

Senate Bill 198

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Theodore R. Kulongoski for Oregon Student Assistance Commission)

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**.

Excludes degree mills and diploma mills from definition of "school" for purposes of schools authorized to confer academic degrees. Allows Oregon Student Assistance Commission, through Office of Degree Authorization, to terminate post-secondary accrediting bodies not recognized by United States Department of Education. Removes limitations on fee amount that commission may charge schools applying for approval to confer degrees or provide academic credits.

Declares emergency, effective July 1, 2007.

A BILL FOR AN ACT

1
2 Relating to academic degrees; amending ORS 348.594, 348.596, 348.603, 348.606 and 348.609; and de-
3 claring an emergency.

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

5 **SECTION 1.** ORS 348.594 is amended to read:

6 348.594. As used in ORS 348.594 to 348.615[,]:

7 (1) "School" means a person, organization, school or institution of learning that confers or offers
8 to confer an academic degree upon a person or to provide academic credit applicable to a degree.

9 (2) "School" **does not mean a degree mill or a diploma mill, as those terms are defined**
10 **by rule of the Oregon Student Assistance Commission.**

11 **SECTION 2.** ORS 348.596 is amended to read:

12 348.596. It is the purpose of ORS 348.594 to 348.615 to provide for the protection of the citizens
13 of Oregon and their post-secondary schools by ensuring the quality of higher education and pre-
14 serving the integrity of an academic degree as a [*public*] credential.

15 **SECTION 3.** ORS 348.603 is amended to read:

16 348.603. (1) The Oregon Student Assistance Commission, through the Office of Degree Authori-
17 zation, shall:

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

19 (b) Authorize approved degree-granting schools to offer nondegree programs leading to a certif-
20 icate or diploma;

21 (c) Validate claims of degree possession;

22 (d) Terminate substandard or fraudulent degree activities;

23 (e) **Terminate the operation of post-secondary accrediting bodies that are not recognized**
24 **by the United States Department of Education or the commission; and**

25 [*e*] (f) Review proposed new publicly funded post-secondary programs and locations.

26 (2)(a) Following review of a proposed new publicly funded post-secondary program or location,
27 the commission shall recommend resolution to the appropriate governing boards and mediate be-
28 tween the boards to seek a negotiated resolution if:

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

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

4 (b) If the boards do not resolve the issue raised under paragraph (a) of this subsection within
5 90 days of the date when the issue was recommended to the boards for mediation, the commission
6 shall have final authority for approval or disapproval of the program or location. If the boards do
7 not resolve the issue, the commission shall approve or disapprove the program or location within
8 180 days of the date when the review began.

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

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

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

21 **SECTION 4.** ORS 348.606 is amended to read:

22 348.606. (1) A school may not confer or offer to confer any academic degree upon a person, or
23 provide services purporting to lead to a degree in whole or in part, without first obtaining approval
24 from the Oregon Student Assistance Commission through the Office of Degree Authorization. The
25 commission shall adopt by rule standards and procedures for the approval of schools.

26 (2) The commission shall substitute the standards adopted under subsection (1) of this section
27 with private accreditation standards for a school that has conferred degrees under the same control
28 for five years in Oregon from at least one operationally separate unit accredited as a separate in-
29 stitution by a regional accrediting association or its national successor, provided the school submits
30 for arbitration by the commission any unresolved dispute in which a person alleges detrimental vi-
31 olation of a standard guaranteed by the accrediting association but which the association has de-
32 clined to arbitrate.

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

36 (b) The amount of the fee shall be established **by rule** to recover designated expenses incurred
37 by the commission in carrying out the administration of ORS 348.594 to 348.615[, *and may not*
38 *exceed:*].

39 [(A) *For a doctoral degree, \$5,500.*]

40 [(B) *For a master's degree, \$4,150.*]

41 [(C) *For a bachelor's degree, \$4,150.*]

42 [(D) *For an associate degree, \$2,750.*]

43 (c) Any fees collected under this subsection shall be deposited in the Office of Degree Authori-
44 zation Account established under ORS 348.601.

45 **SECTION 5.** ORS 348.609 is amended to read:

1 348.609. (1) A person [*who has been warned by the Oregon Student Assistance Commission,*
2 *through the Office of Degree Authorization, to cease and desist*] may not claim or represent that the
3 person possesses any academic degree unless the degree has been awarded to or conferred upon the
4 person by a school that:

5 (a) [*Has*] **Is a United States institution with** accreditation recognized by the United States
6 Department of Education or **is a foreign institution with** the foreign equivalent of such accredi-
7 tation **as determined by the Oregon Student Assistance Commission through the Office of**
8 **Degree Authorization using standards that are comparable to those established in paragraph**
9 **(d) of this subsection;**

10 (b) Has been approved by the Oregon Student Assistance Commission through the Office of De-
11 gree Authorization to offer and confer degrees in Oregon;

12 (c) Is described in ORS 348.597; or

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

17 (2)(a) A person who has been awarded a degree from a school other than a school described in
18 subsection (1) of this section may claim or represent that the person possesses an academic degree
19 if the claim or representation is accompanied by a disclaimer that states: “(Name of school) does
20 not have accreditation recognized by the United States Department of Education and has not been
21 approved by the Office of Degree Authorization.”

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

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

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

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

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

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

43 (c) In addition to any action or penalty provided by law, any person who violates this section
44 shall incur a civil penalty in an amount prescribed by the schedule adopted by the commission. Any
45 civil penalty imposed under this subsection shall be imposed in the manner provided in ORS 183.745.

1 All penalties recovered under this subsection shall be paid into the State Treasury and credited to
2 the General Fund.

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

6 **SECTION 6. This 2007 Act being necessary for the immediate preservation of the public**
7 **peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect**
8 **July 1, 2007.**

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