universities listed in section 1 of this 2013 Act.**
 23 [(t)] **(u)** The Oregon Health Authority for hearings conducted under ORS 161.315 to 161.351.
 24 [(u)] **(v)** Public Utility Commission.
 25 [(v)] **(w)** State Accident Insurance Fund Corporation.
 26 [(w)] **(x)** State Apprenticeship and Training Council.
 27 [(x)] **(y)** State Board of Parole and Post-Prison Supervision.
 28 [(y)] **(z)** State Land Board.
 29 [(z)] **(aa)** State Treasurer.
 30 [(aa)] **(bb)** Wage and Hour Commission.
- 31 (3) The Workers' Compensation Board is exempt from using administrative law judges assigned
 32 from the office for any hearing conducted by the board under ORS chapters 147, 654 and 656. Except
 33 as specifically provided in this subsection, the Department of Consumer and Business Services must
 34 use administrative law judges assigned from the office only for contested cases arising out of the
 35 department's powers and duties under:
 36 (a) ORS 86A.095 to 86A.198, 86A.990 and 86A.992 and ORS chapter 59;
 37 (b) ORS chapter 455;
 38 (c) ORS chapter 674;
 39 (d) ORS chapters 706 to 716;
 40 (e) ORS chapter 717;
 41 (f) ORS chapters 723, 725 and 726; and
 42 (g) ORS chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748 and 750.
- 43 (4) Notwithstanding any other provision of law, in any proceeding in which an agency is re-
 44 quired to use an administrative law judge assigned from the office, an officer or employee of the
 45 agency may not conduct the hearing on behalf of the agency.

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

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

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

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

8 **SECTION 58.** ORS 184.475 is amended to read:

9 184.475. (1) The purposes of information technology portfolio-based management are to:

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

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

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

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

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

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

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

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

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

35 (5) This section does not apply to competitive research grants and contracts at public universi-
36 ties listed in ORS 352.002 or **section 1 of this 2013 Act**.

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

40 **SECTION 59.** ORS 184.477 is amended to read:

41 184.477. (1) The purpose of enterprise management is to create a plan and implement a state
42 government-wide approach for managing distributed information technology assets to minimize total
43 ownership costs from acquisition through retirement, while realizing maximum benefits for trans-
44 acting the state's business and delivering services to its citizens.

45 (2) With input and recommendations from state agencies, the Oregon Department of Adminis-

1 trative Services shall develop a plan for the state government-wide management of distributed in-
 2 formation technology assets. The plan shall prescribe the state government-wide infrastructure and
 3 services for managing these assets. The plan shall be submitted to the Joint Legislative Committee
 4 on Information Management and Technology for review.

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

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

10 (5) This section does not apply to competitive research grants and contracts at public universi-
 11 ties listed in ORS 352.002 **or section 1 of this 2013 Act.**

12 **SECTION 60.** ORS 184.631 is amended to read:

13 184.631. (1) The Department of Transportation shall establish a public-private partnership re-
 14 search and development program.

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

19 (a) Individuals.

20 (b) Businesses.

21 (c) Nonprofit organizations.

22 (d) The State Board of Higher Education.

23 **(e) The board of directors of a public university listed in section 1 of this 2013 Act.**

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

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

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

31 **SECTION 61.** ORS 190.410 is amended to read:

32 190.410. As used in ORS 190.410 to 190.440, "public agency" includes:

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

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

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

38 **(4) A public university listed in section 1 of this 2013 Act.**

39 **SECTION 62.** ORS 192.501 is amended to read:

40 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505
 41 unless the public interest requires disclosure in the particular instance:

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

1 or deposition statutes to a party to litigation or potential litigation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

43 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and
44 663.180.

45 (10) Records, reports and other information received or compiled by the Director of the De-

1 partment of Consumer and Business Services under ORS 697.732.

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

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

8 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and
9 564.100, regarding the habitat, location or population of any threatened species or endangered spe-
10 cies.

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

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

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

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

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

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

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

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

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

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

43 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS
44 247.967.

45 (21) The following records, communications and information submitted to a housing authority

1 as defined in ORS 456.005, or to an urban renewal agency as defined in ORS 457.010, by applicants
 2 for and recipients of loans, grants and tax credits:

- 3 (a) Personal and corporate financial statements and information, including tax returns;
- 4 (b) Credit reports;
- 5 (c) Project appraisals;
- 6 (d) Market studies and analyses;
- 7 (e) Articles of incorporation, partnership agreements and operating agreements;
- 8 (f) Commitment letters;
- 9 (g) Project pro forma statements;
- 10 (h) Project cost certifications and cost data;
- 11 (i) Audits;
- 12 (j) Project tenant correspondence requested to be confidential;
- 13 (k) Tenant files relating to certification; and
- 14 (L) Housing assistance payment requests.

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

- 16 (a) Gain unauthorized access to buildings or other property;
- 17 (b) Identify those areas of structural or operational vulnerability that would permit unlawful
 18 disruption to, or interference with, services; or
- 19 (c) Disrupt, interfere with or gain unauthorized access to public funds or to information pro-
 20 cessing, communication or telecommunication systems, including the information contained in the
 21 systems, that are used or operated by a public body.

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

- 25 (a) An individual;
- 26 (b) Buildings or other property;
- 27 (c) Information processing, communication or telecommunication systems, including the infor-
 28 mation contained in the systems; or
- 29 (d) Those operations of the Oregon State Lottery the security of which are subject to study and
 30 evaluation under ORS 461.180 (6).

31 (24) Personal information held by or under the direction of officials of the Oregon Health and
 32 Science University, [or] the Oregon University System **or a public university listed in section 1
 33 of this 2013 Act** about a person who has or who is interested in donating money or property to the
 34 **Oregon Health and Science** University, the system or a public university listed in ORS 352.002 **or
 35 section 1 of this 2013 Act**, if the information is related to the family of the person, personal assets
 36 of the person or is incidental information not related to the donation.

37 (25) The home address, professional address and telephone number of a person who has or who
 38 is interested in donating money or property to the Oregon University System **or a public university
 39 listed in section 1 of this 2013 Act**.

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

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

1 number.

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

3 (29) The electronic mail address of a student who attends a public university listed in ORS
4 352.002 **or section 1 of this 2013 Act** or Oregon Health and Science University.

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

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

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

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

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

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

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

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

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

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

27 (32) Unless the public records request is made by a financial institution, as defined in ORS
28 706.008, consumer finance company licensed under ORS chapter 725, mortgage banker or mortgage
29 broker licensed under ORS 86A.095 to 86A.198, or title company for business purposes, records de-
30 scribed in paragraph (a) of this subsection, if the exemption from disclosure of the records is sought
31 by an individual described in paragraph (b) of this subsection using the procedure described in par-
32 agraph (c) of this subsection:

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

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

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

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

44 (c) The individual claiming the exemption from disclosure must do so by filing the claim in
45 writing with the public body for which the exemption from disclosure is being claimed on a form

1 prescribed by the public body. Unless the claim is filed with the county clerk, the claim form shall
2 list the public records in the possession of the public body to which the exemption applies. The ex-
3 emption applies until the individual claiming the exemption requests termination of the exemption
4 or ceases to qualify for the exemption.

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

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

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

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

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

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

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

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

24 (37) Any document or other information related to an audit of a public body, as defined in ORS
25 174.109, that is in the custody of an auditor or audit organization operating under nationally re-
26 cognized government auditing standards, until the auditor or audit organization issues a final audit
27 report in accordance with those standards or the audit is abandoned. This exemption does not pro-
28 hibit disclosure of a draft audit report that is provided to the audited entity for the entity's response
29 to the audit findings.

30 **SECTION 63.** ORS 192.501, as amended by section 3, chapter 455, Oregon Laws 2005, section
31 7, chapter 608, Oregon Laws 2007, section 2, chapter 687, Oregon Laws 2007, section 2, chapter 48,
32 Oregon Laws 2008, section 3, chapter 57, Oregon Laws 2009, section 2, chapter 135, Oregon Laws
33 2009, section 4, chapter 222, Oregon Laws 2009, section 2, chapter 769, Oregon Laws 2009, section
34 15, chapter 9, Oregon Laws 2011, section 2, chapter 285, Oregon Laws 2011, and section 69, chapter
35 637, Oregon Laws 2011, is amended to read:

36 192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505
37 unless the public interest requires disclosure in the particular instance:

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

43 (2) Trade secrets. "Trade secrets," as used in this section, may include, but are not limited to,
44 any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or
45 compilation of information which is not patented, which is known only to certain individuals within

1 an organization and which is used in a business it conducts, having actual or potential commercial
2 value, and which gives its user an opportunity to obtain a business advantage over competitors who
3 do not know or use it.

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

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

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

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

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

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

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

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

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

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

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

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

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

39 (9) Investigatory information relating to any complaint or charge filed under ORS 243.676 and
40 663.180.

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

43 (11) Information concerning the location of archaeological sites or objects as those terms are
44 defined in ORS 358.905, except if the governing body of an Indian tribe requests the information and
45 the need for the information is related to that Indian tribe's cultural or religious activities. This

1 exemption does not include information relating to a site that is all or part of an existing, commonly
2 known and publicized tourist facility or attraction.

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

4 (13) Information developed pursuant to ORS 496.004, 496.172 and 498.026 or ORS 496.192 and
5 564.100, regarding the habitat, location or population of any threatened species or endangered spe-
6 cies.

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

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

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

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

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

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

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

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

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

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

39 (20) The residence address of an elector if authorized under ORS 247.965 and subject to ORS
40 247.967.

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

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

45 (b) Credit reports;

- 1 (c) Project appraisals;
 2 (d) Market studies and analyses;
 3 (e) Articles of incorporation, partnership agreements and operating agreements;
 4 (f) Commitment letters;
 5 (g) Project pro forma statements;
 6 (h) Project cost certifications and cost data;
 7 (i) Audits;
 8 (j) Project tenant correspondence requested to be confidential;
 9 (k) Tenant files relating to certification; and
 10 (L) Housing assistance payment requests.
- 11 (22) Records or information that, if disclosed, would allow a person to:
 12 (a) Gain unauthorized access to buildings or other property;
 13 (b) Identify those areas of structural or operational vulnerability that would permit unlawful
 14 disruption to, or interference with, services; or
 15 (c) Disrupt, interfere with or gain unauthorized access to public funds or to information pro-
 16 cessing, communication or telecommunication systems, including the information contained in the
 17 systems, that are used or operated by a public body.
- 18 (23) Records or information that would reveal or otherwise identify security measures, or
 19 weaknesses or potential weaknesses in security measures, taken or recommended to be taken to
 20 protect:
 21 (a) An individual;
 22 (b) Buildings or other property;
 23 (c) Information processing, communication or telecommunication systems, including the infor-
 24 mation contained in the systems; or
 25 (d) Those operations of the Oregon State Lottery the security of which are subject to study and
 26 evaluation under ORS 461.180 (6).
- 27 (24) Personal information held by or under the direction of officials of the Oregon Health and
 28 Science University, [or] the Oregon University System **or a public university listed in section 1**
 29 **of this 2013 Act** about a person who has or who is interested in donating money or property to the
 30 **Oregon Health and Science** University, the system or a public university listed in ORS 352.002 **or**
 31 **section 1 of this 2013 Act**, if the information is related to the family of the person, personal assets
 32 of the person or is incidental information not related to the donation.
- 33 (25) The home address, professional address and telephone number of a person who has or who
 34 is interested in donating money or property to the Oregon University System **or a public university**
 35 **listed in section 1 of this 2013 Act**.
- 36 (26) Records of the name and address of a person who files a report with or pays an assessment
 37 to a commodity commission established under ORS 576.051 to 576.455, the Oregon Beef Council
 38 created under ORS 577.210 or the Oregon Wheat Commission created under ORS 578.030.
- 39 (27) Information provided to, obtained by or used by a public body to authorize, originate, re-
 40 ceive or authenticate a transfer of funds, including but not limited to a credit card number, payment
 41 card expiration date, password, financial institution account number and financial institution routing
 42 number.
- 43 (28) Social Security numbers as provided in ORS 107.840.
- 44 (29) The electronic mail address of a student who attends a public university listed in ORS
 45 352.002 **or section 1 of this 2013 Act** or Oregon Health and Science University.

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

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

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

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

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

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

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

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

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

18 (31) Unless the public records request is made by a financial institution, as defined in ORS
19 706.008, consumer finance company licensed under ORS chapter 725, mortgage banker or mortgage
20 broker licensed under ORS 86A.095 to 86A.198, or title company for business purposes, records de-
21 scribed in paragraph (a) of this subsection, if the exemption from disclosure of the records is sought
22 by an individual described in paragraph (b) of this subsection using the procedure described in par-
23 agraph (c) of this subsection:

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

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

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

30 (b) The individual claiming the exemption from disclosure must be a district attorney, a deputy
31 district attorney, the Attorney General or an assistant attorney general, the United States Attorney
32 for the District of Oregon or an assistant United States attorney for the District of Oregon, a city
33 attorney who engages in the prosecution of criminal matters or a deputy city attorney who engages
34 in the prosecution of criminal matters.

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

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

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

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

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

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

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

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

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

15 (36) Any document or other information related to an audit of a public body, as defined in ORS
16 174.109, that is in the custody of an auditor or audit organization operating under nationally re-
17 cognized government auditing standards, until the auditor or audit organization issues a final audit
18 report in accordance with those standards or the audit is abandoned. This exemption does not pro-
19 hibit disclosure of a draft audit report that is provided to the audited entity for the entity's response
20 to the audit findings.

21 **SECTION 64.** ORS 205.450 is amended to read:

22 205.450. As used in ORS 205.450 to 205.470:

23 (1) "Encumbrance" means a claim, lien, charge or liability attached to and binding property.

24 (2) "Encumbrance claimant" means a person who purportedly benefits from the filing of an
25 encumbrance.

26 (3) "Federal official or employee" has the meaning given the term "employee of the
27 government" in the Federal Tort Claims Act (28 U.S.C. 2671).

28 (4) "Filing" includes filing or recording.

29 (5) "Invalid claim of encumbrance" means a claim of encumbrance that is not a valid claim of
30 encumbrance.

31 (6) "Property" includes, but is not limited to, real and personal property.

32 (7) "State or local official or employee" means an appointed or elected official, employee or
33 agent of:

34 (a) A branch of government of this state or a state agency, board, commission or department
35 of a branch of government of this state;

36 (b) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**;

37 (c) A community college or local school district in this state;

38 (d) A city, county or other political subdivision in this state; or

39 (e) A public corporation in this state.

40 (8) "Valid claim of encumbrance" is an encumbrance that:

41 (a) Is an encumbrance authorized by statute;

42 (b) Is a consensual encumbrance recognized under the laws of this state; or

43 (c) Is an equitable, constructive or other encumbrance imposed by a court of competent juris-
44 diction.

45 **SECTION 65.** ORS 205.455 is amended to read:

1 205.455. (1) [No] A person or county [shall] **may not** accept for filing an invalid claim of
2 encumbrance.

3 (2) [No] A person or county [shall] **may not** accept for filing a claim of encumbrance against
4 the property of a federal official or employee or a state or local official or employee based on the
5 performance or nonperformance of the official duties of the official or employee unless accompanied
6 by an order from a court of competent jurisdiction authorizing the filing of the encumbrance.

7 (3) A claim of encumbrance against the property of a federal official or employee or a state or
8 local official or employee based on the performance or nonperformance of the official duties of the
9 official or employee that is not accompanied by an order from a court of competent jurisdiction is
10 an invalid claim of encumbrance and has no legal effect.

11 (4) If an invalid claim of encumbrance against the property of a federal official or employee or
12 against the property of a state or local official or employee is accepted for filing, the filing officer
13 shall accept for filing a notice of invalid encumbrance signed and submitted by:

14 (a) The assistant United States attorney representing the federal agency of which the individual
15 is an official or employee;

16 (b) The assistant attorney general representing the state official, employee or agent, or the state
17 agency, board, commission, department or public university listed in ORS 352.002 **or section 1 of**
18 **this 2013 Act** of which the individual is an official, employee or agent; or

19 (c) The attorney representing the community college or local school district, political subdivi-
20 sion or public corporation of which the individual is an official, employee or agent.

21 (5) A notice of invalid encumbrance shall be in substantially the following form:

22 _____
23
24 NOTICE OF INVALID ENCUMBRANCE
25 FILED AGAINST

26 _____ (Insert name)
27 (ORS 205.455)

28 _____ IS A _____
29 (Name) (Title)

30 NOTICE is hereby given that the document entitled _____, purporting to create an
31 obligation against or an interest in the real or personal property of the person named above, filed
32 and/or signed by _____ (insert name), and filed or recorded in book/reel/volume No.
33 _____ on page _____ or document/fee/file/ instrument/microfilm No. _____ in the
34 _____ (insert name of office where document was filed or recorded), is an invalid claim
35 of encumbrance under ORS 205.450 and 205.455.

36 No order from a court of competent jurisdiction authorizing the filing of such encumbrance ac-
37 companied the filing and, pursuant to ORS 205.455, the encumbrance has no legal effect and is in-
38 valid.

39 A copy of this Notice of Invalid Encumbrance has been mailed this day by depositing a true
40 copy of the notice in the United States mail, addressed to _____ (name and address of
41 encumbrance claimant), the last-known address of _____ (insert name of encumbrance
42 claimant).

43 DATED this _____ day of _____, _____.

44 _____
45 Attorney for _____

1 SUBSCRIBED AND SWORN to before me this ____ day of _____, ____.

2
3
4
5
6
7

NOTARY PUBLIC FOR OREGON
My commission expires: _____

8 (6) A copy of the notice of invalid encumbrance filed under this section shall be posted at the
9 county courthouse and mailed by the attorney to the encumbrance claimant at the encumbrance
10 claimant’s last-known address, if available.

11 (7) No person or county shall be liable under this section for accepting for filing an invalid claim
12 of encumbrance or for accepting for filing a notice of invalid encumbrance.

13 (8) Filing a notice of invalid encumbrance under this section shall clear title to all property that
14 is affected by the claim of encumbrance that is the subject of the notice of invalid encumbrance from
15 all claims, liens, charges or liabilities attached to the property under the claim of encumbrance.

16 **SECTION 66.** ORS 238.005, as amended by section 30, chapter 54, Oregon Laws 2012, is
17 amended to read:

18 238.005. For purposes of this chapter:

19 (1) “Active member” means a member who is presently employed by a participating public em-
20 ployer in a qualifying position and who has completed the six-month period of service required by
21 ORS 238.015.

22 (2) “Annuity” means payments for life derived from contributions made by a member as provided
23 in this chapter.

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

25 (4) “Calendar year” means 12 calendar months commencing on January 1 and ending on De-
26 cember 31 following.

27 (5) “Continuous service” means service not interrupted for more than five years, except that
28 such continuous service shall be computed without regard to interruptions in the case of:

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

32 (b) An employee who was in the armed services on January 1, 1945, and returned to the service
33 of the employer within one year of the date of being otherwise than dishonorably discharged and
34 remained in that employment until having established membership in the Public Employees Retire-
35 ment System.

36 (6) “Creditable service” means any period of time during which an active member is being paid
37 a salary by a participating public employer and for which benefits under this chapter are funded by
38 employer contributions and earnings on the fund. For purposes of computing years of “creditable
39 service,” full months and major fractions of a month shall be considered to be one-twelfth of a year
40 and shall be added to all full years. “Creditable service” includes all retirement credit received by
41 a member.

42 (7) “Earliest service retirement age” means the age attained by a member when the member
43 could first make application for retirement under the provisions of ORS 238.280.

44 (8) “Employee” includes, in addition to employees, public officers, but does not include:

45 (a) Persons engaged as independent contractors.

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

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

6 (d) Persons employed and paid from federal funds received under a federal program intended
7 primarily to alleviate unemployment. However, any such person shall be considered an "employee"
8 if not otherwise excluded by paragraphs (a) to (c) of this subsection and the public employer elects
9 to have the person so considered by an irrevocable written notice to the board.

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

13 (9) "Final average salary" means whichever of the following is greater:

14 (a) The average salary per calendar year paid by one or more participating public employers to
15 an employee who is an active member of the system in three of the calendar years of membership
16 before the effective date of retirement of the employee, in which three years the employee was paid
17 the highest salary. The three calendar years in which the employee was paid the largest total salary
18 may include calendar years in which the employee was employed for less than a full calendar year.
19 If the number of calendar years of active membership before the effective date of retirement of the
20 employee is three or fewer, the final average salary for the employee is the average salary per cal-
21 endar year paid by one or more participating public employers to the employee in all of those years,
22 without regard to whether the employee was employed for the full calendar year.

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

26 (10) "Firefighter" does not include a volunteer firefighter, but does include:

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

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

31 (11) "Fiscal year" means 12 calendar months commencing on July 1 and ending on June 30 fol-
32 lowing.

33 (12) "Fund" means the Public Employees Retirement Fund.

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

37 (14) "Institution of higher education" means a public university listed in ORS 352.002 **or section**
38 **1 of this 2013 Act**, the Oregon Health and Science University and a community college, as defined
39 in ORS 341.005.

40 (15) "Member" means a person who has established membership in the system and whose mem-
41 bership has not been terminated as described in ORS 238.095. "Member" includes active, inactive
42 and retired members.

43 (16) "Member account" means the regular account and the variable account.

44 (17) "Normal retirement age" means:

45 (a) For a person who establishes membership in the system before January 1, 1996, as described

1 in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or firefighter
2 or 58 years of age if the employee retires at that age as other than a police officer or firefighter.

3 (b) For a person who establishes membership in the system on or after January 1, 1996, as de-
4 scribed in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or
5 firefighter or 60 years of age if the employee retires at that age as other than a police officer or
6 firefighter.

7 (18) "Pension" means annual payments for life derived from contributions by one or more public
8 employers.

9 (19) "Police officer" includes:

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

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

17 (c) Employees of the Oregon Liquor Control Commission who are classified as liquor enforce-
18 ment inspectors by the administrator of the commission.

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

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

23 (f) Police officers who are commissioned by a university under ORS 352.383 and who are clas-
24 sified as police officers by the university.

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

33 (h) Police officers appointed under ORS 276.021 or 276.023.

34 (i) Employees of the Port of Portland who are classified as airport police by the Board of Com-
35 missioners of the Port of Portland.

36 (j) Employees of the State Department of Agriculture who are classified as livestock police of-
37 ficers by the Director of Agriculture.

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

40 (L) Investigators of the Criminal Justice Division of the Department of Justice.

41 (m) Corrections officers as defined in ORS 181.610.

42 (n) Employees of the Oregon State Lottery Commission who are classified by the Director of the
43 Oregon State Lottery as enforcement agents pursuant to ORS 461.110.

44 (o) The Director of the Department of Corrections.

45 (p) An employee who for seven consecutive years has been classified as a police officer as de-

1 fined by this section, and who is employed or transferred by the Department of Corrections to fill
2 a position designated by the Director of the Department of Corrections as being eligible for police
3 officer status.

4 (q) An employee of the Department of Corrections classified as a police officer on or prior to
5 July 27, 1989, whether or not that classification was authorized by law, as long as the employee
6 remains in the position held on July 27, 1989. The initial classification of an employee under a sys-
7 tem implemented pursuant to ORS 240.190 does not affect police officer status.

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

11 (s) Employees at youth correction facilities and juvenile detention facilities under ORS 419A.050,
12 419A.052 and 420.005 to 420.915 who are required to hold valid Oregon teaching licenses and who
13 have supervisory, control or teaching responsibilities over juveniles committed to the custody of the
14 Department of Corrections or the Oregon Youth Authority.

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

18 (u) Employees of the Oregon Youth Authority who are classified as juvenile parole and pro-
19 bation officers.

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

22 (21) "Public employer" means the state, one of its agencies, any city, county, or municipal or
23 public corporation, any political subdivision of the state or any instrumentality thereof, or an agency
24 created by one or more such governmental organizations to provide governmental services. For
25 purposes of this chapter, such agency created by one or more governmental organizations is a gov-
26 ernmental instrumentality and a legal entity with power to enter into contracts, hold property and
27 sue and be sued.

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

32 (23) "Regular account" means the account established for each active and inactive member un-
33 der ORS 238.250.

34 (24) "Retired member" means a member who is retired for service or disability.

35 (25) "Retirement credit" means a period of time that is treated as creditable service for the
36 purposes of this chapter.

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

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

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

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

1 (C) Retroactive payments described in ORS 238.008; and

2 (D) Wages of a deceased member paid to a surviving spouse or dependent children under ORS
3 652.190.

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

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

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

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

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

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

13 (F) Any retirement incentive, retirement severance pay, retirement bonus or retirement
14 gratuitous payment;

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

18 (H) Payments for instructional services rendered to public universities [*of the Oregon University*
19 *System*] **listed in ORS 352.002 or section 1 of this 2013 Act** or the Oregon Health and Science
20 University when such services are in excess of full-time employment subject to this chapter. A per-
21 son employed under a contract for less than 12 months is subject to this subparagraph only for the
22 months to which the contract pertains; or

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

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

26 (28) "System" means the Public Employees Retirement System.

27 (29) "Variable account" means the account established for a member who participates in the
28 Variable Annuity Account under ORS 238.260.

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

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

32 **SECTION 67.** ORS 238.200 is amended to read:

33 238.200. (1)(a) An active member of the Public Employees Retirement System shall contribute to
34 the Public Employees Retirement Fund and there shall be withheld from salary of the member six
35 percent of that salary as an employee contribution.

36 (b) Notwithstanding paragraph (a) of this subsection, an employee who is an active member of
37 the system on August 21, 1981, shall contribute to the fund and there shall be withheld from salary
38 of the member, as long as the employee continues to be an active member of the system, four percent
39 of that salary if the salary for a month is less than \$500, or five percent of that salary if the salary
40 for a month is \$500 or more and less than \$1,000.

41 (c) Notwithstanding subsection (2) of this section, for the purpose of computing the percentage
42 of salary to be withheld under [*this*] paragraph (b) of this subsection from a member who is an
43 employee of a school district, **of a public university listed in section 1 of this 2013 Act** or of the
44 State Board of Higher Education whose salary is based on an annual agreement, the agreed annual
45 salary of the member shall be divided into 12 equal installments, and each installment shall be

1 considered as earned and paid in separate, consecutive months, commencing with the first month
2 that payment is actually made under the terms of the salary agreement.

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

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

12 (4) Notwithstanding subsections (1) to (3) of this section, a member of the system, or a partic-
13 ipating employer acting on behalf of the member pursuant to ORS 238.205, is not permitted or re-
14 quired to make employee contributions to the fund for service performed on or after January 1, 2004.
15 This subsection does not affect any contribution for the purpose of unit purchases under ORS
16 238.440 or amounts paid for acquisition of creditable service under ORS 238.105 to 238.175.

17 **SECTION 68.** ORS 238.215 is amended to read:

18 238.215. Notwithstanding any other provision of this chapter:

19 (1) An employee, as defined in ORS 243.910 (2), who is an active member of the system and who
20 has elected, and not canceled that election, to be assisted by the State Board of Higher Education
21 **or the board of directors of a public university listed in section 1 of this 2013 Act** under ORS
22 243.920 (1), [*shall*] **may** not contribute to the fund on any part of the annual salary of the employee
23 in excess of \$4,800 at any time during which the State Board of Higher Education **or board of di-**
24 **rectors** assists the employee under ORS 243.920 (1).

25 (2) The current service pension, whether for service or disability retirement, under this chapter
26 provided by the contributions of the employers of such employee shall be:

27 (a) If the State Board of Higher Education **or board of directors of a public university listed**
28 **in section 1 of this 2013 Act** is assisting such employee under ORS 243.920 (1) at the time of re-
29 tirement, a pension equal to the annuity provided by the employee's accumulated contributions to
30 the fund.

31 (b) If the State Board of Higher Education **or board of directors** is not assisting such employee
32 under ORS 243.920 (1) at the time of retirement, but previously so assisted the employee:

33 (A) For service before the date the State Board of Higher Education **or board of directors** last
34 ceased to assist the employee, a pension equal to the annuity provided by the employee's accumu-
35 lated contributions to the fund before that date.

36 (B) For service on and after the date the State Board of Higher Education **or board of direc-**
37 **tors** last ceased to so assist the employee, a pension computed as provided in ORS 238.300 (2), but
38 if the employee retires before reaching the normal retirement age, actuarially reduced and computed
39 on the then attained age. For the purpose of computing the pension under this subparagraph, only
40 the number of years of membership of the employee after the day before that date and only the
41 salary of the employee on which the employee contributes to the fund for those years shall be con-
42 sidered.

43 (3) Subsection (2) of this section does not apply to an employee, as defined in ORS 243.910 (2),
44 who is an active member of the system, who elected to be assisted by the State Board of Higher
45 Education under ORS 243.920 (1) before January 1, 1968, who canceled that election within the first

1 60 days of the calendar year 1968 as provided in ORS 243.940 (5) and who does not thereafter elect
 2 to be assisted by the State Board of Higher Education **or the board of directors of a public uni-**
 3 **versity listed in section 1 of this 2013 Act** under ORS 243.920 (1).

4 (4) Subsection (2) of this section does not apply to an employee, as defined in ORS 243.910 (2),
 5 who is an active member of the system and has been an active member of the system continuously
 6 since any date before January 1, 1968; who elected to be assisted by the State Board of Higher Ed-
 7 ucation under ORS 243.920 (1) before January 1, 1968; and who cancels that election in any calendar
 8 year after 1968, but before the calendar year in which the employee retires, as provided in ORS
 9 243.940 (5) and does not thereafter elect to be assisted by the State Board of Higher Education **or**
 10 **the board of directors of a public university listed in section 1 of this 2013 Act** under ORS
 11 243.920 (1). In this case the benefit, whether for service or disability retirement, shall be computed
 12 as under ORS 238.300; however, for service during periods in which the employee was assisted by
 13 the State Board of Higher Education **or board of directors** under ORS 243.920 (1), a year of mem-
 14 bership as used in ORS 238.300 (2) shall be a portion of a year which is represented by a fraction
 15 the numerator of which is \$4,800 and the denominator of which is the salary earned by the employee
 16 in that year. However, in no case shall the fraction be greater than one.

17 **SECTION 69.** ORS 238A.005, as amended by section 1, chapter 31, Oregon Laws 2012, is
 18 amended to read:

19 238A.005. For the purposes of this chapter:

20 (1) "Active member" means a member of the pension program or the individual account program
 21 of the Oregon Public Service Retirement Plan who is actively employed in a qualifying position.

22 (2) "Actuarial equivalent" means a payment or series of payments having the same value as the
 23 payment or series of payments replaced, computed on the basis of interest rate and mortality as-
 24 sumptions adopted by the board.

25 (3) "Board" means the Public Employees Retirement Board.

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

28 (a) Persons engaged as independent contractors;

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

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

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

33 (e) Any person who is an inmate of a state institution;

34 (f) Employees of foreign trade offices of the Oregon Business Development Department who live
 35 and perform services in foreign countries under the provisions of ORS 285A.075 (1)(g);

36 (g) An employee actively participating in an alternative retirement program established under
 37 ORS 353.250 or an optional retirement plan established under ORS 341.551;

38 (h) Employees of the Oregon University System **or a public university listed in section 1 of**
 39 **this 2013 Act** who are actively participating in an optional retirement plan offered under ORS
 40 243.800;

41 (i) Any employee who belongs to a class of employees that was not eligible on August 28, 2003,
 42 for membership in the system under the provisions of ORS chapter 238 or other law;

43 (j) Any person who belongs to a class of employees who are not eligible to become members of
 44 the Oregon Public Service Retirement Plan under the provisions of ORS 238A.070 (2);

45 (k) Any person who is retired under ORS 238A.100 to 238A.245 or ORS chapter 238 and who

1 continues to receive retirement benefits while employed; and

2 (L) Judges.

3 (5) "Firefighter" means:

4 (a) A person employed by a local government, as defined in ORS 174.116, whose primary job
5 duties include the fighting of fires;

6 (b) The State Fire Marshal, the chief deputy state fire marshal and deputy state fire marshals;
7 and

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

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

12 (7)(a) "Hour of service" means:

13 (A) An hour for which an eligible employee is directly or indirectly paid or entitled to payment
14 by a participating public employer for performance of duties in a qualifying position; and

15 (B) An hour of vacation, holiday, illness, incapacity, jury duty, military duty or authorized leave
16 during which an employee does not perform duties but for which the employee is directly or indi-
17 rectly paid or entitled to payment by a participating public employer for services in a qualifying
18 position, as long as the hour is within the number of hours regularly scheduled for the performance
19 of duties during the period of vacation, holiday, illness, incapacity, jury duty, military duty or au-
20 thorized leave.

21 (b) "Hour of service" does not include any hour for which payment is made or due under a plan
22 maintained solely for the purpose of complying with applicable workers' compensation laws or un-
23 employment compensation laws.

24 (8) "Inactive member" means a member of the pension program or the individual account pro-
25 gram of the Oregon Public Service Retirement Plan whose membership has not been terminated, who
26 is not a retired member and who is not employed in a qualifying position.

27 (9) "Individual account program" means the defined contribution individual account program of
28 the Oregon Public Service Retirement Plan established under ORS 238A.025.

29 (10) "Institution of higher education" means a public university listed in ORS 352.002 **or section**
30 **1 of this 2013 Act**, the Oregon Health and Science University or a community college, as defined
31 in ORS 341.005.

32 (11) "Member" means an eligible employee who has established membership in the pension pro-
33 gram or the individual account program of the Oregon Public Service Retirement Plan and whose
34 membership has not been terminated under ORS 238A.110 or 238A.310.

35 (12) "Participating public employer" means a public employer as defined in ORS 238.005 that
36 provides retirement benefits for employees of the public employer under the system.

37 (13) "Pension program" means the defined benefit pension program of the Oregon Public Service
38 Retirement Plan established under ORS 238A.025.

39 (14) "Police officer" means a police officer as described in ORS 238.005.

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

44 (16) "Retired member" means a pension program member who is receiving a pension as provided
45 in ORS 238A.180 to 238A.195.

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

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

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

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

12 (C) Any amount that is contributed to a cafeteria plan or qualified transportation fringe benefit
13 plan by the employer at the election of the employee and that is not includable in the taxable in-
14 come of the employee by reason of 26 U.S.C. 125 or 132(f)(4), as in effect on December 31, 2011.

15 (D) Any amount that is contributed to a cash or deferred arrangement by the employer at the
16 election of the employee and that is not included in the taxable income of the employee by reason
17 of 26 U.S.C. 402(e)(3), as in effect on December 31, 2011.

18 (E) Retroactive payments described in ORS 238.008.

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

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

24 (H) Wages of a deceased member paid to a surviving spouse or dependent children under ORS
25 652.190.

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

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

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

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

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

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

35 (F) Payment for a leave of absence after the date the employer and employee have agreed that
36 no future services in a qualifying position will be performed.

37 (G) Payments for instructional services rendered to public universities of the Oregon University
38 System, **a public university listed in section 1 of this 2013 Act** or the Oregon Health and Science
39 University when those services are in excess of full-time employment subject to this chapter. A
40 person employed under a contract for less than 12 months is subject to this subparagraph only for
41 the months covered by the contract.

42 (H) The amount of an employee contribution to the individual account program that is paid by
43 the employer and is not deducted from the compensation of the employee, as provided under ORS
44 238A.335 (1) and (2)(b).

45 (I) Any amount in excess of \$200,000 for a calendar year. If any period over which salary is

1 determined is less than 12 months, the \$200,000 limitation for that period shall be multiplied by a
 2 fraction, the numerator of which is the number of months in the determination period and the de-
 3 nominator of which is 12. The board shall adopt rules adjusting this dollar limit to incorporate
 4 cost-of-living adjustments authorized by the Internal Revenue Service.

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

6 **SECTION 70.** ORS 240.185 is amended to read:

7 240.185. (1) On and after January 1, 1984, the number of persons employed by the state shall not
 8 exceed 1.5 percent of the state's population of the prior year.

9 (2) The population figure shall be that required by ORS 190.510 to 190.610.

10 (3) This section applies to all full-time equivalent budgeted positions.

11 (4) This section does not apply to the Governor, the Secretary of State, the State Treasurer, the
 12 Supreme Court or the Legislative Assembly in the conduct of duties vested in any of them by the
 13 Oregon Constitution. However, this exception applies only to the office of the Governor and not to
 14 the executive branch of government.

15 (5) This section does not apply to personnel who administer unemployment insurance benefits
 16 programs of the Employment Department, to personnel who administer programs required to be im-
 17 plemented as a condition for the continued certification of the Employment Division Law by the
 18 United States Secretary of Labor or to personnel who administer programs implemented by the
 19 United States Department of Labor under federal law if the state is required to enter into contracts
 20 to provide such programs.

21 (6) This section does not apply to personnel whose positions are funded by the gifts, grants and
 22 contracts program in the Oregon University System **or a public university listed in section 1 of**
 23 **this 2013 Act.**

24 (7) In order to assess the effect of subsection (1) of this section, the Oregon Department of Ad-
 25 ministrative Services by December 31 of each even-numbered year shall conduct a workload analysis
 26 of each state agency, regardless of whether the agency is exempt from the application of subsection
 27 (1) of this section. The workload analysis of each agency shall be submitted to the Legislative As-
 28 sembly prior to its convening in the subsequent odd-numbered year regular session and shall ac-
 29 company the agency's budget request before the Joint Ways and Means Committee.

30 **SECTION 71.** ORS 243.105 is amended to read:

31 243.105. As used in ORS 243.105 to 243.285, unless the context requires otherwise:

32 (1) "Benefit plan" includes, but is not limited to:

33 (a) Contracts for insurance or other benefits, including medical, dental, vision, life, disability and
 34 other health care recognized by state law, and related services and supplies;

35 (b) Comparable benefits for employees who rely on spiritual means of healing; and

36 (c) Self-insurance programs managed by the Public Employees' Benefit Board.

37 (2) "Board" means the Public Employees' Benefit Board.

38 (3) "Carrier" means an insurance company or health care service contractor holding a valid
 39 certificate of authority from the Director of the Department of Consumer and Business Services, or
 40 two or more companies or contractors acting together pursuant to a joint venture, partnership or
 41 other joint means of operation, or a board-approved guarantor of benefit plan coverage and com-
 42 pensation.

43 (4)(a) "Eligible employee" means an officer or employee of a state agency who elects to partic-
 44 ipate in one of the group benefit plans described in ORS 243.135. The term includes state officers
 45 and employees in the exempt, unclassified and classified service, and state officers and employees,

1 whether or not retired, who:

2 (A) Are receiving a service retirement allowance, a disability retirement allowance or a pension
3 under the Public Employees Retirement System or are receiving a service retirement allowance, a
4 disability retirement allowance or a pension under any other retirement or disability benefit plan
5 or system offered by the State of Oregon for its officers and employees;

6 (B) Are eligible to receive a service retirement allowance under the Public Employees Retirement
7 System and have reached earliest retirement age under ORS chapter 238;

8 (C) Are eligible to receive a pension under ORS 238A.100 to 238A.245, and have reached earliest
9 retirement age as described in ORS 238A.165; or

10 (D) Are eligible to receive a service retirement allowance or pension under another retirement
11 benefit plan or system offered by the State of Oregon and have attained earliest retirement age
12 under the plan or system.

13 (b) "Eligible employee" does not include individuals:

14 (A) Engaged as independent contractors;

15 (B) Whose periods of employment in emergency work are on an intermittent or irregular basis;

16 (C) Who are employed on less than half-time basis unless the individuals are employed in posi-
17 tions classified as job-sharing positions, unless the individuals are defined as eligible under rules of
18 the board;

19 (D) Appointed under ORS 240.309;

20 (E) Provided sheltered employment or make-work by the state in an employment or industries
21 program maintained for the benefit of such individuals; or

22 (F) Provided student health care services in conjunction with their enrollment as students at a
23 public university listed in ORS 352.002 **or section 1 of this 2013 Act.**

24 (5) "Family member" means an eligible employee's spouse and any unmarried child or stepchild
25 within age limits and other conditions imposed by the board with regard to unmarried children or
26 stepchildren.

27 (6) "Payroll disbursing officer" means the officer or official authorized to disburse moneys in
28 payment of salaries and wages of employees of a state agency.

29 (7) "Premium" means the monthly or other periodic charge for a benefit plan.

30 (8) "State agency" means every state officer, board, commission, department or other activity
31 of state government.

32 **SECTION 72.** ORS 243.107 is amended to read:

33 243.107. A person employed by a public university listed in ORS 352.002 **or section 1 of this**
34 **2013 Act** or the Oregon Health and Science University may be considered an eligible employee for
35 participation in one of the group benefit plans described in ORS 243.135 if the State Board of Higher
36 Education, **the board of directors of a public university listed in section 1 of this 2013 Act** or
37 the Oregon Health and Science University Board of Directors [*for Oregon Health and Science Uni-*
38 *versity employees,*] determines that funds are available therefor and if:

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

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

44 **SECTION 73.** ORS 243.778 is amended to read:

45 243.778. (1) When an appropriate bargaining unit includes members of the faculty of a public

1 university listed in ORS 352.002 **or section 1 of this 2013 Act**, the duly organized and recognized
 2 entity of student government at that university may designate three representatives to meet and
 3 confer with the public employer of those members of the faculty and the exclusive representative
 4 of that appropriate bargaining unit prior to collective bargaining.

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

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

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

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

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

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

20 (4) As used in this section, “meet and confer” means the performance of the mutual obligation
 21 of the representatives of student government designated under subsection (1) of this section, the
 22 exclusive representative and the public employer, or any two of them, to meet at the request of one
 23 of them at reasonable times at a place convenient to all to conduct in good faith an interchange of
 24 views concerning the duties of each under this section, employment relations of the faculty, the
 25 negotiation of an agreement and the execution of a written agreement.

26 **SECTION 73a.** ORS 243.800 is amended to read:

27 243.800. (1) Notwithstanding any provision of ORS chapter 238 or 238A or ORS 243.910 to
 28 243.945, the State Board of Higher Education **and the board of directors of a public university**
 29 **listed in section 1 of this 2013 Act** shall establish and administer an Optional Retirement Plan for
 30 administrative and academic employees [*of the Oregon University System*] who are eligible for mem-
 31 bership in the Public Employees Retirement System. The Optional Retirement Plan must be a qual-
 32 ified plan under the Internal Revenue Code, capable of accepting funds transferred under subsection
 33 (7) of this section without the transfer being treated as a taxable event under the Internal Revenue
 34 Code, and willing to accept those funds. Retirement and death benefits shall be provided under the
 35 plan by the purchase of annuity contracts, fixed or variable or a combination thereof, or by con-
 36 tracts for investments in mutual funds.

37 (2) The State Board of Higher Education **and public university board** shall select at least two
 38 life insurance companies providing fixed and variable annuities and at least two investment compa-
 39 nies providing mutual funds, but not more than five companies in total, for the purpose of providing
 40 benefits under the Optional Retirement Plan. [*The State Board of Higher Education*] **Each board**
 41 shall establish selection criteria for the purpose of this subsection.

42 (3) An administrative or academic employee may make an irrevocable election to participate in
 43 the Optional Retirement Plan within six months after being employed. An election under this sub-
 44 section is effective on the first day of the month following six full months of employment.

45 (4) An administrative or academic employee who does not elect to participate in the Optional

1 Retirement Plan:

2 (a) Remains or becomes a member of the Public Employees Retirement System in accordance
3 with ORS chapters 238 and 238A; or

4 (b) Continues to be assisted by the State Board of Higher Education **or a public university**
5 **board** under ORS 243.920 if the employee is being so assisted.

6 (5) Except as provided in subsection (6) of this section, employees who elect to participate in the
7 Optional Retirement Plan are ineligible for active membership in the Public Employees Retirement
8 System or for any assistance by the State Board of Higher Education **or public university board**
9 under ORS 243.920 as long as those employees are employed in the Oregon University System **or a**
10 **public university listed in section 1 of this 2013 Act** and the plan is in effect.

11 (6)(a) An administrative or academic employee who elects to participate in the Optional Retirement
12 Plan, who has creditable service under ORS chapter 238 as defined by ORS 238.005 and who
13 is not vested shall be considered by the Public Employees Retirement Board to be a terminated
14 member under the provisions of ORS 238.095 as of the effective date of the election, and the amount
15 credited to the member account of the member shall be transferred directly to the Optional Retirement
16 Plan by the Public Employees Retirement Board in the manner provided by subsection (7) of
17 this section.

18 (b) An administrative or academic employee who elects to participate in the Optional Retirement
19 Plan, who has creditable service under ORS chapter 238 as defined by ORS 238.005 and who is
20 vested shall be considered to be an inactive member by the Public Employees Retirement Board and
21 shall retain all the rights, privileges and options under ORS chapter 238 unless the employee makes
22 a written request to the Public Employees Retirement Board for a transfer of the amounts credited
23 to the member account of the member to the Optional Retirement Plan. A request for a transfer
24 must be made at the time the member elects to participate in the Optional Retirement Plan. Upon
25 receiving the request, the Public Employees Retirement Board shall transfer all amounts credited
26 to the member account of the member directly to the Optional Retirement Plan, and shall terminate
27 all rights, privileges and options of the employee under ORS chapter 238.

28 (c) An administrative or academic employee who elects to participate in the Optional Retirement
29 Plan, and who is not a vested member of the pension program of the Oregon Public Service Retirement
30 Plan as described in ORS 238A.115 on the date that the election becomes effective, shall be
31 considered to be a terminated member of the pension program by the Public Employees Retirement
32 Board as of the effective date of the election.

33 (d) An administrative or academic employee who elects to participate in the Optional Retirement
34 Plan, and who is a vested member of the pension program of the Oregon Public Service Retirement
35 Plan as described in ORS 238A.115 on the date that the election becomes effective, shall be consid-
36 ered an inactive member of the pension program by the Public Employees Retirement Board as of
37 the effective date of the election. An employee who is subject to the provisions of this paragraph
38 retains all the rights, privileges and options of an inactive member of the pension program. If the
39 actuarial equivalent of the employee's benefit under the pension program at the time that the
40 election becomes effective is \$5,000 or less, the employee may make a written request to the Public
41 Employees Retirement Board for a transfer of the employee's interest under the pension program to
42 the Optional Retirement Plan. The request must be made at the time the member elects to partic-
43 ipate in the Optional Retirement Plan. Upon receiving the request, the Public Employees Retirement
44 Board shall transfer the amount determined to be the actuarial equivalent of the employee's benefit
45 under the pension program directly to the Optional Retirement Plan, and shall terminate the mem-

1 bership of the employee in the pension program.

2 (e) An administrative or academic employee who elects to participate in the Optional Retirement
3 Plan, and who is a vested member of the individual account program of the Oregon Public Service
4 Retirement Plan as described in ORS 238A.320 on the date that the election becomes effective, shall
5 be considered an inactive member of the individual account program by the Public Employees Re-
6 tirement Board as of the effective date of the election. An employee who is subject to the provisions
7 of this paragraph retains all the rights, privileges and options of an inactive member of the indi-
8 vidual account program. An administrative or academic employee who elects to participate in the
9 Optional Retirement Plan, and who is a member of the individual account program of the Oregon
10 Public Service Retirement Plan, may make a written request to the Public Employees Retirement
11 Board that all amounts in the member's employee account, rollover account and employer account,
12 to the extent the member is vested in those accounts under ORS 238A.320, be transferred to the
13 Optional Retirement Plan. The request must be made at the time the member elects to participate
14 in the Optional Retirement Plan. Upon receiving the request, the Public Employees Retirement
15 Board shall transfer the amounts directly to the Optional Retirement Plan, and shall terminate the
16 membership of the employee in the individual account program upon making the transfer.

17 (f) Notwithstanding paragraphs (b), (d) and (e) of this subsection, the Public Employees Retire-
18 ment Board may not treat any employee as an inactive member under the provisions of this sub-
19 section for the purpose of receiving any benefit under ORS chapter 238 or 238A that requires that
20 the employee be separated from all service with participating public employers and with employers
21 who are treated as part of a participating public employer's controlled group under the federal laws
22 and rules governing the status of the system and the Public Employees Retirement Fund as a qual-
23 ified governmental retirement plan and trust.

24 (7) Any amounts transferred from the Public Employees Retirement Fund under subsection (6)
25 of this section shall be transferred directly to the Optional Retirement Plan by the Public Employees
26 Retirement Board and may not be made available to the employee.

27 (8) An employee participating in the Optional Retirement Plan shall contribute monthly an
28 amount equal to the percentage of the employee's salary that the employee would otherwise have
29 contributed as an employee contribution to the Public Employees Retirement System if the employee
30 had not elected to participate in the Optional Retirement Plan.

31 (9) The State Board of Higher Education **or public university board** shall contribute monthly
32 to the Optional Retirement Plan the percentage of salary of each employee participating in the plan
33 equal to the percentage of salary that would otherwise have been contributed as an employer con-
34 tribution on behalf of the employee to the Public Employees Retirement System, before any offset
35 under ORS 238.229 (2), if the employee had not elected to participate in the Optional Retirement
36 Plan.

37 (10) Both employee and employer contributions to an Optional Retirement Plan shall be remitted
38 directly to the companies that have issued annuity contracts to the participating employees or di-
39 rectly to the mutual funds.

40 (11) Benefits under the Optional Retirement Plan are payable to employees who elect to partic-
41 ipate in the plan and their beneficiaries by the selected annuity provider or mutual fund in accord-
42 ance with the terms of the annuity contracts or the terms of the contract with the mutual fund.
43 Employees electing to participate in the plan agree that benefits payable under the plan are not
44 obligations of the State of Oregon or of the Public Employees Retirement System.

45 **SECTION 74.** ORS 243.820 is amended to read:

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

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

6 (b) On behalf of the employee, the employer shall contribute monthly an amount equal to the
7 stated amount determined under paragraph (a) of this subsection as premiums for an annuity con-
8 tract or to a custodial account for investment in the stock of regulated investment companies as
9 defined in 26 U.S.C. 403(b)(7)(C). The amount contributed by the employer under this subsection
10 may not exceed the stated amount.

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

15 (3) An employer may make nonelective employer contributions on behalf of an employee who
16 performs services for an educational institution as premiums for an annuity contract, or to a cus-
17 todial account for investment in the stock of regulated investment companies as defined in 26 U.S.C.
18 403(b)(7)(C), for the purpose of obtaining the advantages of 26 U.S.C. 403(b) or any equivalent pro-
19 vision of federal law. Employer contributions under this subsection are in addition to any employee
20 contributions under subsection (1) of this section.

21 (4) As used in this section:

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

25 (b) "Employer" means the State Board of Higher Education, any other state agency, a commu-
26 nity college district, a school district, the Oregon Health and Science University, **a public univer-**
27 **sity listed in section 1 of this 2013 Act** or an education service district employing an individual
28 who performs services for an educational institution.

29 **SECTION 75.** ORS 243.850 is amended to read:

30 243.850. (1) An eligible football coach and the State Board of Higher Education **or the board**
31 **of directors of a public university listed in section 1 of this 2013 Act** may enter into an agree-
32 ment to provide that:

33 (a) The coach's salary will be reduced monthly by a stated amount that is not less than \$25 a
34 month, or the coach will forgo monthly a salary increase of a stated amount that is not less than
35 \$25 a month; and

36 (b) The [*State Board of Higher Education*] **board** will contribute monthly an amount equal to the
37 stated amount determined under paragraph (a) of this subsection for the month to a designated
38 qualified football coaches plan. The amount contributed by the employer shall not exceed the stated
39 amount.

40 (2) The amount by which an eligible football coach's salary or wages is reduced by reason of the
41 salary reduction or forgoing of a salary increase authorized by subsection (1) of this section shall
42 continue to be included as regular compensation for the purpose of computing the retirement, pen-
43 sion and Social Security benefits earned by the coach, but that amount shall not be considered
44 current taxable income for the purpose of computing federal and state income taxes withheld on
45 behalf of that coach.

1 (3) For the purposes of this section:

2 (a) "Eligible football coach" means a staff member of the Oregon University System **or a public**
3 **university listed in section 1 of this 2013 Act** who primarily coaches football as a full-time em-
4 ployee of a four-year university described in 26 U.S.C. 170(b)(1)(A)(ii).

5 (b) "Qualified football coaches plan" has the meaning given that term in 29 U.S.C. 1002(37).

6 **SECTION 76.** ORS 243.910 is amended to read:

7 243.910. As used in ORS 243.910 to 243.945:

8 (1) "Board" means the State Board of Higher Education for all public universities listed in ORS
9 352.002, **the board of directors for a public university listed in section 1 of this 2013 Act** and
10 [*for the Oregon Health and Science University means*] the Oregon Health and Science University
11 Board of Directors.

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

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

15 **SECTION 77.** ORS 243.945 is amended to read:

16 243.945. Notwithstanding ORS 243.910 to 243.945, any person who is hired on or after September
17 9, 1995, is not eligible to be assisted by the Oregon University System **or a public university listed**
18 **in section 1 of this 2013 Act** under the provisions of ORS 243.910 to 243.945.

19 **SECTION 78.** ORS 244.050, as amended by section 9, chapter 90, Oregon Laws 2012, is amended
20 to read:

21 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon
22 Government Ethics Commission a verified statement of economic interest as required under this
23 chapter:

24 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the
25 Bureau of Labor and Industries, district attorneys and members of the Legislative Assembly.

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

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

29 (d) The Deputy Attorney General.

30 (e) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the
31 Secretary of the Senate and the Chief Clerk of the House of Representatives.

32 (f) The Chancellor and Vice Chancellors of the Oregon University System and the president and
33 vice presidents, or their administrative equivalents, in each public university listed in ORS 352.002
34 **or section 1 of this 2013 Act.**

35 (g) The following state officers:

36 (A) Adjutant General.

37 (B) Director of Agriculture.

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

39 (D) Water Resources Director.

40 (E) Director of Department of Environmental Quality.

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

42 (G) State Fish and Wildlife Director.

43 (H) State Forester.

44 (I) State Geologist.

45 (J) Director of Human Services.

- 1 (K) Director of the Department of Consumer and Business Services.
2 (L) Director of the Department of State Lands.
3 (M) State Librarian.
4 (N) Administrator of Oregon Liquor Control Commission.
5 (O) Superintendent of State Police.
6 (P) Director of the Public Employees Retirement System.
7 (Q) Director of Department of Revenue.
8 (R) Director of Transportation.
9 (S) Public Utility Commissioner.
10 (T) Director of Veterans' Affairs.
11 (U) Executive director of Oregon Government Ethics Commission.
12 (V) Director of the State Department of Energy.
13 (W) Director and each assistant director of the Oregon State Lottery.
14 (X) Director of the Department of Corrections.
15 (Y) Director of the Oregon Department of Aviation.
16 (Z) Executive director of the Oregon Criminal Justice Commission.
17 (AA) Director of the Oregon Business Development Department.
18 (BB) Director of the Office of Emergency Management.
19 (CC) Director of the Employment Department.
20 (DD) Chief of staff for the Governor.
21 (EE) Administrator of the Office for Oregon Health Policy and Research.
22 (FF) Director of the Housing and Community Services Department.
23 (GG) State Court Administrator.
24 (HH) Director of the Department of Land Conservation and Development.
25 (II) Board chairperson of the Land Use Board of Appeals.
26 (JJ) State Marine Director.
27 (KK) Executive director of the Oregon Racing Commission.
28 (LL) State Parks and Recreation Director.
29 (MM) Public defense services executive director.
30 (NN) Chairperson of the Public Employees' Benefit Board.
31 (OO) Director of the Department of Public Safety Standards and Training.
32 (PP) Chairperson of the Oregon Student Access Commission.
33 (QQ) Executive director of the Oregon Watershed Enhancement Board.
34 (RR) Director of the Oregon Youth Authority.
35 (SS) Director of the Oregon Health Authority.
36 (TT) Deputy Superintendent of Public Instruction.
37 (h) Any assistant in the Governor's office other than personal secretaries and clerical personnel.
38 (i) Every elected city or county official.
39 (j) Every member of a city or county planning, zoning or development commission.
40 (k) The chief executive officer of a city or county who performs the duties of manager or prin-
41 cipal administrator of the city or county.
42 (L) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
43 (m) Every member of a governing body of a metropolitan service district and the executive of-
44 ficer thereof.
45 (n) Each member of the board of directors of the State Accident Insurance Fund Corporation.

1 (o) The chief administrative officer and the financial officer of each common and union high
2 school district, education service district and community college district.

3 (p) Every member of the following state boards and commissions:

4 (A) Board of Geologic and Mineral Industries.

5 (B) Oregon Business Development Commission.

6 (C) State Board of Education.

7 (D) Environmental Quality Commission.

8 (E) Fish and Wildlife Commission of the State of Oregon.

9 (F) State Board of Forestry.

10 (G) Oregon Government Ethics Commission.

11 (H) Oregon Health Policy Board.

12 (I) State Board of Higher Education.

13 (J) Oregon Investment Council.

14 (K) Land Conservation and Development Commission.

15 (L) Oregon Liquor Control Commission.

16 (M) Oregon Short Term Fund Board.

17 (N) State Marine Board.

18 (O) Mass transit district boards.

19 (P) Energy Facility Siting Council.

20 (Q) Board of Commissioners of the Port of Portland.

21 (R) Employment Relations Board.

22 (S) Public Employees Retirement Board.

23 (T) Oregon Racing Commission.

24 (U) Oregon Transportation Commission.

25 (V) Wage and Hour Commission.

26 (W) Water Resources Commission.

27 (X) Workers' Compensation Board.

28 (Y) Oregon Facilities Authority.

29 (Z) Oregon State Lottery Commission.

30 (AA) Pacific Northwest Electric Power and Conservation Planning Council.

31 (BB) Columbia River Gorge Commission.

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

33 (DD) Capitol Planning Commission.

34 (EE) Higher Education Coordinating Commission.

35 (FF) Oregon Growth Board.

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

37 (A) Deputy State Treasurer.

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

39 (C) Director of the Investment Division.

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

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

43 (t) **Every member of the board of directors of a public university listed in section 1 of this**
44 **2013 Act.**

45 (2) By April 15 next after the date an appointment takes effect, every appointed public official

1 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-
 2 ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070
 3 and 244.090.

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

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

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

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

21 **SECTION 79.** ORS 244.050, as amended by sections 9 and 29, chapter 90, Oregon Laws 2012, is
 22 amended to read:

23 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon
 24 Government Ethics Commission a verified statement of economic interest as required under this
 25 chapter:

26 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the
 27 Bureau of Labor and Industries, district attorneys and members of the Legislative Assembly.

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

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

31 (d) The Deputy Attorney General.

32 (e) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the
 33 Secretary of the Senate and the Chief Clerk of the House of Representatives.

34 (f) The Chancellor and Vice Chancellors of the Oregon University System and the president and
 35 vice presidents, or their administrative equivalents, in each public university listed in ORS 352.002
 36 **or section 1 of this 2013 Act.**

37 (g) The following state officers:

38 (A) Adjutant General.

39 (B) Director of Agriculture.

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

41 (D) Water Resources Director.

42 (E) Director of Department of Environmental Quality.

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

44 (G) State Fish and Wildlife Director.

45 (H) State Forester.

- 1 (I) State Geologist.
- 2 (J) Director of Human Services.
- 3 (K) Director of the Department of Consumer and Business Services.
- 4 (L) Director of the Department of State Lands.
- 5 (M) State Librarian.
- 6 (N) Administrator of Oregon Liquor Control Commission.
- 7 (O) Superintendent of State Police.
- 8 (P) Director of the Public Employees Retirement System.
- 9 (Q) Director of Department of Revenue.
- 10 (R) Director of Transportation.
- 11 (S) Public Utility Commissioner.
- 12 (T) Director of Veterans' Affairs.
- 13 (U) Executive director of Oregon Government Ethics Commission.
- 14 (V) Director of the State Department of Energy.
- 15 (W) Director and each assistant director of the Oregon State Lottery.
- 16 (X) Director of the Department of Corrections.
- 17 (Y) Director of the Oregon Department of Aviation.
- 18 (Z) Executive director of the Oregon Criminal Justice Commission.
- 19 (AA) Director of the Oregon Business Development Department.
- 20 (BB) Director of the Office of Emergency Management.
- 21 (CC) Director of the Employment Department.
- 22 (DD) Chief of staff for the Governor.
- 23 (EE) Administrator of the Office for Oregon Health Policy and Research.
- 24 (FF) Director of the Housing and Community Services Department.
- 25 (GG) State Court Administrator.
- 26 (HH) Director of the Department of Land Conservation and Development.
- 27 (II) Board chairperson of the Land Use Board of Appeals.
- 28 (JJ) State Marine Director.
- 29 (KK) Executive director of the Oregon Racing Commission.
- 30 (LL) State Parks and Recreation Director.
- 31 (MM) Public defense services executive director.
- 32 (NN) Chairperson of the Public Employees' Benefit Board.
- 33 (OO) Director of the Department of Public Safety Standards and Training.
- 34 (PP) Chairperson of the Oregon Student Access Commission.
- 35 (QQ) Executive director of the Oregon Watershed Enhancement Board.
- 36 (RR) Director of the Oregon Youth Authority.
- 37 (SS) Director of the Oregon Health Authority.
- 38 (TT) Deputy Superintendent of Public Instruction.
- 39 (h) Any assistant in the Governor's office other than personal secretaries and clerical personnel.
- 40 (i) Every elected city or county official.
- 41 (j) Every member of a city or county planning, zoning or development commission.
- 42 (k) The chief executive officer of a city or county who performs the duties of manager or prin-
- 43 cipal administrator of the city or county.
- 44 (L) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
- 45 (m) Every member of a governing body of a metropolitan service district and the executive of-

1 ficer thereof.

2 (n) Each member of the board of directors of the State Accident Insurance Fund Corporation.

3 (o) The chief administrative officer and the financial officer of each common and union high
4 school district, education service district and community college district.

5 (p) Every member of the following state boards and commissions:

6 (A) Board of Geologic and Mineral Industries.

7 (B) Oregon Business Development Commission.

8 (C) State Board of Education.

9 (D) Environmental Quality Commission.

10 (E) Fish and Wildlife Commission of the State of Oregon.

11 (F) State Board of Forestry.

12 (G) Oregon Government Ethics Commission.

13 (H) Oregon Health Policy Board.

14 (I) State Board of Higher Education.

15 (J) Oregon Investment Council.

16 (K) Land Conservation and Development Commission.

17 (L) Oregon Liquor Control Commission.

18 (M) Oregon Short Term Fund Board.

19 (N) State Marine Board.

20 (O) Mass transit district boards.

21 (P) Energy Facility Siting Council.

22 (Q) Board of Commissioners of the Port of Portland.

23 (R) Employment Relations Board.

24 (S) Public Employees Retirement Board.

25 (T) Oregon Racing Commission.

26 (U) Oregon Transportation Commission.

27 (V) Wage and Hour Commission.

28 (W) Water Resources Commission.

29 (X) Workers' Compensation Board.

30 (Y) Oregon Facilities Authority.

31 (Z) Oregon State Lottery Commission.

32 (AA) Pacific Northwest Electric Power and Conservation Planning Council.

33 (BB) Columbia River Gorge Commission.

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

35 (DD) Capitol Planning Commission.

36 (EE) Higher Education Coordinating Commission.

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

38 (A) Deputy State Treasurer.

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

40 (C) Director of the Investment Division.

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

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

44 (t) **Every member of the board of directors of a public university listed in section 1 of this**
45 **2013 Act.**

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

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

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

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

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

22 **SECTION 80.** ORS 270.100 is amended to read:

23 270.100. (1)(a) Before offering for sale any real property or equitable interest therein owned by
 24 the state, the state agency acting for the state in such transaction shall report its intent of sale or
 25 transfer to the Oregon Department of Administrative Services. The department, or the agency spe-
 26 cifically designated by the department, shall notify other state agencies authorized to own real
 27 property of the intended sale or transfer to determine whether acquisition of the real property or
 28 interest therein would be advantageous to another state agency.

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

35 (c) If property is not disposed of under paragraph (a) or (b) of this subsection, in accordance
 36 with rules adopted by the department, the state agency desiring to sell or transfer the property shall
 37 cause it to be appraised by one or more competent and experienced appraisers. Except as provided
 38 in ORS 273.825, if such property has an appraised value exceeding \$5,000 it shall not be sold to any
 39 private person except after notice calling for such proposals as set forth in ORS 270.130.

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

41 (2) Before acquisition of any real property or interest therein by any state agency, except for
 42 highway right of way acquired by the Department of Transportation and park properties acquired
 43 by the State Parks and Recreation Department and property within the approved projected campus
 44 boundaries for public universities [*of the Oregon University System*] **listed in ORS 352.002 or sec-**
 45 **tion 1 of this 2013 Act**, the state agency shall report its intent of acquisition to the Oregon De-

1 partment of Administrative Services. The department shall notify other state agencies owning land
2 of the intended acquisition to determine whether another state agency desires to sell or transfer
3 property which would meet the needs of the purchasing agency. In accordance with rules adopted
4 by the Oregon Department of Administrative Services, if no other state agency desires to sell or
5 transfer property which would meet the needs of the agency, the agency may acquire the real
6 property or interest therein, consistent with applicable provisions of law.

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

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

12 (a) Property controlled by the State Department of Fish and Wildlife;

13 (b) State forestlands controlled by the State Forestry Department;

14 (c) Property controlled by the Department of Transportation;

15 (d) Property controlled by the Department of State Lands;

16 (e) Property controlled by the Oregon University System **or a public university listed in sec-**
17 **tion 1 of this 2013 Act;**

18 (f) Property controlled by the legislative or judicial branches of state government; and

19 (g) Property controlled by the State Parks and Recreation Department.

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

23 (6) The provisions of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190, 273.416, 273.426 to
24 273.436, 273.551 and 308A.709 (1) to (4) do not apply to a home or farm acquired, sold, or both, by
25 the Department of Veterans' Affairs under ORS 88.720, 406.050, 407.135, 407.145, 407.375 and 407.377.

26 **SECTION 81.** ORS 270.110 is amended to read:

27 270.110. (1) Except as provided in subsection (2) of this section, whenever the state or any
28 agency thereof possesses or controls real property not needed for public use, or whenever the public
29 interest may be furthered, the state or its agency may sell, exchange, convey or lease for any period
30 not exceeding 99 years all or any part of its interest in the property to or with the state or any
31 political subdivision of the state or the United States or any agency thereof or private individual
32 or corporation. Except where the state is exchanging real property, the consideration for the
33 transfer or lease may be cash or real property, or both.

34 (2) If the ownership, right or title of the state to any real property set apart by deed, will or
35 otherwise for a burial ground or cemetery, or for the purpose of interring the remains of deceased
36 persons, is limited or qualified or the use of such real property is restricted, whether by dedication
37 or otherwise, the state or its agency may, after first declaring by resolution that such real property
38 is not needed for public use, or that the sale, exchange, conveyance or lease thereof will further the
39 public interest, file a complaint in the circuit court for the county in which such real property is
40 located against all persons claiming any right, title or interest in such real property, whether the
41 interest be contingent, conditional or otherwise, for authority to sell, exchange, convey or lease all
42 or any part of such real property. The resolution is prima facie evidence that such real property is
43 not needed for public use, or that the sale, exchange, conveyance or lease will further the public
44 interest. The action shall be commenced and prosecuted to final determination in the same manner
45 as an action not triable by right to a jury. The complaint shall contain a description of such real

1 property, a statement of the nature of the restrictions, qualifications or limitations, and a statement
 2 that the defendants claim some interest therein. The court shall make such judgment as it shall
 3 deem proper, taking into consideration the limitations, qualifications or restrictions, the resolution
 4 and all other matters pertinent thereto. Neither costs nor disbursements may be recovered against
 5 any defendant.

6 (3) The authority to lease property granted by this section includes authority to lease property
 7 not owned or controlled by the state at the time of entering into the lease. Such lease shall be
 8 conditioned upon the subsequent acquisition of the interest covered by the lease.

9 (4) Any lease of state real property exceeding five years must be approved in advance by the
 10 Oregon Department of Administrative Services, except for leases:

11 (a) Negotiated by the Oregon Department of Aviation;

12 (b) Of state forestlands;

13 (c) Of property controlled by the Department of State Lands, **the** Department of
 14 Transportation, **a public university listed in section 1 of this 2013 Act** or **the** Oregon University
 15 System; or

16 (d) Of property controlled by the legislative or judicial branches of state government.

17 **SECTION 82.** ORS 273.785 is amended to read:

18 273.785. ORS 273.551 and 273.775 to 273.790 do not apply to:

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

21 (2) Mineral or geothermal resource rights or proceeds from those rights acquired by the State
 22 Fish and Wildlife Commission pursuant to an agreement with the federal government under 16 U.S.C.
 23 669 to 669i (P.L. 75-415).

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

27 (4) Proceeds of mineral and geothermal resource rights acquired by the state pursuant to ORS
 28 530.010 and 530.030, other than those distributed under ORS 530.110 (1)(c).

29 (5) Mineral or geothermal resource rights or proceeds from those rights acquired after January
 30 1, 1974, for the state by the Department of Veterans' Affairs pursuant to ORS 88.720, 406.050 (2),
 31 407.135 or 407.145. After consultation, the Department of State Lands and the Department of
 32 Veterans' Affairs shall enter into an interagency agreement governing consultation between them
 33 concerning mineral and geothermal resource values on properties acquired for the state by the De-
 34 partment of Veterans' Affairs. The Department of Veterans' Affairs shall adopt rules relating to the
 35 release of mineral and geothermal rights on such properties.

36 (6) Mineral or geothermal resource rights or proceeds from those rights given by a donor to any
 37 public university or office, department or activity under the control of the State Board of Higher
 38 Education **or the board of directors of a public university listed in section 1 of this 2013 Act**
 39 that are acquired or held for the state by the State Board of Higher Education pursuant to ORS
 40 chapters 351 and 567 **or the public university board of directors pursuant to sections 1 to 34**
 41 **of this 2013 Act**. In managing mineral or geothermal resource leases, the State Board of Higher
 42 Education **or public university board** shall consult with the Department of State Lands in accord-
 43 ance with an interagency agreement established by the department and the [*State Board of Higher*
 44 *Education*] **board** governing consultation between the department and the [*State Board of Higher*
 45 *Education*] **board** and governing management of the mineral or geothermal resources.

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

6 **SECTION 83.** ORS 276.227 is amended to read:

7 276.227. (1) The State of Oregon recognizes that providing and operating state government fa-
8 cilities is a significant capital investment in public infrastructure. Accordingly, it is the policy of the
9 State of Oregon to plan, finance, acquire, construct, manage and maintain state government facilities
10 in a manner that maximizes and protects this investment.

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

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

22 (b) The director, in consultation with the board, may request that agencies submit updated
23 long-range facility plans and funding strategies that reflect changes in technology and priorities. The
24 director may ask the board to report on and make recommendations related to long-range plans, the
25 condition of facilities, maintenance schedules, funding strategies and options for new facilities. The
26 director may seek recommendations from the board regarding the needs of existing facilities, funding
27 strategies and long-term facility goals.

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

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

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

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

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

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

37 (E) Appropriate technology;

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

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

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

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

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

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

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

11 (7) The provisions of this section do not apply to public universities listed in ORS 352.002 **or**
12 **section 1 of this 2013 Act**, the Oregon Health and Science University or a community college as
13 defined in ORS 341.005.

14 **SECTION 84.** ORS 276.229 is amended to read:

15 276.229. (1) State agencies shall develop four-year major construction budgets. Projects included
16 in these budgets may be accelerated or deferred upon approval of the Emergency Board.

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

21 (3) The provisions of this section do not apply to public universities listed in ORS 352.002 **or**
22 **section 1 of this 2013 Act**, the Oregon Health and Science University, or a community college as
23 defined in ORS 341.005.

24 **SECTION 85.** ORS 276.610 is amended to read:

25 276.610. There is established a fund in the State Treasury to be known as the State Building
26 Fund which shall be used for the construction, alteration and repair of buildings required for use
27 of institutions and activities under the jurisdiction of the Department of Corrections, the Depart-
28 ment of Human Services, the Oregon Health Authority, **the board of a public university listed in**
29 **section 1 of this 2013 Act** or the State Board of Education and the State Board of Higher Educa-
30 tion and for the furnishing and equipping of buildings so constructed, altered or repaired.

31 **SECTION 86.** ORS 276.612 is amended to read:

32 276.612. The Department of Corrections, the Department of Human Services, the Oregon Health
33 Authority and the State Board of Education each shall determine the buildings to be constructed,
34 altered, repaired, furnished and equipped for the use of institutions and activities under their re-
35 spective jurisdictions. The State Board of Higher Education **and the board of a public university**
36 **listed in section 1 of this 2013 Act** shall determine the buildings to be constructed, altered, re-
37 paired, furnished and equipped for the use of public universities or offices, departments or activities
38 under *[its]* **the board's** jurisdiction.

39 **SECTION 87.** ORS 279A.025 is amended to read:

40 279A.025. (1) Except as provided in subsections (2) to (4) of this section, the Public Contracting
41 Code applies to all public contracting.

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

43 (a) Contracts between a contracting agency and:

44 (A) Another contracting agency;

45 (B) The Oregon Health and Science University;

- 1 **(C) A public university listed in section 1 of this 2013 Act;**
2 ~~[(C)]~~ **(D)** The Oregon State Bar;
3 ~~[(D)]~~ **(E)** A governmental body of another state;
4 ~~[(E)]~~ **(F)** The federal government;
5 ~~[(F)]~~ **(G)** An American Indian tribe or an agency of an American Indian tribe;
6 ~~[(G)]~~ **(H)** A nation, or a governmental body in a nation, other than the United States; or
7 ~~[(H)]~~ **(I)** An intergovernmental entity formed between or among:
8 (i) Governmental bodies of this or another state;
9 (ii) The federal government;
10 (iii) An American Indian tribe or an agency of an American Indian tribe;
11 (iv) A nation other than the United States; or
12 (v) A governmental body in a nation other than the United States;
13 **(b)** Agreements authorized by ORS chapter 190 or by a statute, charter provision, ordinance or
14 other authority for establishing agreements between or among governmental bodies or agencies or
15 tribal governing bodies or agencies;
16 **(c)** Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and
17 414.145 for purposes of source selection;
18 **(d)** Grants;
19 **(e)** Contracts for professional or expert witnesses or consultants to provide services or testimony
20 relating to existing or potential litigation or legal matters in which a public body is or may become
21 interested;
22 **(f)** Acquisitions or disposals of real property or interest in real property;
23 **(g)** Sole-source expenditures when rates are set by law or ordinance for purposes of source se-
24 lection;
25 **(h)** Contracts for the procurement or distribution of textbooks;
26 **(i)** Procurements by a contracting agency from an Oregon Corrections Enterprises program;
27 **(j)** The procurement, transportation or distribution of distilled liquor, as defined in ORS 471.001,
28 or the appointment of agents under ORS 471.750 by the Oregon Liquor Control Commission;
29 **(k)** Contracts entered into under ORS chapter 180 between the Attorney General and private
30 counsel or special legal assistants;
31 **(L)** Contracts for the sale of timber from lands owned or managed by the State Board of Forestry
32 and the State Forestry Department;
33 **(m)** Contracts for forest protection or forest related activities, as described in ORS 477.406, by
34 the State Forester or the State Board of Forestry;
35 **(n)** Sponsorship agreements entered into by the State Parks and Recreation Director in accord-
36 ance with ORS 565.080 (4);
37 **(o)** Contracts entered into by the Housing and Community Services Department in exercising the
38 department's duties prescribed in ORS chapters 456 and 458, except that the department's public
39 contracting for goods and services is subject to ORS chapter 279B;
40 **(p)** Contracts entered into by the State Treasurer in exercising the powers of that office pre-
41 scribed in ORS chapters 178, 286A, 287A, 289, 293, 294 and 295, including but not limited to invest-
42 ment contracts and agreements, banking services, clearing house services and collateralization
43 agreements, bond documents, certificates of participation and other debt repayment agreements, and
44 any associated contracts, agreements and documents, regardless of whether the obligations that the
45 contracts, agreements or documents establish are general, special or limited, except that the State

1 Treasurer's public contracting for goods and services is subject to ORS chapter 279B;

2 (q) Contracts, agreements or other documents entered into, issued or established in connection
3 with:

4 (A) The issuance of obligations, as defined in ORS 286A.100 and 287A.310, of a public body;

5 (B) The making of program loans and similar extensions or advances of funds, aid or assistance
6 by a public body to a public or private body for the purpose of carrying out, promoting or sustaining
7 activities or programs authorized by law; or

8 (C) The investment of funds by a public body as authorized by law, and other financial trans-
9 actions of a public body that by their character cannot practically be established under the com-
10 petitive contractor selection procedures of ORS 279B.050 to 279B.085;

11 (r) Contracts for employee benefit plans as provided in ORS 243.105 (1), 243.125 (4), 243.221,
12 243.275, 243.291, 243.303 and 243.565;

13 (s) Contracts for employee benefit plans as provided in ORS 243.860 to 243.886; or

14 (t) Any other public contracting of a public body specifically exempted from the code by another
15 provision of law.

16 (3) The Public Contracting Code does not apply to the contracting activities of:

17 (a) The Oregon State Lottery Commission;

18 (b) The Oregon University System and member public universities, except as provided in ORS
19 351.086;

20 (c) **A public university listed in section 1 of this 2013 Act, except as provided in section
21 10 of this 2013 Act;**

22 [(c)] (d) The legislative department;

23 [(d)] (e) The judicial department;

24 [(e)] (f) Semi-independent state agencies listed in ORS 182.454, except as provided in ORS 279.835
25 to 279.855 and 279A.250 to 279A.290;

26 [(f)] (g) Oregon Corrections Enterprises;

27 [(g)] (h) The Oregon Film and Video Office, except as provided in ORS 279A.100 and 279A.250
28 to 279A.290;

29 [(h)] (i) The Travel Information Council, except as provided in ORS 279A.250 to 279A.290;

30 [(i)] (j) The Oregon 529 College Savings Network and the Oregon 529 College Savings Board;

31 [(j)] (k) The Oregon Innovation Council;

32 [(k)] (L) The Oregon Utility Notification Center; or

33 [(L)] (m) Any other public body specifically exempted from the code by another provision of law.

34 (4) ORS 279A.200 to 279A.225 and 279B.050 to 279B.085 do not apply to contracts made with
35 qualified nonprofit agencies providing employment opportunities for individuals with disabilities un-
36 der ORS 279.835 to 279.855.

37 **SECTION 88.** ORS 282.076 is amended to read:

38 282.076. (1) An athletic department of **a public university listed in section 1 of this 2013 Act**
39 **or** any university under the jurisdiction of the State Board of Higher Education [*shall*] **may** not be
40 required to use state printing services controlled by the Director of the Oregon Department of Ad-
41 ministrative Services or the designee of the director as required by ORS 282.020 (1).

42 (2) A state agency that gives to the director prior written notice of its intent to use other
43 printing services shall not be required to use state printing services controlled by the director or
44 the director's designee as required by ORS 282.020 (1), if the agency can demonstrate that these
45 other printing services provide better value in the form of lower prices or better responsiveness

1 than those services already provided by the Oregon Department of Administrative Services.

2 **SECTION 89.** ORS 283.143 is amended to read:

3 283.143. (1) To encourage utilization of statewide integrated videoconferencing and statewide
4 online access services, the Oregon Department of Administrative Services shall, in addition to any
5 other charge or assessment for providing telecommunications services to state agencies, impose
6 upon each agency and public corporation a surcharge, in an amount established by the department.
7 All surcharge moneys collected shall be deposited in the Oregon Department of Administrative
8 Services Operating Fund, and may be expended only for state agency and public corporation tele-
9 communication and videoconferencing activities, under such terms and conditions as the department
10 may prescribe.

11 (2) Notwithstanding subsection (1) of this section, the Oregon Department of Administrative
12 Services [*shall*] **may** not impose the surcharge established by this section on the Oregon University
13 System, **a public university listed in section 1 of this 2013 Act** or the Oregon Health and Science
14 University. The Oregon Department of Administrative Services shall enter into an agreement with
15 the Oregon University System, **public universities listed in section 1 of this 2013 Act** and the
16 Oregon Health and Science University on the amounts to be paid by the Oregon University
17 System, **public universities** and the Oregon Health and Science University to the Oregon Depart-
18 ment of Administrative Services in lieu of the surcharge provided for in this section.

19 **SECTION 90.** ORS 284.633 is amended to read:

20 284.633. (1) The Oregon Progress Board may enter into an agreement with:

21 (a) Any state agency for the provision of clerical, technical and management personnel to the
22 board to serve as the board's staff and for the provision of other administrative, operational or
23 overhead expenses necessary to accomplish the public purposes of the board.

24 (b) A nongovernmental entity for the provision of administrative, operational or overhead ex-
25 penses necessary to accomplish the public purposes of the board.

26 (2) As used in this section:

27 (a) "Public institution of higher education" means a community college or a public university
28 listed in ORS 352.002 **or section 1 of this 2013 Act**.

29 (b) "State agency" means any officer, board, commission, department, division or institution in
30 the executive or administrative branch of state government or a public institution of higher educa-
31 tion.

32 **SECTION 91.** ORS 284.701 is amended to read:

33 284.701. As used in ORS 284.701 to 284.749:

34 (1) "Clean energy" means a technology, product, process or innovation that involves conserva-
35 tion of natural resources, solar energy, green building products and services, biofuels, biomass en-
36 ergy, bio-based products or other renewable and sustainable energy.

37 (2) "Innovation-based economic development" includes, but is not limited to, a technology,
38 product, process or innovation that:

39 (a) Derives from and supports innovation and research;

40 (b) Promotes Oregon's market capacities and competitive advantages;

41 (c) Involves technology-based innovation;

42 (d) Facilitates the creation of new products, processes and services that retain and create
43 high-wage jobs;

44 (e) Involves the establishment of partnerships between and collaboration with research insti-
45 tutions, the private sector and public entities;

1 (f) Endeavors to transfer innovative technologies to the private sector or to commercialize in-
2 novative research and development; and

3 (g) Includes, but is not limited to, clean energy and clean energy economic development.

4 (3) "Oregon growth business" means:

5 (a) An individual, group of individuals or private sector business entity, including but not limited
6 to a partnership, limited liability company, corporation, firm, association or other business entity,
7 that engages in business that furthers innovation-based economic development, that has the capacity
8 upon obtaining appropriate capital to generate significant high-skill, high-wage employment in
9 Oregon and that conducts business in Oregon; or

10 (b) An emerging growth business as defined in ORS 348.701.

11 (4) "Public entity" means any agency of the federal or state government, county, city, town,
12 public corporation or political subdivision in this state.

13 (5) "Research institution" means:

14 (a) A community college as defined in ORS 341.005;

15 (b) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**;

16 (c) The Oregon Health and Science University public corporation created under ORS 353.020;

17 (d) An Oregon-based, generally accredited, not-for-profit private institution of higher education;

18 (e) A federal research laboratory conducting research in Oregon;

19 (f) A private not-for-profit research institution located in Oregon;

20 (g) An institution for higher education as defined in ORS 289.005; or

21 (h) A private institution of higher education located in Oregon.

22 (6) "Traded sector" has the meaning given that term in ORS 285A.010.

23 **SECTION 92.** ORS 284.701, as amended by section 20, chapter 90, Oregon Laws 2012, is
24 amended to read:

25 284.701. As used in ORS 284.701 to 284.749:

26 (1) "Clean energy" means a technology, product, process or innovation that involves conserva-
27 tion of natural resources, solar energy, green building products and services, biofuels, biomass en-
28 ergy, bio-based products or other renewable and sustainable energy.

29 (2) "Innovation-based economic development" includes, but is not limited to, a technology,
30 product, process or innovation that:

31 (a) Derives from and supports innovation and research;

32 (b) Promotes Oregon's market capacities and competitive advantages;

33 (c) Involves technology-based innovation;

34 (d) Facilitates the creation of new products, processes and services that retain and create
35 high-wage jobs;

36 (e) Involves the establishment of partnerships between and collaboration with research insti-
37 tutions, the private sector and public entities;

38 (f) Endeavors to transfer innovative technologies to the private sector or to commercialize in-
39 novative research and development; and

40 (g) Includes, but is not limited to, clean energy and clean energy economic development.

41 (3) "Oregon growth business" means:

42 (a) An individual, group of individuals or private sector business entity, including but not limited
43 to a partnership, limited liability company, corporation, firm, association or other business entity,
44 that engages in business that furthers innovation-based economic development, that has the capac-
45 ity, upon obtaining appropriate capital, to generate significant high-skill, high-wage employment in

1 Oregon and that conducts business in Oregon; or

2 (b) An emerging growth business consisting of an individual or group of individuals or a new
3 or small company, including but not limited to any new or small partnership, limited liability com-
4 pany, corporation, firm, association or other business entity, that has the capacity, upon obtaining
5 appropriate capital, to generate significant high-skill, high-wage employment.

6 (4) "Public entity" means any agency of the federal or state government, county, city, town,
7 public corporation or political subdivision in this state.

8 (5) "Research institution" means:

9 (a) A community college as defined in ORS 341.005;

10 (b) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**;

11 (c) The Oregon Health and Science University public corporation created under ORS 353.020;

12 (d) An Oregon-based, generally accredited, not-for-profit private institution of higher education;

13 (e) A federal research laboratory conducting research in Oregon;

14 (f) A private not-for-profit research institution located in Oregon;

15 (g) An institution for higher education as defined in ORS 289.005; or

16 (h) A private institution of higher education located in Oregon.

17 (6) "Traded sector" has the meaning given that term in ORS 285A.010.

18 **SECTION 93.** ORS 284.735 is amended to read:

19 284.735. (1) The Oregon Innovation Council may make grants and loans from the Oregon
20 Commercialized Research Fund to Oregon growth businesses.

21 (2) To qualify for a grant or loan under this section, an Oregon growth business must enter into
22 an agreement with one or more research institutions to carry out proof of concept activities to:

23 (a) Establish the commercial potential of research; and

24 (b) Develop a business concept that can attract early stage private investment, including angel
25 capital and venture capital.

26 (3) Proof of concept activities for which an Oregon growth business may receive a grant or loan
27 under this section include:

28 (a) The development of intellectual property;

29 (b) The payment of salaries and related expenses for commercialized research;

30 (c) The acquisition of equipment and supplies required for the proof of concept activities;

31 (d) Furthering innovation-based economic development; and

32 (e) Other activities as defined by rule of the council.

33 (4) To receive a grant or loan, the Oregon growth business or a research institution that has
34 entered into an agreement with the business must agree to provide a cash match equivalent to:

35 (a) 30 percent of the amount of the grant or loan for businesses with fewer than 20 employees.

36 (b) 50 percent of the amount of the grant or loan for businesses with 20 or more but fewer than
37 50 employees.

38 (c) 75 percent of the amount of the grant or loan for businesses with 50 or more but fewer than
39 100 employees.

40 (5)(a) The council shall award grant or loan moneys to an Oregon growth business in a two-
41 phase contract. Each phase of the contract shall have clearly defined performance measures in-
42 cluded in the contract between the business and the council.

43 (b) Under phase I of the contract, a business may be granted or loaned an initial investment not
44 to exceed \$75,000. Phase I shall also include an agreement that upon successful completion of the
45 performance measures for phase I, the business shall be eligible for funding under phase II. The

1 amount of grant or loan moneys available to a business under both phases may not exceed \$200,000.

2 (6) The council shall require any Oregon growth business that receives a grant or loan under
3 this section and that moves more than 50 percent of the employees of the business out of the state
4 within two years after receiving grant or loan moneys to repay the total amount of the grant or loan
5 moneys.

6 (7) The council shall require an Oregon growth business that receives a loan under this section
7 to repay the loan within five years after receiving the loan. The council shall deposit any loan
8 moneys received under this subsection in the Oregon Commercialized Research Fund.

9 (8) The council may award up to 15 percent of the amount of moneys available in the fund for
10 grants or loans:

11 (a) To the Oregon University System **and public universities listed in section 1 of this 2013**
12 **Act** for education of faculty on issues related to developing effective technology transfer and
13 commercialized research processes; and

14 (b) For other activities as defined by rule of the council.

15 (9) The council may adopt rules to administer this section. The council shall follow the advice
16 of the Oregon Commercialized Research Fund Advisory Council when adopting rules to administer
17 this section.

18 **SECTION 94.** ORS 285B.168 is amended to read:

19 285B.168. (1) The Oregon Business Development Department may make grants available to a
20 community college district, a community college service district or, with the concurrence of the
21 Commissioner for Community College Services and the Chancellor of the Oregon University System,
22 a public university listed in ORS 352.002 **or section 1 of this 2013 Act** to assist in the formation,
23 improvement and operation of small business development centers. If a community college district,
24 a community college service district or a public university is unable to adequately provide services
25 in a specific geographic area, the department may make grants available to other service providers
26 as determined by the department. The grant application shall include:

27 (a) Plans for providing small business owners and managers individual counseling, to the great-
28 est extent practicable, in subject areas critical to small business success;

29 (b) A budget for the year for which a grant is requested, including cost apportionment among
30 the department, small business clients, the community college, the public university or other service
31 providers and other sources;

32 (c) A plan for evaluating the effect of the program on small business clients served; and

33 (d) A plan for providing collaboration with other state agencies, state-supported organizations
34 and private sector entities that provide services to small businesses.

35 (2) The grants made under subsection (1) of this section are to be used by the grant recipient
36 to provide:

37 (a) Small business development center staff and support staff;

38 (b) Expert resource persons from the business community;

39 (c) Other training and business resources as approved by the department in skill areas for
40 which, or areas of the state where, the grant recipient can demonstrate it does not otherwise have
41 the capacity or expertise to provide the resources; and

42 (d) Other costs related to providing training, counseling and business resources to small busi-
43 ness clients.

44 (3) To be eligible for a grant under subsection (1) of this section, the recipient shall be required
45 to provide funds, in-kind contributions or some combination of funds and contributions, in accord-

1 ance with rules adopted by the department.

2 (4) Subject to the approval of the department, a grant recipient may subcontract funds received
3 under this section to any other entity that is eligible to receive funding under this section.

4 (5) The grant recipient shall submit a final report to the department after the distribution of
5 grant funds and the delivery of services to the proposed business clients. The report shall state
6 whether the plan and related budget have met the applicable criteria as described in the recipient's
7 application for the grant period.

8 **SECTION 95.** ORS 285B.174 is amended to read:

9 285B.174. In cooperation with other state agencies and private organizations, public universities
10 listed in ORS 352.002 **or section 1 of this 2013 Act** and community colleges may develop programs
11 to assist Oregon businesses with the procurement of government contracts and grants. Small busi-
12 ness development centers established under ORS 285B.165 to 285B.171 may assist with these pro-
13 grams.

14 **SECTION 96.** ORS 286A.001 is amended to read:

15 286A.001. As used in this chapter:

16 (1) "Agreement for exchange of interest rates" means a contract, or an option or forward com-
17 mitment to enter into a contract, for the exchange of interest rates that provides for:

18 (a) Payments based on levels of or changes in interest rates; or

19 (b) Provisions to hedge payment, rate, spread or similar exposure including, but not limited to,
20 an interest rate floor or cap or an option, put or call.

21 (2) "Bond":

22 (a) Means a contractual undertaking or instrument of the State of Oregon to repay borrowed
23 moneys.

24 (b) Does not mean a financing agreement, as defined in ORS 283.085, if the principal amount of
25 the agreement is \$100,000 or less, or a credit enhancement device.

26 (3) "Counterparty" means an entity with whom the State of Oregon enters into an agreement for
27 exchange of interest rates.

28 (4) "Credit enhancement device":

29 (a) Means a letter of credit, line of credit, standby bond purchase agreement, bond insurance
30 policy, reserve surety bond or other device or facility used to enhance the creditworthiness, liquidity
31 or marketability of bonds or agreements for the exchange of interest rates; and

32 (b) Does not mean a bond.

33 (5) "Credit enhancement device fee" means a payment required to be made to the provider of a
34 credit enhancement device securing a bond or securing an agreement for the exchange of interest
35 rates.

36 (6) "General obligation bond" means a bond that constitutes indebtedness of the state under
37 section 7, Article XI of the Oregon Constitution, and that is exempt from the \$50,000 limitation on
38 indebtedness set forth in that section.

39 (7) "Operative document" means a bond declaration, trust agreement, indenture, security
40 agreement or other document in which the State of Oregon pledges property as security for an ob-
41 ligation, as defined in ORS 286A.100.

42 (8) "Refunding bond" means a bond of the State of Oregon that is issued to refund another bond,
43 regardless of whether the refunding is on a current, advance, forward delivery, synthetic or other
44 basis.

45 (9) "Related agency" means the state agency that requests the State Treasurer to issue bonds

1 pursuant to ORS 286A.025 or for which the State Treasurer has issued bonds.

2 (10) "Related bond" means a bond for which the State of Oregon enters into an agreement for
 3 exchange of interest rates.

4 (11) "Revenue" means all fees, tolls, excise taxes, assessments, property taxes and other taxes,
 5 rates, charges, rentals and other income or receipts derived by a state agency or to which a state
 6 agency is entitled.

7 (12) "Revenue bond" means a bond of the State of Oregon that is not a general obligation bond.

8 (13) "State agency":

9 (a) Includes a statewide elected officer, board, commission, department, division, authority or
 10 other entity, without regard to the designation given to the entity, that is within state government,
 11 as defined in ORS 174.111; and

12 (b) Does not include:

13 (A) A statewide elected judge;

14 (B) The State Treasurer;

15 (C) A local government, as defined in ORS 174.116;

16 (D) The Oregon Health and Science University;

17 **(E) A public university listed in section 1 of this 2013 Act;**

18 ~~[(E)]~~ **(F)** A special government body, as defined in ORS 174.117, except to the extent a special
 19 government body must be considered a state agency in order to achieve the purposes of Article XI-K
 20 of the Oregon Constitution; or

21 ~~[(F)]~~ **(G)** A semi-independent state agency listed in ORS 182.454, 377.835 or 674.305, or any other
 22 state agency denominated by statute as a semi-independent state agency.

23 (14) "Termination payment" means the amount payable under an agreement for exchange of in-
 24 terest rates by one party to another party as a result of the termination, in whole or part, of the
 25 agreement prior to the expiration of the stated term.

26 **SECTION 97.** ORS 286A.700 is amended to read:

27 286A.700. (1) As used in this section:

28 (a) "Oregon Baccalaureate Bonds" means bonds of the State of Oregon issued by the State
 29 Treasurer at the request of the Oregon University System **or a public university listed in section**
 30 **1 of this 2013 Act** that are designated as baccalaureate bonds.

31 (b) "Post-secondary education" means training and instruction provided by fully accredited
 32 public universities or private institutions of higher learning, community colleges and post-high-
 33 school career schools.

34 (2) The Legislative Assembly encourages citizens of the State of Oregon to avail themselves of
 35 post-secondary education opportunities.

36 (3) The Legislative Assembly finds:

37 (a) For the benefit of its citizens, the state supports a system of common schools, public uni-
 38 versities and community colleges.

39 (b) A post-secondary education advances a citizen's ability to pursue life, liberty and happiness
 40 through a wide range of employment opportunities.

41 (c) A well-educated citizenry contributes to the economic well-being of the state and nation.

42 (d) A well-trained and skilled citizenry enhances economic development of the state.

43 (e) While students have just begun their education upon completion of a formal education, a
 44 lifetime pursuit of learning contributes to a well-informed citizenry and to Oregon's cherished qual-
 45 ity of life.

1 (f) Citizens educated in Oregon are more likely to pursue careers in Oregon.

2 (g) It is in the interest of this state to encourage its citizens to plan and save for a post-
3 secondary education.

4 (h) An Oregon Baccalaureate Bond program that provides citizens an opportunity to save for a
5 post-secondary education for their children, themselves or any citizen is in the social and economic
6 interest of the State of Oregon.

7 (i) A systematic way to save for post-secondary education can assist all of Oregon's higher ed-
8 ucation, community college and career schools to better project enrollments, thereby permitting the
9 prudent allocation of scarce resources.

10 (4) At the request of the Oregon University System **or a public university listed in section 1**
11 **of this 2013 Act**, the State Treasurer may:

12 (a) Issue bonds as Oregon Baccalaureate Bonds, to encourage investors to save for post-
13 secondary education opportunities.

14 (b) Investigate and implement the means and procedures to facilitate the participation by the
15 broadest practical range of investors in the Oregon Baccalaureate Bond program. The means and
16 procedures may include, but are not limited to, adjustments in the denominations in which the bonds
17 are issued and the frequency with which the bonds are issued.

18 (5) The purchase of an Oregon Baccalaureate Bond does not guarantee the purchaser, owner
19 or beneficiary of the bond admittance to a public university or private post-secondary institution.

20 **SECTION 98.** ORS 287A.001 is amended to read:

21 287A.001. As used in this chapter:

22 (1) "Advance refunding bond" means a bond all or part of the proceeds of which are to be used
23 to pay an outstanding bond one year or more after the advance refunding bond is issued.

24 (2) "Agreement for exchange of interest rates" means a contract, or an option or forward com-
25 mitment to enter into a contract, for an exchange of interest rates for related bonds that provides
26 for:

27 (a) Payments based on levels or changes in interest rates; or

28 (b) Provisions to hedge payment, rate, spread or similar exposure including, but not limited to,
29 an interest rate floor or cap or an option, put or call.

30 (3) "Bond":

31 (a) Means a contractual undertaking or instrument of a public body to repay borrowed moneys.

32 (b) Does not mean a credit enhancement device.

33 (4) "Capital construction" has the meaning given that term in ORS 310.140.

34 (5) "Capital improvements" has the meaning given that term in ORS 310.140.

35 (6) "Credit enhancement device":

36 (a) Means a letter of credit, line of credit, standby bond purchase agreement, bond insurance
37 policy, reserve surety bond or other device or facility used to enhance the creditworthiness, liquidity
38 or marketability of bonds or agreements for exchange of interest rates.

39 (b) Does not mean a bond.

40 (7) "Current refunding bond" means a bond the proceeds of which are to be used to pay or
41 purchase an outstanding bond less than one year after the current refunding bond is issued.

42 (8) "Forward current refunding" means execution and delivery of a purchase agreement or sim-
43 ilar instrument under which a public body contracts to sell current refunding bonds for delivery at
44 a future date that is one year or more after execution of the purchase agreement or similar instru-
45 ment.

1 (9) "General obligation bond" means exempt bonded indebtedness, as defined in ORS 310.140,
2 that is secured by a commitment to levy ad valorem taxes outside the limits of sections 11 and 11b,
3 Article XI of the Oregon Constitution.

4 (10) "Lawfully available funds" means revenues or other moneys of a public body including, but
5 not limited to, moneys credited to the general fund of the public body, revenues from an ad valorem
6 tax and revenues derived from other taxes levied by the public body that are not dedicated, re-
7 stricted or obligated by law or contract to an inconsistent expenditure or use.

8 (11) "Operative document" means a bond declaration, trust agreement, indenture, security
9 agreement or other document in which a public body pledges revenue or property as security for a
10 bond.

11 (12) "Pledge" means:

12 (a) To create a lien on property pursuant to ORS 287A.310.

13 (b) A lien created on property pursuant to ORS 287A.310.

14 (13) "Public body" means:

15 (a) A county of this state;

16 (b) A city of this state;

17 (c) A local service district as defined in ORS 174.116 (2);

18 (d) A special government body as defined in ORS 174.117;

19 **(e) A public university listed in section 1 of this 2013 Act;**

20 [(e)] **(f)** Oregon Health and Science University; or

21 [(f)] **(g)** Any other political subdivision of this state that is authorized by the Legislative As-
22 sembly to issue bonds.

23 (14) "Refunding bond" means an advance refunding bond, a current refunding bond or a forward
24 current refunding bond.

25 (15) "Related bond" means a bond for which the public body enters into an agreement for ex-
26 change of interest rates or obtains a credit enhancement device.

27 (16) "Revenue" means all fees, tolls, excise taxes, assessments, property taxes and other taxes,
28 rates, charges, rentals and other income or receipts derived by a public body or to which a public
29 body is entitled.

30 (17) "Revenue bond" means a bond that is not a general obligation bond.

31 (18) "Termination payment" means the amount payable under an agreement for exchange of in-
32 terest rates by one party to another party as a result of the termination, in whole or part, of the
33 agreement prior to the expiration of the stated term.

34 **SECTION 99.** ORS 291.038 is amended to read:

35 291.038. (1) The planning, acquisition, installation and use of all information and telecommuni-
36 cations technology by state government and agencies of state government shall be coordinated so
37 that statewide plans and activities, as well as those of individual agencies, are addressed in the most
38 integrated, economic and efficient manner. To provide policy direction for and coordination of in-
39 formation technology for state government, the Director of the Oregon Department of Administra-
40 tive Services shall chair and appoint not fewer than five agency executives to an Information
41 Resources Management Council. The council membership shall include at least two members who
42 represent the private sector and political subdivisions of the state.

43 (2) To facilitate accomplishment of the purpose set forth in subsection (1) of this section, the
44 Oregon Department of Administrative Services shall adopt rules, policies and standards to plan for,
45 acquire, implement and manage the state's information resources. In developing rules, policies and

1 standards, the department shall consult with state agencies that have needs that information re-
2 sources may satisfy. State agencies shall cooperate with the department in preparing and complying
3 with rules, policies and standards. The rules, policies and standards must be formulated to promote
4 electronic communication and information sharing among state agencies and programs, between
5 state and local governments and with the public where appropriate.

6 (3) Rules, policies, plans, standards and specifications must be formulated to ensure that infor-
7 mation resources fit together in a statewide system capable of providing ready access to information,
8 computing or telecommunication resources. Plans and specifications the department adopts must be
9 based on industry standards for open systems to the greatest extent possible. Before adopting rules
10 described in subsection (2) of this section, the department shall present the proposed rules to the
11 appropriate legislative committee. The department has the responsibility to review, oversee and en-
12 sure that state agencies' planning, acquisition and implementation activities align with and support
13 the statewide information resources management plan. The department is responsible for procuring
14 information technology fairly, competitively and in a manner that is consistent with the
15 department's rules.

16 (4)(a) The policy of the State of Oregon is that state government telecommunications networks
17 should be designed to provide state-of-the-art services where economically and technically feasible,
18 using shared, rather than dedicated, lines and facilities.

19 (b) The department shall, when procuring telecommunications network services, consider
20 achieving the economic development and quality of life outcomes set forth in the Oregon
21 benchmarks.

22 (5)(a) The department, upon request, may furnish and deliver statewide integrated
23 videoconferencing and statewide online access service to a public or private entity that primarily
24 conducts activities for the direct good or benefit of the public or community at large in providing
25 educational, economic development, health care, human services, public safety, library or other
26 public services. The department shall adopt rules with respect to furnishing the service.

27 (b) The department shall establish the statewide integrated videoconferencing and statewide
28 online access user fees, services, delivery, rates and long range plans in consultation with the
29 Stakeholders Advisory Committee created pursuant to this section. The rates shall reflect the
30 department's cost in providing the service.

31 (c) The department by rule shall restrict the department's furnishing or delivery of Internet ac-
32 cess service to private entities when the service would directly compete with two or more local
33 established providers of Internet access services within the local exchange telecommunications ser-
34 vice area.

35 (d) The rates and services established and provided under this section are not subject to the
36 Public Utility Commission's regulation or authority.

37 (6)(a) There is created the Stakeholders Advisory Committee, consisting of a minimum of nine
38 members appointed by the Director of the Oregon Department of Administrative Services. In making
39 appointments, the director shall give consideration to geographic balance and adequate represen-
40 tation of the department's users and providers and the general public.

41 (b) The committee must consist of members who represent elementary or secondary education,
42 higher education, community colleges, economic development, health care, human services and pub-
43 lic safety. At least four members must reside in areas east of the Cascade Mountains.

44 (c) The term of office of each member is three years, but a member serves at the sole discretion
45 of the director. The director shall appoint a successor to a member before the member's term ex-

1 pires. A member is eligible for reappointment. If a position on the committee is vacant for any cause,
2 the director shall make an appointment to the position that is immediately effective for the unex-
3 pired term.

4 (d) A member of the committee is entitled to travel expenses pursuant to ORS 292.495. Members
5 of the committee are not entitled to compensation.

6 (e) The director may establish additional advisory and technical committees as the director
7 considers necessary to aid and advise the Stakeholders Advisory Committee in the performance of
8 the committee's functions.

9 (f) The director may delegate to the State Chief Information Officer a duty, function or power
10 that this subsection imposes upon the director.

11 (7) An organization or organizations recognized as tax exempt under section 501(c)(3) of the
12 Internal Revenue Code that primarily conduct activities for the direct good or benefit of the public
13 or community at large in providing educational, economic development, health care, human services,
14 public safety, library or other public services and have formed an affiliation with one or more fed-
15 eral, state or local governmental units within this state may apply to the department for designation
16 as a community of interest. The application must be in the form prescribed by the department and
17 contain information regarding the governmental affiliation relationship, the tax exempt status of
18 each organization and the public benefit services to be provided. The department shall establish an
19 application review and appeal process to ensure that designating the organizations as a community
20 of interest for the purposes of including the organization in telecommunications contracts under
21 ORS 283.520 will result in providing educational, medical, library or other services for public benefit.

22 (8) This section does not apply to the State Board of Higher Education or any public university
23 listed in ORS 352.002 **or section 1 of this 2013 Act.**

24 (9) As used in this section:

25 (a) "Information resources" means media, instruments and methods for planning, collecting,
26 processing, transmitting and storing data and information, including telecommunications.

27 (b) "Information technology" includes, but is not limited to, present and future forms of hard-
28 ware, software and services for data processing, office automation and telecommunications.

29 (c) "Internet access service" means electronic connectivity to the Internet and the services of
30 the Internet.

31 (d) "Open systems" means systems that allow state agencies freedom of choice by providing a
32 vendor-neutral operating environment where different computers, applications, system software and
33 networks operate together easily and reliably.

34 (e) "State-of-the-art services" includes equipment, facilities and the capability to distribute dig-
35 ital communication signals that transmit voice, data, video and images over a distance.

36 (f) "Telecommunications" means hardware, software and services for transmitting voice, data,
37 video and images over a distance.

38 (g) "Statewide integrated videoconferencing" means a statewide electronic system capable of
39 transmitting video, voice and data communications.

40 (h) "Statewide online access" means electronic connectivity to information resources such as
41 computer conferencing, electronic mail, databases and Internet access.

42 **SECTION 100.** ORS 291.055 is amended to read:

43 291.055. (1) Notwithstanding any other law that grants to a state agency the authority to es-
44 tablish fees, all new state agency fees or fee increases adopted during the period beginning on the
45 date of adjournment sine die of a regular session of the Legislative Assembly and ending on the date

1 of adjournment sine die of the next regular session of the Legislative Assembly:

2 (a) Are not effective for agencies in the executive department of government unless approved
3 in writing by the Director of the Oregon Department of Administrative Services;

4 (b) Are not effective for agencies in the judicial department of government unless approved in
5 writing by the Chief Justice of the Supreme Court;

6 (c) Are not effective for agencies in the legislative department of government unless approved
7 in writing by the President of the Senate and the Speaker of the House of Representatives;

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

10 (e) Are rescinded on adjournment sine die of the next regular session of the Legislative Assem-
11 bly as described in this subsection, unless otherwise authorized by enabling legislation setting forth
12 the approved fees.

13 (2) This section does not apply to:

14 (a) Any tuition or fees charged by the State Board of Higher Education [*and*] **for** the public
15 universities listed in ORS 352.002 **or by a public university listed in section 1 of this 2013 Act.**

16 (b) Taxes or other payments made or collected from employers for unemployment insurance re-
17 quired by ORS chapter 657 or premium assessments required by ORS 656.612 and 656.614 or contri-
18 butions and assessments calculated by cents per hour for workers' compensation coverage required
19 by ORS 656.506.

20 (c) Fees or payments required for:

21 (A) Health care services provided by the Oregon Health and Science University, by the Oregon
22 Veterans' Homes and by other state agencies and institutions pursuant to ORS 179.610 to 179.770.

23 (B) Assessments and premiums paid to the Oregon Medical Insurance Pool established by ORS
24 735.614 and 735.625.

25 (C) Copayments and premiums paid to the Oregon medical assistance program.

26 (D) Assessments paid to the Department of Consumer and Business Services under ORS 743.951
27 and 743.961.

28 (d) Fees created or authorized by statute that have no established rate or amount but are cal-
29 culated for each separate instance for each fee payer and are based on actual cost of services pro-
30 vided.

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

32 (f) Any intergovernmental charges.

33 (g) Forest protection district assessment rates established by ORS 477.210 to 477.265 and the
34 Oregon Forest Land Protection Fund fees established by ORS 477.760.

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

36 (i) Any charges established by the State Parks and Recreation Director in accordance with ORS
37 565.080 (3).

38 (j) Assessments on premiums charged by the Department of Consumer and Business Services
39 pursuant to ORS 731.804 or fees charged by the Division of Finance and Corporate Securities of the
40 Department of Consumer and Business Services to banks, trusts and credit unions pursuant to ORS
41 706.530 and 723.114.

42 (k) Public Utility Commission operating assessments required by ORS 756.310 or charges paid
43 to the Residential Service Protection Fund required by chapter 290, Oregon Laws 1987.

44 (L) Fees charged by the Housing and Community Services Department for intellectual property
45 pursuant to ORS 456.562.

1 (m) New or increased fees that are anticipated in the legislative budgeting process for an
 2 agency, revenues from which are included, explicitly or implicitly, in the legislatively adopted
 3 budget or the legislatively approved budget for the agency.

4 (n) Tolls approved by the Oregon Transportation Commission pursuant to ORS 383.004.

5 (o) Convenience fees as defined in ORS 182.126 and established by the Oregon Department of
 6 Administrative Services under ORS 182.132 (3) and recommended by the Electronic Government
 7 Portal Advisory Board.

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

12 (A) The reason for the fee decrease; and

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

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

16 **SECTION 100a.** ORS 291.229, as amended by section 2, chapter 101, Oregon Laws 2012, is
 17 amended to read:

18 291.229. (1) The Oregon Department of Administrative Services shall develop a plan for state
 19 agencies that employ more than 100 employees to attain a ratio of 11 to 1 of employees of state
 20 agencies who are not supervisory employees to supervisory employees. The plan shall be used to
 21 develop the legislatively adopted budget and may provide for a transition to the ratio specified in
 22 this subsection during a period lasting more than one biennium.

23 (2) As part of the development of the legislatively adopted budget, during each odd-numbered
 24 year regular session of the Legislative Assembly, the department shall report on the plan developed
 25 under subsection (1) of this section to the Joint Committee on Ways and Means. The report shall
 26 include the ratio of employees of state agencies who are not supervisory employees to supervisory
 27 employees.

28 (3) As used in this section:

29 (a) "Legislatively adopted budget" means the budget enacted by the Legislative Assembly during
 30 an odd-numbered year regular session.

31 (b)(A) "State agency" means all state officers, boards, commissions, departments, institutions,
 32 branches, agencies, divisions and other entities, without regard to the designation given to those
 33 entities, that are within the executive department of government as described in section 1, Article
 34 III of the Oregon Constitution.

35 (B) "State agency" does not include:

36 (i) The legislative department as defined in ORS 174.114;

37 (ii) The judicial department as defined in ORS 174.113;

38 (iii) The Public Defense Services Commission;

39 (iv) The Secretary of State and the State Treasurer in the performance of the duties of their
 40 constitutional offices;

41 (v) Semi-independent state agencies listed in ORS 182.454;

42 (vi) The Oregon Tourism Commission;

43 (vii) The Oregon Film and Video Office;

44 (viii) The Oregon University System;

45 (ix) The Oregon Health and Science University, **Portland State University or the University**

1 **of Oregon;**

2 (x) The Travel Information Council;

3 (xi) Oregon Corrections Enterprises;

4 (xii) The Oregon State Lottery Commission;

5 (xiii) The State Accident Insurance Fund Corporation;

6 (xiv) The Oregon Health Insurance Exchange Corporation;

7 (xv) The Oregon Utility Notification Center;

8 (xvi) Oregon Community Power;

9 (xvii) The Citizens' Utility Board;

10 (xviii) A special government body as defined in ORS 174.117;

11 (xix) Any other public corporation created under a statute of this state and specifically desig-
12 nated as a public corporation; and

13 (xx) Any other semi-independent state agency denominated by statute as a semi-independent
14 state agency.

15 (c) "Supervisory employee" has the meaning given that term in ORS 243.650.

16 **SECTION 101.** ORS 292.043 is amended to read:

17 292.043. (1) As used in this section:

18 (a) "Foundation" means:

19 (A) A tax exempt organization designated by a rule adopted by a state agency; [*or*]

20 (B) A tax exempt organization designated by the State Board of Higher Education to solicit
21 contributions for the support of a public university listed in ORS 352.002; **or**

22 **(C) A tax exempt organization designated by the board of directors of a university listed**
23 **in section 1 of this 2013 Act to solicit contributions for the support of the university.**

24 (b) "Salary and wages" has the meaning given that term in ORS 292.014.

25 (2) Any state official authorized to disburse funds in payment of salaries or wages of the officers
26 and employees of a state agency, or of the officers, teachers, instructors and other employees of the
27 Oregon University System **or a public university listed in section 1 of this 2013 Act**, is author-
28 ized, upon written request of the individual, to deduct each month from the salary or wages of the
29 individual the amount of money designated by the individual for payment to a foundation.

30 (3) The individual may withdraw the authorization at any time if the individual so notifies such
31 officer in writing.

32 (4) The moneys so deducted shall be paid over promptly to the foundation designated by the
33 individual. Subject to any rules prescribed by a state agency, [*or*] the State Board of Higher Edu-
34 cation **or the board of directors of a public university listed in section 1 of this 2013 Act**, the
35 state official authorized to disburse the funds in payment of salaries and wages may prescribe any
36 procedures necessary to carry out this section.

37 **SECTION 102.** ORS 307.095 is amended to read:

38 307.095. (1) Any portion of state property that is used during the tax year for parking on a
39 rental or fee basis to private individuals is subject to ad valorem taxation.

40 (2) The real market value of such portion shall be computed by determining that percentage
41 which the total of receipts from private use bears to the total of receipts from all use of the prop-
42 erty. The assessed value of such portion shall be computed as provided in ORS 308.146. However,
43 receipts from any use by a state officer or employee in the performance of the official duties of the
44 state officer or employee shall not be considered as receipts from private use in computing the
45 portion subject to ad valorem taxation.

1 (3) This section and ORS 276.592 do not apply to state property that is used by the Oregon
2 University System, **a public university listed in section 1 of this 2013 Act** or the Oregon Health
3 and Science University solely to provide parking for employees, students or visitors.

4 **SECTION 103.** ORS 307.110 is amended to read:

5 307.110. (1) Except as provided in ORS 307.120, all real and personal property of this state or
6 any institution or department thereof or of any county or city, town or other municipal corporation
7 or political subdivision of this state, held under a lease or other interest or estate less than a fee
8 simple, by any person whose real property, if any, is taxable, except employees of the state,
9 municipality or political subdivision as an incident to such employment, shall be subject to assess-
10 ment and taxation for the assessed or specially assessed value thereof uniformly with real property
11 of nonexempt ownerships.

12 (2) Each leased or rented premises not exempt under ORS 307.120 and subject to assessment and
13 taxation under this section which is located on property used as an airport and owned by and
14 serving a municipality or port shall be separately assessed and taxed.

15 (3) Nothing contained in this section shall be construed as subjecting to assessment and taxation
16 any publicly owned property described in subsection (1) of this section that is:

17 (a) Leased for student housing by a school or college to students attending such a school or
18 college.

19 (b) Leased to or rented by persons, other than sublessees or subrenters, for agricultural or
20 grazing purposes and for other than a cash rental or a percentage of the crop.

21 (c) Utilized by persons under a land use permit issued by the Department of Transportation for
22 which the department's use restrictions are such that only an administrative processing fee is able
23 to be charged.

24 (d) County fairgrounds and the buildings thereon, in a county holding annual county fairs,
25 managed by the county fair board under ORS 565.230, if utilized, in addition to county fair use, for
26 any of the purposes described in ORS 565.230 (2), or for horse stalls or storage for recreational ve-
27 hicles or farm machinery or equipment.

28 (e) The properties and grounds managed and operated by the State Parks and Recreation Di-
29 rector under ORS 565.080, if utilized, in addition to the purpose of holding the Oregon State Fair,
30 for horse stalls or for storage for recreational vehicles or farm machinery or equipment.

31 (f) State property that is used by the Oregon University System, **a public university listed in**
32 **section 1 of this 2013 Act** or the Oregon Health and Science University to provide parking for
33 employees, students or visitors.

34 (g) Property of a housing authority created under ORS chapter 456 which is leased or rented to
35 persons of lower income for housing pursuant to the public and governmental purposes of the
36 housing authority. For purposes of this paragraph, "persons of lower income" has the meaning given
37 the phrase under ORS 456.055.

38 (h) Property of a health district if:

39 (A) The property is leased or rented for the purpose of providing facilities for health care
40 practitioners practicing within the county; and

41 (B) The county is a frontier rural practice county under rules adopted by the Office of Rural
42 Health.

43 (4) Property determined to be an eligible project for tax exemption under ORS 285C.600 to
44 285C.626 and 307.123 that was acquired with revenue bonds issued under ORS 285B.320 to 285B.371
45 and that is leased by this state, any institution or department thereof or any county, city, town or

1 other municipal corporation or political subdivision of this state to an eligible applicant shall be
2 assessed and taxed in accordance with ORS 307.123. The property's continued eligibility for taxation
3 and assessment under ORS 307.123 is not affected:

4 (a) If the eligible applicant retires the bonds prior to the original dates of maturity; or

5 (b) If any applicable lease or financial agreement is terminated prior to the original date of ex-
6 piration.

7 (5) The provisions of law for liens and the payment and collection of taxes levied against real
8 property of nonexempt ownerships shall apply to all real property subject to the provisions of this
9 section. Taxes remaining unpaid upon the termination of a lease or other interest or estate less than
10 a fee simple, shall remain a lien against the real or personal property.

11 (6) If the state enters into a lease of property with, or grants an interest or other estate less
12 than a fee simple in property to, a person whose real property, if any, is taxable, then within 30 days
13 after the date of the lease, or within 30 days after the date the interest or estate less than a fee
14 simple is created, the state shall file a copy of the lease or other instrument creating or evidencing
15 the interest or estate with the county assessor. This section applies notwithstanding that the prop-
16 erty may otherwise be entitled to an exemption under this section, ORS 307.120 or as otherwise
17 provided by law.

18 **SECTION 104.** ORS 310.155 is amended to read:

19 310.155. (1) For purposes of ORS 310.150, taxes are levied or imposed to fund the public school
20 system if the taxes will be used exclusively for educational services, including support services,
21 provided by any unit of government, at any level from prekindergarten through post-graduate
22 training.

23 (2) Taxes on property levied or imposed by a unit of government whose principal function is to
24 provide educational services shall be considered to be dedicated to fund the public school system
25 unless the sole purpose of a particular, voter approved levy is for other than educational services
26 or support services as defined in this section.

27 (3) Taxes on property levied or imposed by a unit of government whose principal function is to
28 perform government operations other than educational services shall be considered to be dedicated
29 to fund the public school system only if the sole purpose of a particular, voter approved levy is for
30 educational services or support services as defined in this section.

31 (4) As used in this section, "educational services" includes:

32 (a) Establishment and maintenance of preschools, kindergartens, elementary schools, high
33 schools, community colleges and the public universities listed in ORS 352.002 **and section 1 of this**
34 **2013 Act.**

35 (b) Establishment and maintenance of career schools, adult education programs, evening school
36 programs and schools or facilities for persons with physical, mental or emotional disabilities.

37 (5) As used in this section, "support services" includes clerical, administrative, professional and
38 managerial services, property maintenance, transportation, counseling, training and other services
39 customarily performed in connection with the delivery of educational services.

40 (6) "Educational services" does not include community recreation programs, civic activities,
41 public libraries, programs for custody or care of children or community welfare activities if those
42 programs or activities are provided to the general public and not for the benefit of students or other
43 participants in the programs and activities described in subsection (4) of this section.

44 **SECTION 105.** ORS 326.543 is amended to read:

45 326.543. (1) As used in this section:

1 (a) "Education service district" has the meaning given that term in ORS 334.003.

2 (b) "Facility" means the school operated under ORS 346.010.

3 (c) "Post-secondary institution" means:

4 (A) A community college as defined in ORS 341.005;

5 (B) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**; and

6 (C) The Oregon Health and Science University.

7 (d) "School district" has the meaning given that term in ORS 330.005.

8 (2) The interest or estate of an education service district, a facility, a post-secondary institution
9 or a school district in any real property may not be extinguished or diminished by adverse pos-
10 session.

11 **SECTION 106.** ORS 326.587 is amended to read:

12 326.587. (1) A public university listed in ORS 352.002 **or section 1 of this 2013 Act** may not
13 disclose the Social Security number of a student who is attending the public university.

14 (2) Subsection (1) of this section does not apply if the public university discloses the Social Se-
15 curity number:

16 (a) At the request of a law enforcement agency or an agency providing support enforcement
17 services under ORS 25.080;

18 (b) After obtaining written permission for the disclosure from the student to whom the number
19 refers;

20 (c) In the payment of wages or benefits;

21 (d) In the payment or collection of taxes or of a debt owed by the student to whom the number
22 refers; or

23 (e) For purposes of statistical analysis.

24 **SECTION 107.** ORS 332.114 is amended to read:

25 332.114. (1) A person who meets the requirements under subsection (3) of this section may re-
26 quest a school district to issue the person a high school diploma if the person resides within the
27 boundaries of the school district or is a resident of this state and attended a high school of the
28 school district.

29 (2) A representative of a deceased person who meets the requirements under subsection (3) of
30 this section may request a school district to issue a high school diploma on behalf of the deceased
31 person if the deceased person resided within the boundaries of the school district at the time of
32 death or was a resident of this state at the time of death and attended a high school of the school
33 district.

34 (3) Notwithstanding the requirements for a high school diploma established under ORS 329.451
35 and by the State Board of Education and school districts, a school district that receives a request
36 under subsection (1) or (2) of this section shall issue a high school diploma to a person if the person:

37 (a) Attended a high school before serving in the Armed Forces of the United States;

38 (b) Did not graduate from a high school because the person was serving in the Armed Forces
39 of the United States;

40 (c) Was discharged or released under honorable conditions from the Armed Forces of the United
41 States;

42 (d) Served in the Armed Forces of the United States as described in subsection (4) of this sec-
43 tion; and

44 (e)(A) Has received a General Educational Development (GED) certificate;

45 (B) Has received a post-secondary degree from a community college, public university listed in

1 ORS 352.002 or **section 1 of this 2013 Act** or other generally accredited institution of higher edu-
 2 cation; or

3 (C) Has received a minimum score on the Armed Services Vocational Aptitude Battery (ASVAB),
 4 as established by the Oregon Military Department.

5 (4) The provisions of subsection (3) of this section apply to a person who:

6 (a) Served in the Armed Forces of the United States at any time during:

7 (A) World War I;

8 (B) World War II;

9 (C) The Korean Conflict; or

10 (D) The Vietnam War;

11 (b) Served in the Armed Forces of the United States and was physically present in:

12 (A) Operation Urgent Fury (Grenada);

13 (B) Operation Just Cause (Panama);

14 (C) Operation Desert Shield/Desert Storm (the Persian Gulf War);

15 (D) Operation Restore Hope (Somalia);

16 (E) Operation Enduring Freedom (Afghanistan); or

17 (F) Operation Iraqi Freedom (Iraq); or

18 (c) Served in the Armed Forces of the United States in an area designated as a combat zone by
 19 the President of the United States.

20 **SECTION 108.** ORS 332.155 is amended to read:

21 332.155. A district school board:

22 (1) May furnish, equip, repair, lease, purchase and build schoolhouses, including high schools,
 23 junior high schools, career and technical education schools, gymnasiums, houses for teachers and
 24 other employees, and like buildings; and locate, buy and lease lands for all school purposes. Leases
 25 authorized by this section include lease-purchase agreements whereunder the district may acquire
 26 ownership of the leased property at a nominal price. Such leases and lease-purchase agreements may
 27 be for a term of up to 30 years.

28 (2) May contract for the removal or containment of asbestos substances in school buildings and
 29 for repairs made necessary by such removal or containment. Contracts authorized by this section
 30 may be for a term exceeding one year.

31 (3) May construct or cooperate in the construction of schools for training of student teachers
 32 on state or district owned lands, for any public university listed in ORS 352.002 or **section 1 of this**
 33 **2013 Act** that is in or contiguous to the district, and to expend district funds in so doing.

34 (4) May acquire personal property by a lease-purchase agreement or contract of purchase for a
 35 term exceeding one year. A lease-purchase agreement is one in which the rent payable by the dis-
 36 trict is expressly agreed to have been established to reflect the savings resulting from the exemption
 37 from taxation, and the district is entitled to ownership of the property at a nominal or other price
 38 that is stated or determinable by the terms of the agreement and was not intended to reflect the true
 39 value of the property.

40 (5) May lease, sell and convey all property of the district as may not in the judgment of the
 41 district school board be required for school purposes.

42 (6) May sell property of the district in transactions whereby the district has the right to lease,
 43 occupy or reacquire the property following the sale or have facilities constructed thereon or fur-
 44 nished to the specifications of the district. The construction or furnishing of such facilities shall be
 45 subject to:

1 (a) ORS chapter 279A, except ORS 279A.125 and 279A.250 to 279A.290;

2 (b) ORS chapter 279B, except ORS 279B.235, 279B.240, 279B.270, 279B.275 and 279B.280; and

3 (c) ORS chapter 279C.005, 279C.100 to 279C.125 and 279C.300 to 279C.470.

4 (7) Shall furnish the schools with supplies, equipment, apparatus and services essential to
5 meeting the requirements of a standard school and may furnish such other supplies, equipment, ap-
6 paratus and services as the board considers advisable.

7 (8) May construct, purchase or lease in cooperation with other school districts or community
8 college districts facilities for secondary career and technical education programs for pupils of more
9 than one district and may furnish or cooperate in furnishing supplies and equipment for such facil-
10 ities, to be financed in the same manner as other school buildings and supplies are financed.

11 (9) May purchase real property upon a contractual basis when the period of time allowed for
12 payment under the contract does not exceed 30 years.

13 (10) May purchase relocatable classrooms and other relocatable structures in installment
14 transactions in which deferred installments of the purchase price are payable over not more than
15 10 years from the date such property is delivered to the district for occupancy and are secured by
16 a security interest in such property. Such transactions may take the form of, but are not limited to,
17 lease-purchase agreements.

18 (11) May enter into rental or lease-purchase agreements covering motor vehicles operated by the
19 district.

20 **SECTION 109.** ORS 337.500 is amended to read:

21 337.500. As used in ORS 337.500 to 337.506:

22 (1) "Adopter" means any faculty member or academic department or other adopting entity at a
23 higher education institution responsible for considering and choosing course materials to be utilized
24 in connection with accredited courses taught at the institution.

25 (2) "Higher education institution" means:

26 (a) A community college, as defined in ORS 341.005;

27 (b) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**;

28 (c) The Oregon Health and Science University;

29 (d) A private institution of higher education located in Oregon; and

30 (e) A bookstore that serves as the primary bookstore for an entity listed in paragraphs (a) to (d)
31 of this subsection.

32 (3) "Special edition" means a bound book that does not constitute a traditional textbook and
33 that may or may not be used for instructional purposes.

34 (4)(a) "Textbook bundle" means a textbook packaged together with other supplemental course
35 materials, including but not limited to workbooks, study guides, online technologies, online course
36 resources, CD-ROMs or other books, to be sold as course material for one price.

37 (b) "Textbook bundle" does not include a textbook that is unusable without the supplemental
38 course materials, materials that cannot be sold separately due to third-party contractual agreements,
39 custom editions or special editions.

40 **SECTION 110.** ORS 337.511 is amended to read:

41 337.511. As used in ORS 337.511 to 337.524:

42 (1) "Alternative format" means any medium or format for the presentation of instructional ma-
43 terials other than standard print that is needed by a post-secondary student with a print disability
44 for a reading accommodation, including but not limited to Braille, large print texts, audio re-
45 cordings, digital texts and digital talking books.

1 (2) “Electronic format” means a medium or format containing digital text.

2 (3) “Instructional material” means a textbook or other material if:

3 (a) The textbook or other material, including additional prints or new editions of previously
4 published instructional material, is published on or after January 1, 2004, and is published primarily
5 for use by students in a course of study in which a post-secondary student with a print disability is
6 enrolled;

7 (b) The textbook or other material is required for a student’s success in the course, as deter-
8 mined by the course instructor in consultation with the representative making the request for an
9 electronic format under ORS 337.517 (2);

10 (c) The textbook or other material is required for the course as stated in the course syllabus
11 or other curriculum documents, or the use of the materials by the student is necessary for the
12 completion of course assignments that are used to evaluate the student, such as to determine the
13 student’s proficiency level or assign a grade; and

14 (d) Software is commercially available to permit the conversion of an electronic file of the
15 textbook or other material into a format that is compatible with assistive technologies such as
16 speech synthesis software or Braille translation software.

17 (4) “Post-secondary education institution” means:

18 (a) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**;

19 (b) A community college operated under ORS chapter 341;

20 (c) The Oregon Health and Science University; or

21 (d) An Oregon-based, generally accredited institution of higher education.

22 (5) “Print disability” means a disability that prevents a student from effectively utilizing print
23 material and may include blindness, other serious visual impairments, specific learning disabilities
24 or the inability to hold a book.

25 (6) “Printed instructional material” means instructional material in book or other printed form.

26 (7) “Publisher” means any person that publishes or manufactures instructional material used by
27 students attending a post-secondary education institution.

28 (8) “Structural integrity” means the inclusion of all of the information provided in printed in-
29 structional material, including but not limited to the text of the material sidebars, the tables of
30 contents, the chapter headings and subheadings, the footnotes, the page numbers, the indexes and
31 the glossaries.

32 (9) “Working day” means a day that is not a Saturday, Sunday or legal holiday.

33 **SECTION 111.** ORS 338.005, as amended by section 19, chapter 91, Oregon Laws 2012, is
34 amended to read:

35 338.005. As used in this chapter, unless the context requires otherwise:

36 (1) “Applicant” means any person or group that develops and submits a written proposal for a
37 public charter school to a sponsor.

38 (2) “Institution of higher education” means a community college operated under ORS chapter
39 341, a public university listed in ORS 352.002 **or section 1 of this 2013 Act** or the Oregon Health
40 and Science University.

41 (3) “Public charter school” means an elementary or secondary school offering a comprehensive
42 instructional program operating under a written agreement entered into between a sponsor and an
43 applicant and operating pursuant to this chapter.

44 (4) “Remote and necessary school district” means a school district that offers kindergarten
45 through grade 12 and has:

1 (a) An average daily membership (ADM), as defined in ORS 327.006, in the prior fiscal year of
 2 less than 110; and

3 (b) A school that is located, by the nearest traveled road, more than 20 miles from the nearest
 4 school or from a city with a population of more than 5,000.

5 (5) “Sponsor” means:

6 (a) The board of the common school district or the union high school district in which the public
 7 charter school is located that has developed a written charter with an applicant to create a public
 8 charter school.

9 (b) The State Board of Education pursuant to ORS 338.075.

10 (c) An institution of higher education pursuant to ORS 338.075.

11 (6)(a) “Virtual public charter school” means a public charter school that provides online
 12 courses.

13 (b) “Virtual public charter school” does not include a public charter school that primarily serves
 14 students in a physical location.

15 **SECTION 112.** ORS 338.115, as amended by section 9, chapter 92, Oregon Laws 2012, is
 16 amended to read:

17 338.115. (1) Statutes and rules that apply to school district boards, school districts or other
 18 public schools do not apply to public charter schools. However, the following laws do apply to public
 19 charter schools:

20 (a) Federal law;

21 (b) ORS 30.260 to 30.300 (tort claims);

22 (c) ORS 192.410 to 192.505 (public records law);

23 (d) ORS 192.610 to 192.690 (public meetings law);

24 (e) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law);

25 (f) ORS 326.565, 326.575 and 326.580 (student records);

26 (g) ORS 181.534, 326.603, 326.607, 342.223 and 342.232 (criminal records checks);

27 (h) ORS 329.045 (academic content standards and instruction);

28 (i) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative cer-
 29 tificate);

30 (j) The statewide assessment system developed by the Department of Education for mathematics,
 31 science and English under ORS 329.485 (2);

32 (k) ORS 337.150 (textbooks);

33 (L) ORS 339.141, 339.147 and 339.155 (tuition and fees);

34 (m) ORS 339.250 (12) (prohibition on infliction of corporal punishment);

35 (n) ORS 339.326 (notice concerning students subject to juvenile court petitions);

36 (o) ORS 339.370, 339.372, 339.388 and 339.400 (reporting of abuse and sexual conduct and training
 37 on prevention and identification of abuse and sexual conduct);

38 (p) ORS chapter 657 (Employment Department Law);

39 (q) ORS 659.850, 659.855 and 659.860 (discrimination);

40 (r) Any statute or rule that establishes requirements for instructional time provided by a school
 41 during each day or during a year;

42 (s) Health and safety statutes and rules;

43 (t) Any statute or rule that is listed in the charter;

44 (u) ORS 339.119 (consideration for educational services); and

45 (v) This chapter.

1 (2) Notwithstanding subsection (1) of this section, a charter may specify that statutes and rules
2 that apply to school district boards, school districts and other public schools may apply to a public
3 charter school.

4 (3) If a statute or rule applies to a public charter school, then the terms “school district” and
5 “public school” include public charter school as those terms are used in that statute or rule.

6 (4) A public charter school may not violate the Establishment Clause of the First Amendment
7 to the United States Constitution or section 5, Article I of the Oregon Constitution, or be religion
8 based.

9 (5)(a) A public charter school shall maintain an active enrollment of at least 25 students.

10 (b) For a public charter school that provides educational services under a cooperative agree-
11 ment described in ORS 338.080, the public charter school is in compliance with the requirements of
12 this subsection if the public charter school provides educational services under the cooperative
13 agreement to at least 25 students, without regard to the school districts in which the students are
14 residents.

15 (6) A public charter school may sue or be sued as a separate legal entity.

16 (7) The sponsor, members of the governing board of the sponsor acting in their official capacities
17 and employees of a sponsor acting in their official capacities are immune from civil liability with
18 respect to all activities related to a public charter school within the scope of their duties or em-
19 ployment.

20 (8) A public charter school may enter into contracts and may lease facilities and services from
21 a school district, education service district, public university listed in ORS 352.002 **or section 1 of**
22 **this 2013 Act**, other governmental unit or any person or legal entity.

23 (9) A public charter school may not levy taxes or issue bonds under which the public incurs li-
24 ability.

25 (10) A public charter school may receive and accept gifts, grants and donations from any source
26 for expenditure to carry out the lawful functions of the school.

27 (11) The school district in which the public charter school is located shall offer a high school
28 diploma, a modified diploma, an extended diploma or an alternative certificate to any public charter
29 school student who meets the district’s and state’s standards for a high school diploma, a modified
30 diploma, an extended diploma or an alternative certificate.

31 (12) A high school diploma, a modified diploma, an extended diploma or an alternative certificate
32 issued by a public charter school grants to the holder the same rights and privileges as a high
33 school diploma, a modified diploma, an extended diploma or an alternative certificate issued by a
34 nonchartered public school.

35 (13) Prior to beginning operation, the public charter school shall show proof of insurance to the
36 sponsor as specified in the charter.

37 (14) A public charter school may receive services from an education service district in the same
38 manner as a nonchartered public school in the school district in which the public charter school is
39 located.

40 **SECTION 113.** ORS 338.115, as amended by section 7, chapter 839, Oregon Laws 2007, section
41 12, chapter 50, Oregon Laws 2008, section 4, chapter 618, Oregon Laws 2009, section 3, chapter 53,
42 Oregon Laws 2010, section 3, chapter 94, Oregon Laws 2011, section 118, chapter 637, Oregon Laws
43 2011, section 5, chapter 682, Oregon Laws 2011, and section 10, chapter 92, Oregon Laws 2012, is
44 amended to read:

45 338.115. (1) Statutes and rules that apply to school district boards, school districts or other

1 public schools do not apply to public charter schools. However, the following laws do apply to public
2 charter schools:

3 (a) Federal law;

4 (b) ORS 30.260 to 30.300 (tort claims);

5 (c) ORS 192.410 to 192.505 (public records law);

6 (d) ORS 192.610 to 192.690 (public meetings law);

7 (e) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law);

8 (f) ORS 326.565, 326.575 and 326.580 (student records);

9 (g) ORS 181.534, 326.603, 326.607, 342.223 and 342.232 (criminal records checks);

10 (h) ORS 329.045 (academic content standards and instruction);

11 (i) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative cer-
12 tificate);

13 (j) ORS 329.496 (physical education);

14 (k) The statewide assessment system developed by the Department of Education for mathematics,
15 science and English under ORS 329.485 (2);

16 (L) ORS 337.150 (textbooks);

17 (m) ORS 339.141, 339.147 and 339.155 (tuition and fees);

18 (n) ORS 339.250 (12) (prohibition on infliction of corporal punishment);

19 (o) ORS 339.326 (notice concerning students subject to juvenile court petitions);

20 (p) ORS 339.370, 339.372, 339.388 and 339.400 (reporting of abuse and sexual conduct and training
21 on prevention and identification of abuse and sexual conduct);

22 (q) ORS chapter 657 (Employment Department Law);

23 (r) ORS 659.850, 659.855 and 659.860 (discrimination);

24 (s) Any statute or rule that establishes requirements for instructional time provided by a school
25 during each day or during a year;

26 (t) Health and safety statutes and rules;

27 (u) Any statute or rule that is listed in the charter;

28 (v) ORS 339.119 (consideration for educational services); and

29 (w) This chapter.

30 (2) Notwithstanding subsection (1) of this section, a charter may specify that statutes and rules
31 that apply to school district boards, school districts and other public schools may apply to a public
32 charter school.

33 (3) If a statute or rule applies to a public charter school, then the terms “school district” and
34 “public school” include public charter school as those terms are used in that statute or rule.

35 (4) A public charter school may not violate the Establishment Clause of the First Amendment
36 to the United States Constitution or section 5, Article I of the Oregon Constitution, or be religion
37 based.

38 (5)(a) A public charter school shall maintain an active enrollment of at least 25 students.

39 (b) For a public charter school that provides educational services under a cooperative agree-
40 ment described in ORS 338.080, the public charter school is in compliance with the requirements of
41 this subsection if the public charter school provides educational services under the cooperative
42 agreement to at least 25 students, without regard to the school districts in which the students are
43 residents.

44 (6) A public charter school may sue or be sued as a separate legal entity.

45 (7) The sponsor, members of the governing board of the sponsor acting in their official capacities

1 and employees of a sponsor acting in their official capacities are immune from civil liability with
2 respect to all activities related to a public charter school within the scope of their duties or em-
3 ployment.

4 (8) A public charter school may enter into contracts and may lease facilities and services from
5 a school district, education service district, public university listed in ORS 352.002 **or section 1 of**
6 **this 2013 Act**, other governmental unit or any person or legal entity.

7 (9) A public charter school may not levy taxes or issue bonds under which the public incurs li-
8 ability.

9 (10) A public charter school may receive and accept gifts, grants and donations from any source
10 for expenditure to carry out the lawful functions of the school.

11 (11) The school district in which the public charter school is located shall offer a high school
12 diploma, a modified diploma, an extended diploma or an alternative certificate to any public charter
13 school student who meets the district's and state's standards for a high school diploma, a modified
14 diploma, an extended diploma or an alternative certificate.

15 (12) A high school diploma, a modified diploma, an extended diploma or an alternative certificate
16 issued by a public charter school grants to the holder the same rights and privileges as a high
17 school diploma, a modified diploma, an extended diploma or an alternative certificate issued by a
18 nonchartered public school.

19 (13) Prior to beginning operation, the public charter school shall show proof of insurance to the
20 sponsor as specified in the charter.

21 (14) A public charter school may receive services from an education service district in the same
22 manner as a nonchartered public school in the school district in which the public charter school is
23 located.

24 **SECTION 114.** ORS 339.331 is amended to read:

25 339.331. (1) There is created the Center for School Safety within the [*Oregon University*
26 *System*] **University of Oregon**. The mission of the center shall be to:

27 (a) Serve as the central point for data analysis;

28 (b) Conduct research;

29 (c) Disseminate information about successful school safety programs, research results and new
30 programs; and

31 (d) Provide technical assistance for improving the safety of schools in collaboration with the
32 Department of Education and others.

33 (2) To fulfill its mission, the Center for School Safety shall:

34 (a) Establish a clearinghouse for information and materials concerning school violence pre-
35 vention and intervention services. As used in this paragraph, "intervention services" means any
36 preventive, developmental, corrective or supportive service or treatment provided to a student who
37 is at risk of school failure, is at risk of participation in violent behavior or juvenile crime or has
38 been expelled from the school district. "Intervention services" may include, but is not limited to:

39 (A) Screening to identify students at risk for emotional disabilities or antisocial behavior;

40 (B) Direct instruction in academic, social, problem-solving and conflict resolution skills;

41 (C) Alternative education programs;

42 (D) Psychological services;

43 (E) Identification and assessment of abilities;

44 (F) Counseling services;

45 (G) Medical services;

1 (H) Day treatment;

2 (I) Family services; and

3 (J) Work and community service programs.

4 (b) Provide program development and implementation expertise and technical support to schools,
5 law enforcement agencies and communities. The expertise and support may include coordinating
6 training for administrators, teachers, students, parents and other community representatives.

7 (c) Analyze the data collected in compliance with section 5, chapter 618, Oregon Laws 2001.

8 (d) Research and evaluate school safety programs so schools and communities are better able
9 to address their specific needs.

10 (e) Promote interagency efforts to address discipline and safety issues within communities
11 throughout the state.

12 (f) Prepare and disseminate information regarding the best practices in creating safe and effec-
13 tive schools.

14 (g) Advise the State Board of Education on rules and policies.

15 (h) Provide an annual report on the status of school safety in Oregon by July 1 of each year to:

16 (A) The Governor;

17 (B) The Attorney General;

18 (C) The State Board of Education; and

19 (D) All relevant legislative committees.

20 (3) The University of Oregon Institute on Violence and Destructive Behavior shall provide staff
21 support to the Center for School Safety board of directors and shall manage the center.

22 (4) The Center for School Safety board of directors may seek and accept public and private funds
23 for the center.

24 **SECTION 115.** ORS 339.336 is amended to read:

25 339.336. (1) The [*Oregon University System*] **University of Oregon** may seek and accept contri-
26 butions of funds and assistance from the United States, its agencies or from any other source, public
27 or private, and agree to conditions thereon not inconsistent with ORS 339.331, 339.333 and 339.339.
28 All such funds are to aid in financing the functions of the Center for School Safety and shall be
29 deposited in the Center for School Safety Account and shall be disbursed for the purpose for which
30 contributed.

31 (2) The Center for School Safety Account is established in the General Fund of the State
32 Treasury. Except for moneys otherwise designated by statute, all federal funds or other moneys re-
33 ceived by the [*Oregon University System*] **University of Oregon** for the center shall be paid into the
34 State Treasury and credited to the account. All moneys in the account are appropriated contin-
35 uously to the [*Oregon University System*] **university** and shall be used by the [*system*] **university**
36 for the purposes of carrying out ORS 339.331, 339.333 and 339.339.

37 **SECTION 116.** ORS 339.885 is amended to read:

38 339.885. (1) [No] **A** secret society of any kind, including a fraternity or sorority, [*shall be per-*
39 *mitted*] **is prohibited** in any public school.

40 (2) The district school board may order the suspension or expulsion of any pupil who belongs
41 to a secret society.

42 (3) This section does not apply to any public university listed in ORS 352.002 **or section 1 of**
43 **this 2013 Act.**

44 **SECTION 117.** ORS 340.005 is amended to read:

45 340.005. For purposes of ORS 340.005 to 340.090:

1 (1) “Accelerated college credit program” has the meaning given that term by rules adopted by
2 the State Board of Education.

3 (2) “At-risk student” means:

4 (a) A student who qualifies for a free or reduced lunch program; or

5 (b) An at-risk student as defined by rules adopted by the board if the board has adopted rules
6 to define an at-risk student.

7 (3) “Duplicate course” means a course with a scope that is identical to the scope of another
8 course.

9 (4)(a) “Eligible post-secondary course” means any nonsectarian course or program offered
10 through an eligible post-secondary institution if the course or program may lead to high school
11 completion, a certificate, professional certification, associate degree or baccalaureate degree.

12 (b) “Eligible post-secondary course” does not include a duplicate course offered at the student’s
13 resident school.

14 (c) “Eligible post-secondary course” includes:

15 (A) Academic courses;

16 (B) Career and technical education courses; and

17 (C) Distance education courses.

18 (5) “Eligible post-secondary institution” means:

19 (a) A community college;

20 (b) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**; and

21 (c) The Oregon Health and Science University.

22 (6)(a) “Eligible student” means a student who is enrolled in an Oregon public school and who:

23 (A) Is 16 years of age or older at the time of enrollment in a course under the Expanded Options
24 Program;

25 (B)(i) Is in grade 11 or 12 at the time of enrollment in a course under the Expanded Options
26 Program; or

27 (ii) Is not in grade 11 or 12, because the student has not completed the required number of
28 credits, but who has been allowed by the school district to participate in the program;

29 (C) Has developed an educational learning plan as described in ORS 340.025; and

30 (D) Has not successfully completed the requirements for a high school diploma as established
31 by ORS 329.451, the State Board of Education and the school district board.

32 (b) “Eligible student” does not include a foreign exchange student enrolled in a school under a
33 cultural exchange program.

34 (7) “Expanded Options Program” means the program created under ORS 340.005 to 340.090.

35 (8) “Scope” means depth and breadth of course content as evidenced through a planned course
36 statement including content outline, applicable state content standards where appropriate, course
37 goals and student outcomes.

38 **SECTION 118.** ORS 340.310, as amended by section 10, chapter 104, Oregon Laws 2012, is
39 amended to read:

40 340.310. (1) The Higher Education Coordinating Commission shall develop statewide standards
41 for dual credit programs to be implemented by public high schools, community colleges and [*state*
42 *institutions of higher education within the Oregon University System*] **public universities listed in**
43 **ORS 352.002 or section 1 of this 2013 Act.** The standards must establish the manner by which:

44 (a) A student may, upon completion of a course, earn course credit both for high school and for
45 a community college or [*state institution of higher education within the Oregon University System*] a

1 **public university**; and

2 (b) Teachers of courses that are part of a dual credit program will work together to determine
3 the quality of the program and to ensure the alignment of the content, objectives and outcomes of
4 individual courses.

5 (2) Each public high school, community college and [*state institution of higher education within*
6 *the Oregon University System*] **public university** that provides a dual credit program must implement
7 the statewide standards developed under subsection (1) of this section.

8 (3) Each school district, community college and [*state institution of higher education within the*
9 *Oregon University System*] **public university** that provides a dual credit program shall submit an
10 annual report to the Higher Education Coordinating Commission on the academic performance of
11 students enrolled in a dual credit program. The Higher Education Coordinating Commission shall
12 establish the required contents of the report, which must provide sufficient information to allow the
13 commission to determine the quality of the dual credit program.

14 **SECTION 119.** ORS 341.430, as amended by section 11, chapter 104, Oregon Laws 2012, is
15 amended to read:

16 341.430. (1) As used in this section:

17 (a) "Associate transfer degree" means an associate degree that is awarded by a community
18 college and that is intended to allow a student to apply the credits earned for the degree toward a
19 baccalaureate degree.

20 (b) "Community college" means a community college operated under ORS chapter 341.

21 [(c) "*State institution of higher education*" means a state institution of higher education listed in
22 *ORS 352.002.*]

23 (c) "**Public university**" means a **public university listed in ORS 352.002 or section 1 of this**
24 **2013 Act.**

25 (d) "Transfer program" means a one-year program that is designed to allow a student to apply
26 the credits earned through the program toward a baccalaureate degree.

27 (2) The Higher Education Coordinating Commission shall develop standards related to the ability
28 of students to apply credits earned through courses of study at community colleges to baccalaureate
29 degrees awarded by [*state institutions of higher education*] **public universities**. The standards shall
30 be known as the "Transfer Student Bill of Rights and Responsibilities."

31 (3) The standards developed under this section may include:

32 (a) Admission standards to [*state institutions of higher education*] **public universities** for stu-
33 dents who have earned an associate transfer degree.

34 (b) The maximum number of credits that students who have earned an associate transfer degree
35 would need to complete prior to receiving various types of baccalaureate degrees at [*state insti-*
36 *tutions of higher education*] **public universities**.

37 (c) The maximum number of credits that students who have completed a transfer program would
38 need to complete prior to receiving various types of baccalaureate degrees at [*state institutions of*
39 *higher education*] **public universities**.

40 (d) A process by which a community college would award an associate degree to a student upon
41 completion of necessary credits, regardless of whether the student applied to receive the degree or
42 whether the student earned the credits for the degree at a community college or a [*state institution*
43 *of higher education*] **public university**.

44 (e) Any other issues identified by the Higher Education Coordinating Commission that relate to
45 courses of study at community colleges and the ability of a student to transfer credits to a commu-

1 nity college or a [*state institution of higher education*] **public university**, to be admitted to a [*state*
2 *institution of higher education*] **public university** or to earn a degree at a community college or a
3 [*state institution of higher education*] **public university**.

4 (f) Requirements that students must meet in order to benefit from the standards described in
5 paragraphs (a) to (e) of this subsection.

6 (4) Each community college and [*state institution of higher education*] **public university** shall
7 submit annual reports to the Higher Education Coordinating Commission related to:

8 (a) The number of students who attend a community college and then a [*state institution of*
9 *higher education, or a state institution of higher education*] **public university, or a public university**
10 and then a community college.

11 (b) The number of students who attend one community college and then a different community
12 college.

13 (c) The number of students who transfer from a community college to a [*state institution of*
14 *higher education*] **public university** and who have an associate transfer degree or have completed
15 a transfer program.

16 (d) The average number of credits students have when they transfer from a community college
17 to a [*state institution of higher education*] **public university**.

18 (e) The average number of credits students have when they attend one community college and
19 then a different community college.

20 (f) The average number of credits that a student earning an associate transfer degree completed
21 at a community college.

22 (g) The average number of credits students who have transferred from a community college to
23 a [*state institution of higher education*] **public university** must earn prior to receiving a
24 baccalaureate degree compared to the average number of credits students who did not transfer from
25 a community college must earn prior to receiving a baccalaureate degree.

26 **SECTION 120.** ORS 341.440 is amended to read:

27 341.440. (1) A community college district may contract with another community college district,
28 common or union high school district, education service district, the Oregon University System, a
29 **public university listed in section 1 of this 2013 Act**, the Oregon Health and Science University,
30 with a private educational institution accredited by the Northwest Association of Schools and Col-
31 leges or its successor or a career school as defined in ORS 345.010 to obtain educational services
32 for students enrolled in the community college of the district. However, the educational services so
33 obtained must meet the standards for educational services provided by the college and the contract
34 price to the college for such services must not exceed the costs which would otherwise be incurred
35 by the college to provide its students the same or similar services.

36 (2) Educational services for which a district operating a community college may contract include
37 services offered by correspondence and services offered electronically or through telecommuni-
38 cations if such services are accredited by a nationally recognized accrediting association.

39 (3) For purposes of ORS 341.626, costs incurred under subsection (1) of this section shall be
40 considered operating expenses of the district if the contract is approved by the Commissioner for
41 Community College Services.

42 **SECTION 121.** ORS 342.144 is amended to read:

43 342.144. (1) As used in this section, "American Indian tribe" means an Indian tribe as that term
44 is defined in ORS 97.740.

45 (2) The Legislative Assembly declares that teaching American Indian languages is essential to

1 the proper education of American Indian children.

2 (3) The Teacher Standards and Practices Commission shall establish an American Indian lan-
3 guages teaching license.

4 (4) Each American Indian tribe may develop a written and oral test that must be successfully
5 completed by an applicant for an American Indian languages teaching license in order to determine
6 whether the applicant is qualified to teach the tribe's native language. When developing the test, the
7 tribe shall determine:

8 (a) Which dialects will be used on the test;

9 (b) Whether the tribe will standardize the tribe's writing system; and

10 (c) How the teaching methods will be evaluated in the classroom.

11 (5) The test shall be administered at an appropriate location that does not create hardship for
12 the tribal members administering the test.

13 (6) The commission may not require an applicant to hold a specific academic degree, to complete
14 a specific amount of education or to complete a teacher education program to receive an American
15 Indian languages teaching license.

16 (7)(a) An American Indian languages teaching license qualifies the holder to accept a teaching
17 position in a school district, public charter school, education service district, community college or
18 public university listed in ORS 352.002 **or section 1 of this 2013 Act.**

19 (b) A holder of an American Indian languages teaching license who does not also have a
20 teaching license issued under ORS 342.125 may not teach in a school district or education service
21 district any subject other than the American Indian language the holder of the license is approved
22 to teach by the tribe.

23 (c) A holder of an American Indian languages teaching license who does not also have a
24 teaching license or registration issued under ORS 342.125 may not teach in a public charter school
25 any subject other than the American Indian language the holder of the license is approved to teach
26 by the tribe.

27 (8)(a) As used in this subsection, "technical assistance program" means a program provided to
28 an American Indian languages teacher by a licensed teacher with three or more years of teaching
29 experience. A technical assistance program may include direct classroom observation and consulta-
30 tion, assistance in instructional planning and preparation, support in implementation and delivery
31 of classroom instruction, and other assistance intended to enhance the professional performance and
32 development of the American Indian languages teacher.

33 (b) The holder of an American Indian languages teaching license who does not also have an
34 administrative license, teaching license or registration issued under ORS 342.125 and who is em-
35 ployed by a school district, public charter school or education service district shall participate in
36 a technical assistance program with a person holding a teaching license issued by the commission
37 under ORS 342.125. The technical assistance program shall meet the guidelines specified in ORS
38 329.815 (2) to (4).

39 (9) An American Indian languages teaching license shall be valid for three years and may be
40 renewed upon application from the holder of the license.

41 **SECTION 122.** ORS 342.147 is amended to read:

42 342.147. (1) After considering recommendations of the State Board of Education, the Teacher
43 Standards and Practices Commission shall establish by rule standards for approval of teacher edu-
44 cation institutions and teacher education programs. Public teacher education institutions shall be
45 approved for programs of more than four years' duration only if teacher education programs which

1 are reasonably attainable in a four-year period are also available in the system of higher education
 2 and are designed to culminate in a baccalaureate degree that qualifies its graduates for entry-level
 3 teaching licenses.

4 (2) The commission shall establish rules that allow teacher education programs leading to
 5 graduate degrees to commence prior to the student's completion of baccalaureate degree require-
 6 ments and that allow the combined use of undergraduate and graduate level course work in
 7 achieving program completion.

8 (3) Whenever any teacher education institution or program is denied approved status or has
 9 such status withdrawn, such denial or withdrawal must be treated as a contested case within the
 10 meaning of ORS chapter 183.

11 (4) Nothing in this section is intended to grant any authority to the commission relating to
 12 granting degrees or establishing degree requirements that are within the authority of the State
 13 Board of Higher Education or any of the public universities listed in ORS 352.002 **or section 1 of**
 14 **this 2013 Act**, or that are within the authority of the governing board of any private institution of
 15 higher education.

16 **SECTION 123.** ORS 342.443 is amended to read:

17 342.443. (1) The Education and Workforce Policy Advisor shall report biennially to the Legisla-
 18 tive Assembly longitudinal data on the number and percentage of:

19 (a) Minority students enrolled in community colleges;

20 (b) Minority students applying for admission to public universities listed in ORS 352.002 **or**
 21 **section 1 of this 2013 Act**;

22 (c) Minority students accepted in public universities;

23 (d) Minority students graduated from public universities;

24 (e) Minority candidates seeking to enter public teacher education programs in this state;

25 (f) Minority candidates admitted to public teacher education programs;

26 (g) Minority candidates who have completed approved public teacher education programs;

27 (h) Minority candidates receiving Oregon teaching licenses based on preparation in this state
 28 and preparation in other states;

29 (i) Minority teachers who are newly employed in the public schools in this state; and

30 (j) Minority teachers already employed in the public schools.

31 (2) The advisor also shall report comparisons of minorities' and nonminorities' scores on basic
 32 skills, pedagogy and subject matter tests.

33 (3) The Oregon University System, **public universities listed in section 1 of this 2013 Act**, the
 34 Department of Education, the Teacher Standards and Practices Commission, community colleges and
 35 school districts shall cooperate with the advisor in collecting data and preparing the report.

36 **SECTION 124.** ORS 344.259 is amended to read:

37 344.259. (1) The State Board of Education shall coordinate continuing education in lower divi-
 38 sion, developmental, adult self-improvement, professional and technical education for agencies under
 39 its regulatory authority. The State Board of Higher Education shall coordinate continuing education
 40 in upper division and graduate education for public universities under its jurisdiction.

41 (2) When significantly adverse impact is alleged by one or more of the agencies listed in this
 42 subsection, the affected parties jointly shall provide for written agreements. These agreements shall
 43 allocate responsibility for planning and providing continuing education or off-campus instruction in
 44 specific areas or by specific types. The agencies are:

45 (a) The State Board of Education.

1 (b) The State Board of Higher Education.

2 (c) **The board of directors for a public university listed in section 1 of this 2013 Act.**

3 [(c)] (d) Community college districts.

4 [(d)] (e) Independent colleges.

5 [(e)] (f) Proprietary schools.

6 (3) In the event the affected parties fail to reach a written agreement within 120 days following
7 receipt of written notice of the allegation, either party may request the Education and Workforce
8 Policy Advisor to review and to recommend resolution.

9 (4) Nothing in this section prohibits the offering of upper division or graduate programs within
10 30 miles of the campus of the Oregon University System university [offering] **or public university**
11 **listed in section 1 of this 2013 Act that offers** the program, or the offering of lower division
12 programs within 30 miles of the campus [offering] **that offers** the program in areas outside a com-
13 munity college district. Such programs are entitled to the same college credit and financial support
14 as programs offered on the campus of the university.

15 **SECTION 125.** ORS 344.557 is amended to read:

16 344.557. (1) The Department of Human Services may refer a person for vocational training only
17 to the following schools or programs:

18 (a) A school that has accreditation recognized by the United States Department of Education.

19 (b) A school that has been approved by the Higher Education Coordinating Commission to offer
20 and confer degrees in Oregon.

21 (c) A community college.

22 (d) A public university listed in ORS 352.002 **or section 1 of this 2013 Act.**

23 (e) The Oregon Health and Science University.

24 (f) A career school licensed under ORS 345.010 to 345.450.

25 (g) An apprenticeship program that is registered with the State Apprenticeship and Training
26 Council.

27 (2) This section does not apply to vocational rehabilitation training.

28 **SECTION 126.** ORS 344.753 is amended to read:

29 344.753. (1) Employers who enter into written agreements with educational institutions and who
30 are providing training to participants in youth apprenticeship and training or work based learning
31 programs are eligible for reimbursement of expenses incurred in the training process. These ex-
32 penses may include wages paid to the student, training costs for mentors and supervisors, equipment
33 costs to set up youth training capacity, curriculum development costs, costs of establishing interfirm
34 training centers or other costs necessitated by the training agreement.

35 (2) The amount of reimbursement shall be 50 percent of the actual cost of the investment, such
36 reimbursement not to exceed \$2,500 per student who completes the agreed upon course of study.
37 In the event that a student drops out of the program through no fault of the employer, the Depart-
38 ment of Education may reimburse the employer for costs incurred to that point.

39 (3) Eligible employers may elect to receive education service credits in lieu of the reimburse-
40 ment provided in this section. The amount of the education service credit shall equal the value of
41 the potential reimbursement on a dollar-for-dollar basis. Education service credits may be used to
42 purchase educational services provided to the employer by school districts, education service dis-
43 tricts, community colleges, **public universities listed in section 1 of this 2013 Act**, the Oregon
44 University System or private providers approved by the Department of Education.

45 (4) Employers who terminate students without the concurrence of the school forfeit all claim to

1 reimbursements or education service credits earned under this section.

2 (5) The total amount of employer reimbursement allowable under this section to all employers
3 shall not exceed the amount allocated therefor biennially from the Administrative Services Eco-
4 nomic Development Fund.

5 (6) Reimbursements allowed under this section must first be certified with regard to eligibility
6 and availability of funds pursuant to a method established by the Department of Education in con-
7 sultation with the Bureau of Labor and Industries.

8 **SECTION 127.** ORS 348.005 is amended to read:

9 348.005. (1) The Legislative Assembly finds that:

10 (a) The State of Oregon can achieve its full economic and social potential only if all Oregonians
11 have the opportunity to contribute to the full extent of their capabilities and only when financial
12 barriers to their educational goals are removed;

13 (b) All Oregonians who meet the appropriate admissions requirements should be able to attend
14 any community college, public university listed in ORS 352.002 **or section 1 of this 2013 Act** or
15 **any** independent not-for-profit institution of post-secondary education, regardless of individual eco-
16 nomic or social circumstances;

17 (c) The interests of this state are best served when public subsidies supporting college students
18 are distributed fairly, equitably and consciously to ensure maximum access and choice for all
19 Oregonians at the least cost to the taxpayers;

20 (d) Need-based student financial aid is an effective, efficient and essential means of assisting
21 Oregonians who are unable to afford the full cost of higher education;

22 (e) Student financial aid allows Oregonians with limited resources to select academic programs
23 based on their interests, aptitudes and career goals;

24 (f) Student financial aid encourages and permits capable and promising Oregonians to persist in
25 their education and training within this state; and

26 (g) By assisting Oregonians in this manner, student financial aid contributes to the quality of
27 life of each Oregonian and to the social, cultural and economic well-being of all Oregonians.

28 (2) It is the intention of the Legislative Assembly to establish financial assistance programs to
29 enable qualified Oregonians who need student aid to obtain post-secondary education in Oregon's
30 community colleges, public universities or independent not-for-profit institutions of post-secondary
31 education.

32 **SECTION 128.** ORS 348.010 is amended to read:

33 348.010. (1) An account in the Oregon University System Fund established under ORS 351.506
34 is designated for the purpose of granting student loans under the terms established by the National
35 Defense Education Act of 1958, as amended, under the terms of the Health Professions Educational
36 Assistance Act of 1963, as amended, and under the terms of the Nurses Training Act of 1964, as
37 amended.

38 (2) The account designated under this section consists of:

39 (a) All moneys made available to the State Board of Higher Education **or a public university**
40 **listed in section 1 of this 2013 Act** for student loan purposes by state appropriations and by the
41 federal government under terms of the National Defense Education Act of 1958, as amended, under
42 the terms of the Health Professions Educational Assistance Act of 1963, as amended, and under the
43 terms of the Nurses Training Act of 1964, as amended;

44 (b) Repayments of loans identified in paragraph (a) of this subsection;

45 (c) Interest earned on student loans identified in paragraph (a) of this subsection; and

1 (d) Earnings from investments of the account.

2 (3) The repayment in whole or part of any student loan made under terms of the National De-
3 fense Education Act of 1958, as amended, under the terms of the Health Professions Educational
4 Assistance Act of 1963, as amended, and under the terms of the Nurses Training Act of 1964, as
5 amended, shall be made pursuant to the provisions of the applicable federal statutes and repayment
6 to the account designated under this section shall be made in accordance with applicable federal
7 statutes.

8 (4) Income and interest derived from moneys in the account designated by this section are
9 credited to the account.

10 **SECTION 129.** ORS 348.180 is amended to read:

11 348.180. As used in this section and ORS 348.186, 348.205, 348.230, 348.250, 348.260 and 348.285:

12 (1) "Cost of education" includes but is not limited to, tuition, fees and living expenses.

13 (2) "Eligible post-secondary institution" means:

14 (a) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**;

15 (b) A community college operated under ORS chapter 341;

16 (c) The Oregon Health and Science University; or

17 (d) An Oregon-based, generally accredited, not-for-profit institution of higher education.

18 (3) "Qualified student" means any resident student who plans to attend an eligible post-
19 secondary institution and who:

20 (a) Has not achieved a baccalaureate or higher degree from any post-secondary institution;

21 (b) Is enrolled in an eligible program as defined by rule of the Oregon Student Access Commis-
22 sion; and

23 (c) Is making satisfactory academic progress as defined by rule of the commission.

24 **SECTION 130.** ORS 348.205 is amended to read:

25 348.205. (1) The Oregon Opportunity Grant program is established within the Oregon Student
26 Access Commission.

27 (2) Under the program, the cost of education of a qualified student shall be shared by the stu-
28 dent, the family of the student, the federal government and the state.

29 (3) The commission shall determine the cost of education of a qualified student based on the type
30 of eligible post-secondary institution the student is attending. The cost of education equals:

31 (a) For a student attending a community college, the average cost of education of attending a
32 community college in this state;

33 (b) For a student attending a public university under the direction of the State Board of Higher
34 Education, the average cost of education of attending a public university under the direction of the
35 board;

36 **(c) For a student attending a public university listed in section 1 of this 2013 Act, the**
37 **average cost of education of attending the university;**

38 [(c)] (d) For a student attending a two-year Oregon-based, generally accredited, not-for-profit
39 institution of higher education, the average cost of education of attending a community college in
40 this state; and

41 [(d)] (e) For a student attending the Oregon Health and Science University or a four-year
42 Oregon-based, generally accredited, not-for-profit institution of higher education, the average cost
43 of education of attending an institution under the direction of the board.

44 (4)(a) The commission shall determine the amount of the student share. The student share shall
45 be based on:

1 (A) The type of eligible post-secondary institution the student is attending;

2 (B) The number of hours of work that the commission determines may be reasonably expected
3 from the student; and

4 (C) The amount of loans that the commission determines would constitute a manageable debt
5 burden for the student.

6 (b) The student shall determine how to cover the student share through income from work,
7 loans, savings and scholarships.

8 (c) The student share for a student who attends a community college may not exceed the amount
9 that the commission determines a student may earn based on the number of hours of work reason-
10 ably expected from the student under paragraph (a) of this subsection.

11 (d) The student share for a student who attends an eligible post-secondary institution that is not
12 a community college may not exceed the sum of the amount that the commission determines a stu-
13 dent may receive as loans plus the amount a student may earn based on the number of hours of
14 work reasonably expected from the student under paragraph (a) of this subsection.

15 (5) The commission shall determine the amount of the family share. The family share shall be
16 based on the resources of the family.

17 (6) The commission shall determine the amount of the federal share based on how much the
18 student or the student's family is expected to receive from the federal government as grants, loans,
19 tax credits or other student assistance.

20 (7)(a) The commission shall determine the amount of the state share. The state share shall be
21 equal to the cost of education reduced by the student share, family share and amount received by
22 the student from the federal government.

23 (b) The commission shall establish a minimum amount that a student may receive as a state
24 share. If the commission determines that the amount of the state share of a student is below the
25 minimum amount, the student may not receive the state share.

26 (c) In determining the amount of the state share, the commission shall consider the total amount
27 available to award as grants to all qualified students. If the commission must reduce the amount of
28 the state share under this paragraph, the commission may not reduce the amount of the state share
29 awarded to students in the low income range in a greater proportion than the amount that the state
30 share for students in other income ranges is reduced.

31 (8)(a) The commission shall adopt rules that prioritize current foster children and former foster
32 children for receiving Oregon Opportunity Grants when the Oregon Opportunity Grant program
33 does not have sufficient funding to serve all eligible Oregon students.

34 (b) For the purposes of this subsection, "former foster child" has the meaning given that term
35 in ORS 351.293.

36 **SECTION 131.** ORS 348.270 is amended to read:

37 348.270. (1) In addition to any other scholarships provided by law, the commission shall award
38 scholarships in any public university listed in ORS 352.002 **or section 1 of this 2013 Act**, in the
39 Oregon Health and Science University, in any community college operated under ORS chapter 341,
40 or in any Oregon-based regionally accredited independent institution, to any student applying for
41 enrollment or who is enrolled therein, who is:

42 (a) The natural child, adopted child or stepchild of any public safety officer who, in the line of
43 duty, was killed or so disabled, as determined by the commission, that the income of the public
44 safety officer is less than that earned by public safety officers performing duties comparable to those
45 performed at the highest rank or grade attained by the public safety officer; or

1 (b) A current foster child or former foster child who enrolls in an institution of higher education
 2 as an undergraduate student not later than three years from the date the student was removed from
 3 the care of the Department of Human Services, the date the student graduated from high school or
 4 the date the student received the equivalent of a high school diploma, whichever date is earliest.

5 (2) Scholarships awarded under this section to students who are dependents of public safety of-
 6 ficers or who are current foster children or former foster children shall equal the amount of tuition
 7 and all fees levied by the institution against the recipient of the scholarship. However, scholarships
 8 awarded to students who attend independent institutions shall not exceed the amount of tuition and
 9 all fees levied by the University of Oregon.

10 (3) If the student who is the dependent of a deceased public safety officer continues to remain
 11 enrolled in a public university [*listed in ORS 352.002*] or a community college or an independent
 12 institution within the State of Oregon, the student shall be entitled to renewal of the scholarship
 13 until the student has received the equivalent of four years of undergraduate education and four
 14 years of post-graduate education.

15 (4) If the student who is a current foster child or former foster child or who is the dependent
 16 of a public safety officer with a disability continues to remain enrolled in a public university [*listed*
 17 *in ORS 352.002*] or a community college or an independent institution within the State of Oregon,
 18 the student shall be entitled to renewal of the scholarship until the student has received the equiv-
 19 alent of four years of undergraduate education.

20 (5) The commission may require proof of the student's relationship to a public safety officer de-
 21 scribed in subsection (1) of this section or proof that the student is a current foster child or former
 22 foster child.

23 (6) As used in this section:

24 (a) "Former foster child" means an individual who, for a total of 12 or more months while be-
 25 tween the ages of 16 and 21, was a ward of the court pursuant to ORS 419B.100 (1)(b) to (e) and in
 26 the legal custody of the Department of Human Services for out-of-home placement.

27 (b) "Public safety officer" means:

28 (A) A firefighter or police officer as those terms are defined in ORS 237.610.

29 (B) A member of the Oregon State Police.

30 (C) A police officer commissioned by a university under ORS 352.383.

31 (D) An authorized tribal police officer as defined in section 1, chapter 644, Oregon Laws 2011.

32 **SECTION 132.** ORS 348.270, as amended by section 51, chapter 644, Oregon Laws 2011, is
 33 amended to read:

34 348.270. (1) In addition to any other scholarships provided by law, the commission shall award
 35 scholarships in any public university listed in ORS 352.002 **or section 1 of this 2013 Act**, in the
 36 Oregon Health and Science University, in any community college operated under ORS chapter 341,
 37 or in any Oregon-based regionally accredited independent institution, to any student applying for
 38 enrollment or who is enrolled therein, who is:

39 (a) The natural child, adopted child or stepchild of any public safety officer who, in the line of
 40 duty, was killed or so disabled, as determined by the commission, that the income of the public
 41 safety officer is less than that earned by public safety officers performing duties comparable to those
 42 performed at the highest rank or grade attained by the public safety officer; or

43 (b) A current foster child or former foster child who enrolls in an institution of higher education
 44 as an undergraduate student not later than three years from the date the student was removed from
 45 the care of the Department of Human Services, the date the student graduated from high school or

1 the date the student received the equivalent of a high school diploma, whichever date is earliest.

2 (2) Scholarships awarded under this section to students who are dependents of public safety of-
3 ficers or who are current foster children or former foster children shall equal the amount of tuition
4 and all fees levied by the institution against the recipient of the scholarship. However, scholarships
5 awarded to students who attend independent institutions shall not exceed the amount of tuition and
6 all fees levied by the University of Oregon.

7 (3) If the student who is the dependent of a deceased public safety officer continues to remain
8 enrolled in a public university [*listed in ORS 352.002*] or a community college or an independent
9 institution within the State of Oregon, the student shall be entitled to renewal of the scholarship
10 until the student has received the equivalent of four years of undergraduate education and four
11 years of post-graduate education.

12 (4) If the student who is a current foster child or former foster child or who is the dependent
13 of a public safety officer with a disability continues to remain enrolled in a public university [*listed*
14 *in ORS 352.002*] or a community college or an independent institution within the State of Oregon,
15 the student shall be entitled to renewal of the scholarship until the student has received the equiv-
16 alent of four years of undergraduate education.

17 (5) The commission may require proof of the student's relationship to a public safety officer de-
18 scribed in subsection (1) of this section or proof that the student is a current foster child or former
19 foster child.

20 (6) As used in this section:

21 (a) "Former foster child" means an individual who, for a total of 12 or more months while be-
22 tween the ages of 16 and 21, was a ward of the court pursuant to ORS 419B.100 (1)(b) to (e) and in
23 the legal custody of the Department of Human Services for out-of-home placement.

24 (b) "Public safety officer" means:

25 (A) A firefighter or police officer as those terms are defined in ORS 237.610.

26 (B) A member of the Oregon State Police.

27 (C) A police officer commissioned by a university under ORS 352.383.

28 **SECTION 133.** ORS 348.282 is amended to read:

29 348.282. As used in this section and ORS 348.283:

30 (1) "Armed Forces of the United States" means:

31 (a) The Army, Navy, Air Force, Marine Corps and Coast Guard of the United States;

32 (b) The reserves of the Army, Navy, Air Force, Marine Corps and Coast Guard of the United
33 States; and

34 (c) The Oregon National Guard and a National Guard of any other state or territory.

35 (2) "Public post-secondary institution" means:

36 (a) A public university [*under the direction of the State Board of Higher Education*] **listed in ORS**
37 **352.002 or section 1 of this 2013 Act**; and

38 (b) A community college operated under ORS chapter 341.

39 (3) "Veteran" has the meaning given that term in ORS 408.225.

40 **SECTION 134.** ORS 348.394 is amended to read:

41 348.394. As used in ORS 348.394 to 348.406:

42 (1) "Eligible post-secondary institution" means:

43 (a) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**;

44 (b) A community college as defined in ORS 341.005; or

45 (c) A generally accredited, not-for-profit institution of higher education.

1 (2) "Participant" means a student who receives a grant under ORS 348.401.

2 **SECTION 135.** ORS 348.470 is amended to read:

3 348.470. The Legislative Assembly finds and declares that:

4 (1) It is the policy of this state to encourage cooperation between the Oregon University
5 System, **public universities listed in section 1 of this 2013 Act** and community colleges on issues
6 affecting students who transfer [*between the two*] **among the** segments; and

7 (2) All unnecessary obstacles that restrict student transfer opportunities [*between the two*]
8 **among the** segments shall be eliminated.

9 **SECTION 136.** ORS 348.597 is amended to read:

10 348.597. (1) Except as provided in subsection (2) of this section, ORS 348.594 to 348.615 apply to
11 all schools that operate in this state.

12 (2) ORS 348.594 to 348.615 do not apply to:

13 (a) An Oregon community college;

14 (b) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**;

15 (c) The Oregon Health and Science University;

16 (d) A school, or a separately accredited campus of a school, if the school:

17 (A) Is a nonprofit school that is exempt from federal income tax under section 501(c)(3) of the
18 Internal Revenue Code;

19 (B) Conferred degrees in this state under the same control for at least five consecutive years;
20 and

21 (C) Is accredited by a regional accrediting association or its national successor;

22 (e) A school that, on July 14, 2005, was a school that met the criteria and followed procedures
23 to obtain a religious exemption adopted by rule by the Oregon Student Access Commission and that
24 offered only degrees with approved titles in theology or religious occupations; or

25 (f) A school that is exempt from ORS 348.594 to 348.615 under ORS 348.604.

26 (3) The Higher Education Coordinating Commission shall issue a separate license to issue de-
27 grees to each school that meets the requirements for exemption from evaluation by the office set
28 forth in subsection (2)(d) of this section. The license shall remain in effect if the school continues
29 to meet the requirements of subsection (2)(d) of this section.

30 **SECTION 137.** ORS 348.890 is amended to read:

31 348.890. (1) The Higher Education Coordinating Commission shall provide policy direction to
32 implement regional partnership proposals and any other joint program or activity approved by the
33 State Board of Education, [*and*] the State Board of Higher Education **and the board of directors**
34 **of a university listed in section 1 of this 2013 Act**.

35 (2) Notwithstanding ORS 351.063 (3), the Department of Community Colleges and Workforce
36 Development and the Oregon University System may use appropriations from the General Fund to
37 implement agreements approved by the Higher Education Coordinating Commission that provide di-
38 rect aid to a student, or other incentives that encourage shared use of facilities, programs and other
39 resources of public universities listed in ORS 352.002 and community colleges.

40 **SECTION 138.** ORS 348.900 is amended to read:

41 348.900. (1) The Employment Department, in consultation with health care industry employers,
42 shall perform a statewide and regional needs assessment for health care occupations to identify
43 emerging occupations and occupations for which there is high demand or a shortage of workers. The
44 assessment shall be performed as necessary on a periodic basis, as determined by the department,
45 in consultation with industry employers. To perform the needs assessment, the department may

1 consider any reliable data sources available to the department.

2 (2) Based on the needs assessment, the Higher Education Coordinating Commission shall inform
3 the community colleges, public universities listed in ORS 352.002 **or section 1 of this 2013 Act**,
4 Oregon Health and Science University and health care industry employers of the identified state-
5 wide needs and invite the development of health care education programs that are responsive to
6 those needs.

7 (3) When approving health care education programs, the State Board of Education, the State
8 Board of Higher Education, **the board of directors of a public university listed in section 1 of**
9 **this 2013 Act** and the Oregon Health and Science University Board of Directors shall use the
10 statewide needs assessment to evaluate whether a program fulfills statewide needs. If a board de-
11 termines there is a statewide need, the board shall facilitate the:

12 (a) Coordination of new health care education programs and existing health care education
13 programs that are similar to the new health care education programs to address the statewide need;
14 and

15 (b) Alignment of health care education programs relating to statewide access, student
16 transferability between programs, course articulation and common student learning outcomes for
17 health care education programs.

18 (4) In the development and approval of health care education programs, community colleges,
19 public universities, Oregon Health and Science University, the State Board of Education, the State
20 Board of Higher Education, **the board of directors of a public university listed in section 1 of**
21 **this 2013 Act** and the Oregon Health and Science University Board of Directors shall consider is-
22 sues related to statewide access, student transferability between programs, course articulation and
23 common student learning outcomes for health care education programs. The community colleges,
24 public universities, Oregon Health and Science University and boards shall continue to provide and
25 improve upon an effective articulation and transfer framework for students in Oregon's post-
26 secondary sectors.

27 **SECTION 139.** ORS 348.910 is amended to read:

28 348.910. (1) As used in this section, "applied baccalaureate degree" means a bachelor's degree
29 designed to incorporate applied associate courses and degrees with additional coursework empha-
30 sizing higher-order thinking skills and advanced technical knowledge and skills.

31 (2) The Higher Education Coordinating Commission shall develop a plan for offering applied
32 baccalaureate degree programs at community colleges and public universities listed in ORS 352.002
33 **and section 1 of this 2013 Act**. The commission shall consider the following types of programs for
34 the purpose of offering some of these types and the possibility of combinations of these types:

35 (a) A career ladder program that requires a substantial number of upper level courses in the
36 same technical area of study as the student's applied associate degree;

37 (b) An inverse program that reverses the traditional curriculum sequence by adding general
38 education courses in the student's third and fourth years to the associate degree courses taken in
39 the student's first and second years;

40 (c) A management ladder program that combines associate degree requirements with applied
41 management skills coursework; and

42 (d) A work experience program that combines general education and technical coursework with
43 direct, supervised work experience in a relevant field.

44 (3) The plan must include the following elements:

45 (a) The method by which the applied baccalaureate degree programs will be created, including

1 any necessary accreditation by the relevant accrediting agency;

2 (b) The criteria for approving the degree and course options offered by public universities [*listed*
3 *in ORS 352.002*] and community colleges;

4 (c) The articulation agreements between community colleges and public universities [*listed in*
5 *ORS 352.002*] necessary to ensure that the applied baccalaureate degree programs are as widely
6 available as possible;

7 (d) The resources required to implement the applied baccalaureate degree program;

8 (e) The timeline necessary to implement the applied baccalaureate degree program; and

9 (f) A recommendation as to whether community colleges should be allowed to offer applied
10 baccalaureate degrees.

11 **SECTION 140.** ORS 351.015 is amended to read:

12 351.015. The Oregon University System shall be conducted under the control of a board of 15
13 directors, to be known as the State Board of Higher Education. Except as otherwise provided by
14 law, the board has sole authority to govern, set policy and otherwise manage the affairs of the
15 public universities listed in ORS 352.002. The board shall consist of:

16 (1) Two students who at the time of their appointment to the board are attending different public
17 universities listed in ORS 352.002.

18 (2) One member of the faculty at Oregon State University[, *Portland State University or Uni-*
19 *versity of Oregon*].

20 (3) One member of the faculty at Eastern Oregon University, Oregon Institute of Technology,
21 Southern Oregon University or Western Oregon University.

22 (4) Eleven members of the general public who are not students or faculty members at the time
23 of appointment.

24 **SECTION 141.** ORS 351.065 is amended to read:

25 351.065. (1) The State Board of Higher Education may, for each public university or office, de-
26 partment or activity under its control, **and the board of directors of a public university listed**
27 **in section 1 of this 2013 Act may, for the university,** adopt rules and specific orders by or
28 through the president of each public university governing access to personnel records of the public
29 university or office, department or activity that are less than 25 years old.

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

36 (3) [*No*] **A** rule or order promulgated pursuant to this section [*shall*] **may not** deny to a faculty
37 member full access to the member's personnel file or records kept by the **State Board of Higher**
38 **Education** or its public universities or offices, departments or activities, **or by a public university**
39 **listed in section 1 of this 2013 Act**, except as provided in subsections (7) and (8) of this section.

40 (4) The number of files relating to the evaluation of a faculty member [*shall be*] **is** limited to
41 three, to be kept in designated, available locations.

42 (5) Any evaluation received by telephone [*shall*] **must** be documented in each of the faculty
43 member's files by means of a written summary of the conversation with the names of the conversants
44 identified.

45 (6) A faculty member [*shall be*] **is** entitled to submit, for placement in the three files, evidence

1 rebutting, correcting, amplifying or explaining any document contained therein and other material
2 that the member believes might be of assistance in the evaluation process.

3 (7) Letters and other information submitted in confidence to the **State Board of Higher Edu-**
4 **cation** or its public universities, offices, departments or activities prior to July 1, 1975, shall be
5 maintained in the files designated. However, if a faculty member requests access to those files, the
6 anonymity of the contributor of letters and other information obtained prior to July 1, 1975, shall
7 be protected. The full text shall be made available except that portions of the text that would serve
8 to identify the contributor shall be excised by a faculty committee. Only the names of the contrib-
9 utors and the excised portions of the documents may be kept in a file other than the three pre-
10 scribed by subsection (4) of this section.

11 (8)(a) Confidential letters and other information submitted to or solicited after July 1, 1975, by
12 the **State Board of Higher Education** or its public universities, offices, departments or activities
13 prior to the employment of a prospective faculty member are exempt from the provisions of this
14 section. However, if the member is employed by the board or its public universities, offices, depart-
15 ments or activities, the confidential preemployment materials shall be placed in the three authorized
16 files. If a faculty member requests access to the member's files, the anonymity of the contributor of
17 confidential preemployment letters and other preemployment information shall be protected. The full
18 text shall be made available, except that portions of the text that would serve to identify the con-
19 tributor shall be excised and retained in a file other than the three designated in subsection (4) of
20 this section.

21 (b) **Confidential letters and other information submitted to or solicited by a public uni-**
22 **versity listed in section 1 of this 2013 Act after July 1, 2014, and prior to the employment of**
23 **a prospective faculty member are exempt from the provisions of this section. However, if the**
24 **member is employed by the university, the confidential preemployment materials shall be**
25 **placed in the three authorized files. If a faculty member requests access to the member's**
26 **files, the anonymity of the contributor of confidential preemployment letters and other pre-**
27 **employment information shall be protected. The full text shall be made available, except that**
28 **portions of the text that would serve to identify the contributor shall be excised and retained**
29 **in a file other than the three designated in subsection (4) of this section.**

30 (9) Classroom survey evaluation by students of a faculty member's classroom or laboratory per-
31 formance shall be anonymous. The record of tabulated reports shall be placed in at least one of the
32 files designated in subsection (4) of this section. All survey instruments used to obtain evaluation
33 data shall be returned to the faculty member.

34 (10) **A public university listed in section 1 of this 2013 Act and,** after July 1, 1975, the **State**
35 **Board of Higher Education** and its public universities, offices, departments or activities, when
36 evaluating its employed faculty members, may not solicit or accept letters, documents or other ma-
37 terials, given orally or in written form, from individuals or groups who wish their identity kept
38 anonymous or the information they provide kept confidential.

39 (11) [No] **A rule or order promulgated pursuant to this section [limits] does not limit** the au-
40 thority of **a public university listed in section 1 of this 2013 Act or** the public universities, of-
41 fices, departments or activities under the control of the **State Board of Higher Education** to
42 prepare, without identification of individual persons who have not consented thereto, statistical or
43 demographic reports from personnel records.

44 (12) Any category of personnel records specifically designated as confidential pursuant to valid
45 rules or orders pursuant to this section is not a public record for the purposes of ORS 192.420.

1 (13) As used in this section, “personnel records” means records containing information kept by
 2 the public university, office, department or activity concerning a faculty member and furnished by
 3 the faculty member or by others about the faculty member at the request of the faculty member or
 4 the public university, office, department or activity, including, but not limited to, information con-
 5 cerning discipline, membership activity, employment performance or other personal records of indi-
 6 vidual persons.

7 **SECTION 142.** ORS 351.067 is amended to read:

8 351.067. (1) **The State Board of Higher Education**, in carrying out its authority under ORS
 9 351.070, [*the State Board of Higher Education*] **and the board of directors of a university listed**
 10 **in section 1 of this 2013 Act** may authorize receipt of compensation for any officer or employee
 11 [*of the Oregon University System*] from private or public resources, including, but not limited to, in-
 12 come from:

13 (a) Consulting;

14 (b) Appearances and speeches;

15 (c) Intellectual property conceived, reduced to practice or originated and therefore owned within
 16 the Oregon University System **or public university listed in section 1 of this 2013 Act**;

17 (d) Providing services or other valuable consideration for a private corporation, individual, or
 18 entity, whether paid in cash or in-kind, stock or other equity interest, or anything of value regard-
 19 less of whether there is a licensing agreement between the Oregon University System **or public**
 20 **university** and the private entity; and

21 (e) Performing public duties paid by private organizations, including institution corporate affil-
 22 iates, that augments an officer’s or employee’s publicly funded salary. Such income shall be author-
 23 ized and received in accordance with policies and rules established by [*the*] **each** board.

24 (2) [*The*] **Each** board may not authorize compensation, as described in subsection (1) of this
 25 section, that, in the board’s judgment, does not comport with the mission of [*a*] **the** public university
 26 [*listed in ORS 352.002 and the Oregon University System*] or substantially interferes with an officer’s
 27 or employee’s duties to the [*Oregon University System*] **university**.

28 (3) Any compensation described and authorized under subsection (1) of this section is considered
 29 official compensation or reimbursement of expenses for purposes of ORS 244.040 and is not consid-
 30 ered an honorarium prohibited by ORS 244.042. If authorization or receipt of the compensation cre-
 31 ates a potential conflict of interest, the officer or employee shall report the potential conflict in
 32 writing in accordance with **board** rules [*of the board*]. The disclosure is a public record subject to
 33 public inspection.

34 (4) [*The*] **Each** board shall adopt by rule standards governing employee outside employment and
 35 activities, including potential conflict of interest, as defined by board rule and consistent with ORS
 36 244.020, and the public disclosure thereof, and procedures for reporting and hearing potential or
 37 actual conflict of interest complaints.

38 **SECTION 142a.** ORS 351.296 is amended to read:

39 351.296. (1) As used in this section, “[*state*] institution of higher [*learning*] **education**” means:

40 (a) A [*state institution of higher education*] **public university** listed in ORS 352.002 **or section**
 41 **1 of this 2013 Act**;

42 (b) A community college operated under ORS chapter 341; or

43 (c) **The** Oregon Health and Science University.

44 (2) [*A state institution of higher learning*] **An institution of higher education** shall allow
 45 members and agents of the Armed Forces of the United States to recruit on a public campus and

1 shall set rules and standards for such recruitment that are the same as for all other employment
2 recruitment activities allowed on the campus.

3 **SECTION 143.** ORS 351.509 is amended to read:

4 351.509. (1) There is established in the General Fund an account to be known as the Portland
5 State University Center for Nanoscience and Nanotechnology Account. Funds in the account shall
6 be used for the acquisition and expansion of microscopy and materials characterization facilities at
7 Portland State University related to a signature research center.

8 (2) The account shall consist of proceeds from lottery bonds made available to [*the Oregon*
9 *University System*] **Portland State University** for the purpose of the Portland State University
10 center for nanoscience and nanotechnology project described in subsection (1) of this section. In-
11 terest earned on moneys in the account shall be credited to the account.

12 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]
13 **Portland State University** for the center for nanoscience and nanotechnology project described in
14 subsection (1) of this section. The account may not be credited with more than \$500,000 in interest
15 and proceeds from lottery bonds.

16 **SECTION 144.** ORS 351.511 is amended to read:

17 351.511. (1) There is established in the General Fund an account to be known as the Portland
18 State University Northwest Engineering Science Center Phase I Account. Funds in the account shall
19 be used for acquisition or construction of an engineering science center at Portland State Univer-
20 sity.

21 (2) The account shall consist of federal and local government funds made available to and funds
22 donated to [*the Oregon University System*] **Portland State University** for the purpose of the
23 Portland State University Northwest Engineering Science Center Phase I project described in sub-
24 section (1) of this section. Interest earned on moneys in the account shall be credited to the ac-
25 count.

26 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]
27 **Portland State University** for the purposes described in subsection (1) of this section. The account
28 may not be credited with more than \$26,500,000 in interest, donations and federal and local gov-
29 ernment funds for purposes of this subsection.

30 **SECTION 145.** ORS 351.517 is amended to read:

31 351.517. (1) There is established in the General Fund an account to be known as the University
32 of Oregon Education Building and Complex Account. Funds in the account shall be used for the
33 acquisition, construction, remodeling, expansion and renovation of facilities for an education build-
34 ing and complex at the University of Oregon.

35 (2) The account shall consist of federal and local government funds made available to and funds
36 donated to the Oregon University System for the purpose of the education building and complex
37 project described in subsection (1) of this section. Interest earned on moneys in the account shall
38 be credited to the account. The account may not be credited with more than \$19,400,000 in interest,
39 donations and federal and local government funds for purposes of this subsection.

40 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**
41 **behalf of the University of Oregon** and may be transferred to the account designated by ORS
42 351.626 for the education building and complex project described in subsection (1) of this section.

43 **SECTION 146.** ORS 351.518 is amended to read:

44 351.518. (1) There is established in the General Fund an account to be known as the University
45 of Oregon Gilbert Hall Account. Funds in the account shall be used for the acquisition, construction,

1 remodeling, expansion and renovation of facilities for Gilbert Hall at the University of Oregon.

2 (2) The account shall consist of federal and local government funds made available to and funds
3 donated to the Oregon University System for the purpose of the Gilbert Hall project described in
4 subsection (1) of this section. Interest earned on moneys in the account shall be credited to the ac-
5 count. The account may not be credited with more than \$3,300,000 in interest, donations and federal
6 and local government funds for purposes of this subsection.

7 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**
8 **behalf of the University of Oregon** and may be transferred to the account designated by ORS
9 351.626 for the Gilbert Hall project described in subsection (1) of this section.

10 **SECTION 147.** ORS 351.519 is amended to read:

11 351.519. (1) There is established in the General Fund an account to be known as the University
12 of Oregon Integrative Science Complex Account. Funds in the account shall be used for the acqui-
13 sition, construction, remodeling, expansion and renovation of facilities for an integrative science
14 complex at the University of Oregon that includes a multiscale materials and devices laboratory and
15 other facilities related to a signature research center.

16 (2) The account shall consist of proceeds from lottery bonds made available to the Oregon Uni-
17 versity System **or the University of Oregon** for the purpose of the University of Oregon integrative
18 science complex project described in subsection (1) of this section. Interest earned on moneys in the
19 account shall be credited to the account.

20 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**
21 **behalf of the University of Oregon** for the integrative science complex project described in sub-
22 section (1) of this section. The account may not be credited with more than \$4,750,000 in interest
23 and proceeds from lottery bonds.

24 **SECTION 148.** ORS 351.521 is amended to read:

25 351.521. (1) There is established in the General Fund an account to be known as the University
26 of Oregon School of Music Account. Funds in the account shall be used for additions and alterations
27 to the School of Music at the University of Oregon.

28 (2) The account shall consist of federal and local government funds made available to and funds
29 donated to the Oregon University System **or the University of Oregon** for the purpose of the
30 University of Oregon School of Music project described in subsection (1) of this section. Interest
31 earned on moneys in the account shall be credited to the account.

32 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**
33 **behalf of the University of Oregon** for that purpose. The account may not be credited with more
34 than \$7,600,000 in interest, donations and federal and local government funds for purposes of this
35 subsection.

36 **SECTION 149.** ORS 351.538 is amended to read:

37 351.538. (1) There is established in the General Fund an account to be known as the Museum
38 of Art Project Account. Funds in the account shall be used for additions to and alterations of the
39 Museum of Art at the University of Oregon.

40 (2) The account shall consist of federal and local government funds made available to and funds
41 donated to the Oregon University System **or the University of Oregon** for the purposes of the
42 Museum of Art project described in subsection (1) of this section. Interest earned on moneys in the
43 account shall be credited to the account.

44 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**
45 **behalf of the University of Oregon** for that purpose. The account may not be credited with more

1 than \$6,360,000 in interest, donations and federal and local government funds for purposes of this
2 subsection.

3 **SECTION 150.** ORS 351.539 is amended to read:

4 351.539. (1) There is established in the General Fund an account to be known as the Straub Hall
5 Project Account. Funds in the account shall be used for the additions to and alterations of Straub
6 Hall at the University of Oregon.

7 (2) The account shall consist of federal and local government funds made available to and funds
8 donated to the Oregon University System **or the University of Oregon** for the purposes of the
9 Straub Hall project described in subsection (1) of this section. Interest earned on moneys in the
10 account shall be credited to the account.

11 (3) Moneys in the account are continuously appropriated to the Oregon University System **on**
12 **behalf of the University of Oregon** for that purpose. The account may not be credited with more
13 than \$1,166,000 in interest, donations and federal and local government funds for purposes of this
14 subsection.

15 **SECTION 151.** ORS 351.642, as amended by section 7, chapter 106, Oregon Laws 2012, is
16 amended to read:

17 351.642. (1) As used in this section:

18 (a) "Active member of the Armed Forces of the United States" includes officers and enlisted
19 personnel of the Armed Forces of the United States who:

20 (A) Reside in this state while assigned to duty at any base, station, shore establishment or other
21 facility in this state;

22 (B) Reside in this state while serving as members of the crew of a ship that has an Oregon port
23 or shore establishment as its home port or permanent station; or

24 (C) Reside in another state or a foreign country and establish Oregon residency by filing Oregon
25 state income taxes no later than 12 months before leaving active duty.

26 (b) "Armed Forces of the United States" includes:

27 (A) The Army, Navy, Air Force, Marine Corps and Coast Guard of the United States;

28 (B) Reserve components of the Army, Navy, Air Force, Marine Corps and Coast Guard of the
29 United States; and

30 (C) The National Guard of the United States and the Oregon National Guard.

31 (c) "Dependent children" includes any children of an active member of the Armed Forces of the
32 United States, of an active member of the commissioned corps of the National Oceanic and Atmo-
33 spheric Administration or of a member of the Public Health Service of the United States Department
34 of Health and Human Services detailed by proper authority for duty with the Army or Navy of the
35 United States, who:

36 (A) Are under 18 years of age and not married, otherwise emancipated or self-supporting; or

37 (B) Are under 23 years of age, unmarried, enrolled in a full-time course of study in an institution
38 of higher learning and dependent on the member for over one-half of their support.

39 (2) Active members of the Armed Forces of the United States, active members of the commis-
40 sioned corps of the National Oceanic and Atmospheric Administration and members of the Public
41 Health Service of the United States Department of Health and Human Services detailed by proper
42 authority for duty with the Army or Navy of the United States, and their spouses and dependent
43 children, are considered residents of this state for the purpose of admission and for the purpose of
44 determining fees and tuition to be paid by such individuals while attending any public university
45 *[that is under the control of the State Board of Higher Education]* **listed in ORS 352.002 or section**

1 **1 of this 2013 Act.**

2 (3) The State Board of Higher Education **and the board of directors of a public university**
 3 **listed in section 1 of this 2013 Act** may contract with the Armed Forces of the United States to
 4 furnish educational service in the public universities to active members of the Armed Forces of the
 5 United States.

6 (4) The State Board of Higher Education **and the board of directors of a public university**
 7 **listed in section 1 of this 2013 Act** shall determine the number of such students that should be
 8 accepted and shall make final decisions on admission of individual applicants.

9 (5) Students attending the public universities under contracts with the Armed Forces of the
 10 United States under this section shall pay fees and tuition customarily charged Oregon students.

11 (6) Payments made by the Armed Forces of the United States under such contracts shall be de-
 12 posited in a designated account in the Oregon University System Fund established by ORS 351.506
 13 in the same manner that fees and tuition payments for resident students are deposited and credited.

14 **SECTION 152.** ORS 351.643, as amended by section 8, chapter 106, Oregon Laws 2012, is
 15 amended to read:

16 351.643. (1) A student at a public university listed in ORS 352.002 **or section 1 of this 2013**
 17 **Act** who is a member of the military, a member of the commissioned corps of the National Oceanic
 18 and Atmospheric Administration or a member of the Public Health Service of the United States
 19 Department of Health and Human Services detailed by proper authority for duty with the Army or
 20 Navy of the United States and who is ordered to federal or state active duty for more than 30
 21 consecutive days has the following rights:

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

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

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

27 (C) Continue and complete the course for full credit, subject to the provisions of subsection (3)
 28 of this section;

29 (b) The right to a credit described in ORS 351.644 for all amounts paid for room, board, tuition
 30 and fees;

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

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

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

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

40 (b) Give the student a failing grade or a grade of incomplete or make any other negative anno-
 41 tation on the student's record; or

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

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

45 (a) Course sessions the student misses due to active duty shall be counted as excused absences

1 and may not adversely impact the student's grade for the course or rank in the student's class.

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

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

7 (4) The State Board of Higher Education **and the board of directors of a public university**
8 **listed in section 1 of this 2013 Act** shall adopt rules for the administration of this section.

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

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

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

13 **SECTION 153.** ORS 351.644 is amended to read:

14 351.644. (1)(a) The amount of the credit specified in ORS 351.643 (1)(b) shall be based on:

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

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

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

21 (c) At the time a student withdraws from a course at a public university listed in ORS 352.002
22 **or section 1 of this 2013 Act** or from the public university, the student must elect to claim the
23 credit:

24 (A) As a credit toward tuition and fees or room and board if the student reenrolls at the public
25 university under ORS 351.643 (1)(c); or

26 (B) As a monetary payment.

27 (2) A student who elects to claim the credit by the method described in subsection (1)(c)(A) of
28 this section may change the method of claiming the credit to the method described in subsection
29 (1)(c)(B) of this section by giving notice to the public university from which the student withdraws.

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

33 (4) A personal representative of a student who elected to claim the credit by the method de-
34 scribed in subsection (1)(c)(A) of this section may claim a monetary payment upon presenting evi-
35 dence to the public university that the student died while serving on active duty.

36 (5) The State Board of Higher Education **and the board of directors of a university listed in**
37 **section 1 of this 2013 Act** shall adopt rules for the administration of this section, including rules
38 that determine the amount of credit and the method by which the credit is prorated.

39 **SECTION 153a.** ORS 351.646 is amended to read:

40 351.646. A public university listed in ORS 352.002 **or section 1 of this 2013 Act** shall give credit
41 for education and training obtained by a person while serving in the Armed Forces of the United
42 States, as defined in ORS 351.642. The education and training for which credit may be given must
43 meet the standards adopted by the State Board of Higher Education **or board of directors of a**
44 **public university listed in section 1 of this 2013 Act** by rule.

45 **SECTION 154.** ORS 351.649 is amended to read:

1 351.649. (1) For the purposes of this section:

2 (a) "Public institution of higher education" means:

3 (A) A community college;

4 (B) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**; and

5 (C) The Oregon Health and Science University.

6 (b) "School-sponsored media" means materials that are prepared, substantially written, published
7 or broadcast by student journalists, that are distributed or generally made available, either free of
8 charge or for a fee, to members of the student body and that are prepared under the direction of a
9 student media adviser. "School-sponsored media" does not include media intended for distribution
10 or transmission solely in the classrooms in which they are produced.

11 (c) "Student journalist" means a student who gathers, compiles, writes, edits, photographs, re-
12 cords or prepares information for dissemination in school-sponsored media.

13 (d) "Student media adviser" means a person who is employed, appointed or designated by a
14 public institution of higher education to supervise, or provide instruction relating to, school-
15 sponsored media.

16 (2) Student journalists are responsible for determining the news, opinion, feature and advertising
17 content of school-sponsored media. This subsection does not prevent a student media adviser from
18 teaching professional standards of English and journalism to the student journalists.

19 (3) Nothing in this section may be interpreted to authorize expression by students that:

20 (a) Is libelous or slanderous;

21 (b) Constitutes an unwarranted invasion of privacy;

22 (c) Violates federal or state statutes, rules or regulations or state common law; or

23 (d) So incites students as to create a clear and present danger of:

24 (A) The commission of unlawful acts on or off school premises;

25 (B) The violation of school policies; or

26 (C) The material and substantial disruption of the orderly operation of the school. A school of-
27 ficial must base a forecast of material and substantial disruption on specific facts, including past
28 experience in the school and current events influencing student behavior, and not on undifferen-
29 tiated fear or apprehension.

30 (4) Any student enrolled in a public institution of higher education may commence a civil action
31 to obtain damages under this subsection and appropriate injunctive or declaratory relief as deter-
32 mined by a court for a violation of subsection (2) of this section, the First Amendment to the United
33 States Constitution or section 8, Article I of the Oregon Constitution. Upon a motion, a court may
34 award \$100 in damages and injunctive and declaratory relief to a prevailing plaintiff in a civil action
35 brought under this subsection.

36 **SECTION 155.** ORS 351.656 is amended to read:

37 351.656. (1) As used in this section:

38 (a) "Child" means a child, adopted child or stepchild of a service member.

39 (b) "Eligible post-secondary institution" means:

40 (A) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**; and

41 (B) The Oregon Health and Science University.

42 (c) "Qualified student" means a child, a spouse or an unremarried surviving spouse of a service
43 member.

44 (d) "Service member" means a person who:

45 (A) As a member of the Armed Forces of the United States, died on active duty;

1 (B) As a member of the Armed Forces of the United States, died as a result of a military service
2 connected disability; or

3 (C) Is 100 percent disabled as the result of a military service connected disability, as certified
4 by the United States Department of Veterans Affairs or any branch of the Armed Forces of the
5 United States.

6 (2) Subject to subsections (3) to (6) of this section, an eligible post-secondary institution shall
7 waive tuition for a qualified student for courses that may lead to a baccalaureate degree or a
8 master's degree. A qualified student who received a tuition waiver for a baccalaureate degree may
9 also qualify for a tuition waiver for a master's degree.

10 (3)(a) The maximum waiver granted under this section shall be as follows:

11 (A) For a baccalaureate degree, the total number of credit hours that equals four years of full-
12 time attendance at an eligible post-secondary institution.

13 (B) For a master's degree, the total number of credit hours that equals two years of full-time
14 attendance at an eligible post-secondary institution.

15 (b) Notwithstanding paragraph (a) of this subsection, a waiver may not exceed the total number
16 of credit hours the qualified student needs to graduate with a baccalaureate degree or a master's
17 degree.

18 (4) A waiver may be granted under this section only for credit hours for courses that are offered
19 by an eligible post-secondary institution and are available for enrollment regardless of whether the
20 qualified student attends the course and pays tuition.

21 (5) A qualified student may receive a waiver under this section if the student:

22 (a) At the time of application for a waiver, is considered a resident of this state for the purpose
23 of determining tuition to be paid at an eligible post-secondary institution; and

24 (b) Has been admitted to an eligible post-secondary institution for a baccalaureate degree pro-
25 gram or has been admitted to a master's degree program at an eligible post-secondary institution.

26 (6)(a) A child who applies for a waiver under this section must be 23 years of age or younger
27 at the time the child applies for a waiver.

28 (b) Notwithstanding paragraph (a) of this subsection, a child who is older than 23 years of age
29 is eligible for a waiver for a master's degree if the child:

30 (A) Applied for and received a waiver for a baccalaureate degree when the child was 23 years
31 of age or younger; and

32 (B) Applied for a waiver for a master's degree within 12 months of receiving a baccalaureate
33 degree.

34 **SECTION 156.** ORS 351.658 is amended to read:

35 351.658. (1) The State Board of Higher Education shall direct each public university listed in
36 ORS 352.002, **and the board of directors for a public university listed in section 1 of this 2013**
37 **Act shall direct the university**, to waive tuition for any course audited by an Oregon resident 65
38 years of age or older if:

39 (a) Space is available in the course for additional students to register after degree-seeking stu-
40 dents have registered;

41 (b) The department in which the course is being taught approves; and

42 (c) The auditing student is registered for eight credits or fewer per term.

43 (2) The public university may charge the student attending under subsection (1) of this section
44 fees associated with the course being audited.

45 (3) A public university may develop rules for implementation of this section, including rules re-

1 lating to registration, admission and fees.

2 **SECTION 157.** ORS 351.695 is amended to read:

3 351.695. (1) A university [*within the Oregon University System*] **listed in ORS 352.002** may de-
4 posit moneys received for its university venture development fund in the Higher Education Donation
5 Fund established under ORS 351.130.

6 (2) Notwithstanding ORS 351.697 (5), the State Treasurer, as payment for expenses, may deduct
7 a fee pursuant to ORS 293.718 from a university venture development fund administered by a [*uni-*
8 *versity within the Oregon University System*] **public university listed in ORS 352.002 or section 1**
9 **of this 2013 Act** or the Oregon Health and Science University.

10 (3) A [*university within the Oregon University System*] **public university listed in ORS 352.002**
11 **or section 1 of this 2013 Act** or the Oregon Health and Science University may direct that moneys
12 credited to its university venture development fund be held and invested by the university's affil-
13 iated foundation. Any moneys held by an affiliated foundation under this section or ORS 351.697 are
14 not subject to the provisions of ORS chapter 293 or 295 and may not be considered public or state
15 funds for any purpose. Moneys transferred to an affiliated foundation under this section or ORS
16 351.697 may be used only as provided under ORS 351.692, 351.695, 351.697 and 353.445.

17 (4) At the request of a university within the Oregon University System, moneys in the Higher
18 Education Donation Fund that were deposited by the university under this section may be trans-
19 ferred to the university's affiliated foundation.

20 (5) A [*university within the Oregon University System*] **public university listed in ORS 352.002**
21 **or section 1 of this 2013 Act** or the Oregon Health and Science University may retain or may elect
22 to have its affiliated foundation retain some or all of the principal contributed to a university ven-
23 ture development fund for investment to perpetuate and increase the moneys available for expendi-
24 ture. The balance of the fund and the earnings on that balance may be used as provided under ORS
25 351.692, 351.695, 351.697 and 353.445 **and section 34 of this 2013 Act.**

26 **SECTION 158.** ORS 351.697 is amended to read:

27 351.697. (1) [*Each university in the Oregon University System and*] **A public university listed in**
28 **ORS 352.002 or section 1 of this 2013 Act** or Oregon Health and Science University may elect to
29 establish a university venture development fund as provided in this section for the purpose of facil-
30 itating the commercialization of university research and development. A university shall direct that
31 the university venture development fund be administered, in whole or in part, by the university or
32 by the university's affiliated foundation.

33 (2) The purposes of a university venture development fund are to provide:

- 34 (a) Capital for university entrepreneurial programs;
- 35 (b) Opportunities for students to gain experience in applying research to commercial activities;
- 36 (c) Proof-of-concept funding for transforming research and development concepts into commer-
37 cially viable products and services;
- 38 (d) Entrepreneurial opportunities for persons interested in transforming research into viable
39 commercial ventures that create jobs in this state; and
- 40 (e) Tax credits for contributors to university research commercialization activities.

41 (3) Each university that elects to establish a university venture development fund shall:

- 42 (a) Notify the Department of Revenue of the establishment of the fund;
- 43 (b) Either directly or through its affiliated foundation, solicit contributions to the fund and re-
44 ceive, manage and disburse moneys contributed to the fund;
- 45 (c) Subject to ORS 315.521 (1), 351.692 (3) and 353.445 (3), issue tax credit certificates to con-

1 tributors to the fund in the amount of the contributions;

2 (d) Establish a grant program that meets the requirements for a venture grant program under
3 policies adopted by:

4 (A) The State Board of Higher Education under ORS 351.692 [*or under policies adopted by*];

5 **(B) The board of directors of a public university under section 34 of this 2013 Act; or**

6 (C) The Oregon Health and Science University Board of Directors under ORS 353.445; and

7 (e) Subject to available moneys from the fund, provide qualified grant applicants with moneys
8 for the purpose of facilitating the commercialization of university research and development.

9 (4) Except as provided in subsection (5) of this section, moneys in a university venture devel-
10 opment fund shall be disbursed only as directed by a university.

11 (5) A university or its affiliated foundation may charge its customary administrative assessment
12 to manage its university venture development fund in an amount not to exceed three percent of the
13 fund's average balance during the fiscal year of the university or its affiliated foundation. The ad-
14 ministrative assessment may be paid from the assets in the fund. Except as authorized by law, no
15 other fees or indirect costs shall be charged against the university venture development fund or any
16 associated grants or other disbursements from the fund.

17 (6) A university that has established a university venture development fund shall monitor the
18 use of grants made from the fund and identify the income realized by the university as the result
19 of the use of the grants. Income consists of cash realized from royalties, milestone and license fee
20 payments and cash from the sale of equity. The university shall cause the transfer of 20 percent of
21 the income realized from the grants to the General Fund, but not to exceed the amount of the tax
22 credits issued by the university as a result of contributions to its university venture development
23 fund. Immediately upon deposit of the transferred amount into the General Fund, the university may
24 issue new tax credits to equal the transferred amount.

25 (7) A university that has established a university venture development fund shall report annually
26 to the Legislative Assembly or, if the Legislative Assembly is not in session, to the interim legisla-
27 tive committees on revenue. The report shall be at the end of the fiscal year of the university or
28 of its affiliated foundation and provide information for that fiscal year. The university shall include
29 in the report the following information pertaining to its university venture development fund:

30 (a) The amount of donations received for the fund;

31 (b) The amount of income received from the fund;

32 (c) The amount of disbursements and grants paid from the fund;

33 (d) The amount of income and royalties received from disbursements from the fund; and

34 (e) The amount of moneys transferred from the fund to the General Fund.

35 **SECTION 159.** ORS 351.700 is amended to read:

36 351.700. As used in ORS 351.704 and 351.708, "public institution of higher education" means:

37 (1) A community college; or

38 (2) A public university listed in ORS 352.002 **or section 1 of this 2013 Act.**

39 **SECTION 160.** ORS 351.704 is amended to read:

40 351.704. (1) Subject to ORS 351.094 and any group health and welfare insurance benefit plan
41 developed under ORS 351.094, **or any group health and welfare insurance benefit plan developed**
42 **by a public university listed in section 1 of this 2013 Act**, a part-time faculty member at a public
43 institution of higher education is eligible for the same health care benefits as full-time faculty
44 members if the part-time faculty member is eligible for membership in the Public Employees Retire-
45 ment System or another plan authorized under ORS chapter 238 or 238A by teaching either at a

1 single public institution of higher education or in aggregate at multiple public institutions of higher
2 education during the prior year.

3 (2) A part-time faculty member at a public institution of higher education shall pay all insurance
4 premiums for health care benefits unless otherwise provided for by the policy of the institution or
5 by collective bargaining at the institution.

6 **SECTION 161.** ORS 351.708 is amended to read:

7 351.708. The State Board of Education, [and] the State Board of Higher Education **and the**
8 **board of directors of a public university listed in section 1 of this 2013 Act** shall establish
9 baselines and conduct annual reviews of each public institution of higher education with respect to
10 the employment of full-time faculty and of faculty working less than full-time. Each public institution
11 of higher education shall provide the necessary data for the board's report prior to September 1 of
12 each year. The boards shall report the results of the reviews to the Legislative Assembly and the
13 Governor's office prior to October 1 of each year. The reviews shall include:

14 (1) Examination of data related to the ratio of courses taught by the following faculty catego-
15 ries:

16 (a) Full-time faculty;

17 (b) Part-time faculty; and

18 (c) Graduate assistants;

19 (2) The pay differential for the faculty categories; and

20 (3) The health care and other benefits provided for each faculty category.

21 **SECTION 162.** ORS 351.718 is amended to read:

22 351.718. (1) The members of the Higher Education Coordinating Commission must be residents
23 of this state who are well informed on the principles of higher education.

24 (2) A member of the State Board of Higher Education, Oregon Health and Science University
25 Board of Directors, **the board of directors of a public university listed in section 1 of this 2013**
26 **Act** or the governing board of a community college district may not serve as a member of the
27 Higher Education Coordinating Commission.

28 **SECTION 163.** ORS 351.735, as amended by section 1, chapter 104, Oregon Laws 2012, is
29 amended to read:

30 351.735. (1) The Higher Education Coordinating Commission shall advise the Oregon Education
31 Investment Board on state goals and associated achievement compacts for the state post-secondary
32 education system, including community colleges and public universities listed in ORS 352.002 **and**
33 **section 1 of this 2013 Act**, and for the Oregon Student Access Commission.

34 (2) Under the direction and control of the Oregon Education Investment Board, the Higher Ed-
35 ucation Coordinating Commission shall:

36 (a) Develop a strategic plan for achieving state higher education goals, identifying priority areas
37 for attention and taking into consideration the contributions of this state's independent institutions
38 and other organizations dedicated to helping Oregonians reach state goals. Goals should include, but
39 need not be limited to:

40 (A) Increasing the educational attainment of the population;

41 (B) Increasing this state's global economic competitiveness and the quality of life of its citizens;

42 (C) Ensuring affordable access for qualified Oregon students at each college or public university;

43 and

44 (D) Ensuring that public higher education in this state is provided in a cost-effective manner.

45 (b) Evaluate and recommend changes to statutory goals and missions described for community

1 colleges in ORS 341.009 and for public universities in ORS 351.003 and 351.009 after receiving rec-
2 ommendations from the appropriate governing board. The appropriate governing board shall have
3 decision-making authority over program offerings to implement established goals and missions.

4 (c) Develop a finance model for higher education aligned with the goals in the system strategic
5 plan, including:

6 (A) Recommended biennial appropriations to institutions, including a component specifically tied
7 to institutional contributions to state educational priorities;

8 (B) Recommended limits regarding the setting of tuition rates at public universities listed in
9 ORS 352.002 **and section 1 of this 2013 Act** in accordance with criteria set by the State Board of
10 Higher Education **or the board of directors of a public university listed in section 1 of this 2013**
11 **Act**, with the goal of encouraging tuition affordability for students;

12 (C) Tuition rates set by each community college governing board for community colleges in this
13 state;

14 (D) Recommended biennial appropriations for student financial aid; and

15 (E) Recommended biennial appropriations for any future statewide higher education initiatives.

16 (d) Each biennium, recommend to the Oregon Education Investment Board a consolidated higher
17 education budget request consistent with the finance model, including appropriations for:

18 (A) Ongoing operations of the Oregon Student Access Commission;

19 (B) Ongoing operations for the Oregon University System **and public universities listed in**
20 **section 1 of this 2013 Act**;

21 (C) Ongoing operations for community colleges;

22 (D) Needed new facilities or programs; and

23 (E) Capital improvements.

24 (e) Coordinate with the Oregon Student Access Commission to maximize the effectiveness of
25 student financial assistance programs, including the Oregon Opportunity Grant program under ORS
26 348.260.

27 (f) Approve and authorize degrees for the Oregon University System **and public universities**
28 **listed in section 1 of this 2013 Act**.

29 (g) Authorize degrees to be offered in this state in accordance with ORS 348.594 to 348.615, and
30 adopt any rules to implement that authority.

31 (3) In addition to the duties described in subsections (1) and (2) of this section, the Higher Ed-
32 ucation Coordinating Commission shall:

33 (a) Develop and recommend policies to ensure or improve access to higher education by under-
34 served populations.

35 (b) Recommend and encourage student success and completion initiatives.

36 (c) Develop and recommend policies to improve the coordination of the provision of educational
37 services, including:

38 (A) Transfers and other movements throughout the higher education system;

39 (B) Accelerated college credit programs for high school students;

40 (C) Applied baccalaureate and other transfer degrees; and

41 (D) Reciprocity agreements with other states.

42 (d) Review research efforts among the public universities of this state to improve economic de-
43 velopment in this state.

44 (e) Coordinate education initiatives with the State Workforce Investment Board, the Department
45 of Community Colleges and Workforce Development, local workforce investment boards, the Oregon

1 Health and Science University and independent institutions of post-secondary education.

2 **SECTION 164.** ORS 351.735, as amended by sections 1 and 3, chapter 104, Oregon Laws 2012,
3 is amended to read:

4 351.735. (1) The Higher Education Coordinating Commission shall advise the Oregon Education
5 Investment Board on state goals and associated achievement compacts for the state post-secondary
6 education system, including community colleges and public universities listed in ORS 352.002 **and**
7 **section 1 of this 2013 Act**, and for the Oregon Student Access Commission.

8 (2) Under the direction and control of the Oregon Education Investment Board, the Higher Ed-
9 ucation Coordinating Commission shall:

10 (a) Develop a strategic plan for achieving state higher education goals, identifying priority areas
11 for attention and taking into consideration the contributions of this state's independent institutions
12 and other organizations dedicated to helping Oregonians reach state goals. Goals should include, but
13 need not be limited to:

14 (A) Increasing the educational attainment of the population;

15 (B) Increasing this state's global economic competitiveness and the quality of life of its citizens;

16 (C) Ensuring affordable access for qualified Oregon students at each college or public university;

17 and

18 (D) Ensuring that public higher education in this state is provided in a cost-effective manner.

19 (b) Evaluate and recommend changes to statutory goals and missions described for community
20 colleges in ORS 341.009 and for public universities in ORS 351.003 and 351.009 after receiving rec-
21 ommendations from the appropriate governing board. The appropriate governing board shall have
22 decision-making authority over program offerings to implement established goals and missions.

23 (c) Develop a finance model for higher education aligned with the goals in the system strategic
24 plan, including:

25 (A) Recommended biennial appropriations to institutions, including a component specifically tied
26 to institutional contributions to state educational priorities;

27 (B) Recommended limits regarding the setting of tuition rates at public universities listed in
28 ORS 352.002 **and section 1 of this 2013 Act** in accordance with criteria set by the State Board of
29 Higher Education **or the board of directors of a public university listed in section 1 of this 2013**
30 **Act**, with the goal of encouraging tuition affordability for students;

31 (C) Tuition rates set by each community college governing board for community colleges in this
32 state;

33 (D) Recommended biennial appropriations for student financial aid; and

34 (E) Recommended biennial appropriations for any future statewide higher education initiatives.

35 (d) Each biennium, recommend to the Oregon Education Investment Board a consolidated higher
36 education budget request consistent with the finance model, including appropriations for:

37 (A) Ongoing operations of the Oregon Student Access Commission;

38 (B) Ongoing operations for the Oregon University System **and public universities listed in**
39 **section 1 of this 2013 Act**;

40 (C) Ongoing operations for community colleges;

41 (D) Needed new facilities or programs; and

42 (E) Capital improvements.

43 (e) Coordinate with the Oregon Student Access Commission to maximize the effectiveness of
44 student financial assistance programs, including the Oregon Opportunity Grant program under ORS
45 348.260.

1 (f) Approve and authorize degrees for the Oregon University System **and public universities**
2 **listed in section 1 of this 2013 Act.**

3 (g) Authorize degrees to be offered in this state in accordance with ORS 348.594 to 348.615, and
4 adopt any rules to implement that authority.

5 (3) In addition to the duties described in subsections (1) and (2) of this section, the Higher Ed-
6 ucation Coordinating Commission shall:

7 (a) Develop and recommend policies to ensure or improve access to higher education by under-
8 served populations.

9 (b) Recommend and encourage student success and completion initiatives.

10 (c) Develop and recommend policies to improve the coordination of the provision of educational
11 services, including:

12 (A) Transfers and other movements throughout the higher education system;

13 (B) Accelerated college credit programs for high school students;

14 (C) Applied baccalaureate and other transfer degrees; and

15 (D) Reciprocity agreements with other states.

16 (d) Review research efforts among the public universities of this state to improve economic de-
17 velopment in this state.

18 (e) Coordinate education initiatives with the State Workforce Investment Board, the Department
19 of Community Colleges and Workforce Development, local workforce investment boards, the Oregon
20 Health and Science University and independent institutions of post-secondary education.

21 (f) Oversee the licensing of career schools under ORS 345.010 to 345.450.

22 **SECTION 165.** ORS 351.735, as amended by sections 1, 3 and 5, chapter 104, Oregon Laws 2012,
23 is amended to read:

24 351.735. The Higher Education Coordinating Commission shall:

25 (1) Develop state goals and associated achievement compacts for the state post-secondary edu-
26 cation system, including community colleges and public universities listed in ORS 352.002 **and sec-**
27 **tion 1 of this 2013 Act**, and for the Oregon Student Access Commission.

28 (2) Develop a strategic plan for achieving state higher education goals, identifying priority areas
29 for attention and taking into consideration the contributions of this state's independent institutions
30 and other organizations dedicated to helping Oregonians reach state goals. Goals should include, but
31 need not be limited to:

32 (a) Increasing the educational attainment of the population;

33 (b) Increasing this state's global economic competitiveness and the quality of life of its citizens;

34 (c) Ensuring affordable access for qualified Oregon students at each college or public university;
35 and

36 (d) Ensuring that public higher education in this state is provided in a cost-effective manner.

37 (3) Evaluate and recommend changes to statutory goals and missions described for community
38 colleges in ORS 341.009 and for public universities in ORS 351.003 and 351.009 after receiving rec-
39 ommendations from the appropriate governing board. The appropriate governing board shall have
40 decision-making authority over program offerings to implement established goals and missions.

41 (4) Develop a finance model for higher education aligned with the goals in the system strategic
42 plan, including:

43 (a) Recommended biennial appropriations to institutions, including a component specifically tied
44 to institutional contributions to state educational priorities;

45 (b) Recommended limits regarding the setting of tuition rates at public universities listed in ORS

1 352.002 **and section 1 of this 2013 Act** in accordance with criteria set by the State Board of Higher
 2 Education **or the board of directors of a public university listed in section 1 of this 2013 Act**,
 3 with the goal of encouraging tuition affordability for students;

4 (c) Tuition rates set by each community college governing board for community colleges in this
 5 state;

6 (d) Recommended biennial appropriations for student financial aid; and

7 (e) Recommended biennial appropriations for any future statewide higher education initiatives.

8 (5) Each biennium, recommend to the Governor and the Legislative Assembly a consolidated
 9 higher education budget request consistent with the finance model, including appropriations for:

10 (a) Ongoing operations of the Oregon Student Access Commission;

11 (b) Ongoing operations for the Oregon University System **and public universities listed in**
 12 **section 1 of this 2013 Act**;

13 (c) Ongoing operations for community colleges;

14 (d) Needed new facilities or programs; and

15 (e) Capital improvements.

16 (6) Coordinate with the Oregon Student Access Commission to maximize the effectiveness of
 17 student financial assistance programs, including the Oregon Opportunity Grant program under ORS
 18 348.260.

19 (7) Approve and authorize degrees for the Oregon University System **and public universities**
 20 **listed in section 1 of this 2013 Act**.

21 (8) Authorize degrees to be offered in this state in accordance with ORS 348.594 to 348.615, and
 22 adopt any rules to implement that authority.

23 (9) Develop and recommend policies to ensure or improve access to higher education by under-
 24 served populations.

25 (10) Recommend and encourage student success and completion initiatives.

26 (11) Develop and recommend policies to improve the coordination of the provision of educational
 27 services, including:

28 (a) Transfers and other movements throughout the higher education system;

29 (b) Accelerated college credit programs for high school students;

30 (c) Applied baccalaureate and other transfer degrees; and

31 (d) Reciprocity agreements with other states.

32 (12) Review research efforts among the public universities of this state to improve economic
 33 development in this state.

34 (13) Coordinate education initiatives with the State Workforce Investment Board, the Depart-
 35 ment of Community Colleges and Workforce Development, local workforce investment boards, the
 36 Oregon Health and Science University and independent institutions of post-secondary education.

37 (14) Oversee the licensing of career schools under ORS 345.010 to 345.450.

38 **SECTION 166.** ORS 351.810 is amended to read:

39 351.810. The State Board of Higher Education, **a public university listed in section 1 of this**
 40 **2013 Act**, the Oregon Health and Science University and the Oregon members of the Western
 41 Interstate Commission for Higher Education are authorized to take any action necessary to achiev-
 42 ing the ends of the Western Regional Higher Education Compact.

43 **SECTION 167.** ORS 351.820 is amended to read:

44 351.820. (1) Prior to June 1 of each even-numbered year the Oregon members of the Western
 45 Interstate Commission for Higher Education shall determine the quotas of Oregon students for whom

1 various kinds of educational service should be purchased in out-of-state institutions during the next
 2 biennium and shall recommend to the State Board of Higher Education, **the board of directors of**
 3 **a public university listed in section 1 of this 2013 Act** and the Oregon Health and Science Uni-
 4 versity Board of Directors the amount to be included in its biennial budget to cover the cost of such
 5 educational service for students enrolled in their respective institutions.

6 (2) The State Board of Higher Education, **the board of directors of a public university listed**
 7 **in section 1 of this 2013 Act** and the Oregon Health and Science University Board of Directors
 8 shall negotiate contracts with the Western Interstate Commission for Higher Education for educa-
 9 tional service of the kind and amount indicated by the quotas determined under subsection (1) of this
 10 section. *[The]* **Each** board shall make payments required by such contracts out of the money ap-
 11 propriated to it for that purpose.

12 (3) The State Board of Higher Education may also contract with higher education institutions,
 13 or others, which are not members of the Western Interstate Commission for Higher Education, to
 14 furnish educational services to students who are residents of the State of Oregon in those areas of
 15 higher education where the educational institutions of the State of Oregon are unable to provide the
 16 desired professional educational opportunities.

17 **SECTION 168.** ORS 351.840 is amended to read:

18 351.840. (1) The State Board of Higher Education, **the board of directors of a public univer-**
 19 **sity listed in section 1 of this 2013 Act** and the Oregon Health and Science University Board of
 20 Directors may contract with the Western Interstate Commission for Higher Education to furnish
 21 educational service in their respective Oregon public universities to out-of-state students.

22 (2) The State Board of Higher Education, **the board of directors of a public university listed**
 23 **in section 1 of this 2013 Act** and the Oregon Health and Science University Board of Directors
 24 shall determine the number of out-of-state students that should be accepted into their respective
 25 universities, and shall make final decisions on admission of individual applicants.

26 (3)(a) Payments made by the commission under such contracts shall be deposited in and credited
 27 to a designated account in the Oregon University System Fund established by ORS 351.506 for stu-
 28 dents enrolled in public universities under the jurisdiction of the State Board of Higher Education
 29 in the same manner that fees and tuition payments for resident students are deposited and credited.
 30 The estimated amount of the payments must be considered by the board in making its biennial
 31 budgetary requests.

32 (b) Payments made by the commission under such contracts must be deposited with the Oregon
 33 Health and Science University for students who enroll in *[that]* **the** university under the terms of
 34 such contracts.

35 (c) **Payments made by the commission under such contracts for students who enroll at**
 36 **a public university listed in section 1 of this 2013 Act must be deposited with the university**
 37 **under the terms of such contracts.**

38 **SECTION 169.** ORS 352.002 is amended to read:

39 352.002. The Oregon University System established in ORS 351.011 consists of the following
 40 public universities under the jurisdiction of the State Board of Higher Education:

41 *[(1) University of Oregon.]*

42 *[(2)]* (1) Oregon State University.

43 *[(3) Portland State University.]*

44 *[(4)]* (2) Oregon Institute of Technology.

45 *[(5)]* (3) Western Oregon University.

1 [(6)] (4) Southern Oregon University.

2 [(7)] (5) Eastern Oregon University.

3 **SECTION 170.** ORS 352.008 is amended to read:

4 352.008. In consultation with the Oregon Health Authority and the Alcohol and Drug Policy
5 Commission, each public university listed in ORS 352.002 **and section 1 of this 2013 Act** shall adopt
6 a comprehensive alcohol and drug abuse policy and implementation plan.

7 **SECTION 171.** ORS 352.012 is amended to read:

8 352.012. For the purpose of requesting a state or nationwide criminal records check under ORS
9 181.534, the Oregon University System **and a public university listed in section 1 of this 2013**
10 **Act** may require the fingerprints of a person who:

11 (1)(a) Is employed or applying for employment by the Oregon University System **or public uni-**
12 **versity**; or

13 (b) Provides services or seeks to provide services to the Oregon University System **or public**
14 **university** as a contractor or volunteer; and

15 (2) Is, or will be, working or providing services in a position that is designated as a critical or
16 security-sensitive position. As used in this subsection, "critical or security-sensitive position" means
17 a position in which the person:

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

20 (b) Is providing information technology services and has control over, or access to, information
21 technology systems that would allow the person to harm the information technology systems or the
22 information contained in the systems;

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

26 (d) Has access to property where chemicals, hazardous materials and other items controlled by
27 state or federal laws or regulations are located;

28 (e) Has access to laboratories, nuclear facilities or utility plants to which access is restricted
29 in order to protect the health or safety of the public;

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

32 (g) Has access to personal information about employees or members of the public including So-
33 cial Security numbers, dates of birth, driver license numbers, medical information, personal financial
34 information or criminal background information.

35 **SECTION 172.** ORS 352.015 is amended to read:

36 352.015. (1) Each public university listed in ORS 352.002 **and section 1 of this 2013 Act** shall
37 convene a physical access committee to identify barriers to access by persons with disabilities on
38 the campus of each public university. The committee shall include, but not be limited to:

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

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

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

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

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

45 (2) The physical access committee shall present its findings and recommendations to the ad-

1 ministration of the public university listing access needs and priorities for meeting those needs.
 2 These findings and recommendations shall identify the barriers to access that prevent persons with
 3 disabilities from meaningfully utilizing campus facilities related to instruction, academic support,
 4 assembly and residence life.

5 (3) In preparing funding requests for each biennium, each public university shall include
 6 amounts for capital improvement that will be applied to the substantial reduction and eventual
 7 elimination of barriers to access by persons with disabilities as identified by the physical access
 8 committee.

9 (4) Nothing in this section and ORS 185.155 and 341.937 requires a public university to under-
 10 take projects for accessibility that are not otherwise required unless such projects are funded spe-
 11 cifically by the Legislative Assembly.

12 **SECTION 173.** ORS 352.021 is amended to read:

13 352.021. (1) As used in this section, "internment camp" means a relocation center to which
 14 persons were ordered evacuated by Presidential Executive Order 9066, signed on February 19, 1942.

15 (2) A person who meets the requirements of subsection (4) of this section may request a public
 16 university listed in ORS 352.002 **or section 1 of this 2013 Act** to award the person an honorary
 17 post-secondary degree.

18 (3) A representative of a deceased person who meets the requirements of subsection (4) of this
 19 section may request a public university to award an honorary post-secondary degree on behalf of the
 20 deceased person.

21 (4) Notwithstanding the requirements for a post-secondary degree established by a public uni-
 22 versity or by the State Board of Higher Education, a public university that receives a request under
 23 subsection (2) or (3) of this section may award an honorary post-secondary degree to a person, or
 24 on behalf of a deceased person, who:

25 (a) Was a student at the public university in 1942; and

26 (b) Did not graduate from the public university because the person was ordered to an internment
 27 camp.

28 **SECTION 174.** ORS 352.043 is amended to read:

29 352.043. (1) *[There is created within the Oregon University System]* The University of Oregon
 30 School of Law **is created**. The school shall be administered by the University of Oregon.

31 (2) The University of Oregon School of Law shall:

32 (a) Prepare students for careers in the legal profession.

33 (b) Perform the duties required of the school under ORS 36.100 to 36.238.

34 (3) The president of the University of Oregon shall appoint the Dean of the University of Oregon
 35 School of Law.

36 **SECTION 175.** ORS 352.046 is amended to read:

37 352.046. (1) Pursuant to ORS 351.870, *[there is created within the Oregon University System]* the
 38 Center for Brain, Biology and Machine **is created**. The center shall be administered by the Uni-
 39 versity of Oregon.

40 (2) The purpose of the center is to promote interdisciplinary teaching and research in scientific
 41 areas, including but not limited to brain structure, development and functions, genetics and
 42 genomics, cognitive neuroscience, molecular biology, computational science, computing, magnetic
 43 resonance imaging and optics.

44 (3) The *[Oregon University System]* **University of Oregon** may receive moneys from any public
 45 or private source to support the Center for Brain, Biology and Machine created under subsections

1 (1) and (2) of this section. Gifts or grants received to support the center shall be deposited in an
 2 appropriate fund at the University of Oregon [*by the Oregon University System*].

3 **SECTION 176.** ORS 352.048 is amended to read:

4 352.048. (1) [*There is created within the Oregon University System*] The Industrialized Housing
 5 Development Program **is created**. The program shall be administered in conjunction with the
 6 Center for Housing Innovation at the University of Oregon.

7 (2) The purpose of the program is to provide assistance to industrialized housing manufacturers
 8 to help them achieve demonstrated best practice by researching, evaluating and disseminating in-
 9 formation on opportunities to improve design technology, including but not limited to:

- 10 (a) Methods to improve the affordability of housing;
- 11 (b) Better utilization of new products in industrialized housing;
- 12 (c) Improving the energy efficiency of industrialized housing; and
- 13 (d) Specialized training for workers and management.

14 **SECTION 177.** ORS 352.049 is amended to read:

15 352.049. (1) In fulfilling the purpose described in ORS 352.048, the Industrialized Housing De-
 16 velopment Program shall:

17 (a) Emphasize client-directed problem solving with the planning and design of appropriate design
 18 technologies;

19 (b) Provide or arrange for the provision of management assistance, specialized training for
 20 workers and other consulting services;

21 (c) Supplement the design skills and expertise of program staff by developing relations with ex-
 22 perts who may work in a consulting role;

23 (d) Research new and developing design technology in the United States and overseas with the
 24 purpose of adapting proven technologies and management practices to Oregon conditions; and

25 (e) Disseminate research findings to all interested firms throughout the industrialized housing
 26 industry.

27 (2) The Industrialized Housing Development Program shall establish a schedule of fees for the
 28 services it provides. The program may establish a minimum level of service for which it does not
 29 charge fees.

30 (3) The Industrialized Housing Development Program may hire individuals on a contract basis,
 31 to provide either full-time or part-time staffing. However, employees of the program shall not be
 32 considered tenured employees of the [*Oregon University System*] **University of Oregon**.

33 **SECTION 178.** ORS 352.051 is amended to read:

34 352.051. The [*State Board of Higher Education*] **University of Oregon Board of Directors** shall
 35 adopt rules necessary to carry out the provisions of ORS 352.048 to 352.053.

36 **SECTION 179.** ORS 352.063 is amended to read:

37 352.063. [*The Oregon University System*] **Portland State University** may receive moneys from
 38 any public or private source to support the Mark O. Hatfield School of Government, the Center for
 39 Lakes and Reservoirs, the Graduate School of Social Work or the Institute of Portland Metropolitan
 40 Studies created under ORS 352.066, 352.068, 352.071 and 352.074. Gifts and grants received to support
 41 the Mark O. Hatfield School of Government, the Center for Lakes and Reservoirs, the Graduate
 42 School of Social Work or the Institute of Portland Metropolitan Studies shall be credited to the
 43 appropriate fund at Portland State University [*by the Oregon University System*].

44 **SECTION 180.** ORS 352.066 is amended to read:

45 352.066. (1) Pursuant to ORS 351.870, [*there is created within the Oregon University System*] the

1 Mark O. Hatfield School of Government **is created**. The Mark O. Hatfield School of Government
 2 shall be administered by Portland State University. The president of Portland State University shall
 3 appoint the director of the Mark O. Hatfield School of Government.

4 (2) The purposes of the Mark O. Hatfield School of Government are:

5 (a) To prepare students for careers in political service, public administration and the adminis-
 6 tration of justice;

7 (b) To perform the duties required of the school under ORS 36.179, 183.502 and 390.240; and

8 (c) To assist the Criminal Justice Research and Policy Institute in carrying out the duties under
 9 subsection (3) of this section.

10 (3) There is created within the Mark O. Hatfield School of Government the Criminal Justice
 11 Research and Policy Institute. The institute may assist the Legislative Assembly and state and local
 12 governments in developing policies to reduce crime and delinquency by:

13 (a) Providing the Legislative Assembly with objective, nonpartisan analyses of existing or pro-
 14 posed state criminal justice policies, which analyses may not be inconsistent with state or federal
 15 law or the Oregon or United States Constitution;

16 (b) Evaluating programs, including but not limited to programs dealing with public safety
 17 professionalism, ethics in leadership and childhood development, funded directly or indirectly by the
 18 State of Oregon that are intended to reduce criminal and delinquent behavior or to improve
 19 professionalism in public safety careers;

20 (c) Managing reviews and evaluations relating to major long-term issues confronting the state
 21 involving criminal and juvenile justice, public safety professionalism, ethics in leadership and early
 22 childhood development programs;

23 (d) Initiating, sponsoring, conducting and publishing research on criminal and juvenile justice,
 24 public safety professionalism, ethics in leadership and early childhood development that is peer re-
 25 viewed and directly useful to policymakers;

26 (e) Organizing conferences on current state issues that bring together policymakers, public
 27 agencies and leading academicians; and

28 (f) Seeking to strengthen the links among the Legislative Assembly, state and local governments,
 29 the Oregon Criminal Justice Commission, the Department of Public Safety Standards and Training
 30 and the academic community in the interest of more informed policymaking, the application of best
 31 practices and more relevant academic research.

32 (4) The Governor, the Chief Justice of the Supreme Court, the President of the Senate, the
 33 Speaker of the House of Representatives or the chairperson of a legislative committee with respon-
 34 sibility over criminal or juvenile justice systems or childhood development programs may request the
 35 assistance of the Criminal Justice Research and Policy Institute in evaluating criminal or juvenile
 36 justice programs developed for, but not necessarily limited to, preventing delinquency, reducing
 37 crime and improving professionalism in public safety careers.

38 (5) Agencies, departments and officers of state and local governments may assist the Criminal
 39 Justice Research and Policy Institute in the performance of its functions and furnish information,
 40 data and advice as requested by the institute.

41 **SECTION 181.** ORS 352.068 is amended to read:

42 352.068. (1) Pursuant to ORS 351.870, [*there is created within the Oregon University System*] the
 43 Center for Lakes and Reservoirs **is created**. The Center for Lakes and Reservoirs shall be admin-
 44 istered by Portland State University.

45 (2) The purpose of the Center for Lakes and Reservoirs is to assist state and federal agencies

1 in researching and mitigating nonindigenous, invasive aquatic species in this state and to work with
2 communities in developing effective management of lakes and reservoirs.

3 **SECTION 182.** ORS 352.071 is amended to read:

4 352.071. (1) Pursuant to ORS 351.870, *[there is created within the Oregon University System]* the
5 Graduate School of Social Work **is created**. The Graduate School of Social Work shall be adminis-
6 tered by Portland State University.

7 (2) The purpose of the Graduate School of Social Work is to provide a center for specialized
8 education and research in the social services for the betterment of communities in the Portland
9 metropolitan area, the state and the Pacific Northwest.

10 **SECTION 183.** ORS 352.074 is amended to read:

11 352.074. (1) Pursuant to ORS 351.870, *[there is created within the Oregon University System]* the
12 Institute of Portland Metropolitan Studies **is created**. The Institute of Portland Metropolitan Studies
13 shall be administered by Portland State University.

14 (2) The purpose of the Institute of Portland Metropolitan Studies is to build partnerships be-
15 tween Portland State University's urban studies programs and the surrounding communities of met-
16 ropolitan Portland and to sponsor public service research.

17 **SECTION 184.** ORS 352.360 is amended to read:

18 352.360. (1) The State Board of Higher Education **and the board of directors of a public uni-**
19 **versity listed in section 1 of this 2013 Act** may enact such regulations as *[the]* **each** board deems
20 convenient or necessary to provide for the policing, control and regulation of traffic and parking
21 of vehicles on the property of any public university listed in ORS 352.002 **or section 1 of this 2013**
22 **Act**. The regulations may provide for the registration of vehicles, the designation of parking areas
23 and the assessment and collection of reasonable fees and charges for parking. *[The]* **Each** board may
24 require that before a quarterly or yearly parking privilege for any vehicle is granted to any full-time
25 or part-time student to use *[board]* **public university** property, the student must show that the ve-
26 hicle is operated by a student holding a valid driver license, that the vehicle is currently registered
27 and that the student driving the vehicle is insured under a motor vehicle liability insurance policy
28 that meets the requirements described under ORS 806.080 or that the student or owner of the vehi-
29 cle has provided the Department of Transportation with other satisfactory proof of compliance with
30 the financial responsibility requirements of this state.

31 (2) The regulations enacted pursuant to subsection (1) of this section shall be enforced admin-
32 istratively under procedures adopted by *[the]* **each** board *[for each public university]*. Administrative
33 and disciplinary sanctions may be imposed upon students, faculty and staff for violation of the reg-
34 ulations, including but not limited to, a reasonable monetary penalty which may be deducted from
35 student deposits, and faculty or staff salaries or other funds in the possession of the public univer-
36 sity. *[The]* **Each** board shall provide opportunity for hearing for the determination of controversies
37 in connection with imposition of fines or penalties. *[The]* **Each** board may prescribe procedures for
38 such hearings despite the provisions of ORS 183.413 to 183.470. Persons other than students, faculty
39 or staff may voluntarily submit to the hearing procedures prescribed by the board, and shall be
40 bound by the results of the hearing. The powers granted to the board by this section are supple-
41 mental to the existing powers of the board with respect to the government of activities of students,
42 faculty and staff and the control and management of property under its jurisdiction.

43 (3) The regulations enacted pursuant to subsection (1) of this section may also be enforced by
44 the impoundment of vehicles, and a reasonable fee may be enacted for the cost of impoundment and
45 storage, if any, prior to the release of the vehicles to their owners.

1 (4) All fees and charges for parking privileges and violations are deposited in a designated ac-
2 count in the Oregon University System Fund established by ORS 351.506 **or an account designated**
3 **by a public university listed in section 1 of this 2013 Act** for the purpose of defraying the costs
4 of constructing bicycle racks and bicycle lanes and of traffic control, enforcement of traffic and
5 parking regulations and maintenance and operation of parking facilities and for the purpose of ac-
6 quiring and constructing additional parking facilities for vehicles at the various public universities
7 and offices, departments and activities under the control of the board. Fees and charges may also
8 be credited to the account in the Oregon University System Fund designated by ORS 351.460 **or an**
9 **account designated by a public university listed in section 1 of this 2013 Act**. Parking fees shall
10 be established at levels no greater than those required to finance the construction, operation and
11 maintenance of parking facilities on the same campus of the public university for which the parking
12 is provided. Notwithstanding ORS 351.072, parking fees or changes in fees **relating to the public**
13 **universities under the jurisdiction of the State Board of Higher Education** shall be adopted by
14 rule of the board subject to the procedure for rules adopted in ORS chapter 183.

15 (5) Every peace officer may enforce the regulations made by the board under subsection (1) of
16 this section. [The] **Each** board, for the purpose of enforcing its rules and regulations governing
17 traffic control, may appoint peace officers who have the same authority as other peace officers as
18 defined in ORS 133.005.

19 (6) [The] **Each** board and any municipal corporation or any department, agency or political
20 subdivision of this state may enter into agreements or contracts with each other for the purpose of
21 providing a uniform system of enforcement of the rules and regulations of the board enacted pursu-
22 ant to subsection (1) of this section.

23 (7) In proceedings brought to enforce regulations enacted pursuant to subsection (1) of this
24 section, it [shall be] **is** sufficient to charge the defendant by an unsworn written notice in accord-
25 ance with the provisions of ORS 221.333. In any case in which the defendant is not subject to and
26 does not voluntarily submit to the hearing procedures prescribed under subsection (2) of this section,
27 proceedings to enforce regulations enacted pursuant to subsection (1) of this section shall be
28 brought in the name of the board in a circuit court, a justice court or a city court for offenses
29 committed within the territorial jurisdiction of such court. Such courts shall have concurrent juris-
30 diction over offenses committed within their respective jurisdictions. All fines, penalties and court
31 costs recovered shall be paid to the clerk of the court involved and shall be disposed of as provided
32 in ORS 153.640 to 153.680.

33 **SECTION 185.** ORS 352.375 is amended to read:

34 352.375. (1) A public university listed in ORS 352.002 **or section 1 of this 2013 Act** or a com-
35 munity college shall charge an enrolled student who is not a resident of this state and who is at-
36 tending classes as an undergraduate on a public university or community college campus in this
37 state tuition and fees no greater than the resident rate plus 50 percent of the difference between the
38 resident rate and the nonresident rate if the student served in the Armed Forces of the United
39 States and was relieved or discharged from that service under honorable conditions.

40 (2) [Every] **Each** public university [listed in ORS 352.002] and community college in this state
41 shall participate to the fullest extent allowed in the federal educational assistance programs under
42 the Supplemental Appropriations Act of 2008 (P.L. 110-252) so as to reduce the overall tuition rate
43 for students eligible for tuition rate reduction under subsection (1) of this section to the resident
44 tuition rate.

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

1 tuition benefits in excess of the tuition and fees the person is charged under subsection (1) of this
 2 section at a public university [*listed in ORS 352.002*] or a community college where the person is
 3 enrolled shall pay tuition and fees equal to the federal tuition benefits received.

4 (4) Distance education and self-support courses as identified by each public university [*listed in*
 5 *ORS 352.002*] and community college are exempt from the tuition reduction provisions of this sec-
 6 tion.

7 (5) If a nonresident student otherwise eligible for tuition benefits under this section is receiving
 8 federal vocational rehabilitation education benefits, that student shall pay full nonresident tuition
 9 and fees charged by a public university [*listed in ORS 352.002*] or a community college.

10 **SECTION 186.** ORS 352.385 is amended to read:

11 352.385. (1)(a) The State Board of Higher Education may, at the request of a public university
 12 under its control, authorize the university to commission one or more of its employees as special
 13 campus security officers.

14 **(b) The board of directors of a public university listed in section 1 of this 2013 Act may**
 15 **commission one or more of its employees as special campus security officers.**

16 (2) The total number of special campus security officers commissioned at [*the public universities*
 17 *in the Oregon University System*] **a public university listed in ORS 352.002 or section 1 of this**
 18 **2013 Act** may not exceed 50. Special campus security officers shall have stop and frisk authority
 19 as set forth in ORS 131.605 to 131.625 and probable cause arrest authority and the accompanying
 20 immunities as set forth in ORS 133.310 and 133.315 when acting in the scope of their employment
 21 as defined by the State Board of Higher Education. Special campus security officers [*shall*] **may** not
 22 be authorized to carry firearms as police officers and, except as provided in subsection (3) of this
 23 section, [*shall*] **are** not [*be*] considered police officers for purposes of ORS 181.610, 238.005, 243.005
 24 or 243.736.

25 [(2)] (3) The Department of Public Safety Standards and Training shall train special campus se-
 26 curity officers at the expense of:

27 (a) The State Board of Higher Education[.] **for officers for a public university listed in ORS**
 28 **352.002.**

29 **(b) The board of directors of a public university listed in section 1 of this 2013 Act for**
 30 **officers for the university.**

31 [(3)] (4) The State Board of Higher Education **and the board of directors of a public univer-**
 32 **sity listed in section 1 of this 2013 Act**, acting by and through [*its*] **each board's** special campus
 33 security officers, [*is a*] **are** criminal justice [*agency*] **agencies** for purposes of rules adopted pursuant
 34 to ORS 181.730 (3).

35 **SECTION 187.** ORS 353.440 is amended to read:

36 353.440. The Legislative Assembly finds that:

37 (1) Public universities in the Oregon University System, **public universities listed in section**
 38 **1 of this 2013 Act** and other educational sectors have academic programs that are related to or
 39 integrated with the programs of Oregon Health and Science University.

40 (2) It is in the best interest of the state that a coordinated approach be taken to these related
 41 and integrated academic programs.

42 (3) In order to best ensure the continued harmony of such academic programs, the Oregon
 43 Health and Science University, **public universities listed in section 1 of this 2013 Act** and the
 44 Oregon University System shall coordinate such programs and shall advise each other of the fol-
 45 lowing proposed changes to such academic programs:

1 (a) Creation or significant revision, such as a merger or closure, of degree programs;

2 (b) Creation or significant revision, such as a merger or closure, of schools; and

3 (c) Creation or significant revision of major academic policies.

4 (4) The Oregon Health and Science University and the Higher Education Coordinating Com-
5 mission shall coordinate and advise each other of the following types of proposed changes to their
6 related or integrated academic programs:

7 (a) Coordination of strategic plans for achieving higher education goals;

8 (b) Seeking advice and input from each other on modifications to statutory educational missions;

9 (c) Working to develop a statewide educational data system;

10 (d) Collaborating as necessary on the creation of any new degree programs; and

11 (e) Notifying each other and commenting on tuition rate changes.

12 (5) In order to further the coordination described by this section, Oregon Health and Science
13 University officers shall maintain a role in the appropriate committees of the State Board of Higher
14 Education, the Higher Education Coordinating Commission and the Oregon University System.

15 **SECTION 188.** ORS 353.600 is amended to read:

16 353.600. As used in ORS 353.600 to 353.612:

17 (1) "Committee" means the Oregon Nursing Shortage Coalition Committee created in ORS
18 353.606.

19 (2) "Post-secondary education institution" means:

20 (a) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**;

21 (b) A community college operated under ORS chapter 341;

22 (c) A school or division of Oregon Health and Science University; or

23 (d) An Oregon-based, generally accredited, not-for-profit private institution of higher education.

24 **SECTION 189.** ORS 353.603 is amended to read:

25 353.603. (1) Oregon Health and Science University shall distribute grants to post-secondary ed-
26 ucation institutions to support nursing education programs based on the selections of the Oregon
27 Nursing Shortage Coalition Committee and in accordance with appropriate university policies and
28 procedures. If the university is not able to distribute a grant to a post-secondary education institu-
29 tion selected by the committee, the university shall report to the committee the reason for not dis-
30 tributing the grant.

31 (2) Grants distributed under this section to a community college or a public university listed in
32 ORS 352.002 **or section 1 of this 2013 Act** may be based on an intergovernmental agreement en-
33 tered into by Oregon Health and Science University and the college or public university.

34 (3) Oregon Health and Science University may not use more than five percent of the amount
35 received from the Nursing Education Grant Fund established in ORS 353.612 for the grant program
36 in any biennium for administrative expenses incurred in administering ORS 353.600 to 353.612.

37 (4) Oregon Health and Science University may accept contributions of funds and assistance from
38 the United States Government or its agencies, or from any other source, public or private, and agree
39 to conditions placed on the funds not inconsistent with the purposes of ORS 353.600 to 353.612. The
40 university shall use funds and assistance received under this subsection for grants distributed under
41 this section or for administering ORS 353.600 to 353.612.

42 (5) Oregon Health and Science University shall deposit moneys received by the university for
43 purposes of ORS 353.600 to 353.612 in the Nursing Education Grant Fund. The total amount of
44 grants distributed under this section may not exceed the amount of moneys available for distribution
45 in the fund.

1 **SECTION 190.** ORS 357.004 is amended to read:

2 357.004. As used in ORS 357.001 to 357.200, unless the context requires otherwise:

3 (1) “Depository library” means a library that is designated as such under ORS 357.095.

4 (2)(a) “Issuing agency” means state government, as that term is defined in ORS 174.111.

5 (b) “Issuing agency” does not include:

6 **(A)** The State Board of Higher Education or any public university or office, department or ac-
7 tivity under the control of the board; **or**

8 **(B) A public university listed in section 1 of this 2013 Act.**

9 (3)(a) “Public document” means informational matter produced for public distribution or access
10 regardless of format, medium, source or copyright, originating in or produced with the imprint of,
11 by the authority of or at the total or partial expense of any state agency. “Public document” in-
12 cludes informational matter produced on computer diskettes, CD-ROMs, computer tapes, the Internet
13 or in other electronic formats.

14 (b) “Public document” does not include:

15 **(A)** Correspondence, forms, interoffice or intraoffice memoranda;

16 **(B)** Legislative bills;

17 **(C)** Oregon Revised Statutes or any edition thereof; or

18 **(D)** Reports and publications of the Oregon Supreme Court, the Oregon Court of Appeals and
19 the Oregon Tax Court.

20 **SECTION 191.** ORS 357.203 is amended to read:

21 357.203. (1) The State Library and State of Oregon Law Library operating budget for services
22 to state agencies shall be assessed against all state agencies except the Oregon University System
23 **and public universities listed in section 1 of this 2013 Act.** The State Library assessment shall
24 be apportioned among the agencies as follows:

25 (a) One-third of the assessment shall be based on the use of the State Library by the agency;
26 and

27 (b) Two-thirds of the assessment shall be based on the number of full-time equivalent employees
28 budgeted by the agency.

29 (2) Except as provided in subsection (4) of this section, the Oregon Department of Administrative
30 Services shall cause the amount assessed to be transferred from the moneys appropriated to each
31 state agency to the Miscellaneous Receipts Account for the State Library.

32 (3) Subject to the provisions of subsection (5) of this section, the department shall determine and
33 may at any time redetermine which state funds or appropriations shall be assessed a reasonable
34 share of State Library and State of Oregon Law Library operating expenses that support state
35 agencies. In determining or redetermining the funds that shall be so assessed:

36 (a) A fund consisting of moneys the use of which is restricted by the Oregon Constitution shall
37 be assessed only those governmental service expenses ascertained as being necessarily incurred in
38 connection with the purposes set forth in the Oregon Constitution.

39 (b) Trust funds shall be assessed only those governmental service expenses ascertained as being
40 necessarily incurred in connection with the purposes for which the trust fund was established.

41 (c) State agencies shall be assessed only the State Library and State of Oregon Law Library
42 expenditures that support state agencies.

43 (4) The Oregon Department of Administrative Services shall cause the amount assessed against
44 state agencies for the operating budget of the State of Oregon Law Library to be transferred to the
45 Judicial Department. Moneys transferred under this subsection are continuously appropriated to the

1 Judicial Department and may be used only for the costs of operating the State of Oregon Law Li-
2 brary.

3 (5) Unless the Oregon Department of Administrative Services and the Judicial Department agree
4 to a different methodology and formula, the State of Oregon Law Library assessment shall be ap-
5 portioned on the basis of the number of full-time equivalent employees budgeted by the agency.

6 **SECTION 192.** ORS 408.095 is amended to read:

7 408.095. (1) As used in this section, “community college” has the meaning given that term in
8 ORS 341.005.

9 (2) There is created in the Department of Veterans’ Affairs the Campus Veterans’ Service Offi-
10 cers Program.

11 (3) The purpose of the program is to provide educational outreach to veterans to help ensure
12 that they obtain maximum state and federal benefits.

13 (4) The department shall appoint a sufficient number of campus veterans’ service officers to en-
14 sure that each Oregon community college and each public university [*in the Oregon University Sys-*
15 *tem, as described*] **listed** in ORS 352.002[,] **and section 1 of this 2013 Act** is provided veterans’
16 services.

17 (5) Each community college and public university [*in the Oregon University System*] shall provide
18 office space that may be used for the provision of veterans’ services.

19 (6) The department may adopt rules to implement the Campus Veterans’ Service Officers Pro-
20 gram.

21 **SECTION 192a.** ORS 419B.005, as amended by section 60, chapter 37, Oregon Laws 2012, and
22 section 1, chapter 92, Oregon Laws 2012, is amended to read:

23 419B.005. As used in ORS 419B.005 to 419B.050, unless the context requires otherwise:

24 (1)(a) “Abuse” means:

25 (A) Any assault, as defined in ORS chapter 163, of a child and any physical injury to a child
26 which has been caused by other than accidental means, including any injury which appears to be
27 at variance with the explanation given of the injury.

28 (B) Any mental injury to a child, which shall include only observable and substantial impairment
29 of the child’s mental or psychological ability to function caused by cruelty to the child, with due
30 regard to the culture of the child.

31 (C) Rape of a child, which includes but is not limited to rape, sodomy, unlawful sexual pene-
32 tration and incest, as those acts are described in ORS chapter 163.

33 (D) Sexual abuse, as described in ORS chapter 163.

34 (E) Sexual exploitation, including but not limited to:

35 (i) Contributing to the sexual delinquency of a minor, as defined in ORS chapter 163, and any
36 other conduct which allows, employs, authorizes, permits, induces or encourages a child to engage
37 in the performing for people to observe or the photographing, filming, tape recording or other ex-
38 hibition which, in whole or in part, depicts sexual conduct or contact, as defined in ORS 167.002 or
39 described in ORS 163.665 and 163.670, sexual abuse involving a child or rape of a child, but not in-
40 cluding any conduct which is part of any investigation conducted pursuant to ORS 419B.020 or
41 which is designed to serve educational or other legitimate purposes; and

42 (ii) Allowing, permitting, encouraging or hiring a child to engage in prostitution or to patronize
43 a prostitute, as defined in ORS chapter 167.

44 (F) Negligent treatment or maltreatment of a child, including but not limited to the failure to
45 provide adequate food, clothing, shelter or medical care that is likely to endanger the health or

1 welfare of the child.

2 (G) Threatened harm to a child, which means subjecting a child to a substantial risk of harm
3 to the child's health or welfare.

4 (H) Buying or selling a person under 18 years of age as described in ORS 163.537.

5 (I) Permitting a person under 18 years of age to enter or remain in or upon premises where
6 methamphetamines are being manufactured.

7 (J) Unlawful exposure to a controlled substance, as defined in ORS 475.005, that subjects a child
8 to a substantial risk of harm to the child's health or safety.

9 (b) "Abuse" does not include reasonable discipline unless the discipline results in one of the
10 conditions described in paragraph (a) of this subsection.

11 (2) "Child" means an unmarried person who is under 18 years of age.

12 (3) "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 **or section 1 of this 2013 Act**;

15 (c) The Oregon Health and Science University; and

16 (d) A private institution of higher education located in Oregon.

17 (4) "Law enforcement agency" means:

18 (a) A city or municipal police department.

19 (b) A county sheriff's office.

20 (c) The Oregon State Police.

21 (d) A police department established by a university under ORS 352.383.

22 (e) A county juvenile department.

23 (5) "Public or private official" means:

24 (a) Physician, osteopathic physician, physician assistant, naturopathic physician, podiatric phy-
25 sician and surgeon, including any intern or resident.

26 (b) Dentist.

27 (c) School employee, including an employee of a higher education institution.

28 (d) Licensed practical nurse, registered nurse, nurse practitioner, nurse's aide, home health aide
29 or employee of an in-home health service.

30 (e) Employee of the Department of Human Services, Oregon Health Authority, Early Learning
31 Council, Youth Development Council, Child Care Division of the Employment Department, the
32 Oregon Youth Authority, a county health department, a community mental health program, a com-
33 munity developmental disabilities program, a county juvenile department, a licensed child-caring
34 agency or an alcohol and drug treatment program.

35 (f) Peace officer.

36 (g) Psychologist.

37 (h) Member of the clergy.

38 (i) Regulated social worker.

39 (j) Optometrist.

40 (k) Chiropractor.

41 (L) Certified provider of foster care, or an employee thereof.

42 (m) Attorney.

43 (n) Licensed professional counselor.

44 (o) Licensed marriage and family therapist.

45 (p) Firefighter or emergency medical services provider.

- 1 (q) A court appointed special advocate, as defined in ORS 419A.004.
- 2 (r) A child care provider registered or certified under ORS 657A.030 and 657A.250 to 657A.450.
- 3 (s) Member of the Legislative Assembly.
- 4 (t) Physical, speech or occupational therapist.
- 5 (u) Audiologist.
- 6 (v) Speech-language pathologist.
- 7 (w) Employee of the Teacher Standards and Practices Commission directly involved in investi-
- 8 gations or discipline by the commission.
- 9 (x) Pharmacist.
- 10 (y) An operator of a preschool recorded program under ORS 657A.255.
- 11 (z) An operator of a school-age recorded program under ORS 657A.257.
- 12 (aa) Employee of a private agency or organization facilitating the provision of respite services,
- 13 as defined in ORS 418.205, for parents pursuant to a properly executed power of attorney under ORS
- 14 109.056.
- 15 (bb) Employee of a public or private organization providing child-related services or activities:
- 16 (A) Including but not limited to youth groups or centers, scout groups or camps, summer or day
- 17 camps, survival camps or groups, centers or camps that are operated under the guidance, super-
- 18 vision or auspices of religious, public or private educational systems or community service organ-
- 19 izations; and
- 20 (B) Excluding community-based, nonprofit organizations whose primary purpose is to provide
- 21 confidential, direct services to victims of domestic violence, sexual assault, stalking or human traf-
- 22 ficking.
- 23 (cc) A coach, assistant coach or trainer of an amateur, semiprofessional or professional athlete,
- 24 if compensated and if the athlete is a child.
- 25 **SECTION 193.** ORS 431.690 is amended to read:
- 26 431.690. (1) As used in this section, “place of public assembly” means a single building that has
- 27 50,000 square feet or more of indoor floor space and where:
- 28 (a)(A) The public congregates for purposes such as deliberation, shopping, entertainment,
- 29 amusement or awaiting transportation; or
- 30 (B) Business activities are conducted; and
- 31 (b) At least 50 individuals congregate on a normal business day.
- 32 (2) Notwithstanding ORS 431.680 (3), the owner of a place of public assembly shall have on the
- 33 premises at least one automated external defibrillator.
- 34 (3) Notwithstanding subsection (2) of this section:
- 35 (a) A community college or a public university listed in ORS 352.002 **or section 1 of this 2013**
- 36 **Act** shall have at least one automated external defibrillator on the campus of the community college
- 37 or public university; and
- 38 (b) If the campus of the community college or public university contains more than one place
- 39 of public assembly, the community college or public university shall ensure that at least one auto-
- 40 mated external defibrillator is readily available to each place of public assembly.
- 41 (4) Subsection (2) of this section does not apply to a building primarily used for worship or ed-
- 42 ucation associated with worship.
- 43 **SECTION 194.** ORS 433.090 is amended to read:
- 44 433.090. As used in ORS 433.090 to 433.102:
- 45 (1) “Authorized user” means a person or entity authorized to provide information to or to re-

1 ceive information from an immunization registry or tracking and recall system under ORS 433.090
2 to 433.102. "Authorized user" includes, but is not limited to:

- 3 (a) The Oregon Health Authority and its agents;
- 4 (b) Local health departments and their agents;
- 5 (c) Licensed health care providers and their agents;
- 6 (d) Health care institutions;
- 7 (e) Insurance carriers;
- 8 (f) State health plans as defined in ORS 192.556;
- 9 (g) Parents, guardians or legal custodians of children under 18 years of age;
- 10 (h) Clients 18 years of age or older;
- 11 (i) Post-secondary education institutions;
- 12 (j) Schools; and
- 13 (k) Children's facilities.

14 (2) "Children's facility" has the meaning given that term in ORS 433.235.

15 (3) "Client" means a person registered with any Oregon tracking and recall system.

16 (4) "Immunization record" includes but is not limited to records of the following:

- 17 (a) Any immunization received;
- 18 (b) Date immunization was received;
- 19 (c) Complication or side effect associated with immunization;
- 20 (d) Date and place of birth of a client;
- 21 (e) Hospital where a client was born;
- 22 (f) Client's name; and
- 23 (g) Mother's name.

24 (5) "Immunization registry" means a listing of clients and information relating to their immu-
25 nization status, without regard to whether the registry is maintained in this state or elsewhere.

26 (6) "Local health department" has the meaning given that term in ORS 433.235.

27 (7) "Parent or guardian" has the meaning given the term "parent" in ORS 433.235.

28 (8) "Post-secondary education institution" means:

- 29 (a) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**;
- 30 (b) A community college operated under ORS chapter 341;
- 31 (c) A school or division of Oregon Health and Science University; or
- 32 (d) An Oregon-based, generally accredited, private institution of higher education.

33 (9) "Provider" means a physician or a health care professional who is acting within the scope
34 of the physician's or professional's licensure and is responsible for providing immunization services
35 or for coordinating immunization services within a clinic, public health site, school or other immu-
36 nization site.

37 (10) "School" has the meaning given that term in ORS 433.235.

38 (11) "Tracking and recall record" means information needed to send reminder cards to, place
39 telephone calls to or personally contact the client or the parent or guardian of a client for the
40 purposes of informing the client, parent or guardian that the client is late in receiving recommended
41 immunizations, hearing or lead screenings, or other public health interventions, including but not
42 limited to the client's:

- 43 (a) Name;
- 44 (b) Address;
- 45 (c) Telephone number;

1 (d) Insurance carrier; and

2 (e) Health care provider.

3 (12) "Tracking and recall system" means a system attached to an immunization registry designed
4 to contact clients listed in the immunization registry for the purposes of assisting in the timely
5 completion of immunization series, hearing or lead screenings, or other public health interventions
6 designated by rule of the authority.

7 **SECTION 195.** ORS 461.543 is amended to read:

8 461.543. (1) Except as otherwise specified in subsection (5) of this section, the Sports Lottery
9 Account is continuously appropriated to and shall be used by the State Board of Higher Education
10 to fund sports programs at public universities listed in ORS 352.002 **and section 1 of this 2013**
11 **Act**. Seventy percent of the revenues in the fund shall be used to fund nonrevenue producing sports
12 and 30 percent shall be used for revenue producing sports. Of the total amount available in the
13 fund, at least 50 percent shall be made available for women's athletics.

14 (2) The board shall allocate moneys in the Sports Lottery Account among the public universities,
15 giving due consideration to:

16 (a) The athletic conference to which the public university belongs and the relative costs of
17 competing in that conference.

18 (b) The level of effort being made by the public university to generate funds and support from
19 private sources.

20 (3) As used in subsections (1) to (3) of this section, "revenue producing sport" is a sport that
21 produces net revenue over expenditures during a calendar year or if its season extends into two
22 calendar years, produces net revenue over expenditures during the season.

23 (4) An amount equal to one percent of the moneys transferred to the Administrative Services
24 Economic Development Fund from the State Lottery Fund shall be allocated from the Administrative
25 Services Economic Development Fund to the Sports Lottery Account.

26 (5) The amounts received by the Sports Lottery Account shall be allocated as follows:

27 (a) Eighty-eight percent for the purposes specified in subsections (1) to (3) of this section, but
28 not to exceed \$8 million annually, adjusted annually pursuant to the Consumer Price Index, as de-
29 fined in ORS 327.006.

30 (b) Twelve percent for the purpose of scholarships, to be distributed equally between scholar-
31 ships based on academic merit and scholarships based on need, as determined by rule of the board,
32 but not to exceed \$1,090,909 annually.

33 (c) All additional money to the Oregon Student Access Commission for the Oregon Opportunity
34 Grant program under ORS 348.260.

35 **SECTION 196.** ORS 541.932 is amended to read:

36 541.932. (1)(a) The following entities may submit a request for funding for, or for advice and
37 assistance in developing, a project under ORS 541.890 to 541.969:

38 (A) A person;

39 (B) An Indian tribe;

40 (C) A watershed council;

41 (D) A soil and water conservation district;

42 (E) A community college;

43 (F) A public university listed in ORS 352.002 **or section 1 of this 2013 Act**;

44 (G) An independent not-for-profit institution of higher education; or

45 (H) A political subdivision of this state that is not a state agency.

1 (b) A state agency or federal agency may apply for funding under this section only as a
2 coapplicant with an entity described in paragraph (a) of this subsection.

3 (2) The request under subsection (1) of this section shall be filed in the manner, be in the form
4 and contain the information required by the Oregon Watershed Enhancement Board, regardless of
5 the anticipated funding source for the project.

6 (3) The board may establish a grant program through soil and water conservation districts or-
7 ganized under ORS 568.210 to 568.808 and 568.900 to 568.933 that provides funds for local imple-
8 mentation of watershed enhancement, education and monitoring efforts.

9 (4) The board may fund implementation of action plans based on a watershed assessment that
10 addresses water quality and aquatic resources of the watershed.

11 (5) A project may use mechanical, vegetative or structural methods including, but not limited
12 to, management techniques, erosion control, streambank stabilization, forest, range or crop land
13 treatment, site specific in-stream structures, acquisitions or leases of land or water rights from a
14 willing owner, watershed assessments, landowner incentives and action plan development, imple-
15 mentation and monitoring.

16 (6) The actions of a soil and water conservation district carried out pursuant to a grant program
17 established by the board under subsection (3) of this section shall not be subject to review and ap-
18 proval by the Natural Resources Division under ORS 561.400.

19 (7) If a project or a portion of a project is not subject to the funding criteria described in ORS
20 541.958 and applies to receive funding from the board, the board may approve the project or portion
21 of a project for funding only if the project or portion of a project:

22 (a) Is based on sound principles of native fish or wildlife habitat conservation or watershed
23 management;

24 (b) Uses methods most adapted to the project locale;

25 (c) Meets the criteria established by the board under ORS 541.906; and

26 (d) Contributes to either:

27 (A) The improved health of a stream, lake or reservoir and toward the achievement of standards
28 that satisfy the requirements of the Federal Water Pollution Control Act (P.L. 92-500), as amended;
29 or

30 (B) The conservation or restoration of habitat for, or of watershed or ecosystem function for,
31 native fish or wildlife.

32 (8) The Oregon Watershed Enhancement Board may fund a project for the restoration of a
33 riparian area or associated upland that is carried out in conjunction with a storage structure.
34 However, the board shall not approve funding for any proposed project that consists solely of con-
35 struction of a storage structure for out-of-stream use.

36 (9) The Oregon Watershed Enhancement Board may fund projects involving the acquisition of
37 lands and waters, or interests therein from willing sellers, for the purpose of maintaining or re-
38 storing watersheds and habitat for native fish or wildlife. Interests in these lands and waters may
39 be held by local, state and federal agencies, tribes, not-for-profit land conservation organizations and
40 trusts, public universities listed in ORS 352.002 **and section 1 of this 2013 Act**, independent not-
41 for-profit institutions of higher education or political subdivisions of this state, as long as the entity
42 continues to use the land or water for the purposes specified under section 4b, Article XV of the
43 Oregon Constitution.

44 (10) If the Oregon Watershed Enhancement Board approves funding for a project under this
45 section, the board may not disburse funds to the applicant for any part of the project that requires

1 the applicant to obtain a permit or license from a local, state or federal agency or governing body
2 until the applicant presents evidence that the agency has granted the permit or license.

3 **SECTION 197.** ORS 634.660 is amended to read:

4 634.660. Each of the following state agencies shall implement integrated pest management
5 practices when carrying out the agency's duties related to pest control:

6 (1) State Department of Agriculture, including the control of noxious weeds.

7 (2) State Department of Fish and Wildlife.

8 (3) Department of Transportation.

9 (4) State Parks and Recreation Department.

10 (5) State Forestry Department.

11 (6) Department of Corrections.

12 (7) Oregon Department of Administrative Services.

13 (8) The Department of State Lands.

14 (9) Each public university listed in ORS 352.002 **or section 1 of this 2013 Act**, for the public
15 university's own building and grounds maintenance.

16 **SECTION 198.** ORS 659.850 is amended to read:

17 659.850. (1) As used in this section, "discrimination" means any act that unreasonably differen-
18 tiates treatment, intended or unintended, or any act that is fair in form but discriminatory in oper-
19 ation, either of which is based on race, color, religion, sex, sexual orientation, national origin,
20 marital status, age or disability. "Discrimination" does not include enforcement of an otherwise
21 valid dress code or policy, as long as the code or policy provides, on a case-by-case basis, for rea-
22 sonable accommodation of an individual based on the health and safety needs of the individual.

23 (2) A person may not be subjected to discrimination in any public elementary, secondary or
24 community college education program or service, school or interschool activity or in any higher
25 education program or service, school or interschool activity where the program, service, school or
26 activity is financed in whole or in part by moneys appropriated by the Legislative Assembly.

27 (3) The State Board of Education, [and] the State Board of Higher Education **and the board**
28 **of directors of a public university listed in section 1 of this 2013 Act** shall establish rules nec-
29 cessary to ensure compliance with subsection (2) of this section in the manner required by ORS
30 chapter 183.

31 **SECTION 199.** ORS 659.860 is amended to read:

32 659.860. (1) Any person claiming to be aggrieved by unlawful discrimination as prohibited by
33 ORS 659.850 may file a civil action in circuit court for equitable relief or, subject to the terms and
34 conditions of ORS 30.265 to 30.300, damages, or both. The court may order such other relief as may
35 be appropriate. Damages shall be \$200 or actual damages, whichever is greater.

36 (2) The action authorized by this section shall be filed within one year of the filing of a griev-
37 ance.

38 (3) [No] **An** action [shall] **may not** be filed unless, within 180 days of the alleged discrimination,
39 a grievance has been filed with the school district board, public charter school governing body,
40 community college board of education, **board of directors of a public university listed in section**
41 **1 of this 2013 Act** or State Board of Higher Education.

42 (4) [No] **An** action may **not** be filed until 90 days after filing a grievance unless only injunctive
43 relief is sought pursuant to ORCP 79. The right to temporary or preliminary injunctive relief [shall
44 be] **is** independent of the right to pursue any administrative remedy available to complainants pur-
45 suant to ORS 659.850.

1 (5) [No] **An** action may **not** be filed if the school district board, public charter school governing
2 body, community college board of education, **board of directors of a public university listed in**
3 **section 1 of this 2013 Act** or State Board of Higher Education has obtained a conciliation agree-
4 ment with the person filing the grievance or if a final determination of a grievance has been made
5 except as provided in ORS 183.480.

6 (6) Notwithstanding the filing of a grievance, pursuant to subsection (3) of this section, any
7 person seeking to maintain an action under this section shall also file a notice of claim within 180
8 days of the alleged discrimination as required by ORS 30.275.

9 (7) The court shall award reasonable attorney fees to a prevailing plaintiff in any action under
10 this section. The court may award reasonable attorney fees and expert witness fees incurred by a
11 defendant who prevails in the action if the court determines that the plaintiff had no objectively
12 reasonable basis for asserting a claim or no objectively reasonable basis for appealing an adverse
13 decision of a trial court.

14 (8) Nothing in this section is intended to reduce the obligations of the education agencies under
15 this section and ORS 659.850 and 659.855.

16 **SECTION 200.** ORS 660.315 is amended to read:

17 660.315. (1) The Governor shall designate regional workforce committees to advise the Governor,
18 local workforce investment boards that represent federally recognized workforce areas containing
19 multiple regions, and county elected officials on regional and local needs for workforce development.
20 The committees shall also prepare plans for achieving regional goals and coordinate the provision
21 of services within regions. The committees shall have private and public sector members. However,
22 a majority of the members of each committee shall represent the private sector and include business
23 and labor representatives. The chairperson of each committee shall be a private sector member and
24 be elected by the committee.

25 (2) The private sector committee members shall play a critical role in workforce development,
26 including but not limited to:

27 (a) Identifying current and future workforce needs;

28 (b) Providing feedback on public sector programs;

29 (c) Assisting public agencies in changing programs to be more effective in meeting private sector
30 needs; and

31 (d) Being a partner in addressing workforce needs.

32 (3) Private sector members of a committee created under this section shall be appointed by
33 county commissioners and, in the region that includes the City of Portland, the Mayor of Portland.
34 The members of the committee shall reflect the broadest feasible representation from the groups
35 described in ORS 660.312 (4)(a) to (h).

36 (4) The public sector representatives on the committee are representatives who receive re-
37 sources and deliver education and workforce programs within the labor market area. Public sector
38 members shall include the broadest feasible representation from, but not be limited to, the following:

39 (a) The Department of Human Services;

40 (b) School districts, education service districts, community colleges, public universities listed in
41 ORS 352.002 **and section 1 of this 2013 Act** and Oregon Health and Science University;

42 (c) The Oregon Business Development Department and local economic development entities;

43 (d) The Employment Department;

44 (e) The federal Act programs; and

45 (f) Other public sector partners.

1 (5) A region may recommend to the Governor an alternate structure for its regional committee,
2 based on regional determination and mutually agreed to by the current public and private sector
3 members of the regional workforce committee and the chief elected officials. The alternate structure
4 must retain a private sector chairperson, appointments of the private sector members as provided
5 in subsection (3) of this section, and substantive public and private sector and other stakeholder
6 participation through formalized methods, such as standing committees.

7 (6) A regional workforce committee shall develop and implement a strategic regional workforce
8 plan that responds to the current and future workforce needs of the regional labor market.

9 (7) The strategic regional workforce plan shall:

10 (a) Consider the supply and demand outlook for the region;

11 (b) Identify and prioritize initiatives and resources, both public and private, to meet the regional
12 workforce needs;

13 (c) Articulate and include the coordination of both public and private resources in addressing
14 the workforce needs and goals; and

15 (d) Ensure the most appropriate use of resource investments.

16 (8) The regional workforce committee shall create or enhance the workforce program delivery
17 system to meet the strategic priorities of the region and any strategic priorities of a federally re-
18 cognized workforce area that includes that region.

19 (9) Within each region, or within overlapping regions, regional workforce committees, local
20 workforce investment boards and regional investment boards shall coordinate their planning efforts
21 to ensure that the strategic efforts and resource allocation of economic and workforce development
22 of an area are consistent. Regional workforce committees and regional investment boards will ex-
23 tend opportunities to other entities engaged in economic and workforce development programs and
24 services to participate in their joint or integrated strategic planning.

25 (10)(a) A local workforce investment board that represents a multiregional workforce area shall
26 hold regional workforce committees in the area accountable for any policy and operational respon-
27 sibilities under 2832(d) of the federal Act that is delegated to the committees in accordance with
28 state policy and local workforce investment board policy.

29 (b) A regional workforce committee within a multiregional workforce area is accountable to the
30 local workforce investment board for any policy and operational responsibilities carried out under
31 the federal Act on behalf of the board.

32 (c) As it relates to regional responsibilities under this section, a regional workforce committee
33 may, through a vote of the committee, determine the methodology for delegating the responsibilities
34 of the regional workforce committee to a local workforce investment board representing the multi-
35 regional workforce area.

36 **SECTION 201.** ORS 660.358 is amended to read:

37 660.358. (1) The State Workforce Investment Board, in consultation with the Governor, the Ed-
38 ucation and Workforce Policy Advisor and other parties deemed appropriate by the board and after
39 consideration of the clean energy and energy efficiency policies of this state, shall develop a plan
40 for a green jobs growth initiative to promote the development of emerging technologies and inno-
41 vations that lead to, create or sustain family wage green jobs.

42 (2) The plan for the initiative developed by the board shall:

43 (a) Identify industries that are high demand green industries based on current and projected
44 creation of family wage green jobs and the potential for career pathways created for such jobs.

45 (b) Use the needs of identified high demand green industries as the basis for the planning of

1 workforce development activities that promote the development of emerging green technologies and
 2 innovations. These activities include, but are not limited to, such efforts undertaken by community
 3 colleges, the public universities [*of the Oregon University System*] **listed in ORS 352.002 and section**
 4 **1 of this 2013 Act**, designated signature research centers, registered apprenticeship programs and
 5 other private sector training programs.

6 (c) Leverage and align existing public workforce development programs and other public and
 7 private resources to the goal of recruiting, supporting, educating and training of targeted popu-
 8 lations of workers.

9 (d) Require the board to work collaboratively with stakeholders from business, labor and low
 10 income advocacy groups in the regional economy to develop and implement the initiative.

11 (e) Link adult basic and remedial education programs with job training for skills necessary for
 12 green jobs.

13 (f) Require the board to collaborate with employers and labor organizations to identify skills and
 14 competencies necessary for green job career pathways.

15 (g) Ensure that support services are integrated with education and training for green jobs and
 16 that such services are provided by organizations with direct access to and experience with targeted
 17 populations.

18 (h) Include an analysis of occupations in the forest products industry to:

19 (A) Determine key growth factors and employment projections for green jobs in the forest pro-
 20 ducts industry; and

21 (B) Define the educational and skill standards required for current and emerging green occupa-
 22 tions in the forest products industry.

23 (3) Based on the analysis conducted under subsection (2)(h) of this section, the State Workforce
 24 Investment Board, in consultation with the Education and Workforce Policy Advisor, shall identify
 25 those forest products industries to be classified as high-demand green industries, taking into con-
 26 sideration current and future job creation and the strategic importance of the development of high-
 27 demand green forest products industry jobs to the development and growth of the state's green
 28 economy.

29 (4) As used in this section, "forest products industry" includes, but is not limited to, businesses
 30 that grow, manage, harvest, transport or process forest, wood and paper products.

31 **SECTION 202.** ORS 679.020 is amended to read:

32 679.020. (1) A person may not practice dentistry without a license.

33 (2) Only a person licensed as a dentist by the Oregon Board of Dentistry may own, operate,
 34 conduct or maintain a dental practice, office or clinic in this state.

35 (3) The restrictions of subsection (2) of this section, as they relate to owning and operating a
 36 dental office or clinic, do not apply to a dental office or clinic owned or operated by any of the
 37 following:

38 (a) A labor organization as defined in ORS 243.650 and 663.005 (6), or to any nonprofit organ-
 39 ization formed by or on behalf of such labor organization for the purpose of providing dental ser-
 40 vices. Such labor organization must have had an active existence for at least three years, have a
 41 constitution and bylaws, and be maintained in good faith for purposes other than providing dental
 42 services.

43 (b) The School of Dentistry of the Oregon Health and Science University.

44 (c) Public universities listed in ORS 352.002 **or section 1 of this 2013 Act**.

45 (d) Local governments.

1 (e) Institutions or programs accredited by the Commission on Dental Accreditation of the
2 American Dental Association to provide education and training.

3 (f) Nonprofit corporations organized under Oregon law to provide dental services to rural areas
4 and medically underserved populations of migrant, rural community or homeless individuals under
5 42 U.S.C. 254b or 254c or health centers qualified under 42 U.S.C. 1396d(1)(2)(B) operating in com-
6 pliance with other applicable state and federal law.

7 (g) Nonprofit charitable corporations as described in section 501(c)(3) of the Internal Revenue
8 Code and determined by the Oregon Board of Dentistry as providing dental services by volunteer
9 licensed dentists to populations with limited access to dental care at no charge or a substantially
10 reduced charge.

11 (4) For the purpose of owning or operating a dental office or clinic, an entity described in sub-
12 section (3) of this section must:

13 (a) Name an actively licensed dentist as its dental director, who shall be subject to the pro-
14 visions of ORS 679.140 in the capacity as dental director. The dental director, or an actively licensed
15 dentist designated by the director, shall have responsibility for the clinical practice of dentistry,
16 which includes, but is not limited to:

17 (A) Diagnosis of conditions within the human oral cavity and its adjacent tissues and structures.

18 (B) Prescribing drugs that are administered to patients in the practice of dentistry.

19 (C) The treatment plan of any dental patient.

20 (D) Overall quality of patient care that is rendered or performed in the practice of dentistry.

21 (E) Supervision of dental hygienists, dental assistants or other personnel involved in direct pa-
22 tient care and the authorization for procedures performed by them in accordance with the standards
23 of supervision established by statute or by the rules of the board.

24 (F) Other specific services within the scope of clinical dental practice.

25 (G) Retention of patient dental records as required by statute or by rule of the board.

26 (H) Ensuring that each patient receiving services from the dental office or clinic has a dentist
27 of record.

28 (b) Maintain current records of the names of licensed dentists who supervise the clinical activ-
29 ities of dental hygienists, dental assistants or other personnel involved in direct patient care utilized
30 by the entity. The records must be available to the board upon written request.

31 (5) Subsections (1) and (2) of this section do not apply to an expanded practice dental hygienist
32 who renders services authorized by a permit issued by the board pursuant to ORS 680.200.

33 (6) Nothing in this chapter precludes a person or entity not licensed by the board from:

34 (a) Ownership or leasehold of any tangible or intangible assets used in a dental office or clinic.
35 These assets include real property, furnishings, equipment and inventory but do not include dental
36 records of patients related to clinical care.

37 (b) Employing or contracting for the services of personnel other than licensed dentists.

38 (c) Management of the business aspects of a dental office or clinic that do not include the clin-
39 ical practice of dentistry.

40 (7) If all of the ownership interests of a dentist or dentists in a dental office or clinic are held
41 by an administrator, executor, personal representative, guardian, conservator or receiver of the es-
42 tate of a former shareholder, member or partner, the administrator, executor, personal represen-
43 tative, guardian, conservator or receiver may retain the ownership interest for a period of 12 months
44 following the creation of the ownership interest. The board shall extend the ownership period for
45 an additional 12 months upon 30 days' notice and may grant additional extensions upon reasonable

1 request.

2 **SECTION 203.** ORS 696.182 is amended to read:

3 696.182. (1) The Real Estate Agency, with advice from real estate professionals and educators,
4 shall prescribe rules for certifying real estate continuing education providers.

5 (2) The agency shall include in the rules that an applicant for certification under this section
6 must be:

7 (a) A main or branch office, with a registered business name as provided under ORS 696.026,
8 of a licensed real estate property manager or principal real estate broker;

9 (b) A licensed title or escrow company conducting business in this state;

10 (c) A real estate trade association or a trade association in a related field;

11 (d) A real estate multiple listing service;

12 (e) An attorney admitted to practice in this state;

13 (f) A private career school licensed by the Department of Education and approved by the agency
14 to provide the basic real estate broker's or property manager's educational courses required under
15 ORS 696.022;

16 (g) An accredited community college, [*an accredited*] a public university listed in ORS 352.002
17 **or section 1 of this 2013 Act** or a private and independent institution of higher education as de-
18 fined in ORS 352.720;

19 (h) A distance learning provider as provided by rule of the agency; or

20 (i) Another provider approved by the Real Estate Board.

21 (3) The Real Estate Agency may provide continuing education without being certified under this
22 section.

23 (4) The agency, in consultation with real estate professionals and educators, shall provide by
24 rule:

25 (a) A broad list of course topics that are eligible for continuing education credit required by
26 ORS 696.174; and

27 (b) Learning objectives for each course topic.

28 (5) The list of course topics developed by the agency under subsection (4) of this section must
29 allow for changes in the real estate profession.

30 (6) The minimum length of each course is one hour. A continuing education provider or course
31 instructor may allow a break of no more than 10 minutes for each hour of instruction.

32 **SECTION 204.** ORS 696.182, as amended by section 46, chapter 104, Oregon Laws 2012, is
33 amended to read:

34 696.182. (1) The Real Estate Agency, with advice from real estate professionals and educators,
35 shall prescribe rules for certifying real estate continuing education providers.

36 (2) The agency shall include in the rules that an applicant for certification under this section
37 must be:

38 (a) A main or branch office, with a registered business name as provided under ORS 696.026,
39 of a licensed real estate property manager or principal real estate broker;

40 (b) A licensed title or escrow company conducting business in this state;

41 (c) A real estate trade association or a trade association in a related field;

42 (d) A real estate multiple listing service;

43 (e) An attorney admitted to practice in this state;

44 (f) A private career school licensed by the Higher Education Coordinating Commission and ap-
45 proved by the agency to provide the basic real estate broker's or property manager's educational

1 courses required under ORS 696.022;

2 (g) An accredited community college, [*an accredited*] a public university listed in ORS 352.002
3 **or section 1 of this 2013 Act** or a private and independent institution of higher education as de-
4 fined in ORS 352.720;

5 (h) A distance learning provider as provided by rule of the agency; or

6 (i) Another provider approved by the Real Estate Board.

7 (3) The Real Estate Agency may provide continuing education without being certified under this
8 section.

9 (4) The agency, in consultation with real estate professionals and educators, shall provide by
10 rule:

11 (a) A broad list of course topics that are eligible for continuing education credit required by
12 ORS 696.174; and

13 (b) Learning objectives for each course topic.

14 (5) The list of course topics developed by the agency under subsection (4) of this section must
15 allow for changes in the real estate profession.

16 (6) The minimum length of each course is one hour. A continuing education provider or course
17 instructor may allow a break of no more than 10 minutes for each hour of instruction.

18 **SECTION 205.** ORS 743.550 is amended to read:

19 743.550. (1) Student health insurance is subject to ORS 743.537, 743.540, 743.543, 743.546 and
20 743.549, except as provided in this section.

21 (2) Coverage under a student health insurance policy may be mandatory for all students at the
22 institution, voluntary for all students at the institution, or mandatory for defined classes of students
23 and voluntary for other classes of students. As used in this subsection, "classes" refers to under-
24 graduates, graduate students, domestic students, international students or other like classifications.
25 Any differences based on a student's nationality may be established only for the purpose of com-
26 plying with federal law in effect when the policy is issued.

27 (3) When coverage under a student health insurance policy is mandatory, the policyholder may
28 allow any student subject to the policy to decline coverage if the student provides evidence ac-
29 ceptable to the policyholder that the student has similar health coverage.

30 (4) A student health insurance policy may provide for any student to purchase optional supple-
31 mental coverage.

32 (5) Student health insurance coverage for athletic injuries may:

33 (a) Exclude coverage for injuries of students who have not obtained medical release for a similar
34 injury; and

35 (b) Be provided in excess of or in addition to any other coverage under any other health insur-
36 ance policy, including a student health insurance policy.

37 (6) A student health insurance policy may provide that coverage under the policy is secondary
38 to any other health insurance for purposes of guidelines established under ORS 743.552.

39 (7) A student health insurance policy may provide, on request by the policyholder, that all or
40 any portion of any indemnities provided by such policy on account of hospital, nursing, medical or
41 surgical services may, at the insurer's option, be paid directly to the hospital or person rendering
42 such services. However, the amount of any such payment shall not exceed the amount of benefit
43 provided by the policy with respect to the service or billing of the provider of aid. The amount of
44 such payments pursuant to one or more assignments shall not exceed the amount of expenses in-
45 curred on account of such hospitalization or medical or surgical aid.

1 (8) An insurer providing student health insurance as primary coverage may negotiate and enter
2 into contracts for alternative rates of payment with providers and offer the benefit of such alterna-
3 tive rates to insureds who select such providers. An insurer may utilize such contracts by offering
4 a choice of plans at the time an insured enrolls, one of which provides benefits only for services by
5 members of a particular provider organization with whom the insurer has an agreement. If an in-
6 sured chooses such a plan, benefits are payable only for services rendered by a member of that
7 provider organization, unless such services were requested by a member of such organization or are
8 rendered as the result of an emergency.

9 (9) Payments made under subsection (8) of this section shall discharge the insurer's obligation
10 with respect to the amount of insurance paid.

11 (10) An insurer shall provide each student health insurance policyholder with a current roster
12 of institutional and professional providers under contract to provide services at alternative rates
13 under the group policy and shall also make such lists available for public inspection during regular
14 business hours at the insurer's principal office within this state.

15 (11) As used in this section, "student health insurance" means that form of health insurance
16 under a policy issued to a college, school or other institution of learning, a school district or dis-
17 tricts, or school jurisdictional unit, or recognized student government at a public university listed
18 in ORS 352.002 or **section 1 of this 2013 Act**, or to the head, principal or governing board of any
19 such educational unit, who or which shall be deemed the policyholder, that is available exclusively
20 to students at the college, school or other institution.

21 **SECTION 206.** ORS 759.445 is amended to read:

22 759.445. (1) There is established in the State Treasury, separate and distinct from the General
23 Fund, the Connecting Oregon Communities Fund. Moneys in the fund shall consist of amounts de-
24 posited in the fund under ORS 759.405 and any other moneys deposited by a telecommunications
25 carrier that elects to be subject to ORS 759.405 and 759.410, including amounts deposited pursuant
26 to a performance assurance plan implemented by a telecommunications carrier in connection with
27 an application under 47 U.S.C. 271, as in effect on January 1, 2002. Interest earned on moneys in the
28 fund shall accrue to the fund. Moneys in the fund may be invested as provided in ORS 293.701 to
29 293.820. Moneys in the fund shall be used to provide access to advanced telecommunications tech-
30 nology in elementary schools and high schools, colleges and universities, community colleges, public
31 television corporations, rural health care providers, public libraries and other eligible persons.

32 (2) Two dedicated accounts shall be established within the Connecting Oregon Communities
33 Fund for purposes of supporting education and public access to advanced telecommunications ser-
34 vices. The first \$25 million of the moneys deposited in the Connecting Oregon Communities Fund in
35 both 2000 and 2001 shall be appropriated to the School Technology Account established under sub-
36 section (3) of this section. Except as provided in subsection (8) of this section, any additional moneys
37 available in the fund shall be appropriated to the Public Access Account established under sub-
38 section (4) of this section.

39 (3) There is established the School Technology Account within the Connecting Oregon Commu-
40 nities Fund. The purpose of the School Technology Account is to improve access to advanced tele-
41 communications services for students attending public school in kindergarten through grade 12.
42 Moneys in the account shall be expended as provided in section 34, chapter 1093, Oregon Laws 1999.

43 (4)(a) There is established the Public Access Account within the Connecting Oregon Communi-
44 ties Fund. The purpose of the Public Access Account is to improve access to advanced telecommu-
45 nications services for community colleges, universities, public libraries and rural health care

1 providers.

2 (b) If funding has not been provided from other sources, the first \$3 million available in the
3 Public Access Account shall be transferred to the Oregon University System for the purpose of
4 funding the Oregon Wide Area Network project to provide and expand Internet access for the
5 Oregon University System. The Oregon University System shall complete an audit of bandwidth
6 utilization and report to the Joint Legislative Committee on Information Management and Technol-
7 ogy during the Seventy-first Legislative Assembly in the manner provided in ORS 192.245.

8 (c) Following the transfer of funds described in paragraph (b) of this subsection, the next \$1
9 million available in the Public Access Account shall be transferred to the Oregon University System
10 for Oregon State University for the purpose of providing virtual access to persons with disabilities.

11 (d) Following the transfer of funds as described in paragraphs (b) and (c) of this subsection, the
12 next \$2 million available in the Public Access Account shall be transferred to the Department of
13 Community Colleges and Workforce Development for distribution to community colleges for the
14 purpose of developing connectivity and distance education programs.

15 (e) Following the transfer of funds described in paragraphs (b) to (d) of this subsection, the next
16 \$4 million available in the Public Access Account shall be transferred to the Oregon University
17 System for video transport and network management services for the Oregon University System.

18 (f) Following the transfer of funds described in paragraphs (b) to (e) of this subsection, the next
19 \$5.5 million available in the Public Access Account shall be transferred to the Oregon Public
20 Broadcasting Corporation for the purpose of digitizing the state television network, using the
21 Oregon Enterprise Network when possible.

22 (g) Following the transfer of funds described in paragraphs (b) to (f) of this subsection, the next
23 \$500,000 available in the Public Access Account shall be transferred to the Southern Oregon Public
24 Television Corporation for the purpose of digitizing the state television network, using the Oregon
25 Enterprise Network when possible.

26 (h) Following the transfer of funds described in paragraphs (b) to (g) of this subsection, a public
27 university listed in ORS 352.002 **or section 1 of this 2013 Act** or the Oregon Health and Science
28 University may apply for one-time matching funds up to \$1 million from the Public Access Account
29 to endow a telecommunications chair for the purpose of increasing research and development of
30 advanced telecommunications services applications. Only one chair may be endowed under this
31 paragraph.

32 (5)(a) The Oregon Business Development Commission shall approve expenditure of any remaining
33 moneys in the Public Access Account consistent with this section and ORS 759.430.

34 (b) Community colleges, public universities listed in ORS 352.002 **or section 1 of this 2013**
35 **Act**, public libraries, public television corporations and rural health care providers may apply to the
36 Oregon Business Development Commission for funding from the Public Access Account under this
37 subsection.

38 (c) Funds received from the account shall be used for the purchase of advanced telecommuni-
39 cations services, equipment or recurring costs of telecommunications connectivity. Priority shall be
40 given to collaborative projects that improve access to advanced telecommunications services.

41 (d) Funds available in the Public Access Account under this subsection are continuously ap-
42 propriated to the Oregon Business Development Department for the purposes described in this sub-
43 section.

44 (6) Public libraries and rural health care providers must apply for federal universal service
45 support in order to be eligible for a grant from the Public Access Account.

1 (7) The video transport and network management services purchased with funds made available
2 under this section shall be purchased through the Oregon Department of Administrative Services.

3 (8) Any moneys deposited in the Connecting Oregon Communities Fund under subsection (1) of
4 this section pursuant to a performance assurance plan implemented by a telecommunications carrier
5 in connection with an application under 47 U.S.C. 271, as in effect on January 1, 2002, shall be
6 placed in the School Technology Account to be expended as provided in section 34, chapter 1093,
7 Oregon Laws 1999.

8 **SECTION 207.** ORS 815.080 is amended to read:

9 815.080. (1) A person commits the offense of providing a safety belt, harness equipment or a child
10 safety system that does not comply with standards if the person does any of the following:

11 (a) Sells or offers for sale a new motor vehicle that is not equipped with safety belts, safety
12 harnesses or child safety systems that comply with and are installed in compliance with the rules
13 adopted by the Department of Transportation under ORS 815.055. This paragraph applies only to
14 motor vehicles that are primarily designed for transportation of individuals and that have seating
15 for one or more passengers side-by-side with the operator. This paragraph requires only that the
16 vehicle be equipped with one seat belt or harness for the operator and one for at least one of the
17 passengers seated beside the operator.

18 (b) Sells or offers for sale any safety belt, safety harness, child safety system, anchor or other
19 device for attaching or securing safety belts, safety harnesses or child safety system if the belt,
20 harness, child safety system, anchor or device does not comply with the rules adopted by the de-
21 partment under ORS 815.055. This paragraph applies only to belts, harnesses, child safety systems,
22 anchors or devices for use or installation on a vehicle that is primarily designed for transportation
23 of individuals.

24 (c) Sells or offers for sale any safety belt, safety harness, child safety system, anchor or other
25 device for attaching or securing safety belts, safety harnesses or child safety systems if the belt,
26 harness, child safety system, anchor or device is not marked as required under federal safety stan-
27 dards and if the mark is not legible when the belt, harness, child safety system, anchor or other
28 device is used or installed on a vehicle. This paragraph applies only to belts, harnesses, child safety
29 systems, anchors or devices for use or installation on a vehicle that is primarily designed for
30 transportation of individuals.

31 (d) Installs any safety belt, safety harness, child safety system, anchor or other device for at-
32 taching or securing safety belts, safety harnesses or child safety systems on a vehicle that is pri-
33 marily designed for the transportation of individuals except in compliance with rules adopted by the
34 department under ORS 815.055.

35 (2) This section does not apply to school buses or school activity vehicles that are subject to
36 equipment standards adopted by the State Board of Education, [or] the State Board of Higher Edu-
37 cation under ORS 820.100 **or a board of directors of a public university listed in section 1 of**
38 **this 2013 Act.**

39 (3) The offense described in this section, providing a safety belt, harness equipment or a child
40 safety system that does not comply with standards, is a Class C traffic violation.

41 **SECTION 208.** ORS 820.100 is amended to read:

42 820.100. (1) The State Board of Education shall adopt and enforce such reasonable standards
43 relating to school bus and school activity vehicle construction and school bus and school activity
44 vehicle equipment as the board deems necessary for safe and economical operation, except that the
45 board may not authorize the use of school buses manufactured before April 1, 1977.

1 (2) The State Board of Higher Education **and the board of directors of a public university**
2 **listed in section 1 of this 2013 Act** may adopt and enforce separate rules of the type described
3 under this section for school buses and school activity vehicles that are under [*the*] **each** board's
4 jurisdiction, except that the board may not authorize the use of school buses manufactured before
5 April 1, 1977.

6 (3) The State Board of Education shall adopt and enforce standards for school bus stop arms
7 authorized by ORS 820.105.

8 (4) Rules adopted under this section:

9 (a) Must be consistent with requirements established by statute or by rule adopted under stat-
10 utory authority that relate to the same subject.

11 (b) Shall be consistent with minimum uniform national standards, if such standards exist.

12 (c) May include different requirements for different classes or types of school buses or school
13 activity vehicles.

14 (d) May include any exemptions determined appropriate under ORS 820.150.

15 **SECTION 209.** ORS 820.110 is amended to read:

16 820.110. (1) The State Board of Education shall adopt and enforce rules to establish requirements
17 of operation, qualifications or special training of drivers and special accident reports for school
18 buses and school activity vehicles.

19 (2) The State Board of Higher Education **and the board of directors of a public university**
20 **listed in section 1 of this 2013 Act** may adopt and enforce separate rules of the type described
21 under this section for school buses and school activity vehicles that are under [*its*] **each board's**
22 jurisdiction.

23 (3) The rules adopted under this section:

24 (a) Are subject to ORS 820.190 and 820.200 and to any other statute or regulation relating to
25 the operation of vehicles, qualifications of drivers and accident reports.

26 (b) Must be consistent with requirements established by statute or by rule adopted under stat-
27 utory authority that relate to the same subject.

28 (c) May include different requirements for different classes or types of school buses or school
29 activity vehicles.

30 (d) May include any exemptions determined appropriate under ORS 820.150.

31 (4) If the Department of Transportation suspends, cancels or revokes any driving privileges of
32 a person who holds a school bus endorsement under ORS 807.035 (5), the Department of Transpor-
33 tation shall notify the Department of Education of the suspension, cancellation or revocation.

34 **SECTION 210.** ORS 820.120 is amended to read:

35 820.120. (1) The State Board of Education shall adopt and enforce rules to provide for the in-
36 spection of school buses and school activity vehicles to assure that the vehicles are in compliance
37 with requirements under rules established under ORS 820.100 and 820.110, as applicable, and that
38 the vehicles are safe for operation. The rules may include intervals of inspections.

39 (2) The State Board of Higher Education **and the board of directors of a public university**
40 **listed in section 1 of this 2013 Act** may adopt and enforce separate rules of the type described
41 under this section for school buses and school activity vehicles that are under [*its*] **each board's**
42 jurisdiction.

43 (3) The rules adopted under this section:

44 (a) Are subject to any other statute or regulation relating to the safety of vehicles for operation
45 and the inspection of vehicles.

1 (b) May include different requirements for different classes or types of school buses or school
2 activity vehicles.

3 (c) May include any exemptions determined appropriate under ORS 820.150.

4 **SECTION 211.** ORS 820.130 is amended to read:

5 820.130. The Department of Transportation shall issue registration for a school bus when noti-
6 fied that the vehicle conforms to applicable rules under ORS 820.100 to 820.120 and that the vehicle
7 is safe for operation on the highways. Notification required by this section shall be from:

8 (1) The State Board of Education or its authorized representative regarding vehicles under its
9 regulatory authority.

10 (2) The State Board of Higher Education or its authorized representative regarding vehicles
11 under its jurisdiction.

12 **(3) The board of directors of a public university listed in section 1 of this 2013 Act or its**
13 **authorized representative regarding vehicles under its jurisdiction.**

14 **SECTION 212.** ORS 820.150 is amended to read:

15 820.150. (1) The State Board of Education, by rule, may establish classes or types of vehicles
16 that are not considered school buses or school activity vehicles for purposes of the Oregon Vehicle
17 Code or classes of school buses or school activity vehicles that are not subject to regulation under
18 the Oregon Vehicle Code either partially or completely.

19 (2) The State Board of Higher Education **and the board of directors of a public university**
20 **listed in section 1 of this 2013 Act** may adopt separate rules of the type described under this
21 section for vehicles that are under *[its]* **each board's** jurisdiction.

22 (3) Rules adopted under this section are subject to the following:

23 (a) Any exemption, either partial or total, established under this section may be based upon
24 passenger capacity, on limited use or on any other basis the State Board of Education, *[or]* the State
25 Board of Higher Education **or a public university board** considers appropriate.

26 (b) No exemption, either partial or total, shall be established under this section for any vehicle
27 that is marked with or displays the words "school bus."

28 (c) Any vehicle determined not to be a school bus under this section is not a school bus within
29 the definition established under ORS 801.460. Partial exemptions established for vehicles under this
30 section may include removal of the vehicle from any provisions relating to school buses under the
31 vehicle code.

32 (d) Any vehicle determined not to be a school activity vehicle under this section is not a school
33 activity vehicle within the definition established under ORS 801.455. Partial exemptions established
34 for vehicles under this section may include removal of the vehicle from any provisions relating to
35 school activity vehicles under the vehicle code.

36 (e) In considering any rules under this section, the boards shall consider the need to assure
37 student safety.

38 **SECTION 213.** Section 13, chapter 761, Oregon Laws 2007, as amended by section 5, chapter
39 2, Oregon Laws 2009, section 93, chapter 762, Oregon Laws 2009, and section 32, chapter 2, Oregon
40 Laws 2011 is amended to read:

41 **Sec. 13.** (1) There is established in the General Fund an account to be known as the Portland
42 State University Science Research and Teaching Center and Hazardous Waste Facility Account.
43 Funds in the account shall be used for the acquisition, construction, remodeling, expansion and
44 renovation of facilities for a Science Research and Teaching Center and Hazardous Waste Facility
45 Phase I at Portland State University.

1 (2) The account shall consist of proceeds from certificates of participation, grant funds, gift
2 funds, proceeds of legal settlements, federal and local government funds made available to and funds
3 donated to [*the Oregon University System*] **Portland State University** for the purpose of the center
4 and facility project described in subsection (1) of this section. Interest earned on moneys in the ac-
5 count shall be credited to the account. The account may not be credited with more than \$7,000,000
6 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 center and facility project described in subsection (1) of this section.

10 **SECTION 214.** Section 14, chapter 761, Oregon Laws 2007, as amended by section 94, chapter
11 762, Oregon Laws 2009, and section 33, chapter 2, Oregon Laws 2011, is amended to read:

12 **Sec. 14.** (1) There is established in the General Fund an account to be known as the University
13 of Oregon Integrative Science Complex, Phase 2 Account. Funds in the account shall be used for the
14 acquisition, construction, remodeling, expansion and renovation of facilities for an Interactive Sci-
15 ence Complex, Phase 2 at the University of Oregon.

16 (2) The account shall consist of grant funds, gift funds, federal and local government funds made
17 available to and funds donated to the [*Oregon University System*] **University of Oregon** for the
18 purpose of the Interactive Science Complex, Phase 2 project described in subsection (1) of this sec-
19 tion. Interest earned on moneys in the account shall be credited to the account. The account may
20 not be credited with more than \$30,000,000 for 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 Interactive Science Complex, Phase 2 project described in subsection (1) of this
24 section.

25 **SECTION 215.** Section 15, chapter 761, Oregon Laws 2007, as amended by section 95, chapter
26 762, Oregon Laws 2009, and section 34, chapter 2, Oregon Laws 2011, is amended to read:

27 **Sec. 15.** (1) There is established in the General Fund an account to be known as the University
28 of Oregon Hayward Field Account. Funds in the account shall be used for the purposes described
29 in Article XI-G of the Oregon Constitution at Hayward Field at the University of Oregon.

30 (2) The account shall consist of funds received from not-for-profit organizations, grant funds, gift
31 funds, federal and local government funds made available to and funds donated to the [*Oregon Uni-*
32 *versity System*] **University of Oregon** for the purpose of the Hayward Field project described in
33 subsection (1) of this section. Interest earned on moneys in the account shall be credited to the ac-
34 count. The account may not be credited with more than \$2,500,000 for purposes of this subsection.

35 (3) Moneys in the account are continuously appropriated to the [*Oregon University System*]
36 **University of Oregon** and may be transferred to the account designated by [*ORS 351.626*] **the**
37 **university** for the purposes described in subsection (1) of this section.

38 **SECTION 216.** Section 17, chapter 761, Oregon Laws 2007, as amended by section 97, chapter
39 762, Oregon Laws 2009, and section 36, chapter 2, Oregon Laws 2011, is amended to read:

40 **Sec. 17.** (1) There is established in the General Fund an account to be known as the Portland
41 State University Science PCAT Redevelopment Account. Funds in the account shall be used for the
42 acquisition, construction, remodeling, expansion and renovation of facilities on the current site of
43 the Portland Center for Advanced Technology at Portland State University.

44 (2) The account shall consist of grant funds, gift funds, proceeds of legal settlements, federal and
45 local government funds made available to and funds donated to [*the Oregon University System*]

1 **Portland State University** for the purpose of the project described in subsection (1) of this section.
 2 Interest earned on moneys in the account shall be credited to the account. The account may not be
 3 credited with more than \$10,000,000 for purposes of this subsection.

4 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]
 5 **Portland State University** and may be transferred to the account designated by [*ORS 351.626*] **the**
 6 **university** for the project described in subsection (1) of this section.

7 **SECTION 217.** Section 22, chapter 904, Oregon Laws 2009, as amended by section 50, chapter
 8 2, Oregon Laws 2011, and section 46, chapter 9, Oregon Laws 2011, is amended to read:

9 **Sec. 22.** (1) There is established in the General Fund an account to be known as the Portland
 10 State University Science Research and Teaching Center/Hazardous Waste Facility Phase 2 Project
 11 Account. Funds in the account shall be used for the acquisition, construction, remodeling, expansion
 12 and renovation of facilities for a facility project at [*Oregon*] **Portland State University**.

13 (2) The account shall consist of proceeds from grant funds, gift funds and federal and local
 14 government funds made available to [*the Oregon University System*] **Portland State University** for
 15 the purpose of the facility project described in subsection (1) of this section. Interest earned on
 16 moneys in the account shall be credited to the account. The account may not be credited with more
 17 than \$2,500,000 for purposes of this subsection.

18 (3) Moneys in the account are continuously appropriated to [*the Oregon University System*]
 19 **Portland State University** and may be transferred to the account designated by [*ORS 351.626*] **the**
 20 **university** for the facility project described in subsection (1) of this section.

21 **SECTION 218.** Section 24, chapter 904, Oregon Laws 2009, as amended by section 52, chapter
 22 2, Oregon Laws 2011, and section 48, chapter 9, Oregon Laws 2011, is amended to read:

23 **Sec. 24.** (1) There is established in the General Fund an account to be known as the University
 24 of Oregon Allen Hall Expansion and Remodel Project Account. Funds in the account shall be used
 25 for the acquisition, construction, remodeling, expansion and renovation of facilities for a facility
 26 project at the University of Oregon.

27 (2) The account shall consist of proceeds from grant funds and gift funds made available to and
 28 funds donated to the [*Oregon University System*] **University of Oregon** for the purpose of the fa-
 29 cility project described in subsection (1) of this section. Interest earned on moneys in the account
 30 shall be credited to the account. The account may not be credited with more than \$7,500,000 for
 31 purposes of this subsection.

32 (3) Moneys in the account are continuously appropriated to the [*Oregon University System*]
 33 **University of Oregon** and may be transferred to the account designated by [*ORS 351.626*] **the**
 34 **university** for the facility project described in subsection (1) of this section.

35 **SECTION 219.** Section 3, chapter 797, Oregon Laws 2001, is amended to read:

36 **Sec. 3.** Subject to available funding, if a building evaluated under section 2 (4), **chapter 797,**
 37 **Oregon Laws 2001**, [*of this 2001 Act*] is found by a board to pose an undue risk to life safety during
 38 a seismic event, the State Board of Higher Education, **board of directors of a public university**
 39 **listed in section 1 of this 2013 Act**, local school district board, community college board or edu-
 40 cation service district board, as appropriate, shall develop a plan for seismic rehabilitation of the
 41 building or for other actions to reduce the risk. For a board that is subject to ORS 291.224, the
 42 board's plan to rehabilitate or take other action to reduce the seismic risk of a building must be
 43 included in the capital construction program of the board. A board that is subject to ORS 291.224
 44 shall rank the relative benefit of projects to reduce seismic risk in comparison with other life safety
 45 and code requirement projects. Subject to availability of funding, all seismic rehabilitations or other

1 actions to reduce seismic risk must be completed before January 1, 2032. If the building is listed on
2 a national or state register of historic places or properties or is designated as a landmark by local
3 ordinance, the plan for seismic rehabilitation or other action shall be developed in a manner that
4 gives consideration to preserving the character of the building.

5 **SECTION 220.** Section 10, chapter 519, Oregon Laws 2011, as amended by section 1,
6 chapter 37, Oregon Laws 2012, is repealed.

7 **SECTION 221.** ORS 351.509, 351.511, 351.517, 351.518, 351.519, 351.521, 351.538, 351.539,
8 352.043, 352.045, 352.046, 352.048, 352.049, 352.051, 352.052, 352.053, 352.063, 352.066, 352.067,
9 352.068, 352.071 and 352.074 are added to and made a part of sections 1 to 34 of this 2013 Act.

10 **SECTION 222.** Sections 1 to 45 of this 2013 Act and the amendments to statutes by
11 sections 46 to 219 of this 2013 Act and the repeal of section 10, chapter 519, Oregon Laws
12 2011, by section 220 of this 2013 Act become operative on July 1, 2014.

13 **SECTION 223.** The State Board of Higher Education shall continue to have jurisdiction
14 over the operations of the University of Oregon and Portland State University for the
15 2013-2014 academic year. However, the University of Oregon Board of Directors and the
16 Portland State University Board of Directors shall propose funding requests pursuant to
17 section 18 of this 2013 Act and shall prepare budgets, in cooperation with the State Board
18 of Higher Education, for the biennium beginning July 1, 2013. The presidents of the Univer-
19 sity of Oregon and Portland State University shall assume responsibilities for administration
20 of the respective universities on July 1, 2014.

21 **SECTION 224.** For the biennium beginning July 1, 2013, the funding requests required to
22 be submitted by the University of Oregon and Portland State University under section 18 of
23 this 2013 Act shall be submitted to the Oregon Department of Administrative Services prior
24 to November 1, 2013.

25 **SECTION 225.** This 2013 Act being necessary for the immediate preservation of the public
26 peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect
27 on its passage.

28