



Testimony on Senate Bill 102
By Jessica Adamson
Senate Education and Workforce Development Committee
April 9, 2013

Chair Hass and members of the committee, I am Jessica Adamson representing the Northwest Career Colleges Federation and its Oregon chapter that consists of both degree-granting and certificate-issuing institutions.

As this is the first time NWCCF has appeared before your committee, I would like to share with you more information on the for-profit postsecondary sector in Oregon:

- Accredited for-profit postsecondary schools in Oregon account for 69 percent of the state's undergraduate certificates, 21 percent of the associate's degrees, 8 percent of bachelor's degrees and 2 percent of the master's degrees **(based on 2009-2010 data)**.
- Our student bodies tend to be older and more financially independent than those in public and private non-profit colleges and universities. Our students are mostly from Oregon and typically are single parents, minorities, dislocated workers, people stuck in dead-end jobs and returning veterans. Many have attended, but not flourished at traditional postsecondary institutions. They come to our schools committed to get an education that makes a difference in their lives and for their families.
- Students choose our schools because they can get in, get out and get a job. We offer smaller classes, flexible schedules, hands-on learning and course work tied to available jobs or professional licensing requirements in business, industry and health care. We train truck drivers and registered nurses, apparel designers and electrical engineers.
- More than 85 percent of our students qualify for need-based student aid and 63 percent receive federal Pell Grants. None of our students receive Oregon Opportunity Grants. All of our students have the assurance of a tuition protection fund in case one of our schools fails to perform.



- Oregon degree-granting career colleges undergo rigorous state regulation, as well as regional or national accreditation. Certificate-issuing schools also undergo rigorous review. Our schools receive no state aid, but they do pay state and local taxes.

We are not the largest postsecondary sector in Oregon, nor are we trying to be. But we may be one of the crucial sectors in helping Oregon achieve its ambitious 40-40-20 goal. The gap in meeting that second “40” is so large that we need all hands on deck, including schools such as ours with capacity, access to private capital and the flexibility to adapt quickly to evolving industry needs.

We support Senate Bill 102 and the fee changes proposed in each matrix. NWCCF schools rely on the Office of Degree Authorization for timely review of program applications. Today, the office is woefully understaffed as noticed by a lengthy backlog of applications.

Funding for the office is entirely fee-based and Oregon brick-and-mortar institutions currently pay more than their share for the operations of this office. The increasing number of online schools have flooded ODA with applications for review, but have historically paid less for their program administration. NWCCF supports the fee changes in this bill that will begin to bring parity with respect to fees paid and services provided.

However, we would like to put this legislation in context of other pending legislation to realign Oregon’s postsecondary education sector.

The Office of Degree Authorization and the Private Career Schools unit of the Department of Education are both slated to move under the Higher Education Coordinating Commission and, presumably, be part of the Postsecondary Education Department proposed by Governor Kitzhaber. We support that realignment, but suggest it go further to consolidate all regulation of career colleges, for both degree-granting and certificate-issuing institutions into a single Office of Degree and Certification Authorization.

- A consolidated agency for all for-profit postsecondary schools will allow for more consistent regulation and enforcement of this sector.
- ODCA can achieve a core staff with the flexibility to meet fluctuating work demands and the specialization to oversee for-profit schools that range



from online graduate programs to certificate-issuing training in specific fields such as cosmetology.

- ODCA will permit creation of a single database and website that serves the entire for-profit postsecondary school and student communities, while avoiding the significant expense of two databases/websites by separate agencies.
- ODCA will be better positioned to address the existing and emerging issues raised by the rapid growth of online degree and course programs offered by a range of postsecondary institutions in all sectors.
- ODCA will be able to provide the Governor and the legislature with more consistent data about the for-profit postsecondary sector, including the salutary effects of rigorous regulation by the state.
- ODCA will have the resources and expertise to assist in policy development on important areas such as credit transferability, identification of unmet, high-demand skill training and achievement of the state's 40-40-20 goal.

There never will be a better time to make this change since the rest of postsecondary education is undergoing change, too.

We make this recommendation in connection with Senate Bill 102 because this new alignment may permit better utilization of administrators and staff to manage workload. The fees charged should reflect this new organizational structure and reflect a fair distribution of cost among our schools based on the workload they generate.