

# A-Engrossed House Bill 3670

Ordered by the House June 9  
Including House Amendments dated June 9

Sponsored by Representatives JOHNSON, HOYLE; Representatives CONGER, DEMBROW, KOMP, LINDSAY, SPRENGER, Senators HASS, MONROE

## 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.

Establishes For-Profit Independent Colleges Student Assistance **Fund** [*Account within Oregon Student Assistance Fund*]. Allows Oregon Student Assistance Commission to award moneys in [*account*] **fund** as [*Oregon Opportunity*] grants to students [*accepted into Oregon-based for-profit post-secondary institutions approved to offer and confer degrees*] **enrolled in degree program approved** by Office of Degree Authorization.

Declares emergency, effective [*July 1, 2011*] **on passage.**

## A BILL FOR AN ACT

1  
2 Relating to the Oregon Opportunity Grant Program; creating new provisions; amending ORS 348.005,  
3 348.180, 348.183 and 348.570; appropriating money; and declaring an emergency.

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

5 **SECTION 1.** ORS 348.180 is amended to read:

6 348.180. As used in this section and ORS 348.183, 348.186, 348.205, 348.230, 348.250, [*and*] 348.260

7 **and section 5 of this 2011 Act:**

8 (1) "Cost of education" includes but is not limited to, tuition, fees and living expenses.

9 (2) "Eligible post-secondary institution" means:

10 (a) A state institution under the direction of the State Board of Higher Education;

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

12 (c) The Oregon Health and Science University; [*or*]

13 (d) An Oregon-based, generally accredited, not-for-profit institution of higher education[.]; **or**

14 **(e) For the purpose of a For-Profit Independent College Grant awarded under section 5**  
15 **of this 2011 Act, a degree-granting for-profit institution of higher education that:**

16 **(A) Is an institution with a physical campus in Oregon as determined by the Oregon**  
17 **Student Assistance Commission; and**

18 **(B) Has received approval to offer and confer degrees by the Office of Degree Authori-**  
19 **zation under ORS 348.606.**

20 (3) "Qualified student" means any resident student who plans to attend an eligible post-  
21 secondary institution and who:

22 (a) Has not achieved a baccalaureate or higher degree from any post-secondary institution;

23 (b) Is enrolled in an eligible program as defined by rule of the Oregon Student Assistance  
24 Commission; and

25 (c) Is making satisfactory academic progress as defined by rule of the commission.

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

1       **SECTION 2.** ORS 348.005 is amended to read:

2       348.005. (1) The Legislative Assembly finds that:

3       (a) The State of Oregon can achieve its full economic and social potential only if all Oregonians  
4 have the opportunity to contribute to the full extent of their capabilities and only when financial  
5 barriers to their educational goals are removed;

6       (b) All Oregonians who meet the appropriate admissions requirements should be able to attend  
7 any community college, state institution of higher education or independent [*not-for-profit*] institution  
8 of post-secondary education regardless of individual economic or social circumstances;

9       (c) The interests of this state are best served when public subsidies supporting college students  
10 are distributed fairly, equitably and consciously to ensure maximum access and choice for all  
11 Oregonians at the least cost to the taxpayers;

12       (d) Need-based student financial aid is an effective, efficient and essential means of assisting  
13 Oregonians who are unable to afford the full cost of higher education;

14       (e) Student financial aid allows Oregonians with limited resources to select academic programs  
15 based on their interests, aptitudes and career goals;

16       (f) Student financial aid encourages and permits capable and promising Oregonians to persist in  
17 their education and training within this state; and

18       (g) By assisting Oregonians in this manner, student financial aid contributes to the quality of  
19 life of each Oregonian and to the social, cultural and economic well-being of all Oregonians.

20       (2) It is the intention of the Legislative Assembly to establish financial assistance programs to  
21 enable qualified Oregonians who need student aid to obtain post-secondary education in Oregon's  
22 community colleges, state institutions of higher education or independent [*not-for-profit*] institutions  
23 of post-secondary education.

24       **SECTION 3.** ORS 348.183 is amended to read:

25       348.183. The Legislative Assembly recognizes:

26       (1) That an investment in educational opportunities for all Oregonians is an investment in a  
27 strong and stable economy and greater personal opportunities;

28       (2) That the single largest barrier to attending an institution of higher education is lack of fi-  
29 nances;

30       (3) That keeping higher education affordable requires a shared effort and partnership by stu-  
31 dents, family, the federal government, state government and private philanthropy;

32       (4) The broad and diverse range of quality post-secondary educational services provided by  
33 Oregon's institutions of higher education, including Oregon's community colleges, state institutions  
34 and independent [*not-for-profit*] institutions of higher education; [*and*]

35       **(5) For-profit institutions of higher education provide important opportunities for Oregon**  
36 **students, and moneys should be made available for grants to students attending these insti-**  
37 **tutions; and**

38       [(5)] (6) The positive effects on Oregon's citizens, families and economy of encouraging talented  
39 and hardworking students to stay in Oregon to pursue a post-secondary education.

40       **SECTION 4.** ORS 348.570 is amended to read:

41       348.570. (1) There is established in the State Treasury a fund, separate and distinct from the  
42 General Fund, to be known as the Oregon Student Assistance Fund for investment as provided by  
43 ORS 293.701 to 293.820 and for the payment of the expenses of the Oregon Student Assistance  
44 Commission in carrying out the purposes of ORS 348.210 to 348.250, 348.505 to 348.615, 348.696 and  
45 348.992. Interest earned by the fund shall be credited to the fund.

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

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

10 (b) The account shall consist of:

11 (A) Funds appropriated to the Oregon Student Assistance Commission for deposit into the ac-  
12 count;

13 (B) Collections and penalties received by the commission under ORS 442.545; and

14 (C) Any donations or grants received by the commission for purposes of the Nursing Services  
15 Program.

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

18 (4) There is established in the State Treasury a fund, separate and distinct from the General  
19 Fund, to be known as the Former Foster Youth Scholarship Fund. Moneys received from appropri-  
20 ations, donations and grants shall be credited to the fund. Moneys in the fund are continuously ap-  
21 propriated to the Oregon Student Assistance Commission for the purposes of investment, as provided  
22 by ORS 293.701 to 293.820, and for carrying out the provisions of ORS 348.270 (1)(b). Interest earned  
23 by the fund shall be credited to the fund.

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

30 (6)(a) There is established in the State Treasury the Nursing Faculty Loan Repayment Fund,  
31 separate and distinct from the General Fund. Interest earned on the Nursing Faculty Loan Repay-  
32 ment Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the  
33 Oregon Student Assistance Commission for carrying out ORS 348.440 to 348.448. The Nursing Fac-  
34 ulty Loan Repayment Fund consists of:

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

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

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

40 **(7) There is established in the State Treasury a fund, separate and distinct from the**  
41 **General Fund, to be known as the For-Profit Independent Colleges Student Assistance Fund.**  
42 **Interest earned by the fund shall be credited to the fund. All moneys in the fund are con-**  
43 **tinuously appropriated to the Oregon Student Assistance Commission and shall be used to**  
44 **award For-Profit Independent College Grants under section 5 of this 2011 Act. The commis-**  
45 **sion may accept funds for the fund from any source, public or private, and agree to condi-**

1 tions consistent with the provisions of section 5 of this 2011 Act.

2 **SECTION 5.** (1) The Oregon Student Assistance Commission shall disburse grants to  
3 qualified students enrolled in degree programs approved by the Office of Degree Authori-  
4 zation under ORS 348.606 at eligible post-secondary institutions from the For-Profit Inde-  
5 pendent Colleges Student Assistance Fund established in ORS 348.570 (7).

6 (2) The commission shall adopt rules governing the disbursement of grants under this  
7 section.

8 **SECTION 6.** Students may first apply for For-Profit Independent College Grants under  
9 section 5 of this 2011 Act on or after January 1, 2013.

10 **SECTION 7.** This 2011 Act being necessary for the immediate preservation of the public  
11 peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect  
12 on its passage.  
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