

A-Engrossed
House Bill 2288

Ordered by the House April 20
Including House Amendments dated April 20

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Transportation and Economic Development)

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.

[Directs Oregon Innovation Council to submit report to interim legislative committees, no later than July 1, 2016, regarding distribution of moneys in Oregon Innovation Fund.]

Increases membership of Oregon Innovation Council. Decreases term of office of appointed voting members from three to two years.

Directs council to establish audit and accountability committee to monitor performance of council contracts and benchmark Oregon's performance against nationally accepted innovation metrics.

Changes responsibilities of council. Changes requirements of state plan to be developed by council. Requires council to complete plan by December 31, 2015, and update plan every biennium.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to the Oregon Innovation Council; amending ORS 284.706, 284.711 and 284.715; and declar-
3 ing an emergency.

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

5 **SECTION 1.** ORS 284.706 is amended to read:

6 284.706. (1) There is created the Oregon Innovation Council consisting of the following voting
7 members:

8 (a) The Governor or the Governor's designated representative, who shall be chairperson of the
9 council.

10 (b) *[Five]* **Seven** members appointed by the Governor who are **experienced entrepreneurs or**
11 **investors or are** engaged in the operations of Oregon traded sector industries or Oregon growth
12 businesses.

13 (c) One member appointed by the Governor who is a representative of an Oregon-based, gener-
14 ally accredited, not-for-profit private institution of higher education.

15 **(d) One member appointed by the Governor who is a representative of an Oregon-based,**
16 **generally accredited public institution of higher education as defined in ORS 284.633.**

17 *[(d)]* **(e) A member of the Oregon Growth Board, appointed by the board, who is experienced**
18 **in making direct investments in new growth-based companies.**

19 *[(e)]* **(f) A private sector** member of the Engineering and Technology Industry Council, ap-
20 pointed by the Engineering and Technology Industry Council.

21 *[(f)]* **(g) The Director or an executive officer** of the Oregon Business Development Department.

22 *[(g)]* **(h) The executive director** of the Higher Education Coordinating Commission.

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 *[(h)]* (i) The State Treasurer.

2 (2)(a) The Speaker of the House of Representatives shall appoint two members to the council
3 who are members of the House of Representatives.

4 (b) The President of the Senate shall appoint two members to the council who are members of
5 the Senate.

6 (c) Members of the Legislative Assembly appointed to the council are nonvoting members and
7 may act in an advisory capacity only.

8 (3) The *[following persons, or their representatives,]* **presiding officer of the Oregon Business**
9 **Development Commission** shall serve as **an** ex officio, nonvoting *[members]* **member** of the
10 council[.].

11 *[(a) The presiding officer of the Oregon Business Development Commission.]*

12 *[(b) The chairperson of the Higher Education Coordinating Commission.]*

13 *[(c) An executive officer of an association representing Oregon-based, generally accredited, not-for-*
14 *profit private institutions of higher education, appointed by the Governor.]*

15 (4) The term of office of each appointed voting member of the council is *[three]* **two** years, but
16 an appointed member serves at the pleasure of the appointing authority. Before the expiration of the
17 term of an appointed voting member, the appointing authority shall appoint a successor whose term
18 begins on July 1 next following. An appointed member is eligible for reappointment **for one addi-**
19 **tional term**. If there is a vacancy for any cause, the appointing authority shall make an appoint-
20 ment to become immediately effective for the remainder of the unexpired term.

21 (5) A majority of the voting members of the council constitutes a quorum for the transaction
22 of business.

23 (6) Official action by the council requires the approval of a majority of the voting members of
24 the council.

25 (7) The council shall meet at least *[twice]* **four times** per fiscal year at a place, day and time
26 determined by the chairperson. The council may also meet at other times and places specified by a
27 call of the chairperson or by written request of a majority of the voting members of the council.

28 (8) The council may adopt rules necessary for the operation of the council.

29 **(9) The council shall establish an audit and accountability committee that shall monitor**
30 **performance of council contracts and benchmark Oregon's performance against nationally**
31 **accepted innovation metrics.**

32 *[(9)]* (10) The council may establish **other** committees and delegate to the committees duties as
33 the council considers desirable.

34 *[(10)]* (11) The Oregon Business Development Department shall provide staff support to the
35 council.

36 *[(11)]* (12) Members of the council who are members of the Legislative Assembly are entitled to
37 compensation and expense reimbursement as provided in ORS 171.072.

38 *[(12)]* (13) Members of the council who are not members of the Legislative Assembly are entitled
39 to compensation and expenses incurred by them in the performance of their official duties in the
40 manner and amounts provided for in ORS 292.495. Claims for compensation and expenses of members
41 of the council who are public officers shall be paid out of funds appropriated to the public agency
42 that employs the member. Claims for compensation and expenses of members of the council who are
43 not public officers shall be paid out of funds appropriated to the Oregon Business Development De-
44 partment for that purpose.

45 *[(13)]* (14) All agencies of state government, as defined in ORS 174.111, are directed to assist the

1 council in the performance of its duties and, to the extent permitted by laws relating to
2 confidentiality, to furnish such information and advice as the members of the council consider nec-
3 essary to perform their duties.

4 **SECTION 2.** ORS 284.711 is amended to read:

5 284.711. (1) The Oregon Innovation Council shall provide advice to the Governor, the Legislative
6 Assembly, research institutions, public agencies that provide economic development and the private
7 sector on issues related to:

8 (a) *[Promoting agreements between research institutions and private industry that increase tech-*
9 *nology transfer and the commercialization of research]* **Promoting the commercialization of re-**
10 **search from the private sector, universities and colleges, including investments in signature**
11 **research centers where Oregon has a distinct or emerging advantage;**

12 *[(b) Promoting investment in specialized research facilities and signature research centers where*
13 *Oregon has a distinct or emerging advantage for creating new products and businesses;]*

14 *[(c)]* (b) Stimulating seed and start-up capital investment and entrepreneurial capacity that will
15 promote economic growth in Oregon traded sector industries or Oregon growth businesses; **and**

16 *[(d)]* (c) Developing the entrepreneurial and management capacity critical to the competitiveness
17 of Oregon traded sector industries or Oregon growth businesses in rapidly growing global
18 markets.[;]

19 *[(e) Enhancing the international competitiveness of Oregon traded sector industries or Oregon*
20 *growth businesses; and]*

21 *[(f) Identifying workforce issues for occupations critical to the competitiveness of Oregon traded*
22 *sector industries or Oregon growth businesses, including but not limited to scientific, engineering, in-*
23 *formation technology, business management and innovation-based economic development occupations.]*

24 *[(2) The Oregon Innovation Council shall advise the Engineering and Technology Industry Council*
25 *established in ORS 351.663 on how to coordinate the Engineering and Technology Industry Council's*
26 *goals and policies with the state plan developed under ORS 284.715.]*

27 *[(3)]* (2) The council, the Oregon Business Development Commission, the State Board of Higher
28 Education and the office of the State Treasurer shall coordinate policies and programs related to
29 the duties of the council.

30 *[(4)]* (3) Based on the state plan developed under ORS 284.715 and subject to the approval of the
31 Oregon Business Development Department, the council may distribute moneys in the Oregon Inno-
32 vation Fund by grant or loan or pursuant to contracts with research institutions, the private sector
33 and public entities.

34 *[(5)]* (4) The council may assess and charge fees for making grants or loans under ORS 284.742.

35 **SECTION 3.** ORS 284.715 is amended to read:

36 284.715. (1) The Oregon Innovation Council shall develop a state plan for innovation and eco-
37 nomic competitiveness. The plan shall include policy and program recommendations to:

38 (a) Identify and expand the state's industry and core research strengths related to Oregon
39 traded sector industries, *[or]* Oregon growth businesses **and higher education that have the**
40 **highest potential for commercialization and economic impact;**

41 *[(b) Promote agreements between research institutions and private industry that increase technology*
42 *transfer and the commercialization of research;]*

43 *[(c) Promote investment in specialized research facilities and signature research centers where*
44 *Oregon has a distinct or emerging advantage for innovation-based economic development; and]*

45 **(b) Enhance the entrepreneurial ecosystem that promotes the development and growth**

1 **of new innovation-based businesses and assists existing businesses in developing new pro-**
2 **ducts;**

3 [(d)] (c) Stimulate seed and start-up capital investment and entrepreneurial capacity that will
4 promote innovation-based economic development in Oregon traded sector industries or Oregon
5 growth businesses; **and**

6 **(d) Develop an innovation and entrepreneurial index that benchmarks Oregon to national**
7 **averages and other states, and that tracks two-year and five-year progress toward these**
8 **performance metrics.**

9 [(2) *The state plan shall also include an identification of workforce issues and trends related to the*
10 *development of workers in traded sector industries or Oregon growth businesses and make recommen-*
11 *dations to the State Workforce Investment Board and the State Board of Education on training and*
12 *education enhancements based on the identified workforce issues and trends.*]

13 [(3)] (2) The council shall **complete the plan by December 31, 2015, and** update the plan every
14 biennium.

15 [(4)] (3) Each year, the council shall report to the Governor and the Legislative Assembly about
16 the plan.

17 **SECTION 4. This 2015 Act being necessary for the immediate preservation of the public**
18 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
19 **on its passage.**

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