

House Bill 2023

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Superintendent of Public Instruction Susan Castillo for Department of Education)

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**.

Allows Superintendent of Public Instruction to grant exemption to authorize agency of executive department to regulate certain career schools. Establishes requirements to transition school between career school regulated by Department of Education and career school regulated by agency.

A BILL FOR AN ACT

1
2 Relating to the regulation of career schools; creating new provisions; and amending ORS 345.015.

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

4 **SECTION 1.** ORS 345.015 is amended to read:

5 345.015. ORS 345.010 to 345.450 do not apply to:

6 (1) Instruction or training solely avocational or recreational in nature or to institutions offering
7 such education exclusively.

8 (2) Instruction or training sponsored or offered by a bona fide trade, business, professional or
9 fraternal organization or by a business solely for the organization's membership or the business's
10 employees.

11 (3) Instruction or training sponsored, offered or contracted by organizations, institutions or
12 agencies, if the instruction or training is advertised or promoted to be in the nature of professional
13 self-improvement or personal self-improvement and the instruction or training is not:

14 (a) Advertised or promoted as leading to or fulfilling the requirements for licensing, certif-
15 ication, accreditation or education credentials; or

16 (b) Leading to an occupation, employment or other activity for which a person may reasonably
17 expect financial compensation.

18 (4) Courses offered in hospitals that meet standards prescribed by the American Medical Asso-
19 ciation or national accrediting associations for nursing.

20 (5) Courses, instruction or training offered for a limited number of hours, as defined by rule of
21 the State Board of Education.

22 (6) Schools offering only courses of an advanced training or continuing educational nature when
23 offered solely to licensed practitioners and people previously qualified or employed in the profession
24 for which a course is being offered.

25 (7) Schools that the Superintendent of Public Instruction:

26 (a) Determines are adequately regulated by other means that guarantee the school meets the
27 standards [of] **described in ORS 345.325; and**

28 (b) **As a result of the determination described in paragraph (a) of this subsection, grants**
29 **an exemption from the licensure requirements of ORS 345.010 to 345.450.**

30 (8) Schools offering only review instruction to prepare a student to take an examination to enter

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 profession, where the student has completed prior training related to the profession.

2 (9) Schools described in ORS 348.597 and, except as provided in ORS 345.017, schools approved
3 by the Oregon Student Assistance Commission to confer or offer to confer academic degrees under
4 ORS 348.606.

5 (10) Any parochial or denominational institution providing instruction or training relating solely
6 to religion and that does not grant degrees.

7 **SECTION 2. Section 3 of this 2011 Act is added to and made a part of ORS 345.010 to**
8 **345.450.**

9 **SECTION 3. (1) As used in this section, "state agency" means an agency of the executive**
10 **department, as defined in ORS 174.112.**

11 **(2) If the Superintendent of Public Instruction determines that a state agency is willing**
12 **and able to regulate a career school in a manner that guarantees the school meets the**
13 **standards described in ORS 345.325, the superintendent may grant an exemption from the**
14 **licensure requirements of ORS 345.010 to 345.450.**

15 **(3) A career school for which an exemption is granted as provided by this section must**
16 **continue to be licensed as a career school and meet all of the requirements of ORS 345.010**
17 **to 345.450 until:**

18 **(a) All of the school's operations are approved by the state agency; and**

19 **(b) All students who were first enrolled in the school when the school was subject to the**
20 **licensure requirements of ORS 345.010 to 345.450 have:**

21 **(A) Completed the course or program for which the student contracted with the school;**
22 **or**

23 **(B) Terminated enrollment in the school for any reason.**

24 **(4) The regulatory authority for the career school transfers to the state agency upon the**
25 **approval of all of the school's operations by the state agency and the granting of the ex-**
26 **emption by the superintendent as provided by this section.**

27 **(5) A student enrolled in a career school for which an exemption is granted as provided**
28 **by this section is eligible for moneys from the Tuition Protection Fund established under**
29 **ORS 345.110 if the student:**

30 **(a) Qualifies for the moneys under rules adopted by the State Board of Education under**
31 **ORS 345.110; and**

32 **(b) Was first enrolled in the school when the school was subject to the licensure re-**
33 **quirements of ORS 345.010 to 345.450.**

34 **(6) If a state agency notifies the superintendent that the state agency is no longer willing**
35 **to regulate a career school:**

36 **(a) The exemption granted by the superintendent is revoked, and the regulatory authority**
37 **for the career school transfers to the superintendent when all students who were first en-**
38 **rolled in the school at the time the school was regulated by the state agency have:**

39 **(A) Completed the course or program for which the student contracted with the school;**
40 **or**

41 **(B) Terminated enrollment in the school for any reason;**

42 **(b) The career school must submit an application to the superintendent for licensure as**
43 **a career school as provided by ORS 345.010 to 345.450; and**

44 **(c) The career school is prohibited from enrolling new students from the date on which**
45 **the exemption is revoked under paragraph (a) of this subsection until the date on which the**

1 **superintendent approves an application for licensure submitted under paragraph (b) of this**
2 **subsection.**

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