

A-Engrossed
House Bill 4076

Ordered by the House February 12
Including House Amendments dated February 12

Sponsored by Representative JOHNSON; Representatives HUFFMAN, WHISNANT, Senators GIROD, HASS (Pre-session filed.)

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.

Directs Eastern Oregon University, Oregon Institute of Technology, Southern Oregon University and Western Oregon University to develop pilot programs for fixed cost bachelor's degrees.

Establishes criteria for pilot programs.

Requires Higher Education Coordinating Commission to **assist universities in developing and tracking success of pilot programs and to** issue reports to Legislative Assembly detailing status of, and commission's recommendations for, pilot programs.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to degree programs at public universities; and declaring an emergency.

3 Whereas student loans were the second highest contributor to consumer debt in 2012; and

4 Whereas many national efforts have focused on implementing fixed cost pathways to achieve a
5 bachelor's degree in a variety of fields; and

6 Whereas utilization of competency-based credits, online and distance learning tools and dual
7 accreditation can reduce the amount of tuition students pay by reducing the timeline for completing
8 a degree program; and

9 Whereas Oregon has taken steps toward developing a collaborative preschool through post-
10 secondary education continuum; and

11 Whereas Oregon has adopted education initiatives in order to improve student outcomes and to
12 achieve the 40-40-20 mission of educational attainment set forth in ORS 351.009; and

13 Whereas the achievement of 40-40-20 requires the employment of innovative methodologies and
14 creative strategies to develop multiple pathways for higher education attainment; and

15 Whereas Oregon has adopted initiatives designed to develop a workforce prepared not only to
16 meet current economic challenges but also to thrive in the workplace; and

17 Whereas tuition costs require significant state investment, federal investment and student in-
18 vestment; and

19 Whereas the Higher Education Coordinating Commission can lead the collaboration between
20 regional and technical universities, community colleges and high schools to develop a pathway for
21 achieving fixed cost bachelor's degrees; and

22 Whereas there are examples of high schools, community colleges and universities operating in
23 professional learning communities to provide new pathways to successful outcomes for students;
24 now, therefore,

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

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 1.** (1) Eastern Oregon University, Oregon Institute of Technology, Southern
2 Oregon University and Western Oregon University shall each develop a pilot program for
3 fixed cost bachelor's degrees. The pilot programs must be designed to create a long-term and
4 sustainable benefit to the local economy and to enable students enrolled in a pilot program
5 to graduate with less student debt than would otherwise be required to obtain a bachelor's
6 degree from that university.

7 (2) Each pilot program developed under this section must:

8 (a) Offer at least two bachelor's degrees that meet the following criteria:

9 (A) At least one of the bachelor's degrees must be directly tied to the mission statement
10 of the university and the local workforce needs of the region in which the university is lo-
11 cated.

12 (B) All bachelor's degrees offered under the pilot program must be offered to students
13 at a fixed cost that includes all tuition costs required to obtain the degree. This fixed cost
14 must be significantly less than the standard tuition cost required to obtain a bachelor's de-
15 gree at that university.

16 (C) All bachelor's degrees offered under the pilot program must meet the same educa-
17 tional and accreditation standards as other bachelor's degrees offered by the university and
18 be capable of being approved by the Higher Education Coordinating Commission under ORS
19 351.047.

20 (b) Include a method for tracking the success of the pilot program over a five-year pe-
21 riod. This tracking must accurately catalog the number of students participating in the pilot
22 program, the percentage of participating students who complete the pilot program and the
23 employment rate for students who complete the pilot program.

24 (c) Include a financial fact sheet that sets forth the university's projected costs in es-
25 tablishing, operating and maintaining the pilot program.

26 (3) In establishing a pilot program, each university listed in subsection (1) of this section
27 may decide whether to limit the pilot program to courses taught at the university or to
28 collaborate with other institutions in order to include courses taught on the Internet, at lo-
29 cal high schools or at community colleges. If courses offered on the Internet, at local high
30 schools or at community colleges are incorporated into a pilot program, the fixed cost of the
31 pilot program must include all tuition costs students will incur in taking these courses.

32 (4) The Higher Education Coordinating Commission shall:

33 (a) Work with each university listed in subsection (1) of this section to:

34 (A) Develop long-term and financially sustainable pilot programs. When developing the
35 pilot programs, the commission must consider the financial fact sheet created under sub-
36 section (2)(c) of this section and any funding formula modifications that would improve the
37 long-term financial viability of the pilot programs.

38 (B) Track the success of the pilot programs.

39 (b) Submit a report before December 10, 2014, to the interim committees of the Legisla-
40 tive Assembly related to higher education that details the progress each university listed in
41 subsection (1) of this section has made toward establishing a pilot program.

42 (c) Present a final version of each of the proposed pilot programs to the committees re-
43 lated to higher education during the 2015 regular session of the Seventy-eighth Legislative
44 Assembly.

45 (5) All of the pilot programs shall start operating at the beginning of the 2015-2016 aca-

1 **demio year.**

2 **(6) The Higher Education Coordinating Commission shall analyze the five-year tracking**
3 **results of each pilot program and submit a report to the committees related to higher edu-**
4 **cation during the 2021 regular session of the Eighty-first Legislative Assembly. This report**
5 **must:**

6 **(a) Include the commission's detailed recommendations for improving the pilot programs,**
7 **or for continuing the pilot programs as permanent programs;**

8 **(b) Contain an analysis of how higher education funding models relate to the pilot pro-**
9 **grams; and**

10 **(c) Provide recommendations for state incentives or appropriations that may be neces-**
11 **sary to ensure the long-term success of the pilot programs.**

12 **SECTION 2. This 2014 Act being necessary for the immediate preservation of the public**
13 **peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect**
14 **on its passage.**