

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3079 A

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

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

Prepared by: Tim Walker
Reviewed by: Doug Wilson
Date: 04/16/2013

Measure Description:

Requires for-profit institutions of higher education to provide students with certain fact sheets regarding costs of education, loans, job placement rates and related data prior to enrollment.

Government Unit(s) Affected:

Department of Education, Higher Education Coordinating Commission

Summary of Expenditure Impact:

See Analysis.

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis: This bill, as amended, would require for-profit, non-profit and public institutions of higher education and community colleges to provide students with fact sheets regarding costs of education, loads, job placement rates and related data prior to enrollment. In addition, the bill would prohibit institutions with specified loan default rates from operating in Oregon.

The bill would require the Higher Education Coordinating Commission (HECC) to adopt rules to implement the provisions of this bill, track and possibly prohibit institutions from operating in the state if student loan default rates exceed a certain level. The HECC, currently, does not have staff or resources to undertake the additional responsibilities outlined in this bill. The Governor's budget for the 2013-15 biennium provides a limited amount of resources to the HECC and it is not clear if the additional resources would be sufficient to staff the current responsibilities of the HECC and additional responsibilities contemplated by this bill, HB 3120, and other bills currently under consideration by the Legislative Assembly. The Oregon University System and Community Colleges could also have additional costs under this amended bill.

Due to the short timeframes, a complete fiscal analysis was not possible and further analysis is needed to provide a clearer picture of the budgetary impacts of this bill.