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# MEMORANDUM

Legislative Fiscal Office  
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**To:** *Education Subcommittee*

**From:** *Tim Walker, Legislative Fiscal Office*  
*(503) 986-1827*

**Date:** June 18, 2013

**Subject:** *HB 3079 C*  
*Work Session*

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House Bill 3079 Requires all institutions of higher education operating in Oregon to provide students with fact sheets regarding educational value, school performance and financial cost prior to enrollment. Regulates advertising and solicitation of students by institutions of higher education. Specifies standards for data and rates provided. Requires annual report to Higher Education Coordinating Commission.

The measure had a public hearing in this Subcommittee on May 7, 2013.

The Work Session packet, including measure, staff measure summary, and amendment are available on the Oregon Legislative Information System (OLIS). The measure has no revenue impact and an indeterminate fiscal impact.

## Amendment

The –B6 amendment does away with the “adverse impact process” for which publicly funded post-secondary institution offers a course of study that would compete with a for-profit-institution.

### **Motion #1: Move the –B6 amendment to HB 3079 B.**

The measure is recommended to be moved to the full Committee on Joint Ways and Means.

### **Motion #2: Move HB 3079 B to the full committee with a “do pass”, as amended, recommendation.**

## Chair to assign carriers:

**Full:** \_\_\_\_\_

**House:** \_\_\_\_\_

**Senate:** \_\_\_\_\_

Joint Committee on Ways and Means

Carrier – House: Rep.  
Carrier – Senate: Sen.

Revenue:

Fiscal:

Action:

Vote:

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

Prepared By: Tim Walker, Legislative Fiscal Office

Meeting Date: [Full Committee Meeting Date]

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**WHAT THE MEASURE DOES:** Requires all institutions of higher education operating in Oregon to provide students with fact sheets regarding educational value, school performance and financial cost prior to enrollment. Regulates advertising and solicitation of students by institutions of higher education. Specifies standards for data and rates provided. Requires annual report to Higher Education Coordinating Commission.

**ISSUES DISCUSSED:**

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**EFFECT OF COMMITTEE AMENDMENT:** -B6 amendment gives the Higher Education Coordinating Commission authority to oversee the “adverse impact process” in which publicly funded post-secondary institution offers a course of study that would compete with a for-profit-institution. The amendment does away with the adverse impact process.

**BACKGROUND:** House Bill 3079-A requires institutions of higher education to provide prospective students with information regarding the total cost of educational programs and prospects for future employment. The measure specifies data to be included in fact sheets and requires the institutions to submit them to the Higher Education Coordinating Commission for posting on-line.

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 3079 C**

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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Prepared by: Tim Walker  
Reviewed by: Doug Wilson  
Date: 06/17/2013

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**Measure Description:**

Requires institutions of higher education to provide students with fact sheet regarding costs of education, loans, educational value of program or degree, average salary or wages, loan default rates and related data prior to enrollment.

**Government Unit(s) Affected:**

Department of Education, Higher Education Coordinating Commission

**Analysis:**

The proposed legislation has been determined to have  
**MINIMAL EXPENDITURE IMPACT**  
on state or local government.

While this individual measure has a “Minimal” fiscal impact, an agency may incur a net fiscal impact greater than minimal depending on the cumulative impact of all measures enacted into law that affect the agency.

**PROPOSED AMENDMENTS TO  
B-ENGROSSED HOUSE BILL 3079**

1 On page 1 of the printed B-engrossed bill, line 2, after “education” insert  
2 “; amending ORS 348.603; and declaring an emergency”.

3 Delete lines 4 through 20 and delete pages 2 through 5 and insert:

4 **“SECTION 1.** ORS 348.603 is amended to read:

5 “348.603. (1) The Higher Education Coordinating Commission shall:

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

7 “(b) Authorize approved degree-granting schools to offer nondegree pro-  
8 grams leading to a certificate or diploma;

9 “(c) Validate claims of degree possession;

10 “(d) Terminate substandard or fraudulent degree activities;

11 “(e) Terminate activities of diploma mills operating in or from Oregon;

12 “(f) Except as provided in subsection [(4)] (3) of this section, terminate  
13 the operation in or from Oregon of post-secondary accrediting bodies that  
14 are not recognized by the United States Department of Education or by the  
15 commission; and

16 “(g) Review proposed new publicly funded post-secondary programs and  
17 locations.

18 “[2)(a) *Following review of a proposed new publicly funded post-secondary*  
19 *program or location that is not a career pathways certificate of completion*  
20 *program described in ORS 348.611, the commission shall recommend resolution*  
21 *to the appropriate governing boards and mediate between the boards to seek*  
22 *a negotiated resolution if:]*

1        “[A] *There is a detrimental duplication of programs; or*]

2        “[B] *The program or location would have a significantly adverse impact*  
3 *on one or more other segments of education.*]

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

10       “[c] *If the boards do not resolve the issue, the commission shall approve*  
11 *the program or location if the commission finds that the program or location*  
12 *meets an unmet workforce need in the state.*]

13       “[d] *The commission shall establish by rule a fair and neutral decision-*  
14 *making process in consultation with representatives designated by the State*  
15 *Board of Education, the State Board of Higher Education, associations repre-*  
16 *senting Oregon independent colleges, associations representing Oregon career*  
17 *colleges, and the governing boards of otherwise unrepresented post-secondary*  
18 *schools.*]

19       “[3] **(2)** The commission, by rule, may impose a fee on any school or  
20 person requesting information from the commission. The amount of the fee  
21 shall be established to recover designated expenses incurred by the commis-  
22 sion in carrying out the administration of ORS 348.594 to 348.615. Any fees  
23 collected under this subsection shall be deposited in the Degree Authori-  
24 zation Account established under ORS 348.601.

25       “[4] **(3)** Subsection (1)(f) of this section does not apply to a body the role  
26 of which is to accredit schools that offer only associate, bachelor’s or  
27 master’s degrees with titles in theology or religious occupations or, if the  
28 schools also offer doctoral degrees, offer doctoral degrees only in theology  
29 or religious occupations that have been approved by a federally recognized  
30 accrediting organization.

1        **“SECTION 2. This 2013 Act being necessary for the immediate**  
2 **preservation of the public peace, health and safety, an emergency is**  
3 **declared to exist, and this 2013 Act takes effect on its passage.”.**

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