

- (A) Academic courses;
- (B) Career and technical education courses; and
- (C) Distance education courses.
- (5) “Eligible post-secondary institution” means:
 - (a) A community college;
 - (b) A [*state institution of higher education*] **public university** listed in ORS 352.002; and
 - (c) The Oregon Health and Science University.
- (6)(a) “Eligible student” means a student who is enrolled in an Oregon public school and who:
 - (A) Is 16 years of age or older at the time of enrollment in a course under the Expanded Options Program;
 - (B)(i) Is in grade 11 or 12 at the time of enrollment in a course under the Expanded Options Program; or
 - (ii) Is not in grade 11 or 12, because the student has not completed the required number of credits, but who has been allowed by the school district to participate in the program;
 - (C) Has developed an educational learning plan as described in ORS 340.025; and
 - (D) Has not successfully completed the requirements for a high school diploma as established by ORS 329.451, the State Board of Education and the school district board.
- (b) “Eligible student” does not include a foreign exchange student enrolled in a school under a cultural exchange program.
- (7) “Expanded Options Program” means the program created under this chapter.
- (8) “Scope” means depth and breadth of course content as evidenced through a planned course statement including content outline, applicable state content standards where appropriate, course goals and student outcomes.

SECTION 121. ORS 340.085 is amended to read:

340.085. The Department of Education shall annually report on the Expanded Options Program to the [*Joint Boards of Education*] **Higher Education Coordinating Commission** and the House and Senate committees relating to education. The report shall include:

- (1) The types of accelerated college credit programs offered.
- (2) The number of waivers of requirements granted under the Expanded Options Program and the reasons for issuance of the waivers.
- (3) The number of college and high school credits earned under the Expanded Options Program.
- (4) The estimated college tuition cost savings for students participating in the Expanded Options Program.
- (5) The number of students who had dropped out of high school but returned to high school to participate in the Expanded Options Program and earned a diploma.
- (6) The number of students who participated in the Expanded Options Program, categorized by ethnicity and financial status.
- (7) The number of talented and gifted students who participated in the Expanded Options Program.
- (8) The level of participation in the Expanded Options Program by rural communities, and the number of students living in rural communities who participated in the program.
- (9) Recommendations for changes to the Expanded Options Program to better serve students, including changes to the age limit restrictions for eligible students.
- (10) Recommendations for funding changes to better serve students who wish to participate in the Expanded Options Program.
- (11) The number of appeals of students under ORS 340.030 to the Superintendent of Public Instruction or the superintendent’s designee and the disposition of the students’ appeals.
- (12) The number of small school districts with more eligible students who wish to participate in the program than are allowed under the credit hour caps established in ORS 340.080.

SECTION 122. ORS 341.009 is amended to read:

341.009. The Legislative Assembly finds that:

knowledge of and interest in education, but these other members shall not be persons employed by any institution of higher education or community college located in the state.

SECTION 170b. The Oregon Student Access Commission replaces the Oregon Student Assistance Commission. All of the duties, functions and powers of the Oregon Student Assistance Commission are imposed upon, transferred to and vested in the Oregon Student Access Commission. The rights and obligations of the Oregon Student Assistance Commission legally incurred before the operative date specified in section 292a of this 2011 Act are transferred to the Oregon Student Access Commission and for the purposes of succession of these rights and obligations, in addition to the statutory duties, functions and powers, the Oregon Student Access Commission is a continuation of the Oregon Student Assistance Commission.

SECTION 170c. (1) The amendments to ORS 348.510 by section 170a of this 2011 Act are intended to change the name of the Oregon Student Assistance Commission to the Oregon Student Access Commission.

(2) For the purpose of harmonizing and clarifying statutory law, the Legislative Counsel may substitute for words designating the "Oregon Student Assistance Commission," wherever they occur in statutory law, words designating the "Oregon Student Access Commission."

SECTION 171. ORS 348.520 is amended to read:

348.520. The Oregon Student [Assistance] Access Commission shall:

(1) Make available to qualified persons financial aid from financial sources available to the commission.

(2) Determine qualifications of persons to receive financial aid.

(3) Maintain reports and records on persons applying for and receiving financial aid from the commission.

(4) Withhold any financial aid if the recipient thereof fails to maintain the standards established for receipt of that aid.

(5) Recommend to the Legislative Assembly not less than once every biennium matters relating to the establishment, administration, modification, transfer, reduction or cancellation of financial aid.

(6) Prior to implementing changes to the Oregon Opportunity Grant program, report to the Legislative Assembly or the Emergency Board any proposed change:

(a) That increases or decreases the total amount awarded as Oregon Opportunity Grants that was approved as part of the budget enacted by the Legislative Assembly for the commission; and

(b) To the methodology used to determine the student share, family share or state share under ORS 348.205.

(7) Encourage the establishment of financial aid programs by private agencies.

(8) Collect and disseminate information pertaining to all types of available financial aid.

(9) Review the administrative practices and evaluate the effectiveness of all public and private post-secondary financial aid programs in Oregon.

(10) Disburse state appropriations for financial aid in such a manner as to maximize its role in cooperative coordination of financial aid programs.

SECTION 171a. ORS 348.520, as amended by section 171 of this 2011 Act, is amended to read:

348.520. The Oregon Student Access Commission shall:

(1) Make available to qualified persons financial aid from financial sources available to the commission.

(2) Determine qualifications of persons to receive financial aid.

(3) Maintain reports and records on persons applying for and receiving financial aid from the commission.

(4) Withhold any financial aid if the recipient thereof fails to maintain the standards established for receipt of that aid.

(5) Recommend to the Legislative Assembly not less than once every biennium matters relating to the establishment, administration, modification, transfer, reduction or cancellation of financial aid.

(6) Prior to implementing changes to the Oregon Opportunity Grant program, report to the **Higher Education Coordinating Commission and the** Legislative Assembly or the Emergency Board any proposed change:

(a) That increases or decreases the total amount awarded as Oregon Opportunity Grants that was approved as part of the budget enacted by the Legislative Assembly for the **Oregon Student Access** Commission; and

(b) To the methodology used to determine the student share, family share or state share under ORS 348.205.

(7) Encourage the establishment of financial aid programs by private agencies.

(8) Collect and disseminate information pertaining to all types of available financial aid.

(9) Review the administrative practices and evaluate the effectiveness of all public and private post-secondary financial aid programs in Oregon.

(10) Disburse state appropriations for financial aid in such a manner as to maximize its role in cooperative coordination of financial aid programs.

SECTION 172. ORS 348.530 is amended to read:

348.530. The Oregon Student [*Assistance*] **Access** Commission may:

(1) Negotiate for and contract with private and governmental agencies for the establishment of financial aid programs.

(2) Receive gifts of any type, including gifts of stock and real property, for the purpose of establishing, continuing and increasing financial aid.

(3) Administer any form of financial aid submitted to and accepted for administration by the commission.

(4) Authorize payment from funds appropriated therefor, of costs, commissions, attorney fees and other reasonable expenses, including refund of overpayment of fees, [*which*] **that** are related to and necessary for making and protecting guaranteed loans and recovering moneys and loans and management of property acquired in connection with such loans.

(5) Sue and be sued.

(6) Pursuant to ORS chapter 183, adopt such rules as may be necessary to carry out the provisions of ORS 348.040 to 348.280, 348.500 to 348.695 and 348.992.

(7) Cooperatively coordinate all types of financial aid activities.

(8) Establish a State of Oregon scholar program to recognize students with outstanding academic achievement and other demonstrated attributes. The students will not necessarily receive financial aid.

(9) Guarantee loans by eligible lending institutions to student residents of the State of Oregon who are enrolled or accepted for enrollment at any eligible institution, nonresident students enrolled or accepted for enrollment in an institution of higher education or community college in Oregon, and parents of those students, under the provisions of the Higher Education Act of 1965 as amended.

(10) Deny financial aid to any student owing a refund or in default on financial aid previously made available to that student.

(11) Establish and implement any program permitted under federal law to guaranty agencies, including administrative garnishment and wage withholding under Public Law 102-164, section 605.

SECTION 172a. ORS 348.540 is amended to read:

348.540. (1) The Oregon Student [*Assistance*] **Access** Commission shall select one of its members as chairperson, and another as vice chairperson, for such terms and with such powers and duties necessary for the performance of the functions of such offices as the commission shall determine.

(2) A majority of the commission constitutes a quorum for the transaction of business.

(3) The commission shall meet at the call of the chairperson or of a majority of the members of the commission.

SECTION 172b. ORS 348.550 is amended to read:

348.550. A member of the Oregon Student [Assistance] **Access** Commission is entitled to compensation and expenses as provided in ORS 292.495.

SECTION 172c. ORS 348.560 is amended to read:

348.560. Subject to any applicable provisions of the State Personnel Relations Law, the Oregon Student [Assistance] **Access** Commission may employ and fix the compensation of any employees it deems necessary for the effective conduct of the work under its charge. The commission may also arrange with the Oregon University System for use of staff and office space under the jurisdiction of the Oregon University System.

SECTION 173. ORS 348.563 is amended to read:

348.563. For the purpose of requesting a state or nationwide criminal records check under ORS 181.534, the Oregon Student [Assistance] **Access** Commission may require the fingerprints of a person who:

- (1)(a) Is employed or applying for employment by the commission; or
- (b) Provides services or seeks to provide services to the commission as a contractor or volunteer; and
- (2) Is, or will be, working or providing services in a position:
 - (a) In which the person has direct access to facilities where students reside or to persons under 18 years of age, elderly persons or persons with disabilities;
 - (b) In which the person is providing information technology services and has control over, or access to, information technology systems that would allow the person to harm the information technology systems or the information contained in the systems;
 - (c) In which the person has access to information, the disclosure of which is prohibited by state or federal laws, rules or regulations or information that is defined as confidential under state or federal laws, rules or regulations; or
 - (d) That has payroll functions or in which the person has responsibility for receiving, receipting or depositing money or negotiable instruments, for billing, collections or other financial transactions or for purchasing or selling property or has access to property held in trust or to private property in the temporary custody of the state.

SECTION 174. ORS 348.570 is amended to read:

348.570. (1) There is established in the State Treasury a fund, separate and distinct from the General Fund, to be known as the Oregon Student Assistance Fund for investment as provided by ORS 293.701 to 293.820 and for the payment of the expenses of the Oregon Student [Assistance] **Access** Commission in carrying out the purposes of ORS 348.210 to 348.250, 348.505 to 348.615, 348.696 and 348.992. Interest earned by the fund shall be credited to the fund.

(2) There is established in the State Treasury a fund, separate and distinct from the General Fund, to be known as the Alternative Student Loan Program Fund for investment as provided by ORS 293.701 to 293.820 and for the payment of expenses of the commission in carrying out the purposes of ORS 348.625 to 348.695. This fund, including the interest earnings on the fund, if any, is continuously appropriated to the commission for those purposes for which such funds were provided to, received or collected by the commission.

(3)(a) There is established in the General Fund an account to be known as the Nursing Services Account. Funds in the account shall be used for the payment of expenses of the Nursing Services Program created in ORS 442.540.

(b) The account shall consist of:

- (A) Funds appropriated to the Oregon Student [Assistance] **Access** Commission for deposit into the account;
- (B) Collections and penalties received by the commission under ORS 442.545; and
- (C) Any donations or grants received by the commission for purposes of the Nursing Services Program.

(c) Any funds in the account that are not expended in any biennium shall be retained in the account and may be expended in subsequent biennia.

(4) There is established in the State Treasury a fund, separate and distinct from the General Fund, to be known as the Former Foster Youth Scholarship Fund. Moneys received from appropriations, donations and grants shall be credited to the fund. Moneys in the fund are continuously appropriated to the Oregon Student [Assistance] Access Commission for the purposes of investment, as provided by ORS 293.701 to 293.820, and for carrying out the provisions of ORS 348.270 (1)(b). Interest earned by the fund shall be credited to the fund.

(5) There is established in the State Treasury a fund, separate and distinct from the General Fund, to be known as the ASPIRE Program Fund. Moneys received from donations and grants shall be credited to the ASPIRE Program Fund. Moneys in the fund are continuously appropriated to the Oregon Student [Assistance] Access Commission for the purposes of investment, as provided by ORS 293.701 to 293.820, and for carrying out the provisions of ORS 348.500. Interest earned by the fund shall be credited to the fund.

(6)(a) There is established in the State Treasury the Nursing Faculty Loan Repayment Fund, separate and distinct from the General Fund. Interest earned on the Nursing Faculty Loan Repayment Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Oregon Student [Assistance] Access Commission for carrying out ORS 348.440 to 348.448. The Nursing Faculty Loan Repayment Fund consists of:

(A) Moneys appropriated to the commission for the Nursing Faculty Loan Repayment Program created in ORS 348.444; and

(B) Grants, gifts or donations received by the commission for the program.

(b) Any unexpended funds in the fund at the end of a biennium shall be retained in the fund and may be expended in subsequent biennia.

SECTION 175. ORS 348.580 is amended to read:

348.580. (1) Subject to the terms of the governing instruments and applicable law, the Oregon Student [Assistance] Access Commission may enter into agreements with one or more community foundations in Oregon to assume the management of the privately funded student aid programs of the commission. The commission may transfer to the community foundation any or all gifts or scholarship grants received by the commission from any private donor.

(2) All gifts or scholarship grant funds received by the commission that are not transferred to community foundations pursuant to subsection (1) of this section shall be placed in the hands of the State Treasurer, who is designated as the custodian thereof and who may hold, in the manner provided by law, the principal and interest on the gifts and grants. Funds may be withdrawn periodically by the commission to provide for administrative expenditures and make payments upon scholarships awarded by the commission.

(3) As used in this section, "community foundation" means an organization that is:

(a) A community trust or foundation within the meaning of section 170 of the Internal Revenue Code of 1986 and section 1.170A-9(e)(10) of the Treasury Regulations thereunder;

(b) Exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986; and

(c) Not a private foundation within the meaning of section 509 of the Internal Revenue Code of 1986.

SECTION 176. ORS 348.590 is amended to read:

348.590. All funds for and relating to student aid programs received by the Oregon Student [Assistance] Access Commission pursuant to federal grant or from any other source, except moneys appropriated from the State Treasury for a specified period of time, hereby are continuously appropriated to the commission for the purposes for which such funds were provided and received by the commission.

SECTION 177. ORS 348.592 is amended to read:

348.592. (1) The Oregon Student [Assistance] Access Commission may obtain loan cancellation insurance for any person holding a loan under this section and ORS 348.505 to 348.530 and 348.570.

(2) Such insurance shall insure the life of the student who borrows under this section and ORS 348.505 to 348.530 and 348.570 for the amount of the principal and interest due on the loan and the

State of Oregon shall be named as the beneficiary. If the borrower dies before repaying the loan, the insurance shall be used to pay the balance of the loan and the commission shall issue a satisfaction of the obligation.

(3) The Oregon Department of Administrative Services shall procure bids for the purchasing of insurance in compliance with the laws governing the purchase and furnishing of services to state agencies.

SECTION 178. ORS 348.597 is amended to read:

348.597. (1) Except as provided in subsection (2) of this section, ORS 348.594 to 348.615 apply to all schools that operate in this state.

(2) ORS 348.594 to 348.615 do not apply to:

(a) An Oregon community college;

(b) A *[state institution of higher education within the Oregon University System]* **public university listed in ORS 352.002;**

(c) The Oregon Health and Science University;

(d) A school, or a separately accredited campus of a school, if the school:

(A) Is a nonprofit school that is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code;

(B) Conferred degrees in this state under the same control for at least five consecutive years; and

(C) Is accredited by a regional accrediting association or its national successor;

(e) A school that, on the date preceding July 15, 2005, was a school described in ORS 348.594 (2)(d); or

(f) A school that is exempt from ORS 348.594 to 348.615 under ORS 348.604.

SECTION 179. ORS 348.601 is amended to read:

348.601. The *[Office of]* Degree Authorization Account is established separate and distinct from the General Fund. All moneys received by the *[office, other than appropriations from the General Fund,]* **Higher Education Coordinating Commission under ORS 348.603, 348.606 and 348.609** shall be deposited into the account and are continuously appropriated to the *[Oregon Student Assistance]* **Higher Education Coordinating Commission** to carry out the duties, functions and powers of the *[office]* **commission under ORS 348.594 to 348.615.**

SECTION 180. ORS 348.603 is amended to read:

348.603. (1) The *[Oregon Student Assistance Commission, through the Office of Degree Authorization,]* **Higher Education Coordinating Commission** shall:

(a) Authorize approved schools to offer academic degree programs;

(b) Authorize approved degree-granting schools to offer nondegree programs leading to a certificate or diploma;

(c) Validate claims of degree possession;

(d) Terminate substandard or fraudulent degree activities;

(e) Terminate activities of diploma mills operating in or from Oregon;

(f) Except as provided in subsection (4) of this section, terminate the operation in or from Oregon of post-secondary accrediting bodies that are not recognized by the United States Department of Education or by the commission; and

(g) Review proposed new publicly funded post-secondary programs and locations.

(2)(a) Following review of a proposed new publicly funded post-secondary program or location that is not a career pathways certificate of completion program described in ORS 348.611, the commission shall recommend resolution to the appropriate governing boards and mediate between the boards to seek a negotiated resolution if:

(A) There is a detrimental duplication of programs; or

(B) The program or location would have a significantly adverse impact on one or more other segments of education.

(b) If the boards do not resolve the issue raised under paragraph (a) of this subsection within 90 days of the date when the issue was recommended to the boards for mediation, the commission

shall have final authority for approval or disapproval of the program or location. If the boards do not resolve the issue, the commission shall approve or disapprove the program or location within 180 days of the date when the review began.

(c) If the boards do not resolve the issue, the commission shall approve the program or location if the commission finds that the program or location meets an unmet workforce need in the state.

(d) The commission shall establish by rule a fair and neutral decision-making process in consultation with representatives designated by the State Board of Education, the State Board of Higher Education, associations representing Oregon independent colleges, associations representing Oregon career colleges, and the governing boards of otherwise unrepresented post-secondary schools.

(3) The commission, by rule, may impose a fee on any school or person requesting information from the commission. The amount of the fee shall be established to recover designated expenses incurred by the commission in carrying out the administration of ORS 348.594 to 348.615. Any fees collected under this subsection shall be deposited in the [Office of] Degree Authorization Account established under ORS 348.601.

(4) Subsection (1)(f) of this section does not apply to a body the role of which is to accredit schools that offer only associate, bachelor's or master's degrees with titles in theology or religious occupations or, if the schools also offer doctoral degrees, offer doctoral degrees only in theology or religious occupations that have been approved by a federally recognized accrediting organization.

SECTION 181. ORS 348.604 is amended to read:

348.604. Upon application from a school, as defined in ORS 348.594, the [Oregon Student Assistance Commission, through the Office of Degree Authorization,] **Higher Education Coordinating Commission** shall grant an exemption from ORS 348.594 to 348.615 to the school if the school:

(1) Is, or is operated by, a nonprofit corporation;

(2) Offers only associate, bachelor's or master's degrees with titles in theology or religious occupations, or, if the school also offers doctoral degrees, offers doctoral degrees in theology or religious occupations that have been approved by a federally recognized accrediting organization;

(3) Teaches students with faculty members who:

(a) Hold degrees:

(A) From a school that, at the time of the conferral of the degrees, was accredited by a federally recognized accrediting organization, held an exemption under this section, or was a school described in ORS 348.594 (2)(d) on the date preceding July 15, 2005;

(B) That are at least one level above the degree level of the program in which the faculty members teach or that are the terminal degrees in the field in which the faculty members teach; and

(C) That are not honorary degrees; or

(b) Possess sufficient compensatory qualifications to substitute for academic degrees in the fields in which the faculty members teach;

(4) Offers a curriculum:

(a) Of a duration and level that is comparable to the curriculums offered by schools that are not exempt under this section; and

(b) That, with higher degrees, increases the difficulty of the work expected of students;

(5) Requires students to complete academic assignments and to demonstrate learning appropriate to the curriculum;

(6) Awards credit toward degrees proportionate to the work done by students;

(7) Offers admission:

(a) To a student:

(A) With a high school diploma or an equivalent credential; or

(B) Who completed the equivalent of a high school education through home study; and

(b) Based on evidence that the student can reasonably expect to complete a degree and benefit from the education offered;

(8) Provides or arranges for faculty members and students to have access to information that supports instruction and stimulates research or independent study in all areas of the curriculum;

(9) Provides accurate and appropriate credit transcripts to students of the school and accurate and appropriate diplomas to graduates of the school;

(10) Charges tuition by the credit hour or other fixed rate for instruction during an academic term and does not charge tuition or fees for the award of a degree or charge a single fee for an entire degree program;

(11) Provides the oversight required by the commission [*through the office*] over a faculty member or administrator who has:

(a) Been convicted of a felony; or

(b) Violated a state or federal law related to the operation of a school;

(12) Provides facilities that permit private communication between faculty members and students;

(13) Provides a number of faculty members that is adequate for the number of students enrolled;

(14) Provides clear and accurate information to students about the school's expectations of students in the school's courses;

(15) Ensures that a student who is pursuing a degree is making continuous progress toward the degree;

(16) Before a student enrolls in the school, informs the student that a school to which the student might transfer retains the discretion whether to accept the transfer of credits earned at the school;

(17) Provides official transcripts of faculty members to the [*office*] **commission**; and

(18) Pays the fee imposed by ORS 348.607.

SECTION 182. ORS 348.605 is amended to read:

348.605. (1) A school that obtains an exemption under ORS 348.604 or that, on the date preceding July 15, 2005, was a school described in ORS 348.594 (2)(d) may not:

(a) Award more than 25 percent of the credit toward a degree for noninstructional activities, such as challenge examinations and professional or life experiences;

(b) Represent that the school is:

(A) Approved by the State of Oregon; or

(B) Accredited by an organization unless the organization is recognized as an accreditor by the United States Department of Education; or

(c) Pay a faculty member a commission or otherwise base a faculty member's compensation on the faculty member's recruitment of students to the school.

(2) A school that obtains an exemption under ORS 348.604 or that, on the date preceding July 15, 2005, was a school described in ORS 348.594 (2)(d) shall:

(a) Preserve official transcripts for all faculty members and students;

(b) Notify the [*Office of Degree Authorization*] **Higher Education Coordinating Commission** if a faculty member or administrator at the school has:

(A) Been convicted of a felony; or

(B) Violated a state or federal law related to the operation of a school;

(c) Place in any course catalog that is available to students or to the public a notice that states: "(Name of school) has been granted exempt status by the State of Oregon to offer theological and/or religious occupations degrees.";

(d) If the school closes, return to students tuition payments for the current term on a prorated basis;

(e) If the school provides placement services to a student, describe the placement services clearly and accurately to the student and avoid giving unrealistic expectations of placement to the student; and

(f) If an administrator claims to possess an academic degree:

(A) Ensure that the administrator possesses the academic degree that the administrator claims to possess; and

(B) Require that the degree is from a school that, at the time of the conferral of the degree, was accredited by a federally recognized accrediting organization, held an exemption under this section, or was a school described in ORS 348.594 (2)(d) on the date preceding July 15, 2005.

SECTION 183. ORS 348.606 is amended to read:

348.606. (1) A school may not confer or offer to confer any academic degree upon a person, or provide services purporting to lead to a degree in whole or in part, without first obtaining approval from the [*Oregon Student Assistance Commission through the Office of Degree Authorization*] **Higher Education Coordinating Commission**. The commission shall adopt by rule standards and procedures for the approval of schools.

(2)(a) The commission, by rule, may impose a fee on any school applying for approval to confer or offer to confer a degree upon a person or to provide academic credit applicable to a degree. The fee is nonrefundable.

(b) The amount of the fee shall be established to recover designated expenses incurred by the commission in carrying out the administration of ORS 348.594 to 348.615, and may not exceed the following amounts adjusted for inflation annually, beginning on July 1, 2007, pursuant to the increase, if any, from the preceding year in the U.S. City Average Consumer Price Index for All Urban Consumers (All Items) as published by the Bureau of Labor Statistics of the United States Department of Labor:

- (A) For a doctoral degree, \$5,500.
- (B) For a master's degree, \$4,150.
- (C) For a bachelor's degree, \$4,150.
- (D) For an associate degree, \$2,750.
- (E) For a certificate or for any partial degree program, \$1,000.

(c) In addition to the base fee described in paragraph (b) of this subsection, the commission may assess the actual costs related to the use of experts to evaluate programs leading to professional licensure by the state, if such costs exceed 10 percent of the base fee.

(d) Any fees collected under this subsection shall be deposited in the [*Office of*] Degree Authorization Account established under ORS 348.601.

SECTION 184. ORS 348.607 is amended to read:

348.607. (1) The [*Oregon Student Assistance Commission*] **Higher Education Coordinating Commission** may, by rule, impose a fee on a school that applies for an exemption under ORS 348.604. The amount of the fee may not exceed the lesser of:

- (a) The actual cost to the commission of determining the school's compliance with the requirements for an exemption under ORS 348.604; or
 - (b) Fifty percent of the fee that the commission would impose on the school under ORS 348.606
- (2) if the school were applying for approval to offer a bachelor's degree.

(2) Except as provided in ORS 348.604 or 348.608 or section 6, chapter 546, Oregon Laws 2005, the commission may not impose requirements for a religious exemption from ORS 348.594 to 348.615.

SECTION 185. ORS 348.608 is amended to read:

348.608. (1) Each year, on a date prescribed by the [*Office of Degree Authorization*] **Higher Education Coordinating Commission**, a school that obtains an exemption under ORS 348.604 or a school that, on the date preceding July 15, 2005, was a school described in ORS 348.594 (2)(d), shall submit to the [*office*] **commission** a statement that reads: "(Name of School) hereby certifies that the school remains in compliance with all conditions for a religious exemption from ORS 348.594 to 348.615."

(2) A school that obtains an exemption under ORS 348.604 or a school that, on the date preceding July 15, 2005, was a school described in ORS 348.594 (2)(d) remains exempt unless the [*office*] **commission** suspends or revokes the exemption.

(3) The [*office*] **commission** may suspend or revoke an exemption if:

(a) After the notice and opportunity to cure provided in subsection (4) of this section, a school fails to provide the statement required by subsection (1) of this section;

(b) The [office] **commission** has received a complaint from a student or former student of the school that the school is failing to comply with a condition for exemption under ORS 348.604, the [office] **commission** determines that the complaint is valid, the school has been provided with notice and opportunity to cure as required by subsection (4) of this section and the school fails to comply with the condition listed in the notice; or

(c) After the notice and opportunity to cure provided in subsection (4) of this section, a school is in violation of ORS 348.605.

(4) The [Oregon Student Assistance Commission, through the office,] **commission** shall provide notice of and 90 days to cure a school's:

(a) Failure to provide the statement required by subsection (1) of this section;

(b) Failure to maintain compliance with a condition for exemption under ORS 348.604 if the [office] **commission** has received a complaint from a student or former student of the school that the school is failing to comply with a condition for exemption under ORS 348.604 and the [office] **commission** has determined the complaint is valid; or

(c) Violation of ORS 348.605.

(5) A school may appeal the denial, suspension or revocation of an exemption to the commission.

(6) A school may appeal [to the commission the office's] **the commission's** decision that a faculty member does not possess sufficient compensatory qualifications to substitute for an academic degree in the field in which the faculty member teaches.

(7) The commission shall conduct an appeal under this section as a contested case under ORS chapter 183.

(8)(a) If a school appeals the denial, suspension or revocation of an exemption and the commission upholds the denial, suspension or revocation, the commission shall provide the school 90 days to cure the grounds for the denial, suspension or revocation. If the school does not cure the grounds for the denial, suspension or revocation within 90 days after the commission upholds the denial, suspension or revocation, then the denial, suspension or revocation becomes effective 90 days after the issuance of the decision on the appeal by the commission.

(b) If a school does not appeal the denial, suspension or revocation of an exemption to the commission and the school does not cure the grounds for the denial, suspension or revocation within the period of time to appeal the decision to the commission, then the denial, suspension or revocation becomes effective upon the expiration of the period of time to appeal.

SECTION 186. ORS 348.609 is amended to read:

348.609. (1) A person may not claim or represent that the person possesses any academic degree unless the degree has been awarded to or conferred upon the person by a school that:

(a) Has accreditation recognized by the United States Department of Education or the foreign equivalent of such accreditation;

(b) Has been approved by the [Oregon Student Assistance Commission through the Office of Degree Authorization] **Higher Education Coordinating Commission** to offer and confer degrees in Oregon;

(c) Is described in ORS 348.597; or

(d) Is located in the United States and has been found by the commission to meet standards of academic quality comparable to those of an institution located in the United States that has accreditation, recognized by the United States Department of Education, to offer degrees of the type and level claimed by the person.

(2)(a) A person who has been awarded a degree from a school other than a school described in subsection (1) of this section may claim or represent that the person possesses an academic degree if:

(A) The person has been awarded a degree from a school that has the legal authority to issue degrees in the jurisdiction where the degree is issued; and

(B) The claim or representation is accompanied by a disclaimer that states: "(Name of school) does not have accreditation recognized by the United States Department of Education and has not

been approved by the [Office of Degree Authorization] **Higher Education Coordinating Commission.**”

(b) A disclaimer allowed under this subsection shall be made in any resume, letterhead, business card, announcement or advertisement in which the person is claiming or representing to have an academic degree from a school that does not meet the requirements of subsection (1) of this section.

(c) A person may not use a disclaimer described in this subsection for a degree received from a diploma mill.

(d) This subsection does not alter any requirement for obtaining a license, admission into a school, teaching or employment or for other areas in which a degree from an accredited school is required.

(3) The [Oregon Student Assistance] commission shall adopt, by rule, standards and procedures for responding to complaints about degree claims and for validation of degree claims. Failure of a person to provide documentation of a claimed degree shall be prima facie evidence that the claim of such person to such degree is a violation of this section.

(4) The [Oregon Student Assistance] commission, by rule, may impose a fee on any school or person requesting validation of degree claims. The amount of the fee shall be established to recover designated expenses incurred by the commission in carrying out the administration of ORS 348.594 to 348.615. Any fees collected under this subsection shall be deposited in the [Office of] Degree Authorization Account established under ORS 348.601.

(5)(a) The [Oregon Student Assistance Commission, through the Office of Degree Authorization,] **commission** may cause a civil suit to be instituted in the circuit court for legal or equitable remedies, including injunctive relief, to ensure compliance with this section. The commission may recover attorney fees and court costs for any such action.

(b) The commission shall adopt a schedule of civil penalties for violations of this section. A civil penalty shall not exceed \$1,000 per violation.

(c) In addition to any action or penalty provided by law, any person who violates this section shall incur a civil penalty in an amount prescribed by the schedule adopted by the commission. Any civil penalty imposed under this subsection shall be imposed in the manner provided in ORS 183.745. All penalties recovered under this subsection shall be paid into the State Treasury and credited to the General Fund.

(6) The provisions of this section do not apply to a person who is a graduate of a veterinary college, or a veterinary department of a university or college, of good standing and repute, as determined by the Oregon State Veterinary Medical Examining Board.

SECTION 187. ORS 348.611 is amended to read:

348.611. (1) As used in this section:

(a) “Career pathways certificate of completion program” means a certification program that:

(A) Is offered at a community college;

(B) Provides a specified proficiency in specific skills to meet an identified employment need;

(C) Is provided in a grouping of 12 to 44 quarter credits, or an equivalent number of credits;

(D) Is wholly contained within an associate degree program or a similar certification program of 45 or more quarter credits, or an equivalent number of credits, that was reviewed and approved as provided by ORS 348.603 (2); and

(E) Satisfies the requirements for a career pathways certificate of completion program, as prescribed by the Department of Community Colleges and Workforce Development.

(b) “Program authority” means:

(A) The governing body of a community college; or

(B) The designee of the governing body of a community college that has authority related to the offering of a career pathways certificate of completion program at the community college.

(2)(a) At least 30 business days prior to a community college seeking final approval from the State Board of Education to offer a new career pathways certificate of completion program, the program authority shall provide notice of intent to offer the program to the Department of Com-

munity Colleges and Workforce Development. The notice of intent must be in the form required by the department and may be provided electronically.

(b) Upon receiving a notice of intent described in paragraph (a) of this subsection, the department shall immediately provide electronic notice to any private institution that may be affected by the offering of a new career pathways certificate of completion program.

(3) A private institution that objects to the offering of a career pathways certificate of completion program must provide a notice of objection to the program authority within 12 business days of receiving the notice of intent under subsection (2) of this section.

(4) If a program authority receives a notice of objection as provided by subsection (3) of this section, the program authority must:

(a) Within three business days after the last date by which a private institution may provide a notice of objection, offer all private institutions that provided a notice of objection the opportunity to participate in a meeting described in subsection (5) of this section; and

(b) Postpone the seeking of final approval from the State Board of Education for the career pathways certificate of completion program until the requirements of subsection (6) of this section have been satisfied.

(5)(a) A community college that provided a notice of intent under subsection (2) of this section and a private institution that provided a notice of objection under subsection (3) of this section shall participate in a meeting for the purpose of avoiding detrimental duplication or a significantly adverse impact by:

(A) Identifying opportunities for collaboration in programs;

(B) Forming agreements or partnerships for offering programs; or

(C) Developing ideas for modifying programs.

(b) The program authority or the private institution may invite the [*Oregon Student Assistance Commission*] **Higher Education Coordinating Commission** or any other third party to join a meeting or to act as a mediator of a meeting.

(6) A program authority may seek final approval from the State Board of Education for a program following a postponement described in subsection (4) of this section if:

(a) An agreement is reached between the program authority and all of the private institutions that participated in the meeting described in subsection (5) of this section; or

(b) The program authority and the private institutions that participated in the meeting described in subsection (5) of this section are unable to reach an agreement within 15 business days.

(7) Notwithstanding the timelines prescribed by subsections (3), (4) and (6) of this section, the program authority and the private institutions may mutually agree to adjust the timelines.

SECTION 188. ORS 348.612 is amended to read:

348.612. The [*Oregon Student Assistance Commission*] **Higher Education Coordinating Commission** may revoke or suspend any approval given to a school under ORS 348.606 for proper cause after a hearing. Such hearing shall be held only after the school has been given 20 days' notice in writing of the time and place of such hearing. Hearings shall be held in accordance with the rules of the commission adopted under ORS 348.530.

SECTION 189. ORS 348.615 is amended to read:

348.615. If the [*Oregon Student Assistance Commission*] **Higher Education Coordinating Commission** refuses to grant approval to a school to confer degrees or revokes the approval to confer degrees, the refusal or revocation shall be subject to the right of review by an action brought in the circuit court of the county in which the school is located. Such review shall be tried as an action not triable by right to a jury.

SECTION 190. ORS 348.616 is amended to read:

348.616. (1) The Oregon Student [*Assistance*] **Access Commission** shall develop and adopt rules that provide the minimum criteria that an employer must meet in order for the employer's scholarship program for employees and dependents to be certified as eligible for the employee and dependent scholarship program tax credit provided under ORS 348.621. The commission shall adopt rules to determine:

(a) The types of educational programs, institutions and expenses related to the programs and institutions for which scholarships may be offered to employees and dependents, and scholarship moneys expended on their behalf;

(b) The types of employees and dependents to whom scholarships must be offered;

(c) The minimum and maximum annual dollar amounts of a scholarship that would be a qualified scholarship under ORS 315.237;

(d) The minimum annual number of hours of instruction that a scholarship beneficiary must commit to in order to be eligible for a scholarship; and

(e) Such other requirements as the commission may provide.

(2) An employer must employ at least four full-time equivalent employees but no more than 250 employees in order to be certified as eligible for the employee and dependent scholarship program tax credit under ORS 348.621.

(3) An employer seeking to claim the tax credit provided under ORS 315.237 must apply to the [Oregon Student Assistance] commission for both employee and dependent scholarship program certification under ORS 348.618 and tax credit certification under ORS 348.621.

SECTION 191. ORS 348.618 is amended to read:

348.618. (1) An application for employee and dependent scholarship program certification shall be filed by the employer establishing the program. The application shall be filed with the Oregon Student [Assistance] Access Commission at least three months prior to the close of the first tax year for which a tax credit under ORS 315.237 will be claimed.

(2) The application shall be filed on a form prescribed by the commission and shall contain the information required by the commission, including:

(a) The date on which the proposed employee and dependent scholarship program will first be available to the employer's employees and their dependents;

(b) The total number of employees of the employer;

(c) The total number of employees who will be eligible, or whose dependents will be eligible, to participate in the program;

(d) The criteria to be used by the employer in determining the eligibility of an employee or an employee's dependent for a scholarship under the program; and

(e) The annual limit, if any, on the amount of funds to be used for scholarships under the program.

(3) The commission shall certify an application that describes an employee and dependent scholarship program that is in compliance with the rules adopted by the commission under ORS 348.616 (1) and (2), if made by an employer that meets the employment requirements of ORS 348.616 (1) and (2).

(4) The commission shall certify or reject an application within 60 days of receipt of the application and shall notify the employer of the commission's determination.

(5) An employer whose application has been rejected by the commission shall be afforded an opportunity to amend the application to address the commission's objections to the original application.

(6) In the case of an employer whose proposed employee and dependent scholarship program has been certified by the commission, the commission shall send a letter of program certification to the employer. The letter of program certification shall set forth or incorporate by reference the statements made in the application being certified.

(7) A letter of program certification issued under this section shall remain valid until the employer changes the terms of eligibility for a scholarship under the program, changes the minimum or maximum amount of a scholarship under the program or ceases to be an employer.

SECTION 192. ORS 348.621 is amended to read:

348.621. (1) An application for tax credit certification shall be filed by an employer that has obtained program certification under ORS 348.618 or that has applied for program certification and is awaiting such certification by the Oregon Student [Assistance] Access Commission.

(2) The application for tax credit certification shall be filed by the employer with the commission. The application shall be filed at the time prescribed by the commission, but no later than October 1 of the calendar year in which begins the tax year for which a credit under ORS 315.237 will be claimed.

(3) The application shall be filed on a form prescribed by the commission and shall contain the information required by the commission, including the amount of scholarship moneys the employer has provided or intends to provide to employees or dependents during the calendar year for which tax credit certification is being sought and the number of employees employed by the employer for the calendar year.

(4) The commission shall consider applications in the chronological order in which the applications are received and shall approve applications to the extent the amount set forth in the application, when added to the total amount already certified by the commission for the calendar year under this section, does not exceed \$1 million.

(5) An employer may not receive tax credit certification:

(a) For an amount that is greater than \$1 million;

(b) If the employer employs fewer than four full-time equivalent employees for the calendar year;

or

(c) If the employer employs more than 250 employees for the calendar year.

(6) The commission shall send written notice of the amount of the tax credit certification, or written notice that no amount is being certified, to the employer and to the Department of Revenue within 60 days of the date an application is filed under this section.

(7) The employer shall keep the written certification in the employer's records for at least five years and shall furnish the certification to the Department of Revenue if requested.

SECTION 193. ORS 348.625 is amended to read:

348.625. As used in ORS 348.570 and 348.625 to 348.695:

(1) "Alternative student loan program" means a program established by the Oregon Student [Assistance] Access Commission to fund loans to eligible students, or to qualifying parents of eligible students, to help meet expenses of eligible students of attending post-secondary educational institutions; provided, however, that alternative student loan program loans may be made only to students who have applied for student financial aid under Title IV, Part B of the Higher Education Act of 1965, as amended, and have received information on their eligibility for programs under that Act, or the parents of students who have made such application and received such information.

(2) "Eligible student" means a student enrolled in an eligible post-secondary educational institution located in Oregon or a student who is an Oregon resident and who is enrolled in an eligible post-secondary educational institution located outside of Oregon. The commission shall determine, among other things, what constitutes enrollment and which post-secondary educational institutions are eligible institutions under the alternative student loan program.

(3) "Lender" means an insured institution as defined in ORS 706.008 that is authorized to do business in Oregon and which has entered into an agreement with the commission to originate, service and administer alternative student loans in the manner authorized by ORS 348.570 and 348.625 to 348.695.

SECTION 194. ORS 348.630 is amended to read:

348.630. (1) Loans may be made under the alternative student loan program to an eligible student or to a parent of an eligible student.

(2) Loans made under the alternative student loan program shall not exceed the eligible costs of education as determined by the Oregon Student [Assistance] Access Commission, minus other financial aid received, or \$10,000, whichever is less, for any eligible student during a single calendar year. Total loans made for any eligible student under the alternative student loan program shall not exceed \$40,000.

(3) Under the alternative student loan program, borrowers shall undergo a credit check by the lender or by the commission and shall be creditworthy or provide a creditworthy cosigner.

SECTION 195. ORS 348.635 is amended to read:

348.635. In consultation with private sector lenders, the Oregon Student [Assistance] **Access** Commission shall establish the terms and conditions, including but not limited to maturities and repayment provisions, of student loans for which the commission shall provide funding. The commission may also set standards of academic achievement which borrowers must maintain to receive loans.

SECTION 196. ORS 348.640 is amended to read:

348.640. (1) The Oregon Student [Assistance] **Access** Commission shall provide funding to lenders pursuant to contracts which shall provide, among other things, the terms and conditions under which private sector lenders, using funding made available by the commission, shall originate, service and administer loans pursuant to the alternative student loan program. Lenders shall receive and process loan applications from borrowers, perform credit analysis, approve or deny loan requests, and for loans which are approved, originate, document, administer and service such loans. The commission shall make provision for payment to lenders of the reasonable costs of origination, servicing and administration of loans. Payment may be made directly by borrowers or by the commission, as the commission may determine.

(2) Loans shall be structured in such a manner that anticipated payments of principal and interest shall permit timely repayment of the revenue bonds to be issued by the State of Oregon pursuant to ORS 348.570 and 348.625 to 348.695. As a condition of participation in the alternative student loan program by private sector lenders, the commission shall procure from each such lender a guarantee or letter of credit [insuring] **ensuring** that the commission shall receive full and timely repayment of principal of and interest due on loans originated, serviced and administered by the lender. The commission shall provide by contract for payment by the commission or by borrowers, as the commission may determine, of the reasonable costs of such guarantees or letters of credit. It is the intention of ORS 348.570 and 348.625 to 348.695 that participating private sector lenders, not the commission, shall bear the entire risk of loss, nontimely repayment or nonpayment of alternative student loan program loans.

SECTION 197. ORS 348.655 is amended to read:

348.655. In consultation with the Oregon Student [Assistance] **Access** Commission, the State Treasurer may issue revenue bonds in an amount not to exceed \$30 million annually, the proceeds of which shall be used to provide funding for loans to be made pursuant to the alternative student loan program. Interest on the bonds shall be exempt from personal income taxation by the State of Oregon.

SECTION 198. ORS 348.660 is amended to read:

348.660. (1) If the State Treasurer, in consultation with the Oregon Student [Assistance] **Access** Commission, determines that revenue bonds should be issued under ORS 348.570 and 348.625 to 348.695:

(a) The State Treasurer, in consultation with the commission, may authorize and issue in the name of the State of Oregon revenue bonds secured by revenues from repayment of loans to finance or refinance in whole or part the costs of the loan program. Refunding bonds may be issued to refinance such revenue bonds.

(b) The State Treasurer, in consultation with the commission, shall designate the underwriter, trustee and bond counsel and enter into appropriate agreements with each to carry out the provisions of ORS 348.570 and 348.625 to 348.695.

(2) Any trustee designated by the State Treasurer, in consultation with the commission, must agree to furnish financial statements and audit reports for each bond issue.

(3) In determining whether to issue revenue bonds under ORS 348.570 and 348.625 to 348.695, the State Treasurer, in consultation with the commission, shall consider:

(a) The bond market for the types of bonds proposed for issuance.

(b) The terms and conditions of the proposed issue.

(c) Such other relevant factors as the State Treasurer, in consultation with the commission, considers necessary to protect the financial integrity of the state.

SECTION 199. ORS 348.665 is amended to read:

348.665. Bonds authorized under ORS 348.570 and 348.625 to 348.695 shall be issued in accordance with the provisions of ORS chapter 286A. The State Treasurer, in consultation with the Oregon Student [Assistance] Access Commission, may establish special accounts or subaccounts in the Alternative Student Loan Program Fund created by ORS 348.570 and may pledge the assets or the revenues, or any portion thereof, of the alternative student loan program.

SECTION 200. ORS 348.670 is amended to read:

348.670. The administrative expenses of the State Treasurer and the Oregon Student [Assistance] Access Commission shall be charged against bond proceeds or repayment revenues.

SECTION 201. ORS 348.675 is amended to read:

348.675. The State Treasurer, in consultation with the Oregon Student [Assistance] Access Commission, shall have the power, whenever refunding is considered expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured. The refunding bonds may be exchanged for bonds to be refunded and the proceeds applied to the purchase, redemption or payment of such bonds.

SECTION 202. ORS 348.685 is amended to read:

348.685. The official action authorizing the issuance of bonds under ORS 348.570 and 348.625 to 348.695 may contain covenants, notwithstanding that such covenants may limit the exercises of powers conferred by ORS 348.570 and 348.625 to 348.695 in the following respects and in such other respects as the state, acting through the State Treasurer, in consultation with the Oregon Student [Assistance] Access Commission, or the designee thereof may decide:

- (1) The use and disposition of the revenues from repayment;
- (2) The creation and maintenance of special accounts or subaccounts in the Alternative Student Loan Program Fund created by ORS 348.570 and the regulation, use and disposition thereof;
- (3) The purpose or purposes to which the proceeds of sale of bonds may be applied and the use and disposition of such proceeds;
- (4) The events of default and the rights and liabilities arising thereon and the terms and conditions upon which the holders of any bonds may bring any suit or action on such bonds or on any coupons appurtenant thereto;
- (5) The issuance of other or additional bonds or instruments payable from or constituting a charge against the revenues from repayment;
- (6) The keeping of books of account and the inspection and audit thereof;
- (7) The terms and conditions upon which any or all of the bonds shall become or may be declared due before maturity and the terms and conditions upon which such declaration and its consequences may be waived;
- (8) The rights, liabilities, powers and duties arising upon the breach of any covenants, conditions or obligations;
- (9) The appointing of and vesting in a trustee or trustees of the right to hold or dispose of any funds, accounts, revenues or assets of the alternative student loan program, to receive or assign any pledge thereof or to enforce any covenants made to secure or to pay the bonds, the powers and duties of such trustee or trustees, and the limitation of the liabilities of the trustee or trustees;
- (10) The terms and conditions upon which the holder or holders of the bonds, or the holders of any proportion or percentage of them, may enforce any covenants made under ORS 348.570 and 348.625 to 348.695; and
- (11) A procedure by which the terms of any official action authorizing bonds or of any other contract with bondholders, including but not limited to an indenture of trust or similar instrument, may be amended or abrogated, and the amount of bonds the holders of which may consent thereto, and the manner in which such consent may be given.

SECTION 203. ORS 348.690 is amended to read:

348.690. (1) Revenue bonds issued under ORS 348.570 and 348.625 to 348.695:

(a) Shall not be payable from nor charged upon any funds other than the revenue pledged to the payment thereof, except as provided in this section, nor shall the state be subject to any liability thereon. No holder or holders of such bonds shall ever have the right to compel any exercise of the

taxing power of the state to pay any such bonds or the interest thereon, nor to enforce payment thereof against any property of the state.

(b) Shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the state other than the Alternative Student Loan Program Fund created by ORS 348.570, any account or subaccount thereof or student loans, if any, owned or acquired by the Oregon Student [Assistance] Access Commission pursuant to the alternative student loan program.

(2) Each bond issued under ORS 348.570 and 348.625 to 348.695 shall recite in substance that the bond, including interest thereon, is payable solely from the revenue pledged to the payment thereof. No such bond shall constitute a debt of the state or a lending of the credit of the state within the meaning of any constitutional or statutory limitation. However, nothing in ORS 348.570 and 348.625 to 348.695 is intended to impair the rights of holders of bonds to enforce covenants made for the security thereof as provided in ORS 348.685.

SECTION 204. ORS 348.696 is amended to read:

348.696. Pursuant to section 4 (4)(d), Article XV of the Oregon Constitution, the Education Stability Fund is established separate and distinct from the General Fund. Except for earnings on moneys in the school capital matching subaccount, moneys in the fund shall be invested as provided in ORS 293.701 to 293.790. All declared earnings on moneys in the fund shall be transferred and are appropriated continuously as follows:

(1) 75 percent to the Oregon Education Fund established by ORS 348.716; and

(2) 25 percent to the Oregon Student [Assistance] Access Commission for the Oregon Opportunity Grant program under ORS 348.260.

SECTION 205. ORS 348.890 is amended to read:

348.890. (1) The State Board of Higher Education and the State Board of Education shall hold at least one meeting annually as the Joint Boards of Education for the purpose of coordinating their activities and reaching joint agreement on matters of education policy and opportunities of mutual interest to the two boards and to the populations served by the boards.

(2) Bylaws to be adopted by the members shall determine procedures for setting meeting dates, locations, chairperson rotation, agendas and staff support.

(3) The Joint Boards of Education shall provide policy direction to implement regional partnership proposals and any other joint program or activity approved by both boards.

(4) Notwithstanding [ORS 351.070 (3)(c)] **section 20 (3) of this 2011 Act**, the Department of Community Colleges and Workforce Development and the Oregon University System may use appropriations from the General Fund to implement agreements approved by the Joint Boards of Education that provide direct aid to a student, or other incentives that encourage shared use of facilities, programs and other resources of [state institutions of higher education] **public universities listed in ORS 352.002** and community colleges.

SECTION 205a. ORS 348.890, as amended by section 205 of this 2011 Act, is amended to read:

348.890. [(1) *The State Board of Higher Education and the State Board of Education shall hold at least one meeting annually as the Joint Boards of Education for the purpose of coordinating their activities and reaching joint agreement on matters of education policy and opportunities of mutual interest to the two boards and to the populations served by the boards.*]

[(2) *Bylaws to be adopted by the members shall determine procedures for setting meeting dates, locations, chairperson rotation, agendas and staff support.*]

[(3)] (1) The [Joint Boards of Education] **Higher Education Coordinating Commission** shall provide policy direction to implement regional partnership proposals and any other joint program or activity approved by [both boards] **the State Board of Education and the State Board of Higher Education**.

(4) Notwithstanding section 20 (3) of this 2011 Act, the Department of Community Colleges and Workforce Development and the Oregon University System may use appropriations from the General Fund to implement agreements approved by the [Joint Boards of Education] **Higher Education Coordinating Commission** that provide direct aid to a student, or other incentives that encourage

shared use of facilities, programs and other resources of public universities listed in ORS 352.002 and community colleges.

SECTION 206. ORS 348.900 is amended to read:

348.900. (1) The Employment Department, in consultation with health care industry employers, shall perform a statewide and regional needs assessment for health care occupations to identify emerging occupations and occupations for which there is high demand or a shortage of workers. The assessment shall be performed as necessary on a periodic basis, as determined by the department, in consultation with industry employers. To perform the needs assessment, the department may consider any reliable data sources available to the department.

(2) Based on the needs assessment, the Joint Boards of Education shall inform **the** community colleges, [*state institutions of higher education within the Oregon University System*] **public universities listed in ORS 352.002**, Oregon Health and Science University and health care industry employers of the identified statewide needs and invite the development of health care education programs that are responsive to those needs.

(3) When approving health care education programs, the State Board of Education, the State Board of Higher Education and the Oregon Health and Science University Board of Directors shall use the statewide needs assessment to evaluate whether a program fulfills statewide needs. If a board determines there is a statewide need, the board shall facilitate the:

(a) Coordination of new health care education programs and existing health care education programs that are similar to the new health care education programs to address the statewide need; and

(b) Alignment of health care education programs relating to statewide access, student transferability between programs, course articulation and common student learning outcomes for health care education programs.

(4) In the development and approval of health care education programs, community colleges, [*state institutions of higher education*] **public universities**, Oregon Health and Science University, the State Board of Education, the State Board of Higher Education and the Oregon Health and Science University Board of Directors shall consider issues related to statewide access, student transferability between programs, course articulation and common student learning outcomes for health care education programs. The **community** colleges, [*institutions,*] **public universities, Oregon Health and Science University** and boards shall continue to provide and improve upon an effective articulation and transfer framework for students in Oregon's post-secondary sectors.

SECTION 206a. ORS 348.900, as amended by section 206 of this 2011 Act, is amended to read:

348.900. (1) The Employment Department, in consultation with health care industry employers, shall perform a statewide and regional needs assessment for health care occupations to identify emerging occupations and occupations for which there is high demand or a shortage of workers. The assessment shall be performed as necessary on a periodic basis, as determined by the department, in consultation with industry employers. To perform the needs assessment, the department may consider any reliable data sources available to the department.

(2) Based on the needs assessment, the [*Joint Boards of Education*] **Higher Education Coordinating Commission** shall inform the community colleges, public universities listed in ORS 352.002, Oregon Health and Science University and health care industry employers of the identified statewide needs and invite the development of health care education programs that are responsive to those needs.

(3) When approving health care education programs, the State Board of Education, the State Board of Higher Education and the Oregon Health and Science University Board of Directors shall use the statewide needs assessment to evaluate whether a program fulfills statewide needs. If a board determines there is a statewide need, the board shall facilitate the:

(a) Coordination of new health care education programs and existing health care education programs that are similar to the new health care education programs to address the statewide need; and

(b) Alignment of health care education programs relating to statewide access, student transferability between programs, course articulation and common student learning outcomes for health care education programs.

(4) In the development and approval of health care education programs, community colleges, public universities, Oregon Health and Science University, the State Board of Education, the State Board of Higher Education and the Oregon Health and Science University Board of Directors shall consider issues related to statewide access, student transferability between programs, course articulation and common student learning outcomes for health care education programs. The community colleges, public universities, Oregon Health and Science University and boards shall continue to provide and improve upon an effective articulation and transfer framework for students in Oregon's post-secondary sectors.

SECTION 207. ORS 348.910 is amended to read:

348.910. (1) As used in this section, "applied baccalaureate degree" means a bachelor's degree designed to incorporate applied associate courses and degrees with additional coursework emphasizing higher-order thinking skills and advanced technical knowledge and skills.

(2) The Joint Boards of Education shall develop a plan for offering applied baccalaureate degree programs at community colleges and *[state institutions of higher education]* **public universities listed in ORS 352.002**. The boards shall consider the following types of programs for the purpose of offering some of these types and the possibility of combinations of these types:

(a) A career ladder program that requires a substantial number of upper level courses in the same technical area of study as the student's applied associate degree;

(b) An inverse program that reverses the traditional curriculum sequence by adding general education courses in the student's third and fourth years to the associate degree courses taken in the student's first and second years;

(c) A management ladder program that combines associate degree requirements with applied management skills coursework; and

(d) A work experience program that combines general education and technical coursework with direct, supervised work experience in a relevant field.

(3) The Joint Boards of Education plan must include the following elements:

(a) The method by which the applied baccalaureate degree programs will be created, including any necessary accreditation by the relevant accrediting agency;

(b) The criteria for approving the degree and course options offered by *[state institutions of higher education]* **public universities listed in ORS 352.002** and community colleges;

(c) The articulation agreements between community colleges and *[state institutions of higher education]* **public universities listed in ORS 352.002** necessary to ensure that the applied baccalaureate degree programs are as widely available as possible;

(d) The resources required to implement the applied baccalaureate degree program;

(e) The timeline necessary to implement the applied baccalaureate degree program; and

(f) A recommendation as to whether community colleges should be allowed to offer applied baccalaureate degrees.

[(4) The Joint Boards of Education shall submit a report, along with proposed legislation, to the interim committee of the Legislative Assembly related to higher education prior to November 1, 2010. The boards shall provide progress reports on the plan to the interim committee.]

[(5) The Oregon University System, the Department of Education and the Department of Community Colleges and Workforce Development shall provide staff support to the Joint Boards of Education in the preparation of the reports required by this section.]

SECTION 207a. ORS 348.910, as amended by section 207 of this 2011 Act, is amended to read:

348.910. (1) As used in this section, "applied baccalaureate degree" means a bachelor's degree designed to incorporate applied associate courses and degrees with additional coursework emphasizing higher-order thinking skills and advanced technical knowledge and skills.

(2) The *[Joint Boards of Education]* **Higher Education Coordinating Commission** shall develop a plan for offering applied baccalaureate degree programs at community colleges and public uni-

versities listed in ORS 352.002. The [boards] **commission** shall consider the following types of programs for the purpose of offering some of these types and the possibility of combinations of these types:

(a) A career ladder program that requires a substantial number of upper level courses in the same technical area of study as the student's applied associate degree;

(b) An inverse program that reverses the traditional curriculum sequence by adding general education courses in the student's third and fourth years to the associate degree courses taken in the student's first and second years;

(c) A management ladder program that combines associate degree requirements with applied management skills coursework; and

(d) A work experience program that combines general education and technical coursework with direct, supervised work experience in a relevant field.

(3) The [Joint Boards of Education] plan must include the following elements:

(a) The method by which the applied baccalaureate degree programs will be created, including any necessary accreditation by the relevant accrediting agency;

(b) The criteria for approving the degree and course options offered by public universities listed in ORS 352.002 and community colleges;

(c) The articulation agreements between community colleges and public universities listed in ORS 352.002 necessary to ensure that the applied baccalaureate degree programs are as widely available as possible;

(d) The resources required to implement the applied baccalaureate degree program;

(e) The timeline necessary to implement the applied baccalaureate degree program; and

(f) A recommendation as to whether community colleges should be allowed to offer applied baccalaureate degrees.

SECTION 208. ORS 351.065 is amended to read:

351.065. (1) The State Board of Higher Education may, for each [institution, division and department] **public university or office, department or activity** under its control, adopt rules and specific orders by or through the [institutional executive of each institution] **president of each public university** governing access to personnel records of the [institution, division or department, which] **public university or office, department or activity that** are less than 25 years old.

(2) Rules adopted under subsection (1) of this section shall require that personnel records be subjected to restrictions on access unless upon a finding by the [institutional executive] **president of the public university** that the public interest in maintaining individual rights to privacy in an adequate educational environment would not suffer by disclosure of such records. Access to such records may be limited to designated classes of information or persons, or to stated times and conditions, or to both, but cannot be limited for records more than 25 years old.

(3) No rule or order promulgated pursuant to this section shall deny to a faculty member full access to the member's personnel file or records kept by the board or its [institutions, schools or departments] **public universities or offices, departments or activities**, except as provided in [paragraphs (d) and (e) of this subsection] **subsections (7) and (8) of this section.**

[(a)] (4) The number of files relating to the evaluation of a faculty member shall be limited to three, to be kept in designated, available locations.

[(b)] (5) Any evaluation received by telephone shall be documented in each of the faculty member's files by means of a written summary of the conversation with the names of the conversants identified.

[(c)] (6) A faculty member shall be entitled to submit, for placement in the three files, evidence rebutting, correcting, amplifying or explaining any document contained therein and other material [which] **that** the member believes might be of assistance in the evaluation process.

[(d)] (7) Letters and other information submitted in confidence to the board or its [institutions, schools or departments] **public universities, offices, departments or activities** prior to July 1, 1975, shall be maintained in the files designated. However, if a faculty member requests access to those files, the anonymity of the contributor of letters and other information obtained prior to July

1, 1975, shall be protected. The full text shall be made available except that portions of the text [which] **that** would serve to identify the contributor shall be excised by a faculty committee. Only the names of the contributors and the excised portions of the documents may be kept in a file other than the three prescribed by [paragraph (a) of this subsection] **subsection (4) of this section.**

[(e)] **(8)** Confidential letters and other information submitted to or solicited after July 1, 1975, by the board or its [institutions, schools or departments] **public universities, offices, departments or activities** prior to the employment of a prospective faculty member are exempt from the provisions of this section. However, if the member is employed by the board or its [institutions, schools or departments] **public universities, offices, departments or activities**, the confidential preemployment materials shall be placed in the three authorized files. If a faculty member requests access to the member's files, the anonymity of the contributor of confidential preemployment letters and other preemployment information shall be protected. The full text shall be made available, except that portions of the text [which] **that** would serve to identify the contributor shall be excised and retained in a file other than the three designated in [paragraph (a) of this subsection] **subsection (4) of this section.**

[(f)] **(9)** Classroom survey evaluation by students of a faculty member's classroom or laboratory performance shall be anonymous. The record of tabulated reports shall be placed in at least one of the files designated in [paragraph (a) of this subsection] **subsection (4) of this section.** All survey instruments used to obtain evaluation data shall be returned to the faculty member.

[(g)] **(10)** After July 1, 1975, the board[,] **and** its [institutions, schools or departments] **public universities, offices, departments or activities**, when evaluating its employed faculty members, [shall] **may** not solicit [nor] **or** accept letters, documents or other materials, given orally or in written form, from individuals or groups who wish their identity kept anonymous or the information they provide kept confidential.

[(4)] **(11)** No rule or order promulgated pursuant to this section limits the authority of the [institution, division or department] **public universities, offices, departments or activities under the control of the board** to prepare, without identification of individual persons who have not consented thereto, statistical or demographic reports from personnel records.

[(5)] **(12)** Any category of personnel records specifically designated as confidential pursuant to valid rules or orders pursuant to this section [shall not be deemed] **is not** a public record for the purposes of ORS 192.420.

[(6)] **(13)** As used in this section, "personnel records" means records containing information kept by the [institution, division or department] **public university, office, department or activity** concerning a faculty member and furnished by the faculty member or by others about the faculty member at the [member's or at the institution, division or department's] request **of the faculty member or the public university, office, department or activity**, including, but not limited to, information concerning discipline, membership activity, employment performance or other personal records of individual persons.

SECTION 209. ORS 351.067 is amended to read:

351.067. (1) In carrying out its authority under ORS 351.070, the State Board of Higher Education may authorize receipt of compensation for any officer or employee of the Oregon University System from private or public resources, including, but not limited to, income from:

- (a) Consulting;
- (b) Appearances and speeches;
- (c) Intellectual property conceived, reduced to practice or originated and therefore owned within the Oregon University System;
- (d) Providing services or other valuable consideration for a private corporation, individual, or entity, whether paid in cash or in-kind, stock or other equity interest, or anything of value regardless of whether there is a licensing agreement between the Oregon University System and the private entity; and

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

(2) The board may not authorize compensation, as [*defined*] **described** in subsection (1) of this section, that, in the board's judgment, does not comport with the mission of [*the institution*] **a public university listed in ORS 352.002** and the Oregon University System or substantially interferes with an officer's or employee's duties to the Oregon University System.

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

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

SECTION 210. ORS 351.072 is amended to read:

351.072. (1) Notwithstanding ORS chapter 183, the following actions may be taken by the State Board of Higher Education or the [*educational institutions*] **public universities** under its control without compliance with the rulemaking provisions of ORS chapter 183:

(a) Adoption of standards, regulations, policies or practices relating primarily to admissions, academic advancement, classroom grading policy, the granting of academic credits, granting of degrees, scholarships and similar academic matters.

(b) Adoption of fees or fee schedules relating to charges for symposiums, conferences, short courses, food, books or other retail goods, prices of admission to athletic, entertainment or cultural events or advertising rates in student or [*institutional*] **university** publications. However, student loan service charges, charges levied as penalties for prohibited conduct, general tuition, building fees, incidental fees, health service fees and residence hall and housing charges shall be adopted in accordance with the provisions of ORS chapter 183.

(2) Any standards, regulations, policies, practices or fees adopted under this section by the State Board of Higher Education or by any of the [*educational institutions*] **public universities** under its control shall be reduced to writing and made available to interested persons upon request.

SECTION 211. ORS 351.077 is amended to read:

351.077. (1) Pursuant to ORS 342.447, the [*office of the*] Chancellor of the Oregon University System shall ensure the implementation of the plans developed for recruitment of minority teachers.

(2) The chancellor shall report biennially to the State Board of Higher Education and the Legislative Assembly on the implementation and results of the plans. The report may include recommendations on ways in which the Legislative Assembly can assist in increasing the number of minority teachers.

SECTION 212. ORS 351.088 is amended to read:

351.088. Notwithstanding ORS chapter 183, the State Board of Higher Education or any [*state institution of higher education under the jurisdiction of the board*] **public university listed in ORS 352.002** may, by rule, establish adjudicative procedures that are consistent with federal and state constitutional requirements and other provisions of law. The adjudicative procedures shall be consistent with ORS 183.413 to 183.497 and 183.502 whenever the type of hearing or procedure required is substantially of the character that would necessitate the procedures required by ORS 183.413 to 183.470.

SECTION 213. ORS 351.097 is amended to read:

351.097. (1) The payment of salary or compensation of the officers, teachers, instructors and other employees of the Oregon University System, where such salary or compensation is payable out of the State Treasury and is fixed by law or the State Board of Higher Education at a definite

rate per hour, day, week, month or year, shall be made weekly, biweekly, semimonthly or monthly with any necessary adjustments, as provided in this section.

(2) With the approval of the board, the Chancellor of the Oregon University System shall make out, certify and transmit to the board at the end of each pay period a payroll, duly verified by the chancellor or other designated officer and approved by the proper auditing committee or officer, showing the names of the several officers, teachers, instructors and other employees during the preceding payroll period, the rate of compensation of each by the hour, day, week, month or year, the time employed, the amount due and any other facts the board requires. The board, if it approves the payroll, shall draw a warrant on the State Treasurer for the aggregate amount allowed in favor of the chancellor, who shall immediately pay over the moneys received to the several parties entitled thereto and take receipts therefor, which shall be transmitted to the board.

(3) Notwithstanding subsection (2) of this section [*or any other law*] and pursuant to ORS 293.330, the State Board of Higher Education may authorize the chancellor to designate a person employed by and located at each [*institution of higher education*] **public university** under the jurisdiction of the board to implement and administer the payroll system selected by the board to pay employees designated by the board. The person shall be under bond to the State of Oregon.

(4) When an employee receives payment of salary or compensation in an amount greater than the employee's entitlement, the amount of the overpayment may be deducted from salary or compensation earned by the employee. The deduction may be in such form and manner as the State Board of Higher Education may prescribe.

SECTION 214. ORS 351.117 is amended to read:

351.117. (1) If the State Board of Higher Education determines that enrollment is sufficient to make an American Sign Language class economically viable and if qualified instructors are available, the board may offer to students courses for credit in American Sign Language at [*any institution of higher education within the Oregon University System*] **a public university**. Such courses shall satisfy any second language elective requirement.

(2) The State Board of Higher Education is encouraged to continue to:

(a) Coordinate with the State Board of Education [*and the Oregon School for the Deaf*] to develop curricula for American Sign Language courses;

(b) Implement programs to locate and prepare qualified teachers and interpreters of American Sign Language; and

(c) Assist [*institutions of higher education*] **public universities** in identifying local and regional needs and resources available for American Sign Language courses.

NOTE: Section 215 was deleted by amendment. Subsequent sections were not renumbered.

SECTION 216. ORS 351.203 is amended to read:

351.203. (1) The State Board of Higher Education shall cooperate with the Education and Workforce Policy Advisor in the development of a state comprehensive education plan including post-secondary education and in review of the board's programs and budget. The board shall submit in timely fashion to the advisor such data as is appropriate in a form prescribed by the advisor.

(2) The board shall cooperate with the mediation process administered by the [*Oregon Student Assistance Commission*] **Higher Education Coordinating Commission** pursuant to ORS 348.603 and, if a negotiated resolution cannot be reached by mediation, comply with the decisions of the commission regarding proposed new post-secondary programs and proposed new post-secondary locations, including those proposed by Oregon Health and Science University in cooperation with the [*board*] **State Board of Higher Education** under ORS 353.440.

SECTION 217. ORS 351.205 is amended to read:

351.205. The State Board of Higher Education may allow interchange of members of the faculties of [*institutions of higher learning*] **public universities listed in ORS 352.002** with faculty members of comparable institutions of other states or countries for a period of one year. Such exchange service shall, for all purposes, be deemed continued service with the Oregon [*institution*] **public university** covered, with salary paid to the absent faculty member accordingly. Salary for the visiting faculty member shall not be paid by the Oregon [*institution*] **public university** covered.

SECTION 218. ORS 351.230 is amended to read:

351.230. The State Board of Higher Education may manage, develop or dispose of, by assignment, sale, lease, license or other action deemed advisable by the board, property acquired under ORS 351.220, and may contract with any person or agency, board, commission or department of this or any other state or with the federal government regarding the management, development or disposition thereof. The board may make gratuitous assignments of such property to any trust or fund, the sole beneficiary of which is the [State] board [of Higher Education] or any of the [institutions] **public universities or offices, departments** or activities under its control, subject to the share, if any, agreed to be paid to the assignor. The board may reassign such property to the inventor, author or discoverer.

SECTION 219. ORS 351.300 is amended to read:

351.300. The Legislative Assembly finds that in order to avoid unnecessary disruption at public [institutions of higher education] **universities listed in ORS 352.002** and in order to provide assurance that the [institutions] **public universities** share in the benefits of any major reform in the Oregon tax system, it is necessary to stabilize funding for [such institutions] **the Oregon University System** over a longer period than is customary with biennial budgeting.

SECTION 220. ORS 351.310 is amended to read:

351.310. (1) The State Board of Higher Education shall control the use, distribution and disbursement of all funds, appropriations and taxes now or hereafter in possession, levied and collected, received or appropriated for the use, benefit, support and maintenance of [institutions, departments or activities of higher education] **the public universities listed in ORS 352.002 and offices, departments and activities under the control of the board**, including the authorization of individuals to sign vouchers for the disbursement of funds for the various [institutions,] **public universities, offices, departments and activities**.

(2) All moneys, except moneys appropriated from the State Treasury for expenditure within a specified period of time, heretofore or hereafter received by or on behalf of the [State] board [of Higher Education], or any [institution, department or activity under its control, which] **public university or office, department or activity under the control of the board, that** are not otherwise appropriated by law, hereby are appropriated continuously to the State Board of Higher Education for the purposes for which such moneys were donated, granted or received, in accordance with any applicable law governing the use of such moneys.

SECTION 221. ORS 351.320 is amended to read:

351.320. The State Board of Higher Education may prorate all expenses not otherwise provided for, incurred under authority of ORS 351.040, 351.050, [351.090 to] **351.100**, 351.110, 351.130 and 351.310 to the [institutions] **public universities** under its control, and pay the same from the funds available for the general expenses of those [institutions] **universities**.

SECTION 222. ORS 351.340 is amended to read:

351.340. All sums of money provided by law for the support and maintenance of [institutions and activities of higher learning] **the public universities listed in ORS 352.002 and offices, departments and activities under the control of the State Board of Higher Education** may be used for the payment of salaries of instructors and employees, current expenses, construction of additional buildings, purchase of lands, purchase of equipment, purchase of library books and periodicals, purchase of laboratory supplies and apparatus[,] **and** making necessary repairs and, in general, for the payment of all such expenses connected with the management of [such institutions and activities of higher learning] **the public universities and offices, departments and activities**, as the board may from time to time determine. However, such [money] **moneys** in the instruction budget of the board shall not be used to support hobby or recreation courses.

SECTION 223. ORS 351.590 is amended to read:

351.590. (1) An account in the Oregon University System Fund established by ORS 351.506 is designated for the purpose of receiving all revenue from incidental fees, optional fees, health services fees and all operating revenue from intercollegiate athletics, student unions and educational activities.

(2) Disbursements from the account designated by this section, including any interest credited to the account, may be made for necessary expenses for supplies, services and equipment associated with student activities including but not limited to recruiting, training and grant-in-aid to intercollegiate athletes.

(3) Income and interest derived from moneys in the account designated by this section are credited to the account. The State Board of Higher Education shall distribute annually the total interest earnings proportionately to each [*institution*] **public university listed in ORS 352.002** based on each [*institution's*] **university's** average cash balance in the account.

SECTION 224. ORS 351.628 is amended to read:

351.628. (1) There is established in the General Fund an account to be known as the Higher Education Academic Modernization Account. Funds in the account shall be used at [*state institutions of higher education within the Oregon University System*] **public universities listed in ORS 352.002** for academic modernization, capital repair, deferred maintenance and making facilities compliant with building and safety codes.

(2) The account shall consist of funds donated to the Oregon University System for the purposes described in subsection (1) of this section. The account may also consist of other funds available to the Oregon University System for the purposes described in subsection (1) of this section. The Oregon University System may not deposit any moneys into the account that were appropriated to the Department of Higher Education under chapter 725, Oregon Laws 2003. Interest earned on moneys in the account shall be credited to the account.

(3) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, and are continuously appropriated to the Oregon University System for the purposes described in subsection (1) of this section. The account may not be credited with more than \$1,000,000 in interest, donations and other funds.

SECTION 225. ORS 351.642 is amended to read:

351.642. (1) As used in this section:

(a) "Active member of the Armed Forces of the United States" includes officers and enlisted personnel of the Armed Forces of the United States who:

(A) Reside in this state while assigned to duty at any base, station, shore establishment or other facility in this state;

(B) Reside in this state while serving as members of the crew of a ship that has an Oregon port or shore establishment as its home port or permanent station; or

(C) Reside in another state or a foreign country and establish Oregon residency by filing Oregon state income taxes no later than 12 months before leaving active duty.

(b) "Armed Forces of the United States" includes:

(A) The Army, Navy, Air Force, Marine Corps and Coast Guard of the United States;

(B) Reserve components of the Army, Navy, Air Force, Marine Corps and Coast Guard of the United States; and

(C) The National Guard of the United States and the Oregon National Guard.

(c) "Dependent children" includes any children of an active member of the Armed Forces of the United States who:

(A) Are under 18 years of age and not married, otherwise emancipated or self-supporting; or

(B) Are under 23 years of age, unmarried, enrolled in a full-time course of study in an institution of higher learning and dependent on the member for over one-half of their support.

(2) Active members of the Armed Forces of the United States and their spouses and dependent children shall be considered residents of this state for the purpose of admission and for the purpose of determining fees and tuition to be paid by such individuals while attending any [*educational institution in this state*] **public university** that is under the control of the State Board of Higher Education.

(3) The State Board of Higher Education may contract with the Armed Forces of the United States to furnish educational service in [*Oregon institutions*] **the public universities** to active members of the Armed Forces of the United States.

(4) The State Board of Higher Education shall determine the number of such students that should be accepted and shall make final decisions on admission of individual applicants.

(5) Students attending [*Oregon institutions*] **the public universities** under contracts with the Armed Forces of the United States under this section shall pay fees and tuition customarily charged Oregon students.

(6) Payments made by the Armed Forces of the United States under such contracts shall be deposited in a designated account in the Oregon University System Fund established by ORS 351.506 in the same manner that fees and tuition payments for resident students are deposited and credited.

SECTION 226. ORS 351.643 is amended to read:

351.643. (1) A student [*at a state institution of higher education*] **at a public university listed in ORS 352.002** who is a member of the military and who is ordered to federal or state active duty for more than 30 consecutive days has the following rights:

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

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

(B) Receive a grade of incomplete and, upon release from active duty, complete the course in accordance with the practice of the [*state institution of higher education*] **public university** for completion of incomplete courses; or

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

(b) The right to a credit described in ORS 351.644 for all amounts paid for room, board, tuition and fees;

(c) If the student elects to withdraw from the [*state institution of higher education*] **public university**, the right to be readmitted and reenrolled at the [*state institution of higher education*] **public university** within one year after release from active duty without a requirement of redetermination of admission eligibility; and

(d) The right to continuation of scholarships and grants awarded to the student that were funded by the [*state institution of higher education*] **public university** or the [*Oregon Student Assistance Commission*] **Oregon Student Access Commission** before the student was ordered to active duty.

(2) If the student elects to withdraw from a course under subsection (1)(a)(A) of this section, the [*state institution of higher education*] **public university** may not:

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

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

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

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

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

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

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

(4) The State Board of Higher Education shall adopt rules for the administration of this section.

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

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

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

SECTION 227. ORS 351.644 is amended to read:

351.644. (1)(a) The amount of the credit specified in ORS 351.643 (1)(b) shall be based on:

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

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

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

(c) At the time a student withdraws from a course at a [state institution of higher education] **public university listed in ORS 352.002** or from the [state institution of higher education] **public university**, the student must elect to claim the credit:

(A) As a credit toward tuition and fees or room and board if the student reenrolls at the [state institution of higher education] **public university** under ORS 351.643 (1)(c); or

(B) As a monetary payment.

(2) A student who elects to claim the credit by the method described in subsection (1)(c)(A) of this section may change the method of claiming the credit to the method described in subsection (1)(c)(B) of this section by giving notice to the [state institution of higher education] **public university** from which the student withdraws.

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

(4) A personal representative of a student who elected to claim the credit by the method described in subsection (1)(c)(A) of this section may claim a monetary payment upon presenting evidence to the [state institution of higher education] **public university** that the student died while serving on active duty.

(5) The State Board of Higher Education shall adopt rules for the administration of this section, including rules that determine the amount of credit and the method by which the credit is prorated.

SECTION 228. ORS 351.646 is amended to read:

351.646. A [state institution of higher education] **public university** listed in ORS 352.002 shall give credit for education and training obtained by a person while serving in the Armed Forces of the United States, as defined in ORS 351.642. The education and training for which credit may be given must meet the standards adopted by the State Board of Higher Education by rule.

SECTION 229. ORS 351.647 is amended to read:

351.647. The Legislative Assembly finds that:

(1) It is in the interest of this state and its people that Oregon residents have access to the post-secondary institutions in the Northwest which best provide for the educational needs of those students;

(2) The people of Oregon and their post-secondary institutions benefit through the provision of access to Oregon colleges and universities for students from the state of Washington and from the enhanced economic and cultural well-being of the northwest region;

(3) The state should reduce or eliminate the nonresident tuition barriers which might exist between the states of Oregon and Washington to restrict or inhibit enrollment of residents of one of these states in a community college or public college or university in the other state;

(4) The general policy statement on reduction of admission and tuition barriers between the states of Oregon and Washington shall not apply to students at the Oregon Health and Science University, where enrollment priority shall continue to be given to qualified Oregon residents; and

(5) The State Board of Higher Education and the [State Board of Education] **Higher Education Coordinating Commission** shall develop plans to carry out the intent of this policy within the appropriations available, and shall report to the appropriate legislative review agency before implementing the plan.

SECTION 230. ORS 351.649 is amended to read:

351.649. (1) For the purposes of this section:

(a) "Public institution of higher education" means:

(A) A community college;

(B) A [state institution of higher education] **public university** listed in ORS 352.002; and

(C) The Oregon Health and Science University.

(b) "School-sponsored media" means materials that are prepared, substantially written, published or broadcast by student journalists, that are distributed or generally made available, either free of charge or for a fee, to members of the student body and that are prepared under the direction of a student media adviser. "School-sponsored media" does not include media intended for distribution or transmission solely in the classrooms in which they are produced.

(c) "Student journalist" means a student who gathers, compiles, writes, edits, photographs, records or prepares information for dissemination in school-sponsored media.

(d) "Student media adviser" means a person who is employed, appointed or designated by a public institution of higher education to supervise, or provide instruction relating to, school-sponsored media.

(2) Student journalists are responsible for determining the news, opinion, feature and advertising content of school-sponsored media. This subsection does not prevent a student media adviser from teaching professional standards of English and journalism to the student journalists.

(3) Nothing in this section may be interpreted to authorize expression by students that:

(a) Is libelous or slanderous;

(b) Constitutes an unwarranted invasion of privacy;

(c) Violates federal or state statutes, rules or regulations or state common law; or

(d) So incites students as to create a clear and present danger of:

(A) The commission of unlawful acts on or off school premises;

(B) The violation of school policies; or

(C) The material and substantial disruption of the orderly operation of the school. A school official must base a forecast of material and substantial disruption on specific facts, including past experience in the school and current events influencing student behavior, and not on undifferentiated fear or apprehension.

(4) Any student enrolled in a public institution of higher education may commence a civil action to obtain damages under this subsection and appropriate injunctive or declaratory relief as determined by a court for a violation of subsection (2) of this section, the First Amendment to the United States Constitution or section 8, Article I of the Oregon Constitution. Upon a motion, a court may award \$100 in damages and injunctive and declaratory relief to a prevailing plaintiff in a civil action brought under this subsection.

SECTION 231. ORS 351.653 is amended to read:

351.653. (1) In addition to any interstate agreements entered into under ORS 351.647, the Governor shall encourage interstate agreements with Washington, Idaho and California. Such agreements shall be in accordance with ORS 190.410 to 190.440 and shall:

(a) Provide for full-time equivalent reimbursement to this state for any students from another state who enroll in an Oregon public post-secondary institution pursuant to the agreement;

(b) Provide that only students who reside in counties that share a common border with this state may participate in any program developed pursuant to such an agreement; and

(c) Provide that the county government or other similar county-wide public organization of any county involved in the agreement shall provide or arrange to provide a portion of the costs of attendance for participating students.

(2) Any public post-secondary institution entering into an interstate agreement under this section shall send a copy of the agreement to the Governor and the [State Board of Education] **Higher Education Coordinating Commission**.

(3) The provisions of this section shall not apply to interstate agreements entered into pursuant to ORS 351.647.

SECTION 232. ORS 351.656 is amended to read:

351.656. (1) As used in this section:

(a) "Child" means a child, adopted child or stepchild of a service member.

(b) "Eligible post-secondary institution" means:

- (A) A *[state institution of higher education]* **public university** listed in ORS 352.002; and
- (B) The Oregon Health and Science University.
- (c) “Qualified student” means a child, a spouse or an unremarried surviving spouse of a service member.
- (d) “Service member” means a person who:
 - (A) As a member of the Armed Forces of the United States, died on active duty;
 - (B) As a member of the Armed Forces of the United States, died as a result of a military service connected disability; or
 - (C) Is 100 percent disabled as the result of a military service connected disability, as certified by the United States Department of Veterans Affairs or any branch of the Armed Forces of the United States.
- (2) Subject to subsections (3) to (6) of this section, an eligible post-secondary institution shall waive tuition for a qualified student for courses that may lead to a baccalaureate degree or a master’s degree. A qualified student who received a tuition waiver for a baccalaureate degree may also qualify for a tuition waiver for a master’s degree.
- (3)(a) The maximum waiver granted under this section shall be as follows:
 - (A) For a baccalaureate degree, the total number of credit hours that equals four years of full-time attendance at an eligible post-secondary institution.
 - (B) For a master’s degree, the total number of credit hours that equals two years of full-time attendance at an eligible post-secondary institution.
- (b) Notwithstanding paragraph (a) of this subsection, a waiver may not exceed the total number of credit hours the qualified student needs to graduate with a baccalaureate degree or a master’s degree.
- (4) A waiver may be granted under this section only for credit hours for courses that are offered by an eligible post-secondary institution and are available for enrollment regardless of whether the qualified student attends the course and pays tuition.
- (5) A qualified student may receive a waiver under this section if the student:
 - (a) At the time of application for a waiver, is considered a resident of this state for the purpose of determining tuition to be paid at an eligible post-secondary institution; and
 - (b) Has been admitted to an eligible post-secondary institution for a baccalaureate degree program or has been admitted to a master’s degree program at an eligible post-secondary institution.
- (6)(a) A child who applies for a waiver under this section must be 23 years of age or younger at the time the child applies for a waiver.
- (b) Notwithstanding paragraph (a) of this subsection, a child who is older than 23 years of age is eligible for a waiver for a master’s degree if the child:
 - (A) Applied for and received a waiver for a baccalaureate degree when the child was 23 years of age or younger; and
 - (B) Applied for a waiver for a master’s degree within 12 months of receiving a baccalaureate degree.

SECTION 233. ORS 351.658 is amended to read:

351.658. (1) The State Board of Higher Education shall direct each *[state institution of higher education]* **public university listed in ORS 352.002** to waive tuition for any course audited by an Oregon resident 65 years of age or older if:

- (a) Space is available in the course for additional students to register after degree-seeking students have registered;
- (b) The department in which the course is being taught approves; and
- (c) The auditing student is registered for eight credits or fewer per term.
- (2) *[A state institution of higher education]* **The public university** may charge the student attending under subsection (1) of this section fees associated with the course being audited.
- (3) A *[state institution of higher education]* **public university** may develop rules for implementation of this section, including rules relating to registration, admission and fees.

SECTION 234. ORS 351.700 is amended to read:

351.700. As used in ORS 351.704 and 351.708, “public institution of higher education” means:

(1) A community college; or

(2) A [*state institution of higher education*] **public university** listed in ORS 352.002.

SECTION 235. ORS 351.840 is amended to read:

351.840. (1) The State Board of Higher Education and the Oregon Health and Science University Board of Directors may contract with the Western Interstate Commission for Higher Education to furnish educational service in their respective Oregon [*institutions*] **public universities** to out-of-state students.

(2) The State Board of Higher Education and the Oregon Health and Science University Board of Directors shall determine the number of out-of-state students that should be accepted into their respective [*institutions*] **universities**, and shall make final decisions on admission of individual applicants.

(3) Payments made by the commission under such contracts shall be deposited in and credited to a designated account in the Oregon University System Fund established by ORS 351.506 for students enrolled in [*institutions*] **public universities** under the jurisdiction of the State Board of Higher Education in the same manner that fees and tuition payments for resident students are deposited and credited. The estimated amount of the payments must be considered by the board in making its biennial budgetary requests. Payments made by the commission under such contracts must be deposited with the Oregon Health and Science University for students who enroll in that university under the terms of such contracts.

SECTION 236. ORS 351.870 is amended to read:

351.870. (1) The Legislative Assembly finds and declares that basic research is fundamental to the continuation and expansion of applied research and is thus a necessary ingredient in economic growth. The Legislative Assembly further finds that basic research is itself an important activity which should be promoted.

(2) It is the policy of this state that basic research is an appropriate and necessary activity of our public universities. Further, the State of Oregon has an obligation with other states and the federal government to encourage and finance basic research if the state and nation are to be active participants in a future which will require ever increasing levels of knowledge and understanding.

(3) The Legislative Assembly acknowledges that a characteristic of basic research is that no defined result can be guaranteed and asserts that only through scholarly investigation can knowledge be advanced to be later developed and applied.

(4) The Legislative Assembly believes that moneys for basic research should be regularly appropriated and that such moneys should be used for support of qualified investigators and funding of research projects.

(5) The Legislative Assembly intends that in implementing the policy on basic research or any other research policy, the State Board of Higher Education, in keeping with the principle of academic freedom, shall [*insure*] **ensure** open and free inquiry and publication in all [*institutions*] **public universities** under its jurisdiction.

SECTION 237. ORS 351.885 is amended to read:

351.885. (1) With the advice and recommendations of the Council for Research Policy Recommendations established by ORS 351.880, the State Board of Higher Education shall adopt policies and procedures for the administration of the account designated by ORS 351.875.

(2) The policies and procedures shall give consideration to:

(a) The promotion of basic research of the highest caliber at [*institutions of higher education*] **public universities** within the Oregon University System;

(b) The identification of areas of inquiry that should be supported so as to recognize both the intrinsic value and extrinsic economic value of basic research;

(c) The capacity of each [*institution of higher education*] **public university** to decide where basic research moneys could best be spent within that [*institution*] **public university**;

(d) Administrative and accounting requirements that place upon the *[institution of higher education]* **public university** receiving moneys from the account designated by ORS 351.875 a minimum burden sufficient to guarantee an appropriate degree of public accountability; and

(e) Methods of *[assuring]* **ensuring** nondiscriminatory access to the account designated by ORS 351.875.

SECTION 238. ORS 352.004 is amended to read:

352.004. The president of each *[state institution of higher education]* **public university** within the Oregon University System is also president of the faculty. The president is also the executive and governing officer of the *[institution]* **public university**, except as otherwise provided by statute **or action of the State Board of Higher Education**. Subject to the supervision of the *[State]* board *[of Higher Education]*, the president of the *[institution]* **public university** has authority to control and give general directions to the practical affairs of the *[institution]* **public university**.

SECTION 239. ORS 352.008 is amended to read:

352.008. In consultation with the Oregon Health Authority, each *[state institution of higher education]* **public university listed in ORS 352.002** shall adopt a comprehensive alcohol and drug abuse policy and implementation plan.

SECTION 240. ORS 352.015 is amended to read:

352.015. (1) *[Every institution under the jurisdiction of the State Board of Higher Education]* **Each public university listed in ORS 352.002** shall convene a physical access committee to identify barriers to access by persons with disabilities on the campus of each *[institution]* **public university**. The committee shall include, but not be limited to:

(a) One or more students with disabilities or, if there are no students with disabilities willing to participate, a person with a disability who uses the *[institution's]* **public university's** facilities;

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

(c) The coordinator of services for students with disabilities for the *[institution]* **public university**;

(d) One or more administrators of the *[institution]* **public university**; and

(e) One or more members of the physical plant staff of the *[institution]* **public university**.

(2) The physical access committee shall present its findings and recommendations to the administration of the *[institution]* **public university** listing access needs and priorities for meeting those needs. These findings and recommendations shall identify the barriers to access that prevent persons with disabilities from meaningfully utilizing campus facilities related to instruction, academic support, assembly and residence life.

(3) In preparing *[budget]* **funding** requests for each biennium, each *[institution under the jurisdiction of the State Board of Higher Education]* **public university** shall include amounts for capital improvement that will be applied to the substantial reduction and eventual elimination of barriers to access by persons with disabilities as identified by the physical access committee.

(4) Nothing in this section and ORS 185.155 and 341.937 requires *[an institution]* **a public university** to undertake projects for accessibility that are not otherwise required unless such projects are funded specifically by the Legislative Assembly.

SECTION 241. ORS 352.017 is amended to read:

352.017. (1) As used in this section, "personally identifiable information" means a student's Social Security number and gender or a student's Social Security number and date of birth.

(2) A *[state institution of higher education]* **public university listed in ORS 352.002** may enter into a contract with a private contractor to provide the service of facilitating the disbursement of funds to students. If a student's personally identifiable information is necessary to administer the disbursement of funds under the contract, the *[institution must]* **public university**:

(a) **Shall** obtain from a student a written election to receive the contracted services;

(b) **Shall** provide any alternative method of disbursement of funds at no additional cost to a student who does not elect to receive those services from a private contractor;

(c) **May** not release to a private contractor personally identifiable information about a student who elects to receive disbursement services from the private contractor without first obtaining from the student a written consent to release the personally identifiable information; and

(d) **Shall** provide to a student a written description of the purposes for which a private contractor may use the student's personally identifiable information.

SECTION 242. ORS 352.021 is amended to read:

352.021. (1) As used in this section, "internment camp" means a relocation center to which persons were ordered evacuated by Presidential Executive Order 9066, signed on February 19, 1942.

(2) A person who meets the requirements of subsection (4) of this section may request a [*state institution of higher education*] **public university** listed in ORS 352.002 to award the person an honorary post-secondary degree.

(3) A representative of a deceased person who meets the requirements of subsection (4) of this section may request a [*state institution of higher education listed in ORS 352.002*] **public university** to award an honorary post-secondary degree on behalf of the deceased person.

(4) Notwithstanding the requirements for a post-secondary degree established by a [*state institution of higher education*] **public university** or by the State Board of Higher Education, a [*state institution of higher education*] **public university** that receives a request under subsection (2) or (3) of this section may award an honorary post-secondary degree to a person, or on behalf of a deceased person, who:

(a) Was a student at the [*state institution of higher education*] **public university** in 1942; and

(b) Did not graduate from the [*institution*] **public university** because the person was ordered to an internment camp.

SECTION 243. ORS 352.223 is amended to read:

352.223. (1) As used in this section:

(a) "Allied health education programs" includes, but is not limited to:

(A) Radiologic science;

(B) Nuclear medicine;

(C) Sonography;

(D) Vascular technology;

(E) Dental hygiene;

(F) Respiratory care;

(G) Clinical laboratory sciences; and

(H) Emergency medical technician education.

(b) "Allied health education programs" does not include any undergraduate or graduate nursing program administered by Oregon Health and Science University.

(2) There is created within the Oregon University System the Oregon Center for Health Professions. The Oregon Center for Health Professions shall be administered by the Oregon Institute of Technology.

(3) The purposes of the Oregon Center for Health Professions are to:

(a) Provide continued development of bachelor's degree level education programs in areas of allied health;

(b) Facilitate the creation of new partnerships between the health care industry and community colleges, private institutions of higher education and [*state institutions of higher education*] **public universities listed in ORS 352.002** in order to increase the number of students and graduates in allied health education programs;

(c) Provide continuing education, professional development and certificate programs for allied health care professionals; and

(d) Align with and complement educational partnerships between the Oregon Institute of Technology and Oregon Health and Science University focusing on allied health education programs.

(4) The Oregon University System may receive moneys from any public or private source to support the Oregon Center for Health Professions. Gifts and grants received to support the Oregon

Center for Health Professions shall be credited to the appropriate fund at the Oregon Institute of Technology by the Oregon University System.

SECTION 244. ORS 352.360 is amended to read:

352.360. (1) The State Board of Higher Education may enact such regulations as the board deems convenient or necessary to provide for the policing, control and regulation of traffic and parking of vehicles on the property of any [*institution of higher education under the jurisdiction of the board*] **public university listed in ORS 352.002**. The regulations may provide for the registration of vehicles, the designation of parking areas[,] and the assessment and collection of reasonable fees and charges for parking[, and shall be filed in accordance with the provisions of ORS chapter 183]. The board may require that before a quarterly or yearly parking privilege for any vehicle is granted to any full-time or part-time student to use board property, the student must show that the vehicle is operated by a student holding a valid [*driver's*] **driver** license, that the vehicle is currently registered and that the student driving the vehicle is insured under a motor vehicle liability insurance policy that meets the requirements described under ORS 806.080 or that the student or owner of the vehicle has provided the Department of Transportation with other satisfactory proof of compliance with the financial responsibility requirements of this state.

(2) The regulations enacted pursuant to subsection (1) of this section shall be enforced administratively under procedures adopted by the board for each [*institution of higher education under the jurisdiction of the board*] **public university**. Administrative and disciplinary sanctions may be imposed upon students, faculty and staff for violation of the regulations, including but not limited to, a reasonable monetary penalty which may be deducted from student deposits, and faculty or staff salaries or other funds in the possession of the [*institution*] **public university**. The board shall provide opportunity for hearing for the determination of controversies in connection with imposition of fines or penalties. The board may prescribe procedures for such hearings despite the provisions of ORS 183.413 to 183.470. Persons other than students, faculty or staff may voluntarily submit to the hearing procedures prescribed by the board, and shall be bound by the results of the hearing. The powers granted to the board by this section are supplemental to the existing powers of the board with respect to the government of activities of students, faculty and staff and the control and management of property under its jurisdiction.

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

(4) All fees and charges for parking privileges and violations are deposited in a designated account in the Oregon University System Fund established by ORS 351.506 for the purpose of defraying the costs of constructing bicycle racks and bicycle lanes and of traffic control, enforcement of traffic and parking regulations[,] and maintenance and operation of parking facilities and for the purpose of acquiring and constructing additional parking facilities for vehicles at the various [*institutions, departments or*] **public universities and offices, departments and** activities under the control of the board. Fees and charges may also be credited to the account in the Oregon University System Fund designated by ORS 351.460. Parking fees shall be established at levels no greater than those required to finance the construction, operation and maintenance of parking facilities on the same campus of the [*state institution of higher education on*] **public university for** which the parking is provided. Notwithstanding ORS 351.072, parking fees or changes in fees shall be adopted by rule of the [*state*] board subject to the procedure for rules adopted in ORS chapter 183.

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

(6) The board and any municipal corporation or any department, agency or political subdivision of this state may enter into agreements or contracts with each other for the purpose of providing a uniform system of enforcement of the rules and regulations of the board enacted pursuant to subsection (1) of this section.

(7) In proceedings brought to enforce regulations enacted pursuant to subsection (1) of this section, it shall be sufficient to charge the defendant by an unsworn written notice in accordance with the provisions of ORS 221.333. In any case in which the defendant is not subject to and does not voluntarily submit to the hearing procedures prescribed under subsection (2) of this section, proceedings to enforce regulations enacted pursuant to subsection (1) of this section shall be brought in the name of the board in a circuit court, a justice court or a city court for offenses committed within the territorial jurisdiction of such court. Such courts shall have concurrent jurisdiction over offenses committed within their respective jurisdictions. All fines, penalties and court costs recovered shall be paid to the clerk of the court involved and shall be disposed of as provided in ORS 153.630.

SECTION 245. ORS 352.370 is amended to read:

352.370. (1) As used in this section, “school of higher education” means:

(a) Any [school, institution or department under the jurisdiction of the State Board of Higher Education] **public university listed in ORS 352.002.**

(b) Any community college as defined in ORS 341.005.

(2) No student shall be refused admission to a school of higher education or be expelled from such a school for the sole reason that, because of religious beliefs, the student is unable to attend classes on a particular day.

(3) Any student in a school of higher education who, because of religious beliefs, is unable to attend classes on a particular day shall be excused on that day from any examination, study requirement or work requirement. However, at the student’s own expense the student shall make up the examination, study requirement or work requirement missed because of the absence.

SECTION 246. ORS 352.375 is amended to read:

352.375. (1) A [state institution of higher education] **public university** listed in ORS 352.002 or a community college shall charge an enrolled student who is not a resident of this state and who is attending classes as an undergraduate on a public university or community college campus in this state tuition and fees no greater than the resident rate plus 50 percent of the difference between the resident rate and the nonresident rate if the student served in the Armed Forces of the United States and was relieved or discharged from that service under honorable conditions.

(2) Every [state institution of higher education] **public university** listed in ORS 352.002 and community college in this state shall participate to the fullest extent allowed in the federal educational assistance programs under the Supplemental Appropriations Act of 2008 (P.L. 110-252) so as to reduce the overall tuition rate for students eligible for tuition rate reduction under subsection (1) of this section to the resident tuition rate.

(3) A person who served in the Armed Forces of the United States and who receives federal tuition benefits in excess of the tuition and fees the person is charged under subsection (1) of this section at a [state institution of higher education] **public university** listed in ORS 352.002 or a community college where the person is enrolled shall pay tuition and fees equal to the federal tuition benefits received.

(4) Distance education and self-support courses as identified by each [state institution of higher education] **public university** listed in ORS 352.002 and community college are exempt from the tuition reduction provisions of this section.

(5) If a nonresident student otherwise eligible for tuition benefits under this section is receiving federal vocational rehabilitation education benefits, that student shall pay full nonresident tuition and fees charged by a [state institution of higher education] **public university** listed in ORS 352.002 or a community college.

SECTION 247. ORS 352.380 is amended to read:

352.380. (1) As used in this section, “minority” means:

(a) A person having origins in any of the black racial groups of Africa but who is not Hispanic;

(b) A person of Hispanic culture or origin;

(c) A person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent or the Pacific Islands; or

(d) An American Indian or Alaskan Native having origins in any of the original peoples of North America.

(2) Each [*institution under the jurisdiction of the State Board of Higher Education*] **public university listed in ORS 352.002** shall:

(a) Consider and maintain affirmative action plans and goals when reductions in faculty and staff are required as a result of:

(A) Reductions in revenue that necessitate discontinuance of its educational program at its anticipated level;

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

(C) Reduction in courses due to administrative decisions.

(b) Interview one or more qualified minority applicants when hiring a head coach or athletic director, unless the [*institution*] **public university** was unable to identify a qualified minority applicant who was willing to interview for the position. It is an affirmative defense to a claim of a violation of this paragraph that the [*institution*] **public university**, in good faith, was unable to identify a qualified minority applicant who was willing to interview for the position.

SECTION 248. ORS 352.380, as amended by section 3, chapter 780, Oregon Laws 2009, is amended to read:

352.380. Each [*institution under the jurisdiction of the State Board of Higher Education*] **public university listed in ORS 352.002** shall consider and maintain affirmative action plans and goals when reductions in faculty and staff are required as a result of:

(1) Reductions in revenue that necessitate discontinuance of its educational program at its anticipated level;

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

(3) Reduction in courses due to administrative decisions.

SECTION 249. ORS 352.385 is amended to read:

352.385. (1) The State Board of Higher Education may, at the request of [*any institution*] **a public university** under its control, authorize [*that institution*] **the university** to commission one or more of its employees as special campus security officers. [*However,*] The total number of special campus security officers commissioned at the [*institutions*] **public universities** in the Oregon University System [*shall*] **may** not exceed 50. Special campus security officers shall have stop and frisk authority as set forth in ORS 131.605 to 131.625 and probable cause arrest authority and the accompanying immunities as set forth in ORS 133.310 and 133.315 when acting in the scope of their employment as defined by the State Board of Higher Education. Special campus security officers shall not be authorized to carry firearms as police officers and, except as provided in subsection (3) of this section, shall not be considered police officers for purposes of ORS 181.610, 238.005, 243.005 or 243.736.

(2) The Department of Public Safety Standards and Training shall train special campus security officers at the expense of the State Board of Higher Education.

(3) The State Board of Higher Education, acting by and through its special campus security officers, is a criminal justice agency for purposes of rules adopted pursuant to ORS 181.730 (3).

SECTION 250. ORS 352.390 is amended to read:

352.390. (1) The State Board of Higher Education shall cause to have prepared and submitted to the Legislative Assembly a program and time schedule for the establishment of regional services institutes at appropriate [*state institutions of higher education*] **public universities**. The program shall include academic curriculum and practical training appropriate to train students in various aspects of economic and community services planning, with particular emphasis on economic services planning for areas of the state that have common geographic, economic and social characteristics but that do not have sufficient population to qualify as metropolitan statistical areas.

(2) In carrying out its duties under subsection (1) of this section, the board shall consult with the Oregon Business Development Department and shall rely on the department for technical advice and, as necessary, technical services. The board shall also consult with community colleges, the Oregon State University Extension Service, economic development districts and special districts

providing community and economic development services in the region in order to prepare curriculum and programs with particular emphasis on streamlining existing programs, avoiding duplication and overlap of programs, better utilizing students and resources and identifying needs in the region that are currently unaddressed.

(3) In preparing programs for establishing regional services institutes, the board shall give priority to establishing institutes at Eastern Oregon University and Southern Oregon University. The board may also direct the hiring of an institute director and other staff as may be from time to time required.

SECTION 251. ORS 352.510 is amended to read:

352.510. The interest that may accrue on an account arising from the sale of lands for [*institutions of higher education*] **public universities** that were donated to the state by Act of Congress of February 14, 1859, may be deposited in and credited to an account in the Oregon University System Fund established by ORS 351.506 for the purpose of the maintenance, use and support of the University of Oregon. No part of the interest may be expended otherwise than in the payment of the salaries of the president, professors and teachers of the University of Oregon and other current expenses of the University of Oregon. If at the close of any fiscal year an amount equal to or greater than \$500 of the interest remains unexpended after the full payment of the salaries and expenses for the fiscal year, the amount shall be added to and become a part of the principal of the account. The State Board of Higher Education or the faculty or other officers of the University of Oregon may not pledge the faith or credit of the University of Oregon in excess of the interest annually accruing on the account, together with the receipts from tuitions and other sources during the current year.

SECTION 252. ORS 352.669 is amended to read:

352.669. The Legislative Assembly declares that all state agencies[, *in particular state institutions of higher education,*] **and the Oregon University System** should pursue policies and engage in practices that enhance the vitality of independent higher education in Oregon and should cooperate with the state's independent institutions.

SECTION 253. ORS 352.720 is amended to read:

352.720. As used in ORS 352.710 to 352.760, unless the context requires otherwise:

[1] "*Commission*" means the Oregon Student Assistance Commission.]

[2] (1) "Private and independent institutions of higher education" or "institution" means any nonpublic and nonprofit college or university in the State of Oregon accredited by the Northwest Association of Schools and Colleges and any chiropractic college located in this state and accredited by the Commission on Accreditation of the Council on Chiropractic Education, or its successor.

[3] (2) "Nonsectarian educational services" means the providing of instruction in secular subjects.

[4] (3) "Secular subjects" means any course which is presented in the curriculum of a private and independent institution of higher education which is not hobby or recreational in nature or which does not advocate the religious teachings or the morals or forms of worship of any sect.

SECTION 254. ORS 352.730 is amended to read:

352.730. (1) The Oregon Student [*Assistance*] **Access** Commission may enter into contracts with private and independent institutions of higher education for the performance of nonsectarian educational services to assist the state in providing educational opportunities for Oregon students.

(2) The commission may accept grants, gifts, bequests, and devises of real and personal property to carry out the purposes of ORS 352.710 to 352.760.

(3) No funds disbursed pursuant to ORS 352.710 to 352.760 shall be used by any recipient for any religious purpose.

SECTION 255. ORS 352.740 is amended to read:

352.740. Payments to private and independent institutions of higher education under contracts entered into under ORS 352.730 shall be determined by the Oregon Student [*Assistance*] **Access** Commission on a uniform rate for every 45 quarter hours, or equivalent, of approved and registered course work in nonsectarian subjects completed by undergraduate students enrolled in the insti-

tutions who are residents of Oregon, and shall not exceed the actual cost to the institution of providing such educational services. This uniform rate shall apply to the estimated 45-hour units for each institution upon which the legislative appropriation is based for that year, or the actual 45-hour units for each institution, whichever is the lesser. Any remaining funds shall be distributed among those institutions whose actual 45-hour units exceed the estimate. The distribution to each institution shall be according to the uniform rate established for the 45-hour units or an amount equal to the ratio that the excess units bear to 45. However, if insufficient funds are available for such a distribution, then the distribution shall be according to the ratio that the total number of 45-hour units in excess of the estimate bears to the total amount of funds remaining undistributed, multiplied by the number of excess 45-hour units, if any, at each institution.

SECTION 256. ORS 352.750 is amended to read:

352.750. In accordance with any applicable provisions of ORS chapter 183, the Oregon Student [Assistance] **Access** Commission may make such reasonable rules and regulations as are necessary or proper to carry out ORS 352.710 to 352.760.

SECTION 256a. ORS 353.080 is amended to read:

353.080. Oregon Health and Science University shall file with the Legislative Assembly, **the Higher Education Coordinating Commission** and the Governor, not later than April 15 of each year, a report of the university's activities and operations for the preceding year.

SECTION 257. ORS 353.200 is amended to read:

353.200. (1) A student at the Oregon Health and Science University who is a member of the military and who is ordered to federal or state active duty for more than 30 consecutive days has the following rights:

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

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

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

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

(b) The right to a credit described in ORS 353.202 for all amounts paid for room, board, tuition and fees;

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

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

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

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

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

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

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

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

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

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

(4) The Oregon Health and Science University Board of Directors shall adopt rules for the administration of this section.

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

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

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

SECTION 258. ORS 353.260 is amended to read:

353.260. (1) Oregon Health and Science University may adopt policies governing access to university personnel records that are less than 25 years old.

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

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

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

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

(c) A faculty member shall be entitled to submit, for placement in the files, evidence rebutting, correcting, amplifying or explaining any document contained therein and other material that the member believes might be of assistance in the evaluation process.

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

(e) Confidential letters and other information submitted to or solicited by the university after July 1, 1995, and prior to the employment of a prospective faculty member are exempt from the provisions of this paragraph. However, if the member is employed by the university, the confidential preemployment materials shall be placed in the files designated by paragraph (a) of this subsection. If a faculty member requests access to the member's files, the anonymity of the contributor of confidential preemployment letters and other preemployment information shall be protected. The full text shall be made available, except that portions of the text that would serve to identify the contributor shall be excised and retained in a file other than the files designated by paragraph (a) of this subsection.

(f) Classroom survey evaluations by students of a faculty member's classroom or laboratory performance shall be anonymous. The record of tabulated reports shall be placed in at least one of the files designated by paragraph (a) of this subsection. All survey instruments used to obtain evaluation data shall be returned to the faculty member.

(g) The university, when evaluating its employed faculty members, shall not solicit or accept letters, documents or other materials, given orally or in written form, from individuals or groups who wish their identity kept anonymous or the information they provide kept confidential.

(5) No policy or order adopted pursuant to this section limits the authority of the university to prepare, without identification of individual persons who have not consented thereto, statistical or demographic reports from personnel records.

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

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

SECTION 259. ORS 353.440 is amended to read:

353.440. The Legislative Assembly finds that:

(1) *[Institutions]* **Public universities** in the Oregon University System and other educational sectors have academic programs that are related to or integrated with the programs of Oregon Health and Science University.

(2) It is in the best interest of the state that a coordinated approach be taken to these related and integrated academic programs.

(3) In order to best ensure the continued harmony of such academic programs, the **Oregon Health and Science** University and the Oregon University System shall coordinate such programs and shall advise each other of the following proposed changes to such academic programs:

- (a) Creation or significant revision, such as a merger or closure, of degree programs;
- (b) Creation or significant revision, such as a merger or closure, of schools; and
- (c) Creation or significant revision of major academic policies.

(4) **The Oregon Health and Science University and the Higher Education Coordinating Commission shall coordinate and advise each other of the following types of proposed changes to their related or integrated academic programs:**

- (a) **Coordination of strategic plans for achieving higher education goals;**
- (b) **Seeking advice and input from each other on modifications to statutory educational missions;**
- (c) **Working to develop a statewide educational data system;**
- (d) **Collaborating as necessary on the creation of any new degree programs; and**
- (e) **Notifying each other and commenting on tuition rate changes.**

[(4)] (5) In order to further the coordination described by this section, **Oregon Health and Science** University officers shall maintain a role in the appropriate committees of the State Board of Higher Education, **the Higher Education Coordinating Commission** and the Oregon University System.

SECTION 260. ORS 353.600 is amended to read:

353.600. As used in ORS 353.600 to 353.612:

(1) "Committee" means the Oregon Nursing Shortage Coalition Committee created in ORS 353.606.

(2) "Post-secondary education institution" means:

(a) A *[state institution under the direction of the State Board of Higher Education]* **public university listed in ORS 352.002;**

(b) A community college operated under ORS chapter 341;

(c) A school or division of Oregon Health and Science University; or

(d) An Oregon-based, generally accredited, not-for-profit private institution of higher education.

SECTION 261. ORS 353.603 is amended to read:

353.603. (1) Oregon Health and Science University shall distribute grants to post-secondary education institutions to support nursing education programs based on the selections of the Oregon Nursing Shortage Coalition Committee and in accordance with appropriate university policies and procedures. If the university is not able to distribute a grant to a post-secondary education institu-

tion selected by the committee, the university shall report to the committee the reason for not distributing the grant.

(2) Grants distributed under this section to a community college or [state institution of higher education] a **public university listed in ORS 352.002** may be based on an intergovernmental agreement entered into by Oregon Health and Science University and the college or [institution] **public university**.

(3) Oregon Health and Science University may not use more than five percent of the amount received from the Nursing Education Grant Fund established in ORS 353.612 for the grant program in any biennium for administrative expenses incurred in administering ORS 353.600 to 353.612.

(4) Oregon Health and Science University may accept contributions of funds and assistance from the United States Government or its agencies, or from any other source, public or private, and agree to conditions placed on the funds not inconsistent with the purposes of ORS 353.600 to 353.612. The university shall use funds and assistance received under this subsection for grants distributed under this section or for administering ORS 353.600 to 353.612.

(5) Oregon Health and Science University shall deposit moneys received by the university for purposes of ORS 353.600 to 353.612 in the Nursing Education Grant Fund. The total amount of grants distributed under this section may not exceed the amount of moneys available for distribution in the fund.

SECTION 262. ORS 357.004 is amended to read:

357.004. As used in ORS 357.001 to 357.200, unless the context requires otherwise:

(1) "Depository library" means a library that is designated as such under ORS 357.095.

(2)(a) "Issuing agency" means state government, as that term is defined in ORS 174.111.

(b) "Issuing agency" does not include the State Board of Higher Education or any [institution, division or department] **public university or office, department or activity** under the control of the board.

(3)(a) "Public document" means informational matter produced for public distribution or access regardless of format, medium, source or copyright, originating in or produced with the imprint of, by the authority of or at the total or partial expense of any state agency. "Public document" includes informational matter produced on computer diskettes, CD-ROMs, computer tapes, the Internet or in other electronic formats.

(b) "Public document" does not include:

(A) Correspondence, forms, interoffice or intraoffice memoranda;

(B) Legislative bills;

(C) Oregon Revised Statutes or any edition thereof; or

(D) Reports and publications of the Oregon Supreme Court, the Oregon Court of Appeals and the Oregon Tax Court.

SECTION 263. ORS 399.245 is amended to read:

399.245. As used in ORS 399.245 to 399.265:

[(1) "Commission" means the Oregon Student Assistance Commission.]

[(2)] (1) "Qualified applicant" means an Oregon resident who:

(a) Is a member of the Oregon National Guard;

(b) Maintains minimum academic standards at the qualified institution of higher education;

(c) Meets participation standards in the Oregon National Guard as prescribed by the Oregon Military Department;

(d) Is a full-time student; and

(e) Serves one year in the Oregon National Guard for each year a scholarship is granted.

[(3)] (2) "Qualified institution of higher education" means any two-year or four-year, nonprofit, generally accredited institution of higher education located in this state, including community colleges and accredited schools of nursing located in this state.

[(4)] (3) "Scholarship" means a scholarship equal in value to \$800 to be used to pay the educational expenses of the applicant at a qualified institution of higher education during the period for which the scholarship is granted, of which no more than 100 scholarships shall be awarded annually.

SECTION 264. ORS 399.255 is amended to read:

399.255. (1) Subject to the availability of funds, the Oregon Military Department shall contract with the Oregon Student [Assistance] Access Commission to disburse to qualified applicants, awards made to the applicants on behalf of the Oregon National Guard Scholarship Program as determined by the Oregon Military Department.

(2) If the qualified applicant who receives a scholarship under ORS 399.245 to 399.265 meets the standards of the Oregon Military Department for renewal of the scholarship, the scholarship may be renewed upon application until the applicant has received a scholarship for a total of four undergraduate years.

(3) A qualified applicant who receives a scholarship under ORS 399.245 to 399.265 must attend the qualified institution of higher education upon which the scholarship application was based unless the commission authorizes the scholarship to be used at a different institution.

(4) No scholarship shall be made to any student enrolled in a course of study required for or leading to a degree in theology, divinity or religious education.

SECTION 265. ORS 399.265 is amended to read:

399.265. A qualified applicant may be awarded a scholarship under ORS 399.245 to 399.265 before completing the national guard service requirement. However, if an applicant fails to fulfill the service requirement, the applicant shall pay to the Oregon Student [Assistance] Access Commission the amount of the scholarship received plus interest for each year for which a scholarship was awarded but for which the service requirement was not met.

SECTION 266. ORS 399.275 is amended to read:

399.275. (1) As used in this section and ORS 399.280:

(a) "Eligible post-secondary institution" has the meaning given that term in ORS 348.180.

(b) "Surviving family member" means a spouse or dependent of a member of the Oregon National Guard who is killed while on active duty.

(2) Subject to the availability of funds, the Oregon Military Department may contract with the Oregon Student [Assistance] Access Commission to:

(a) Disburse to eligible post-secondary institutions the dollar amount of tuition waivers authorized by this section and approved for payment by the department; and

(b) Provide to the department a compilation of the total dollar amount of the tuition waivers approved for each academic term included in the contract.

(3) The department shall regularly provide to the commission the names of members of the Oregon National Guard and surviving family members for whom tuition waivers may be approved.

(4) Any member of the Oregon National Guard or surviving family member who registers for classes at an eligible post-secondary institution may receive a tuition waiver of up to 100 percent of the resident tuition charges imposed by that institution, except that in the case of a not-for-profit independent institution, the tuition waiver may not exceed 100 percent of the resident tuition at Oregon State University.

(5)(a) A member of the Oregon National Guard may receive the tuition waiver authorized by this section at any time if the member maintains satisfactory performance with the Oregon National Guard and pursues a course of study in the eligible post-secondary institution in a manner that satisfies the usual requirements of the institution.

(b) A surviving family member may receive the tuition waiver authorized by this section if the surviving family member pursues a course of study in the eligible post-secondary institution in a manner that satisfies the usual requirements of the institution.

(c) The member of the Oregon National Guard or surviving family member is responsible for payment of the balance of the tuition charges not provided for by the tuition waiver program.

(6) When determining to whom the tuition waivers shall be granted, priority shall be given to those members of the Oregon National Guard who have previously received tuition waivers while serving in the Oregon National Guard and surviving family members who have previously received tuition waivers.

(7) The department shall apply qualifications and limitations to the tuition waiver program that are consistent with efficient and effective program management as determined by the Adjutant General.

SECTION 267. ORS 408.095 is amended to read:

408.095. (1) As used in this section, “community college” has the meaning given that term in ORS 341.005.

(2) There is created in the Department of Veterans’ Affairs the Campus Veterans’ Service Officers Program.

(3) The purpose of the program is to provide educational outreach to veterans to help ensure that they obtain maximum state and federal benefits.

(4) The department shall appoint a sufficient number of campus veterans’ service officers to ensure that each Oregon community college and each [institution] **public university** in the Oregon University System, as described in ORS 352.002, is provided veterans’ services.

(5) Each community college and [institution] **public university** in the Oregon University System shall provide office space that may be used for the provision of veterans’ services.

(6) The department may adopt rules to implement the Campus Veterans’ Service Officers Program.

SECTION 268. ORS 411.894 is amended to read:

411.894. (1) The Oregon JOBS Individual Education Account is established to improve the position of JOBS Plus participants in the workforce by increasing their access to continuing education. Employer contributions to the account under this section shall be used to pay for education expenses for the individual as provided in subsection (2) of this section.

(2)(a) After the participant has participated in the JOBS Plus Program for 30 days, the employer shall pay, in addition to the participant wage, one dollar for each participant hour worked into the participant’s individual education account. Contributions to such an account shall be tax deferred or tax-exempt to the extent permitted by federal and state law.

(b) Any participant for whom an Oregon JOBS Individual Education Account contribution is made shall be eligible for access to education benefits from that participant’s individual education account for up to five years after the participant has left the JOBS Plus Program and has held a full-time, unsubsidized job for at least 30 days.

(c) When any participant has qualified for use of that participant’s individual education account, an amount equal to that participant’s individual education account balance shall be transferred to the Oregon Student [Assistance] **Access** Commission for that participant’s use. Only one individual education account shall be created for any participant. Each account shall be administered by the commission and shall be used for continuing education and training for the participant and the participant’s immediate family.

(3)(a) The commission may use any interest earned by an individual education account transferred to the commission under this section for payment of expenses incurred by the commission in carrying out its duties under this section.

(b) The Department of Human Services shall transfer any interest earned by the Oregon JOBS Individual Education Account to the General Fund for general governmental purposes. The department shall transfer the interest no later than the close of each fiscal year in which the interest is earned.

(4) Any unexpended or unobligated moneys remaining in an individual education account five years after the participant has left the JOBS Plus Program are appropriated and transferred to the commission for the Oregon Opportunity Grant program on that date.

SECTION 269. ORS 418.658 is amended to read:

418.658. (1) The program director of the Oregon Youth Conservation Corps shall establish a separate program known as the Oregon Community Stewardship Corps. In addition to the established purposes of the Oregon Youth Conservation Corps, the purpose of the Oregon Community Stewardship Corps is to promote community service activities throughout the state for a broad cross

section of Oregon disadvantaged and at-risk youth through programs that also include appropriate educational and job training opportunities for participants.

(2) In addition to projects submitted under ORS 418.660 (1), projects of the Oregon Community Stewardship Corps may include, but shall not be limited to:

- (a) Child care services.
- (b) Elderly and disabled care services.
- (c) Literacy education programs.
- (d) Recycling and other waste reduction services.

(3) The Oregon Community Stewardship Corps shall offer employment and educational opportunities of at least three but not more than 12 months' duration for selected participants.

(4) Under rules adopted by the State Board of Education, participants who successfully complete any 12-month program under this section shall be eligible for \$1,500 in tuition vouchers that can be used at any career school or post-secondary educational institution that is qualified to receive assistance through the [*Oregon Student Assistance Commission*] **Oregon Student Access Commission**.

(5) All Oregonians who are at least 13 years of age and under 25 years of age are eligible to participate in the program. To ensure that Oregon Community Stewardship Corps participants represent a broad cross section of Oregonians, special emphasis shall be given to recruiting school dropouts and other disadvantaged and at-risk youth, according to criteria established by the Oregon Youth Conservation Corps Advisory Committee.

(6) To the extent practicable, the program director shall enlist state and federal agencies, local government, nonprofit organizations and private businesses, and any combination of such entities, to act as sponsors for programs administered under this section. Selection of sponsors shall be based on criteria that include the following:

(a) The availability of other resources on a matching basis, including contributions from private sources, other federal, state and local agencies, and moneys available through the federal Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.);

(b) The provision of related educational and job training programs to participants, including but not limited to school and college coursework, General Educational Development (GED) tests equivalency training, project-related education and professional training;

(c) Assurances that proposed projects will not displace existing employees or duplicate existing private or government programs; and

(d) Assurances that proposed projects are devoted to the enhancement of the community and are not based in maintenance activities and that these projects meet an identified need.

(7) In consultation with the advisory committee and the Commissioner for Community College Services, the program director shall make grants for programs administered under this section.

SECTION 270. ORS 431.690, as amended by section 1, chapter 27, Oregon Laws 2010, and section 6, chapter 62, Oregon Laws 2010, is amended to read:

431.690. (1) As used in this section, "place of public assembly" means a single building that has 50,000 square feet or more of indoor floor space and where:

(a)(A) The public congregates for purposes such as deliberation, shopping, entertainment, amusement or awaiting transportation; or

(B) Business activities are conducted; and

(b) At least 50 individuals congregate on a normal business day.

(2) Notwithstanding ORS 431.680 (3), the owner of a place of public assembly shall have on the premises at least one automated external defibrillator.

(3) Notwithstanding subsection (2) of this section:

(a) A community college or a [*state institution of higher education*] **public university** listed in ORS 352.002 shall have at least one automated external defibrillator on the campus of the community college or [*institution*] **public university**; and

(b) If the campus of the community college or [*institution of higher education*] **public university** contains more than one place of public assembly, the community college or [*institution*] **public uni-**

versity shall ensure that at least one automated external defibrillator is readily available to each place of public assembly.

(4) Subsection (2) of this section does not apply to a building primarily used for worship or education associated with worship.

SECTION 271. ORS 433.090 is amended to read:

433.090. As used in ORS 433.090 to 433.102:

(1) "Authorized user" means a person or entity authorized to provide information to or to receive information from an immunization registry or immunization tracking and recall system under ORS 433.090 to 433.102. "Authorized user" includes, but is not limited to, licensed health care providers, health care institutions, insurance carriers, the Oregon medical assistance program, parents or guardians of children under 18 years of age, clients 18 years of age or older, post-secondary education institutions, schools, children's facilities, local health departments, the Oregon Health Authority and agents of the authority.

(2) "Children's facility" has the meaning given that term in ORS 433.235.

(3) "Client" means any person registered with any Oregon immunization tracking and recall system.

(4) "Immunization record" includes but is not limited to the following:

- (a) Any immunization received;
- (b) Date immunization was received;
- (c) Complication or side effect associated with immunization;
- (d) Date and place of birth of a client;
- (e) Hospital where a client was born;
- (f) Client's name; and
- (g) Mother's name.

(5) "Immunization registry" means any listing of clients and information relating to their immunization status, without regard to whether the registry is maintained in this state or elsewhere.

(6) "Immunization tracking and recall record" includes but is not limited to the client's name, address of the parent or guardian of the client, telephone number, insurance carrier, health care provider and other information needed to send reminder cards to, place telephone calls to or personally contact the client or the parent or the guardian of a client for the purposes of informing the client, parent or guardian that the client is late in receiving the recommended immunizations.

(7) "Local health department" has the meaning given that term in ORS 433.235.

(8) "Parent or guardian" has the meaning given the term "parent" in ORS 433.235.

(9) "Post-secondary education institution" means:

(a) A *[state institution of higher education under the jurisdiction of the State Board of Higher Education]* **public university listed in ORS 352.002;**

(b) A community college operated under ORS chapter 341;

(c) A school or division of Oregon Health and Science University; or

(d) An Oregon-based, generally accredited, private institution of higher education.

(10) "Provider" means a physician or a health care professional who is acting within the scope of his or her licensure and responsible for providing immunization services or for coordinating immunization services within a clinic, public health site, school or other immunization site.

(11) "School" has the meaning given that term in ORS 433.235.

(12) "Tracking and recall system" means a system attached to an immunization registry designed to contact clients listed in the immunization registry for the purposes of assisting in the completion of the immunization series in a timely manner.

SECTION 272. ORS 442.535 is amended to read:

442.535. As used in ORS 442.540 and 442.545:

[(1) "Commission" means the Oregon Student Assistance Commission.]

[(2)] (1) "Nurse" means any person who is licensed under ORS 678.010 to 678.410 as a registered nurse.

[(3)] (2) "Nursing critical shortage area" means a locality or practice specialty identified as such by the Oregon State Board of Nursing, in consultation with the Office of Rural Health, under ORS 442.540.

[(4)] (3) "Qualifying loan" means any loan made to a nursing student under:

(a) Programs under Title IV, parts B, D and E, of the Higher Education Act of 1965, as amended; or

(b) The Nursing Student Loan and Health Education Assistance Loan programs administered by the United States Department of Health and Human Services.

SECTION 273. ORS 442.540 is amended to read:

442.540. (1) There is created the Nursing Services Program, to be administered by the Oregon Student [Assistance] Access Commission pursuant to rules adopted by the commission. The purpose of the program is to provide loan repayments on behalf of nurses who agree to practice in nursing critical shortage areas.

(2) To be eligible to participate in the program, a nurse or prospective nurse shall submit a letter of interest to the commission. Applicants who are selected for participation according to criteria adopted by the commission under subsection (3) of this section shall sign a letter of agreement stipulating that the applicant agrees to abide by the terms of the program described in ORS 442.545.

(3) The commission shall by rule adopt, in consultation with the Oregon State Board of Nursing and the Office of Rural Health, criteria for participation in the program.

(4) The Oregon State Board of Nursing by rule shall annually identify, in consultation with the Office of Rural Health, those areas that are considered nursing critical shortage areas.

(5) Amounts paid to the commission as penalties under ORS 442.545 shall be credited and deposited in the Nursing Services Account created under ORS 348.570. The commission, in consultation with the Oregon State Board of Nursing, by rule shall allow waiver of all or part of any fees or penalties owed to the commission due to circumstances that prevent a nurse from fulfilling a service obligation under ORS 442.545.

SECTION 274. ORS 442.545 is amended to read:

442.545. (1) A nurse or prospective nurse applicant who is a graduate of an accredited nursing program with a baccalaureate or associate degree and who wishes to participate in the Nursing Services Program established under ORS 442.540 shall agree that:

(a) For each year of nursing school, the applicant designates an agreed amount, not to exceed \$8,800 or the amount determined under subsection (2) of this section, as a qualifying loan for the program.

(b) In the four years following the execution of a Nursing Services Program agreement with the Oregon Student [Assistance] Access Commission, a nurse agrees to practice for at least two full years in a nursing critical shortage area in Oregon.

(c) For not less than two nor more than four years that the nurse practices in a nursing critical shortage area, the commission shall annually pay:

(A) For full-time practice, an amount equal to 25 percent of the total of all qualifying loans made to the nurse.

(B) For half-time practice, an amount equal to 12.5 percent of the total of all qualifying loans made to the nurse.

(d) If the nurse does not complete the full service obligation set forth in paragraphs (b) and (c) of this subsection, the commission shall collect 100 percent of any payments made by the commission to the nurse under the Nursing Services Program. In addition, the commission shall assess against the nurse a penalty equal to 50 percent of the qualifying loans and interest paid by the commission.

(2)(a) On July 1 of each year, beginning in 2002 and ending in 2007, the [Oregon Student Assistance] commission shall adjust the maximum dollar amount allowed under subsection (1)(a) of this section as a qualifying loan by multiplying the amount by a cost-of-living adjustment as specified in this subsection.

(b) The cost-of-living adjustment applied on July 1 each year by the commission shall be equal to the ratio of the seasonally adjusted United States City Average Consumer Price Index for All

Urban Consumers as published by the Bureau of Labor Statistics of the United States Department of Labor for April of the calendar year divided by the value of the same index for April 2001.

(c) Beginning on July 1, 2008, the commission shall use the cost-of-living adjustment calculated for July 1, 2007.

(d) If the value of the dollar amount determined under paragraph (a) of this subsection is not a multiple of \$100, the commission shall round the dollar amount to the next lower multiple of \$100.

SECTION 275. ORS 461.543 is amended to read:

461.543. (1) Except as otherwise specified in subsection (5) of this section, the Sports Lottery Account is continuously appropriated to and shall be used by the State Board of Higher Education to fund sports programs at [*state institutions of higher education*] **public universities listed in ORS 352.002**. Seventy percent of the revenues in the fund shall be used to fund nonrevenue producing sports and 30 percent shall be used for revenue producing sports. Of the total amount available in the fund, at least 50 percent shall be made available for women's athletics.

(2) The [*State*] board [*of Higher Education*] shall allocate moneys in the Sports Lottery Account among the [*institutions of higher education under its jurisdiction*] **public universities**, giving due consideration to:

(a) The athletic conference to which the [*institution*] **public university** belongs and the relative costs of competing in that conference.

(b) The level of effort being made by the [*institution*] **public university** to generate funds and support from private sources.

(3) As used in subsections (1) to (3) of this section, "revenue producing sport" is a sport that produces net revenue over expenditures during a calendar year or if its season extends into two calendar years, produces net revenue over expenditures during the season.

(4) An amount equal to one percent of the moneys transferred to the Administrative Services Economic Development Fund from the State Lottery Fund shall be allocated from the Administrative Services Economic Development Fund to the Sports Lottery Account.

(5) The amounts received by the Sports Lottery Account shall be allocated as follows:

(a) Eighty-eight percent for the purposes specified in subsections (1) to (3) of this section, but not to exceed \$8 million annually, adjusted annually pursuant to the Consumer Price Index, as defined in ORS 327.006.

(b) Twelve percent for the purpose of scholarships, to be distributed equally between scholarships based on academic merit and scholarships based on need, as determined by rule of the [*State*] board [*of Higher Education*], but not to exceed \$1,090,909 annually.

(c) All additional money to the [*Oregon Student Assistance Commission*] **Oregon Student Access Commission** for the Oregon Opportunity Grant program under ORS 348.260.

SECTION 276. ORS 541.375 is amended to read:

541.375. (1) Any person, tribe, watershed council, soil and water conservation district, community college, [*state institution of higher education*] **public university listed in ORS 352.002**, independent not-for-profit institution of higher education or political subdivision of this state that is not a state agency may submit a request for funding for or for advice and assistance in developing a project under ORS 541.351 to 541.415. A state agency or federal agency may apply for funding under this section only as a coapplicant with one of the other eligible entities.

(2) The request under subsection (1) of this section shall be filed in the manner, be in the form and contain the information required by the Oregon Watershed Enhancement Board.

(3) The board may establish a grant program through soil and water conservation districts organized under ORS 568.210 to 568.808 and 568.900 to 568.933 that provides funds for local implementation of watershed enhancement, education and monitoring efforts.

(4) The board may fund implementation of action plans based on a watershed assessment that addresses water quality and aquatic resources of the watershed.

(5) A project may use mechanical, vegetative or structural methods including, but not limited to, management techniques, erosion control, streambank stabilization, forest, range or crop land treatment, site specific in-stream structures, acquisitions or leases of land or water rights from a

willing owner, watershed assessments, landowner incentives and action plan development, implementation and monitoring.

(6) The actions of a soil and water conservation district carried out pursuant to a grant program established by the board under subsection (3) of this section shall not be subject to review and approval by the Natural Resources Division under ORS 561.400.

(7) The Oregon Watershed Enhancement Board shall approve for funding only those projects that:

- (a) Are based on sound principles of watershed management;
- (b) Use methods most adapted to the project locale;
- (c) Meet the criteria established by the board under ORS 541.396; and
- (d) Contribute to either:

(A) The improved health of a stream, lake or reservoir and toward the achievement of standards that satisfy the requirements of the Federal Water Pollution Control Act (P.L. 92-500), as amended; or

(B) The restoration of wildlife, habitat or native fish.

(8) The Oregon Watershed Enhancement Board may fund a project for the restoration of a riparian area or associated upland that is carried out in conjunction with a storage structure. However, the board shall not approve funding for any proposed project that consists solely of construction of a storage structure for out-of-stream use.

(9) The Oregon Watershed Enhancement Board may fund projects involving the acquisition of lands and waters, or interests therein from willing sellers, for the purpose of maintaining or restoring watersheds, habitat and native salmonids. Interests in these lands and waters may be held by local, state and federal agencies, tribes, not-for-profit land conservation organizations and trusts, *[state institutions of higher education]* **public universities listed in ORS 352.002**, independent not-for-profit institutions of higher education or political subdivisions of this state, as long as the entity continues to use the land or water for the purposes specified under section 4b, Article XV of the Oregon Constitution.

(10) If the Oregon Watershed Enhancement Board approves funding for a project under this section that requires the applicant to obtain a permit or license from a local, state or federal agency or governing body, the board shall not disburse any funds to the applicant until the applicant presents evidence that the agency has granted the permit or license.

SECTION 277. ORS 634.660 is amended to read:

634.660. Each of the following state agencies *[or services]* shall implement integrated pest management practices when carrying out the agency's duties related to pest control:

- (1) State Department of Agriculture, including the control of noxious weeds.
- (2) State Department of Fish and Wildlife.
- (3) Department of Transportation.
- (4) State Parks and Recreation Department.
- (5) State Forestry Department.
- (6) Department of Corrections.
- (7) Oregon Department of Administrative Services.
- (8) The Department of State Lands.

(9) Each *[Oregon institution of higher education]* **public university listed in ORS 352.002**, for the *[institution's]* **public university's** own building and grounds maintenance.

SECTION 278. ORS 657.665 is amended to read:

657.665. (1) Except as provided in subsections (2) to (4) of this section, all information in the records of the Employment Department pertaining to the administration of the unemployment insurance, employment service and labor market information programs:

(a) Is confidential and for the exclusive use and information of the Director of the Employment Department in administering the unemployment insurance, employment service and labor market information programs in Oregon.

(b) May not be used in any court action or in any proceeding pending in the court unless the director or the state is a party to the action or proceeding or unless the proceeding concerns the establishment, enforcement or modification of a support obligation and support services are being provided by the Division of Child Support or the district attorney pursuant to ORS 25.080.

(c) Is exempt from disclosure under ORS 192.410 to 192.505.

(2) The Employment Department shall disclose information:

(a) To any claimant or legal representative, at a hearing before an administrative law judge, to the extent necessary for the proper presentation of an unemployment insurance claim.

(b) Upon request to the United States Secretary of Labor. The Employment Department shall disclose the information in a form and containing the information that the United States Secretary of Labor may require. The information disclosed is confidential and may not be used for any other purpose.

(c) Pursuant to section 303(a)(7) of the Social Security Act, upon request to any agency of the United States charged with the administration of public works or assistance through public employment. Under this paragraph, the Employment Department shall disclose the name, address, ordinary occupation and employment status of each recipient of unemployment insurance benefits and a statement of the recipient's right to further benefits under this chapter. The information disclosed is confidential and may not be used for any other purpose.

(d) Pursuant to section 303(c)(1) of the Social Security Act, to the Railroad Retirement Board. Under this paragraph, the Employment Department shall disclose unemployment insurance records. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the board.

(e) Pursuant to section 303(d) of the Social Security Act, upon request to officers and employees of the United States Department of Agriculture and to officers or employees of any state Supplemental Nutrition Assistance Program agency for the purpose of determining an individual's eligibility for or the amount of supplemental nutrition assistance. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the United States Department of Agriculture.

(f) Pursuant to section 303(e)(1) and (2)(A)(ii) of the Social Security Act, to state or local child support enforcement agencies enforcing child support obligations under Title IV-D of the Social Security Act for the purposes of establishing child support obligations, locating individuals owing child support obligations and collecting child support obligations from those individuals. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the child support enforcement agency.

(g) Pursuant to sections 303(f) and 1137 of the Social Security Act, to agencies participating in the income and eligibility verification system for the purpose of verifying an individual's eligibility for benefits, or the amount of benefits, under unemployment insurance, temporary assistance for needy families, Medicaid, the Supplemental Nutrition Assistance Program, Supplemental Security Income, child support enforcement or Social Security programs. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the requesting agency.

(h) Pursuant to section 303(h) of the Social Security Act and section 3304(a)(16)(B) of the Federal Unemployment Tax Act, to the United States Department of Health and Human Services National Directory of New Hires. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the United States Department of Health and Human Services.

(i) Pursuant to section 303(i) of the Social Security Act, to officers and employees of the United States Department of Housing and Urban Development and to representatives of a public housing agency for the purpose of determining an individual's eligibility for benefits, or the amount of benefits, under a housing assistance program of the United States Department of Housing and Urban Development. The information disclosed is confidential and may not be used for any other purpose.

The costs of disclosing information under this paragraph shall be paid by the United States Department of Housing and Urban Development or the public housing agency.

(j) Pursuant to regulations of the United States Secretary of Health and Human Services issued under section 3304(a)(16)(A) of the Federal Unemployment Tax Act, and except as required by section 303 of the Social Security Act, to the state, a political subdivision or a federally recognized Indian tribe that has signed an agreement with the Department of Human Services to administer Part A of Title IV of the Social Security Act for the purpose of determining an individual's eligibility for assistance, or the amount of assistance, under a program funded under Part A of Title IV of the Social Security Act. The information disclosed is confidential and may not be used for any other purpose.

(k) Upon request, to the United States Attorney's Office. Under this paragraph, the Employment Department may disclose an individual's employment and wage information in response to a federal grand jury subpoena or for the purpose of collecting civil and criminal judgments, including restitution and special assessment fees. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the United States Attorney's Office.

(3) The Employment Department may disclose information secured from employing units:

(a) To agencies of this state, federal agencies and local government agencies to the extent necessary to properly carry out governmental planning, performance measurement, program analysis, socioeconomic analysis and policy analysis functions performed under applicable law. The information disclosed is confidential and may not be disclosed by the agencies in any manner that would identify individuals, claimants, employees or employing units. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the agency requesting the information.

(b) As part of a geographic information system. Points on a map may be used to represent economic data, including the location, employment size class and industrial classification of businesses in Oregon. Information presented as part of a geographic information system may not give specific details regarding a business's address, actual employment or proprietary information. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the party requesting the information.

(c) In accordance with ORS 657.673.

(4) The Employment Department may:

(a) Disclose information to public employees in the performance of their duties under state or federal laws relating to the payment of unemployment insurance benefits, the provision of employment services and the provision of labor market information.

(b) At the discretion of the Director of the Employment Department and subject to an interagency agreement, disclose information to public officials in the performance of their official duties administering or enforcing laws within their authority and to the agents or contractors of public officials. The public official shall agree to assume responsibility for misuse of the information by the official's agent or contractor.

(c) Disclose information pursuant to an informed consent, received from an employer or claimant, to disclose the information.

(d) Disclose information to partners under the federal Workforce Investment Act of 1998 for the purpose of administering state workforce programs under the Act. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the requesting partner.

(e) Disclose the names and addresses of employing units to the Bureau of Labor and Industries for the purpose of disseminating information to employing units. The names and addresses disclosed are confidential and may not be used for any other purpose. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the bureau.

(f) Disclose information to the Commissioner of the Bureau of Labor and Industries for the purpose of performing duties under ORS 279C.800 to 279C.870, 658.005 to 658.245 or 658.405 to 658.503 or ORS chapter 652, 653 or 659A. The information disclosed may include the names and addresses of employers and employees and payroll data of employers and employees. The information disclosed is confidential and may not be used for any other purpose. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the bureau.

(g) Disclose information required under ORS 657.660 (3) and (4) to the Public Employees Retirement System for the purpose of determining the eligibility of members of the retirement system for disability retirement allowances under ORS chapter 238. The information disclosed is confidential and may not be used for any other purpose. The costs of disclosing information under this paragraph shall be paid by the Public Employees Retirement System.

(h) Disclose to the Oregon Business Development Commission information required by the commission in performing its duty under ORS 285A.050 to verify changes in employment levels following direct employer participation in Oregon Business Development Department programs or indirect participation through municipalities under ORS 285B.410 to 285B.482. The information disclosed to the commission may include an employer's employment level, total subject wages payroll and whole hours worked. The information disclosed is confidential and may not be used for any other purpose. The commission may not disclose the information in any manner that would identify an employing unit or employee except to the extent necessary to carry out the commission's duty under ORS 285A.050. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the commission.

(i) Disclose information to the Department of Revenue for the purpose of performing its duties under ORS 293.250 or under the revenue and tax laws of this state. The information disclosed may include the names and addresses of employers and employees and payroll data of employers and employees. The information disclosed is confidential and may not be disclosed by the Department of Revenue in any manner that would identify an employing unit or employee except to the extent necessary to carry out the department's duties under ORS 293.250 or in auditing or reviewing any report or return required or permitted to be filed under the revenue and tax laws administered by the department. The Department of Revenue may not disclose any information received to any private collection agency or for any other purpose. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the Department of Revenue.

(j) Disclose information to the Department of Consumer and Business Services for the purpose of performing its duties under ORS chapters 654 and 656. The information disclosed may include the name, address, number of employees and industrial classification code of an employer and payroll data of employers and employees. The information disclosed is confidential and may not be disclosed by the Department of Consumer and Business Services in any manner that would identify an employing unit or employee except to the extent necessary to carry out the department's duties under ORS chapters 654 and 656, including administrative hearings and court proceedings in which the Department of Consumer and Business Services is a party. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the Department of Consumer and Business Services.

(k) Disclose information to the Construction Contractors Board for the purpose of performing its duties under ORS chapter 701. The information disclosed to the board may include the names and addresses of employers and status of their compliance with this chapter. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the board.

(L) Disclose information to the State Fire Marshal to assist the State Fire Marshal in carrying out duties under ORS 453.307 to 453.414. The information disclosed may include the name, address, telephone number and industrial classification code of an employer. The information disclosed is confidential and may not be disclosed by the State Fire Marshal in any manner that would identify

an employing unit except to the extent necessary to carry out duties under ORS 453.307 to 453.414. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the office of the State Fire Marshal.

(m) Disclose information to the [*Oregon Student Assistance Commission*] **Oregon Student Access Commission** for the purpose of performing the commission's duties under ORS chapter 348 and Title IV of the Higher Education Act of 1965. The information disclosed may include the names and addresses of employers and employees and payroll data of employers and employees. The information disclosed is confidential and may not be disclosed by the commission in any manner that would identify an employing unit or employee except to the extent necessary to carry out the commission's duties under ORS chapter 348 or Title IV of the Higher Education Act of 1965. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the commission.

(n) Disclose information to the Department of Transportation to assist the Department of Transportation in carrying out the duties of the Department of Transportation relating to collection of delinquent and liquidated debts, including taxes, under ORS 184.610 to 184.666, 184.670 to 184.733 and 805.263, ORS chapter 319 and the Oregon Vehicle Code. The information disclosed may include the names and addresses of employers and employees and payroll data of employers and employees. The information disclosed is confidential and may not be disclosed by the Department of Transportation in any manner that would identify an employing unit or employee except to the extent necessary to carry out the Department of Transportation's duties relating to collection of delinquent and liquidated debts or in auditing or reviewing any report or return required or permitted to be filed under the revenue and tax laws administered by the Department of Transportation. The Department of Transportation may not disclose any information received to any private collection agency or for any other purpose. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the Department of Transportation.

(o) Disclose to any person establishment level information secured pursuant to this chapter from federal, state and local government employing units. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the party requesting the information.

(p) Disclose to any person the industrial classification code assigned to an employing unit. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the party requesting the information.

(5) Any officer appointed by or any employee of the Director of the Employment Department who discloses confidential information, except with the authority of the director, pursuant to rules or as otherwise required by law, may be disqualified from holding any appointment or employment with the Employment Department.

(6) Any person or any officer or employee of an entity to whom information is disclosed by the Employment Department under this section who divulges or uses the information for any purpose other than that specified in the provision of law or agreement authorizing the use or disclosure may be disqualified from performing any service under contract or disqualified from holding any appointment or employment with the state agency that engaged or employed that person, officer or employee. The Employment Department may immediately cancel or modify any information sharing agreement with an entity when a person or an officer or employee of that entity discloses confidential information, other than as specified in law or agreement.

SECTION 279. ORS 659.855 is amended to read:

659.855. (1) Any public elementary or secondary school determined by the Superintendent of Public Instruction or any community college determined by the Commissioner for Community College Services to be in noncompliance with provisions of ORS 659.850 and this section shall be subject to appropriate sanctions, which may include withholding of all or part of state funding, as established by rule of the State Board of Education.

(2) Any public [*institution of higher education*] **university listed in ORS 352.002** determined by the Chancellor of the Oregon University System to be in noncompliance with provisions of ORS 659.850 and this section shall be subject to appropriate sanctions, which may include withholding of all or part of state funding, as established by rule of the State Board of Higher Education.

(3) Any public charter school determined by the sponsor of the school or the superintendent [*of Public Instruction*] to be in noncompliance with the provisions of ORS 659.850 and this section shall be subject to appropriate sanctions, which may include the withholding of all or part of state funding by the sponsor or superintendent, as established by rule of the State Board of Education.

SECTION 280. ORS 660.312 is amended to read:

660.312. (1) The Governor shall be responsible for a coordinated and comprehensive response to education and workforce issues. The Governor shall appoint an Education and Workforce Policy Advisor, who serves at the pleasure of the Governor. The advisor shall, with the advice of such advisory committees as may be appointed or assigned, advise the Governor on policy, planning and coordination for education and workforce development in Oregon.

(2) The duties of the advisor shall include:

(a) Guiding the development of state-level policy related to education and workforce issues;

(b) Providing general direction and serving as a liaison between state and local efforts in education, training and workforce development;

(c) Ensuring, through collaboration with the leadership of local workforce investment boards and regional workforce committees, the alignment of statewide, local and regional strategic plans, and the periodic reporting of performance in the implementation of such plans; and

(d) Consulting with local workforce investment boards and regional workforce committees on the development and implementation of a workforce performance measurement system.

(3) In the performance of duties, the advisor shall collectively involve state agencies, including but not limited to:

(a) The Department of Education;

(b) The Oregon University System;

(c) The Oregon Business Development Department;

(d) The Department of Community Colleges and Workforce Development;

(e) The Employment Department;

(f) The Department of Human Services;

(g) The Bureau of Labor and Industries;

(h) The Department of Corrections;

(i) The [*Oregon Student Assistance Commission*] **Oregon Student Access Commission**; and

(j) The Teacher Standards and Practices Commission.

(4) The advisor shall seek input from key interested parties to help guide policy development, including but not limited to representatives of:

(a) Businesses and industry organizations;

(b) Labor and labor organizations;

(c) Local education providers;

(d) Local government;

(e) Student, teacher, parent and faculty organizations;

(f) Community-based organizations;

(g) Public-private partnership organizations;

(h) Independent nonprofit and proprietary post-secondary colleges and schools; and

(i) Regional workforce committees, local workforce investment boards and regional investment boards.

(5) The advisor shall meet, on a regularly scheduled basis, with the local workforce investment boards, regional workforce committees and such others as necessary to ensure that local interests are represented. The advisor shall seek input, advice and feedback on policy issues affecting state, regional and local education and workforce development from interested parties and other committees formed under ORS 660.306, 660.312 and 660.315.

(6) Pursuant to ORS chapter 183, the advisor may adopt rules necessary to carry out the duties of the advisor.

SECTION 281. ORS 660.315 is amended to read:

660.315. (1) The Governor shall designate regional workforce committees to advise the Governor, local workforce investment boards that represent federally recognized workforce areas containing multiple regions, and county elected officials on regional and local needs for workforce development. The committees shall also prepare plans for achieving regional goals and coordinate the provision of services within regions. The committees shall have private and public sector members. However, a majority of the members of each committee shall represent the private sector and include business and labor representatives. The chairperson of each committee shall be a private sector member and be elected by the committee.

(2) The private sector committee members shall play a critical role in workforce development, including but not limited to:

(a) Identifying current and future workforce needs;

(b) Providing feedback on public sector programs;

(c) Assisting public agencies in changing programs to be more effective in meeting private sector needs; and

(d) Being a partner in addressing workforce needs.

(3) Private sector members of a committee created under this section shall be appointed by county commissioners and, in the region that includes the City of Portland, the Mayor of Portland. The members of the committee shall reflect the broadest feasible representation from the groups described in ORS 660.312 (4)(a) to (h).

(4) The public sector representatives on the committee are representatives who receive resources and deliver education and workforce programs within the labor market area. Public sector members shall include the broadest feasible representation from, but not be limited to, the following:

(a) The Department of Human Services;

(b) School districts, education service districts, community colleges, [*state institutions of higher education*] **public universities listed in ORS 352.002** and Oregon Health and Science University;

(c) The Oregon Business Development Department and local economic development entities;

(d) The Employment Department;

(e) The federal Act programs; and

(f) Other public sector partners.

(5) A region may recommend to the Governor an alternate structure for its regional committee, based on regional determination and mutually agreed to by the current public and private sector members of the regional workforce committee and the chief elected officials. The alternate structure must retain a private sector chairperson, appointments of the private sector members as provided in subsection (3) of this section, and substantive public and private sector and other stakeholder participation through formalized methods, such as standing committees.

(6) A regional workforce committee shall develop and implement a strategic regional workforce plan that responds to the current and future workforce needs of the regional labor market.

(7) The strategic regional workforce plan shall:

(a) Consider the supply and demand outlook for the region;

(b) Identify and prioritize initiatives and resources, both public and private, to meet the regional workforce needs;

(c) Articulate and include the coordination of both public and private resources in addressing the workforce needs and goals; and

(d) Ensure the most appropriate use of resource investments.

(8) The regional workforce committee shall create or enhance the workforce program delivery system to meet the strategic priorities of the region and any strategic priorities of a federally recognized workforce area that includes that region.

(9) Within each region, or within overlapping regions, regional workforce committees, local workforce investment boards and regional investment boards shall coordinate their planning efforts

to ensure that the strategic efforts and resource allocation of economic and workforce development of an area are consistent. Regional workforce committees and regional investment boards will extend opportunities to other entities engaged in economic and workforce development programs and services to participate in their joint or integrated strategic planning.

(10)(a) A local workforce investment board that represents a multiregional workforce area shall hold regional workforce committees in the area accountable for any policy and operational responsibilities under 2832(d) of the federal Act that is delegated to the committees in accordance with state policy and local workforce investment board policy.

(b) A regional workforce committee within a multiregional workforce area is accountable to the local workforce investment board for any policy and operational responsibilities carried out under the federal Act on behalf of the board.

(c) As it relates to regional responsibilities under this section, a regional workforce committee may, through a vote of the committee, determine the methodology for delegating the responsibilities of the regional workforce committee to a local workforce investment board representing the multi-regional workforce area.

SECTION 282. ORS 660.358 is amended to read:

660.358. (1) The State Workforce Investment Board, in consultation with the Governor, the Education and Workforce Policy Advisor and other parties deemed appropriate by the board and after consideration of the clean energy and energy efficiency policies of this state, shall develop a plan for a green jobs growth initiative to promote the development of emerging technologies and innovations that lead to, create or sustain family wage green jobs.

(2) The plan for the initiative developed by the board shall:

(a) Identify industries that are high demand green industries based on current and projected creation of family wage green jobs and the potential for career pathways created for such jobs.

(b) Use the needs of identified high demand green industries as the basis for the planning of workforce development activities that promote the development of emerging green technologies and innovations. These activities include, but are not limited to, such efforts undertaken by community colleges, the [institutions] **public universities** of the Oregon University System, designated signature research centers, registered apprenticeship programs and other private sector training programs.

(c) Leverage and align existing public workforce development programs and other public and private resources to the goal of recruiting, supporting, educating and training of targeted populations of workers.

(d) Require the board to work collaboratively with stakeholders from business, labor and low income advocacy groups in the regional economy to develop and implement the initiative.

(e) Link adult basic and remedial education programs with job training for skills necessary for green jobs.

(f) Require the board to collaborate with employers and labor organizations to identify skills and competencies necessary for green job career pathways.

(g) Ensure that support services are integrated with education and training for green jobs and that such services are provided by organizations with direct access to and experience with targeted populations.

SECTION 283. ORS 678.425 is amended to read:

678.425. The Oregon Center for Nursing and the Oregon Healthcare Workforce Institute may serve in advisory capacities to the State Workforce Investment Board, the [*Joint Boards of Education*] **Higher Education Coordinating Commission** and other related entities. The Oregon Center for Nursing may advise on education and workforce development issues affecting nursing. The Oregon Healthcare Workforce Institute may advise on education and workforce development issues affecting doctors, dentists and other allied health professionals. The Oregon Center for Nursing and the Oregon Healthcare Workforce Institute may work together to develop comprehensive solutions to the healthcare workforce shortages in Oregon.

SECTION 284. ORS 679.020 is amended to read:

679.020. (1) A person may not practice dentistry without a license.

(2) Only a person licensed as a dentist by the Oregon Board of Dentistry may own, operate, conduct or maintain a dental practice, office or clinic in this state.

(3) The restrictions of subsection (2) of this section, as they relate to owning and operating a dental office or clinic, do not apply to a dental office or clinic owned or operated by any of the following:

(a) A labor organization as defined in ORS 243.650 and 663.005 (6), or to any nonprofit organization formed by or on behalf of such labor organization for the purpose of providing dental services. Such labor organization must have had an active existence for at least three years, have a constitution and bylaws, and be maintained in good faith for purposes other than providing dental services.

(b) The School of Dentistry of the Oregon Health and Science University.

(c) [*Institutions of higher education*] **Public universities** listed in ORS 352.002.

(d) Local governments.

(e) Institutions or programs accredited by the Commission on Dental Accreditation of the American Dental Association to provide education and training.

(f) Nonprofit corporations organized under Oregon law to provide dental services to rural areas and medically underserved populations of migrant, rural community or homeless individuals under 42 U.S.C. 254b or 254c or health centers qualified under 42 U.S.C. 1396d(l)(2)(B) operating in compliance with other applicable state and federal law.

(g) Nonprofit charitable corporations as described in section 501(c)(3) of the Internal Revenue Code and determined by the Oregon Board of Dentistry as providing dental services by volunteer licensed dentists to populations with limited access to dental care at no charge or a substantially reduced charge.

(4) For the purpose of owning or operating a dental office or clinic, an entity described in subsection (3) of this section must:

(a) Name an actively licensed dentist as its dental director, who shall be subject to the provisions of ORS 679.140 in the capacity as dental director. The dental director, or an actively licensed dentist designated by the director, shall have responsibility for the clinical practice of dentistry, which includes, but is not limited to:

(A) Diagnosis of conditions within the human oral cavity and its adjacent tissues and structures.

(B) Prescribing drugs that are administered to patients in the practice of dentistry.

(C) The treatment plan of any dental patient.

(D) Overall quality of patient care that is rendered or performed in the practice of dentistry.

(E) Supervision of dental hygienists, dental assistants or other personnel involved in direct patient care and the authorization for procedures performed by them in accordance with the standards of supervision established by statute or by the rules of the board.

(F) Other specific services within the scope of clinical dental practice.

(G) Retention of patient dental records as required by statute or by rule of the board.

(H) Ensuring that each patient receiving services from the dental office or clinic has a dentist of record.

(b) Maintain current records of the names of licensed dentists who supervise the clinical activities of dental hygienists, dental assistants or other personnel involved in direct patient care utilized by the entity. The records must be available to the board upon written request.

(5) Subsections (1) and (2) of this section do not apply to a limited access permit dental hygienist who renders services authorized by a limited access permit issued by the board pursuant to ORS 680.200.

(6) Nothing in this chapter precludes a person or entity not licensed by the board from:

(a) Ownership or leasehold of any tangible or intangible assets used in a dental office or clinic. These assets include real property, furnishings, equipment and inventory but do not include dental records of patients related to clinical care.

(b) Employing or contracting for the services of personnel other than licensed dentists.

(c) Management of the business aspects of a dental office or clinic that do not include the clinical practice of dentistry.

(7) If all of the ownership interests of a dentist or dentists in a dental office or clinic are held by an administrator, executor, personal representative, guardian, conservator or receiver of the estate of a former shareholder, member or partner, the administrator, executor, personal representative, guardian, conservator or receiver may retain the ownership interest for a period of 12 months following the creation of the ownership interest. The board shall extend the ownership period for an additional 12 months upon 30 days' notice and may grant additional extensions upon reasonable request.

SECTION 285. ORS 680.515 is amended to read:

680.515. (1) Subject to the provisions of ORS 676.612, upon application accompanied by payment of required fees, the Oregon Health Licensing Agency shall issue a license to practice denture technology to any applicant who submits proof satisfactory to the agency that the applicant has completed all requirements for licensure, which include, but are not limited to:

(a) Providing to the agency official transcripts verifying completion of an associate degree program in denture technology, or the equivalent in formal, post-secondary education, approved by the agency in consultation with the [*Oregon Student Assistance Commission*] **Oregon Student Access Commission** and the Department of Education. The educational program shall include pertinent courses in anatomy, including histology, microbiology, physiology, pharmacology, pathology emphasizing periodontology, dental materials, medical emergencies, geriatrics, professional ethics, clinical denture technology and denture laboratory technology;

(b) Providing to the agency documentation of 1,000 hours of supervised clinical practice in denture technology, completed while enrolled in or after having completed a course of study offered in a post-secondary educational institution, or through equivalent supervised experience, as determined by the agency in consultation with the [*Oregon Student Assistance*] commission and the Department of Education; and

(c) Passing a written and a practical examination prescribed, recognized or approved by the State Board of Denture Technology. An applicant who fails the practical examination must complete additional hours of clinical and laboratory training in an approved work experience program, as determined by the [*board*] **State Board of Denture Technology**, to qualify for reexamination.

(2) Notwithstanding subsection (1)(a) of this section, the [*board*] **State Board of Denture Technology** may accept educational training obtained in any other state or country if, upon review of satisfactory evidence, the agency determines that the educational program in the other state or country meets the educational standards prescribed under this section.

SECTION 286. ORS 684.040 is amended to read:

684.040. (1) Any person applying for a license to practice chiropractic in this state shall make application to the State Board of Chiropractic Examiners, upon such form and in such manner as may be provided by the board. The application must be accompanied by nonrefundable fees of:

(a) \$150; and

(b) The amount established by the board by rule under ORS 181.534.

(2) Each applicant shall furnish to the board:

(a) Evidence satisfactory to the board of the applicant's good moral character.

(b) A certificate of proficiency in the fundamental sciences (Part I, taken subsequent to January 1, 1971) issued to the applicant by the National Board of Chiropractic Examiners.

(c) Evidence of successful completion of at least two years of liberal arts and sciences study, in any college or university accredited by either the Northwest Association of Schools and Colleges or a like regional association or in any college or university in Oregon approved for granting degrees by the [*Oregon Student Assistance Commission*] **Oregon Student Access Commission**.

(d) A diploma and transcript, certified by the registrar, or other documents satisfactory to the [*board*] **State Board of Chiropractic Examiners** evidencing graduation from a chiropractic school or college approved by the board under the board's academic standards, or from a school accredited by the Council on Chiropractic Education or its successor agency, under standards that are ac-

cepted and adopted biennially by the board in the version applied to that school by the accrediting agency.

(e) A statement of any other health care provider license in this state held by the applicant, with identifying information required by the [board] **State Board of Chiropractic Examiners**.

(3) The [board] **State Board of Chiropractic Examiners** may waive the requirements of subsection (2)(c) of this section for any applicant for a license to practice chiropractic if the applicant is licensed in another state and practiced chiropractic in that state, but the applicant must pass the examination authorized by ORS 684.050 or by ORS 684.052.

SECTION 287. ORS 685.060 is amended to read:

685.060. (1) The minimum educational requirements for a license under the provisions of this chapter are:

(a) At least two years' satisfactory liberal arts and sciences study, or either, in a college or university accredited by either the Northwest Association of Schools and Colleges or a like regional association or in a college or university in Oregon approved for granting degrees by the [*Oregon Student Assistance Commission*] **Oregon Student Access Commission** as evidenced by certificate or transcript of credits from the college or university; and

(b) Graduation from an accredited naturopathic school or college.

(2)(a) The areas of study required of an applicant for a license to practice naturopathic medicine in this state include basic sciences, clinical sciences and any naturopathic subjects specified by the Oregon Board of Naturopathic Medicine by rule.

(b) The [board] **Oregon Board of Naturopathic Medicine** may not include major surgery as a required area of study under paragraph (a) of this subsection.

SECTION 288. ORS 696.182 is amended to read:

696.182. (1) The Real Estate Agency, with advice from real estate professionals and educators, shall prescribe rules for certifying real estate continuing education providers.

(2) The agency shall include in the rules that an applicant for certification under this section must be:

(a) A main or branch office of a real estate broker or principal real estate broker registered with the agency under ORS 696.026;

(b) A title or escrow company conducting business in this state;

(c) A real estate trade association or a trade association in a related field;

(d) A real estate multiple listing service;

(e) A private career school approved by the agency to teach continuing education courses;

(f) An accredited community college or an accredited [*state institution of higher education*] **public university listed in ORS 352.002**;

(g) A distance learning provider approved by the agency; or

(h) Another provider approved by the Real Estate Board.

(3) The agency, in consultation with real estate professionals and educators, shall provide by rule:

(a) A broad list of course topics that are eligible for continuing education credit required by ORS 696.174; and

(b) Learning objectives for each course topic.

(4) The list of course topics developed by the agency under subsection (3) of this section must allow for changes in the real estate profession.

(5) The minimum length of each course is one hour. A continuing education provider or course instructor may allow a break of no more than 10 minutes for each hour of instruction.

SECTION 289. ORS 743.550 is amended to read:

743.550. (1) Student health insurance is subject to ORS 743.537, 743.540, 743.543, 743.546 and 743.549, except as provided in this section.

(2) Coverage under a student health insurance policy may be mandatory for all students at the institution, voluntary for all students at the institution, or mandatory for defined classes of students and voluntary for other classes of students. As used in this subsection, "classes" refers to under-

graduates, graduate students, domestic students, international students or other like classifications. Any differences based on a student's nationality may be established only for the purpose of complying with federal law in effect when the policy is issued.

(3) When coverage under a student health insurance policy is mandatory, the policyholder may allow any student subject to the policy to decline coverage if the student provides evidence acceptable to the policyholder that the student has similar health coverage.

(4) A student health insurance policy may provide for any student to purchase optional supplemental coverage.

(5) Student health insurance coverage for athletic injuries may:

(a) Exclude coverage for injuries of students who have not obtained medical release for a similar injury; and

(b) Be provided in excess of or in addition to any other coverage under any other health insurance policy, including a student health insurance policy.

(6) A student health insurance policy may provide that coverage under the policy is secondary to any other health insurance for purposes of guidelines established under ORS 743.552.

(7) A student health insurance policy may provide, on request by the policyholder, that all or any portion of any indemnities provided by such policy on account of hospital, nursing, medical or surgical services may, at the insurer's option, be paid directly to the hospital or person rendering such services. However, the amount of any such payment shall not exceed the amount of benefit provided by the policy with respect to the service or billing of the provider of aid. The amount of such payments pursuant to one or more assignments shall not exceed the amount of expenses incurred on account of such hospitalization or medical or surgical aid.

(8) An insurer providing student health insurance as primary coverage may negotiate and enter into contracts for alternative rates of payment with providers and offer the benefit of such alternative rates to insureds who select such providers. An insurer may utilize such contracts by offering a choice of plans at the time an insured enrolls, one of which provides benefits only for services by members of a particular provider organization with whom the insurer has an agreement. If an insured chooses such a plan, benefits are payable only for services rendered by a member of that provider organization, unless such services were requested by a member of such organization or are rendered as the result of an emergency.

(9) Payments made under subsection (8) of this section shall discharge the insurer's obligation with respect to the amount of insurance paid.

(10) An insurer shall provide each student health insurance policyholder with a current roster of institutional and professional providers under contract to provide services at alternative rates under the group policy and shall also make such lists available for public inspection during regular business hours at the insurer's principal office within this state.

(11) As used in this section, "student health insurance" means that form of health insurance under a policy issued to a college, school or other institution of learning, a school district or districts, or school jurisdictional unit, or recognized student government at [*an institution of higher education within the Oregon University System*] **a public university listed in ORS 352.002**, or to the head, principal or governing board of any such educational unit, who or which shall be deemed the policyholder, that is available exclusively to students at the college, school or other institution.

SECTION 290. ORS 759.445 is amended to read:

759.445. (1) There is established in the State Treasury, separate and distinct from the General Fund, the Connecting Oregon Communities Fund. Moneys in the fund shall consist of amounts deposited in the fund under ORS 759.405 and any other moneys deposited by a telecommunications carrier that elects to be subject to ORS 759.405 and 759.410, including amounts deposited pursuant to a performance assurance plan implemented by a telecommunications carrier in connection with an application under 47 U.S.C. 271, as in effect on January 1, 2002. Interest earned on moneys in the fund shall accrue to the fund. Moneys in the fund may be invested as provided in ORS 293.701 to 293.820. Moneys in the fund shall be used to provide access to advanced telecommunications technology in elementary schools and high schools, colleges and universities, community colleges,

public television corporations, rural health care providers, public libraries and other eligible persons.

(2) Two dedicated accounts shall be established within the Connecting Oregon Communities Fund for purposes of supporting education and public access to advanced telecommunications services. The first \$25 million of the moneys deposited in the Connecting Oregon Communities Fund in both 2000 and 2001 shall be appropriated to the School Technology Account established under subsection (3) of this section. Except as provided in subsection (8) of this section, any additional moneys available in the fund shall be appropriated to the Public Access Account established under subsection (4) of this section.

(3) There is established the School Technology Account within the Connecting Oregon Communities Fund. The purpose of the School Technology Account is to improve access to advanced telecommunications services for students attending public school in kindergarten through grade 12. Moneys in the account shall be expended as provided in section 34, chapter 1093, Oregon Laws 1999.

(4)(a) There is established the Public Access Account within the Connecting Oregon Communities Fund. The purpose of the Public Access Account is to improve access to advanced telecommunications services for community colleges, universities, public libraries and rural health care providers.

(b) If funding has not been provided from other sources, the first \$3 million available in the Public Access Account shall be transferred to the Oregon University System for the purpose of funding the Oregon Wide Area Network project to provide and expand Internet access for the Oregon University System. The Oregon University System shall complete an audit of bandwidth utilization and report to the Joint Legislative Committee on Information Management and Technology during the Seventy-first Legislative Assembly in the manner provided in ORS 192.245.

(c) Following the transfer of funds described in paragraph (b) of this subsection, the next \$1 million available in the Public Access Account shall be transferred to the Oregon University System for Oregon State University for the purpose of providing virtual access to persons with disabilities.

(d) Following the transfer of funds as described in paragraphs (b) and (c) of this subsection, the next \$2 million available in the Public Access Account shall be transferred to the Department of Community Colleges and Workforce Development for distribution to community colleges for the purpose of developing connectivity and distance education programs.

(e) Following the transfer of funds described in paragraphs (b) to (d) of this subsection, the next \$4 million available in the Public Access Account shall be transferred to the Oregon University System for video transport and network management services for the Oregon University System.

(f) Following the transfer of funds described in paragraphs (b) to (e) of this subsection, the next \$5.5 million available in the Public Access Account shall be transferred to the Oregon Public Broadcasting Corporation for the purpose of digitizing the state television network, using the Oregon Enterprise Network when possible.

(g) Following the transfer of funds described in paragraphs (b) to (f) of this subsection, the next \$500,000 available in the Public Access Account shall be transferred to the Southern Oregon Public Television Corporation for the purpose of digitizing the state television network, using the Oregon Enterprise Network when possible.

(h) Following the transfer of funds described in paragraphs (b) to (g) of this subsection, a [*state institution of higher education, including*] **public university listed in ORS 352.002** or the Oregon Health and Science University[,] may apply for one-time matching funds up to \$1 million from the Public Access Account to endow a telecommunications chair for the purpose of increasing research and development of advanced telecommunications services applications. Only one chair may be endowed under this paragraph.

(5)(a) The Oregon Business Development Commission shall approve expenditure of any remaining moneys in the Public Access Account consistent with this section and ORS 759.430.

(b) Community colleges, [*state institutions of higher education*] **public universities listed in ORS 352.002**, public libraries, public television corporations and rural health care providers may apply

to the Oregon Business Development Commission for funding from the Public Access Account under this subsection.

(c) Funds received from the account shall be used for the purchase of advanced telecommunications services, equipment or recurring costs of telecommunications connectivity. Priority shall be given to collaborative projects that improve access to advanced telecommunications services.

(d) Funds available in the Public Access Account under this subsection are continuously appropriated to the Oregon Business Development Department for the purposes described in this subsection.

(6) Public libraries and rural health care providers must apply for federal universal service support in order to be eligible for a grant from the Public Access Account.

(7) The video transport and network management services purchased with funds made available under this section shall be purchased through the Oregon Department of Administrative Services.

(8) Any moneys deposited in the Connecting Oregon Communities Fund under subsection (1) of this section pursuant to a performance assurance plan implemented by a telecommunications carrier in connection with an application under 47 U.S.C. 271, as in effect on January 1, 2002, shall be placed in the School Technology Account to be expended as provided in section 34, chapter 1093, Oregon Laws 1999.

SECTION 290a. Section 9, chapter 802, Oregon Laws 2007, is amended to read:

Sec. 9. Section 8 [*of this 2007 Act*], **chapter 802, Oregon Laws 2007**, is repealed on [*January 2, 2012*] **the effective date of this 2011 Act.**

REPEALS

SECTION 291. ORS 351.005, 351.007, 351.090, 351.200 and 351.315 are repealed.

SECTION 291a. ORS 348.599 is repealed.

OPERATIVE DATE

SECTION 292. Sections 1 to 16, 20a, 21, 21a, 23a, 29a and 36a of this 2011 Act, the amendments to statutes by sections 81a, 121 to 123, 131a, 132, 133, 171a, 179 to 189, 205a, 206a, 207a, 216, 229, 231, 256a, 259 and 283 of this 2011 Act and the repeal of ORS 348.599 by section 291a of this 2011 Act become operative on July 1, 2012.

SECTION 292a. Sections 17 to 20, 22a, 23, 24 to 29, 30, 33, 41a, 43, 170b and 170c of this 2011 Act, the amendments to statutes by sections 31, 32, 34 to 36, 37 to 41, 42, 44 to 81, 82 to 120, 124 to 131, 134 to 170a, 171, 172 to 178, 190 to 205, 206, 207, 208 to 214, 217 to 228, 230, 232 to 256, 257, 258, 260 to 282 and 284 to 290a of this 2011 Act and the repeal of ORS 351.005, 351.007, 351.090, 351.200 and 351.315 by section 291 of this 2011 Act become operative on January 1, 2012.

SECTION 293. The State Board of Higher Education and the Chancellor of the Oregon University System may take any action before the operative dates specified in sections 292 and 292a of this 2011 Act that is necessary for the board and the chancellor to exercise, on and after the operative dates specified in sections 292 and 292a of this 2011 Act, all of the duties, functions and powers conferred on the board and the chancellor by sections 1 to 30a, 33, 36a, 41a, 43 and 170b of this 2011 Act, the amendments to statutes by sections 31, 32, 34 to 36, 37 to 41, 42, 44 to 170a and 171 to 290a of this 2011 Act and the repeal of statutes by sections 291 and 291a of this 2011 Act.

CAPTIONS

SECTION 294. The unit captions used in this 2011 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2011 Act.

EMERGENCY DECLARATION

SECTION 295. This 2011 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect on its passage.

Passed by Senate June 17, 2011

Received by Governor:

Repassed by Senate June 29, 2011

.....M.,....., 2011

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Robert Taylor, Secretary of Senate

Approved:
.....M.,....., 2011

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Peter Courtney, President of Senate

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John Kitzhaber, Governor

Passed by House June 27, 2011

Filed in Office of Secretary of State:

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Bruce Hanna, Speaker of House

.....M.,....., 2011

.....
Arnie Roblan, Speaker of House

.....
Kate Brown, Secretary of State