

# House Bill 2406

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor John A. Kitzhaber, M.D., for Oregon Education Investment Board)

## SUMMARY

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

Abolishes Engineering and Technology Industry Council.  
Expands uses for moneys appropriated to associated fund to include all STEM fields.  
Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to STEM education; amending ORS 284.706 and 284.711 and sections 5, 6, 8 and 9, chapter  
3 85, Oregon Laws 2014; repealing ORS 351.663; and declaring an emergency.

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

5 **SECTION 1. ORS 351.663 is repealed.**

6 **SECTION 2.** Section 5, chapter 85, Oregon Laws 2014, is amended to read:

7 **Sec. 5.** (1) An account in the Oregon Education Investment Fund established under section 3,  
8 chapter 519, Oregon Laws 2011, is established for the purpose of investments in **science, technol-**  
9 **ogy, engineering or mathematics** education. Notwithstanding section 3, chapter 519, Oregon Laws  
10 2011, interest earned on moneys in the account is credited to the account.

11 (2) The Oregon Education Investment Board shall use the moneys in the account designated by  
12 this section solely for the purpose of investing in **science, technology, engineering or mathemat-**  
13 **ics** education. The board shall follow the criteria and measurements established by the [*Engineering*  
14 *and Technology Industry Council*] **STEM Investment Grant Program** in allocating moneys for in-  
15 vestments in **science, technology, engineering or mathematics** education.

16 **SECTION 3.** Section 6, chapter 85, Oregon Laws 2014, is amended to read:

17 **Sec. 6.** (1) The account designated under ORS 351.666 for investments in engineering education,  
18 within the Oregon University System Fund established under ORS 351.506, is abolished.

19 (2) Any moneys remaining in the account on [*the effective date of this 2014 Act*] **July 1, 2014**, that  
20 are unexpended, unobligated and not subject to any conditions shall be transferred to the account  
21 established under section 5 [*of this 2014 Act*], **chapter 85, Oregon Laws 2014**, for the purpose of  
22 investments in **science, technology, engineering or mathematics** education.

23 **SECTION 4.** Section 8, chapter 85, Oregon Laws 2014, is amended to read:

24 **Sec. 8.** (1) The [*Engineering and Technology Industry*] **Science, Technology, Engineering and**  
25 **Mathematics Investment** Fund is established in the State Treasury, separate and distinct from the  
26 General Fund. Interest earned by the [*Engineering and Technology Industry*] **Science, Technology,**  
27 **Engineering and Mathematics Investment** Fund shall be credited to the fund.

28 (2) Moneys in the fund are continuously appropriated to the Higher Education Coordinating  
29 Commission. The commission shall use the moneys in the fund solely for the purpose of investing in  
30 **science, technology, engineering or mathematics** education. The commission shall follow the cri-

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

1 teria and measurements established by the [*Engineering and Technology Industry Council*] **STEM**  
 2 **Investment Grant Program** in allocating moneys for investments in **science, technology, engi-**  
 3 **neering or mathematics** education.

4 **SECTION 5.** Section 9, chapter 85, Oregon Laws 2014, is amended to read:

5 **Sec. 9.** (1) The account established under section 5 [*of this 2014 Act*], **chapter 85, Oregon Laws**  
 6 **2014**, for investments in **science, technology, engineering or mathematics** education, within the  
 7 Oregon Education Investment Fund established under section 3, chapter 519, Oregon Laws 2011, is  
 8 abolished.

9 (2) Any moneys remaining in the account on March 15, 2016, that are unexpended, unobligated  
 10 and not subject to any conditions shall be transferred to the [*Engineering and Technology*  
 11 *Industry*] **Science, Technology, Engineering and Mathematics Investment** Fund established un-  
 12 der section 8 [*of this 2014 Act*], **chapter 85, Oregon Laws 2014**.

13 **SECTION 6.** ORS 284.706 is amended to read:

14 284.706. (1) There is created the Oregon Innovation Council consisting of the following voting  
 15 members:

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

18 (b) Five members appointed by the Governor who are engaged in the operations of Oregon  
 19 traded sector industries or Oregon growth businesses.

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

22 (d) A member of the Oregon Growth Board, appointed by the board.

23 [(e) A member of the *Engineering and Technology Industry Council, appointed by the Engineering*  
 24 *and Technology Industry Council.*]

25 [(f)] (e) The Director of the Oregon Business Development Department.

26 [(g)] (f) The executive director of the Higher Education Coordinating Commission.

27 [(h)] (g) The State Treasurer.

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

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

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

34 (3) The following persons, or their representatives, shall serve as ex officio, nonvoting members  
 35 of the council:

36 (a) The presiding officer of the Oregon Business Development Commission.

37 (b) The chairperson of the Higher Education Coordinating Commission.

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

40 (4) The term of office of each appointed voting member of the council is three years, but an  
 41 appointed member serves at the pleasure of the appointing authority. Before the expiration of the  
 42 term of an appointed voting member, the appointing authority shall appoint a successor whose term  
 43 begins on July 1 next following. An appointed member is eligible for reappointment. If there is a  
 44 vacancy for any cause, the appointing authority shall make an appointment to become immediately  
 45 effective for the remainder of the unexpired term.

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

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

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

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

9 (9) The council may establish committees and delegate to the committees duties as the council  
10 considers desirable.

11 (10) The Oregon Business Development Department shall provide staff support to the council.

12 (11) Members of the council who are members of the Legislative Assembly are entitled to com-  
13 pensation and expense reimbursement as provided in ORS 171.072.

14 (12) Members of the council who are not members of the Legislative Assembly are entitled to  
15 compensation and expenses incurred by them in the performance of their official duties in the man-  
16 ner and amounts provided for in ORS 292.495. Claims for compensation and expenses of members  
17 of the council who are public officers shall be paid out of funds appropriated to the public agency  
18 that employs the member. Claims for compensation and expenses of members of the council who are  
19 not public officers shall be paid out of funds appropriated to the Oregon Business Development De-  
20 partment for that purpose.

21 (13) All agencies of state government, as defined in ORS 174.111, are directed to assist the  
22 council in the performance of its duties and, to the extent permitted by laws relating to  
23 confidentiality, to furnish such information and advice as the members of the council consider nec-  
24 essary to perform their duties.

25 **SECTION 7.** ORS 284.711 is amended to read:

26 284.711. (1) The Oregon Innovation Council shall provide advice to the Governor, the Legislative  
27 Assembly, research institutions, public agencies that provide economic development and the private  
28 sector on issues related to:

29 (a) Promoting agreements between research institutions and private industry that increase  
30 technology transfer and the commercialization of research;

31 (b) Promoting investment in specialized research facilities and signature research centers where  
32 Oregon has a distinct or emerging advantage for creating new products and businesses;

33 (c) Stimulating seed and start-up capital investment and entrepreneurial capacity that will pro-  
34 mote economic growth in Oregon traded sector industries or Oregon growth businesses;

35 (d) Developing the entrepreneurial and management capacity critical to the competitiveness of  
36 Oregon traded sector industries or Oregon growth businesses in rapidly growing global markets;

37 (e) Enhancing the international competitiveness of Oregon traded sector industries or Oregon  
38 growth businesses; and

39 (f) Identifying workforce issues for occupations critical to the competitiveness of Oregon traded  
40 sector industries or Oregon growth businesses, including but not limited to scientific, engineering,  
41 information technology, business management and innovation-based economic development occupa-  
42 tions.

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

1        [(3)] (2) The council, the Oregon Business Development Commission, the State Board of Higher  
2 Education and the office of the State Treasurer shall coordinate policies and programs related to  
3 the duties of the council.

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

8        [(5)] (4) The council may assess and charge fees for making grants or loans under ORS 284.742.

9        **SECTION 8. This 2015 Act being necessary for the immediate preservation of the public**  
10 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**  
11 **on its passage.**

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