

## STAFF MEASURE SUMMARY

## Senate Committee On Education

**Fiscal:** Fiscal impact issued

**Revenue:** No Revenue Impact

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**Action Date:** 03/19/15

**Action:** Do Pass With Amendments And Requesting Referral To Ways And Means.  
(Printed A-Engrossed.)

**Meeting Dates:** 02/19, 03/19

**Vote:**  
Yeas: 7 - Baertschiger Jr, Beyer, Gelsner, Hass, Knopp, Kruse, Roblan

**Prepared By:** Gretchen Engbring, Committee Administrator

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**WHAT THE MEASURE DOES:**

Requires out-of-state schools obtain approval from Higher Education Coordinating Commission (HECC) for educational credit or degree offered within Oregon unless party to interstate agreement. Authorizes HECC to charge \$7,000 biennial fee for review and oversight of out-of-state schools not party to interstate agreement and \$1,000 for each new program application. Authorizes HECC to charge out-of-state schools \$1,000 fee if offering practicums in Oregon, unless placements are part of an online program offered by a school. Defines “practicum” to include internships and other placements. Allows HECC to waive fee for one-time placements or residents returning for practicums or internships. Authorizes HECC to charge fee up to \$1,000 for new program applications of career schools. Applies to applications, approval requests and fees imposed on or after September 1, 2015. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Review and authorization costs associated with the oversight of new program applications
- Western Interstate Commission for Higher Education State Authorization Reciprocity Agreements
- Student and consumer protection issues
- Challenges of detecting non-accredited programs

**EFFECT OF COMMITTEE AMENDMENT:**

Defines “practicum” to include internships and other placements. Exempts placements that are part of an online program offered by a school from \$1,000 state fee. Clarifies instances under which commission may waive fee for practicums.

**BACKGROUND:**

Senate Bill 242 (2011) established the HECC. Within HECC, the Office of Degree Authorization (ODA) is required by statute “to provide for the protection of the citizens of Oregon and their postsecondary schools by ensuring the quality of higher education and preserving the integrity of an academic degree as a public credential.” Under this mission, HECC and the ODA review, oversee, and authorize postsecondary academic programs.

Senate Bill 218-A revises the HECC’s current fee structure for the oversight of postsecondary institutions based outside of Oregon that are beginning operations or establishing new programs in the state. The bill also authorizes the imposition of fees for new program applications from existing career schools and for out-of-state institutions offering practicums in Oregon. Finally, the bill requires out-of-state schools to receive approval from HECC before offering any education credit or degree within Oregon, including through the internet, mail or telephone, with exceptions for schools operating as part of interstate agreements.