

BUDGET REPORT AND MEASURE SUMMARY

CARRIER: Sen. Monroe

**Joint Committee On Ways and Means**

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**Action:** Do Pass The B-Eng Bill.

**Action Date:** 06/23/15

**Vote:**

**Senate**

**Yeas:** 11 - Burdick, Devlin, Girod, Hansell, Johnson, Monroe, Roblan, Shields, Steiner Hayward, Whitsett, Winters

**Nays:** 1 - Thomsen

**House**

**Yeas:** 9 - Buckley, Gomberg, Huffman, Komp, Nathanson, Read, Whisnant, Whitsett, Williamson

**Exc:** 3 - McLane, Rayfield, Smith

**Prepared By:** Krista McDowell, Department of Administrative Services

**Reviewed By:** Bill McGee, Legislative Fiscal Office

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**Agency:** Higher Education Coordination Commission

**Biennium:** 2015-17

**Budget Summary**

	2013-15 Legislatively Approved Budget	2015-17 Current Service Level	2015-17 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ -	\$ -	\$ 198,452	\$ 198,452	100.0%

**Position Summary**

Authorized Positions	0	0	0	0	
Full-time Equivalent (FTE) positions	0.00	0.00	0.00	0.00	

**Revenue Summary**

Revenue to support the Other Funds expenditure limitation established by House Bill 2870 will be received from contracts between the Higher Education Coordinating Commission (HECC) and post-secondary institutions specifying the terms under which HECC will review and act on complaints filed against the institutions.

**Summary of Education Subcommittee Action**

House Bill 2870 provides HECC with authority to enter into contracts with independent, nonprofit postsecondary institutions to review and act on complaints filed against the institutions and to adopt rules governing the resolution of complaints. These institutions are otherwise exempt from HECC’s degree authorization regulatory authority. This change is necessary to ensure compliance with federal regulations that states have a complaint review process applicable to all post-secondary institutions. Compliance with this requirement is necessary for institutions to be eligible for student financial aid under Title IV of the federal Higher Education Act.

The bill establishes a \$198,452 Other Funds expenditure limitation to implement rules, contract for professional support, and fulfill other tasks and responsibilities associated with the review, investigation, hearing process, and resolution of complaints. In addition, database programming is necessary to add the ability to register and track cases. Since workload and revenue generated from contracts paid by these institutions is entirely dependent on caseload, no additional fiscal assumptions have been made for the 2017-19 biennium. The uncertainty surrounding the bill’s fiscal impact suggests that the agency may need to request additional resources at a later time when caseload demand can be more appropriately projected.

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**HB 2870 B**

Higher Education Coordinating Commission  
 Bill McGee 503-378-2078

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE RECOMMENDATION</u>									
<b>SCR 002 Degree Authorization/Private Career Schools</b>									
Services and Supplies	.	\$	- \$	198,452 \$	- \$	- \$	- \$	198,452	
<b>TOTAL SUBCOMMITTEE RECOMMENDATION</b>	<b>\$</b>	<b>- \$</b>	<b>- \$</b>	<b>198,452 \$</b>	<b>- \$</b>	<b>- \$</b>	<b>- \$</b>	<b>198,452</b>	