

House Bill 2187

Introduced and printed pursuant to House Rule 12.00. Presession filed (at the request of House Interim Committee on 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**.

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

Declares emergency, effective July 1, 2013.

A BILL FOR AN ACT

1
2 Relating to the regulation of career schools; creating new provisions; amending ORS 345.015 and
3 section 47, chapter 104, Oregon Laws 2012; and declaring an emergency.

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

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

6 345.015. ORS 345.010 to 345.450 do not apply to:

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

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

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

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

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

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

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

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

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

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

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

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 (8) Schools offering only review instruction to prepare a student to take an examination to enter
2 a profession, where the student has completed prior training related to the profession.

3 (9) Schools described in ORS 348.597 and, except as provided in ORS 345.017, schools approved
4 by the Higher Education Coordinating Commission to confer or offer to confer academic degrees
5 under ORS 348.606.

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

8 **SECTION 2.** ORS 345.015, as amended by section 21, chapter 104, Oregon Laws 2012, is
9 amended to read:

10 345.015. ORS 345.010 to 345.450 do not apply to:

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

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

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

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

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

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

25 (5) Courses, instruction or training offered for a limited number of hours, as defined by rule of
26 the Higher Education Coordinating Commission.

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

30 (7) Schools that the Higher Education Coordinating Commission:

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

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

35 (8) Schools offering only review instruction to prepare a student to take an examination to enter
36 a profession, where the student has completed prior training related to the profession.

37 (9) Schools described in ORS 348.597 and, except as provided in ORS 345.017, schools approved
38 by the Higher Education Coordinating Commission to confer or offer to confer academic degrees
39 under ORS 348.606.

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

42 **SECTION 3. Section 4 of this 2013 Act is added to and made a part of ORS 345.010 to**
43 **345.450.**

44 **SECTION 4. (1) As used in this section, "state agency" means an agency of the executive**
45 **department.**

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

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

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

9 (b) Each student who was first enrolled in the school when the school was subject to the
10 licensure requirements of ORS 345.010 to 345.450 has:

11 (A) Completed the course or program for which the student contracted with the school;

12 or

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

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

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

20 (a) Qualifies for the moneys under rules adopted by the State Board of Education under
21 ORS 345.110; and

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

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

26 (a) The exemption granted by the superintendent is revoked, and the regulatory authority
27 for the career school transfers to the superintendent when each student who was first en-
28 rolled in the school at the time the school was regulated by the state agency has:

29 (A) Completed the course or program for which the student contracted with the school;

30 or

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

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

34 (c) The career school is prohibited from enrolling new students from the date on which
35 the exemption is revoked under paragraph (a) of this subsection until the date on which the
36 superintendent approves an application for licensure submitted under paragraph (b) of this
37 subsection.

38 **SECTION 5.** Section 4 of this 2013 Act is amended to read:

39 **Sec. 4.** (1) As used in this section, "state agency" means an agency of the executive department.

40 (2) If the [*Superintendent of Public Instruction*] **Higher Education Coordinating Commission**
41 determines that a state agency is willing and able to regulate a career school in a manner that
42 guarantees the school meets the standards described in ORS 345.325, the [*superintendent*] **commis-**
43 **sion** may grant an exemption from the licensure requirements of ORS 345.010 to 345.450.

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

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

2 (b) Each student who was first enrolled in the school when the school was subject to the
3 licensure requirements of ORS 345.010 to 345.450 has:

4 (A) Completed the course or program for which the student contracted with the school; or

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

6 (4) The regulatory authority for the career school transfers to the state agency upon the ap-
7 proval of all of the school's operations by the state agency and the granting of the exemption by the
8 [*superintendent*] **commission** as provided by this section.

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

12 (a) Qualifies for the moneys under rules adopted by the [*State Board of Education*] **commission**
13 under ORS 345.110; and

14 (b) Was first enrolled in the school when the school was subject to the licensure requirements
15 of ORS 345.010 to 345.450.

16 (6) If a state agency notifies the [*superintendent*] **commission** that the state agency is no longer
17 willing to regulate a career school:

18 (a) The exemption granted by the [*superintendent*] **commission** is revoked, and the regulatory
19 authority for the career school transfers to the [*superintendent*] **commission** when each student who
20 was first enrolled in the school at the time the school was regulated by the state agency has:

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

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

23 (b) The career school must submit an application to the [*superintendent*] **commission** for
24 licensure as a career school as provided by ORS 345.010 to 345.450; and

25 (c) The career school is prohibited from enrolling new students from the date on which the ex-
26 emption is revoked under paragraph (a) of this subsection until the date on which the
27 [*superintendent*] **commission** approves an application for licensure submitted under paragraph (b)
28 of this subsection.

29 **SECTION 6.** Section 47, chapter 104, Oregon Laws 2012, is amended to read:

30 **Sec. 47.** Sections 13 to 19 [*of this 2012 Act and*], **chapter 104, Oregon Laws 2012**, the amend-
31 ments to ORS 341.455, 345.010, 345.015, 345.017, 345.020, 345.030, 345.040, 345.060, 345.070, 345.080,
32 345.110, 345.115, 345.117, 345.120, 345.325, 345.330, 345.340, 345.400, 345.430, 345.450, 345.995, 348.040,
33 348.070, 418.658, 471.580, 690.225 and 696.182 by sections 20 to 46 [*of this 2012 Act*], **chapter 104,**
34 **Oregon Laws 2012, and the amendments to section 4 of this 2013 Act by section 5 of this 2013**
35 **Act** become operative on July 1, 2013.

36 **SECTION 7. This 2013 Act being necessary for the immediate preservation of the public**
37 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**
38 **July 1, 2013.**