

A-Engrossed
Senate Bill 218

Ordered by the Senate March 26
Including Senate Amendments dated March 26

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor John A. Kitzhaber, M.D., for Higher Education Coordinating Commission)

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.

Authorizes Higher Education Coordinating Commission to charge schools based outside of Oregon fee of \$7,000 for degree authorization and fee of \$1,000 for new program application.

Authorizes commission to charge fee of \$1,000 per program to schools based outside of Oregon if program includes practicum [*or internship*] in Oregon.

Requires schools based outside of Oregon offering academic credit or degrees in Oregon to either receive authorization to operate from commission or be part of interstate agreement to which Oregon is party.

Authorizes fee of up to \$1,000 for new private career school program application.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to higher education program review; creating new provisions; amending ORS 345.080 and
3 348.606; and declaring an emergency.

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

5 **SECTION 1.** ORS 348.606 is amended to read:

6 348.606. (1) A school may not confer or offer to confer any academic degree upon a person, or
7 provide services purporting to lead to a degree in whole or in part, without first obtaining approval
8 from the Higher Education Coordinating Commission. The commission shall adopt by rule standards
9 and procedures for the approval of schools.

10 **(2) A school based outside of Oregon may not offer any educational credit or degree**
11 **within Oregon, including through the Internet, mail or telephone, without first obtaining**
12 **approval from the commission. This subsection does not apply to schools operating as part**
13 **of an interstate agreement entered into under ORS 351.735 (3).**

14 [(2)(a)] **(3)(a)** The commission, by rule, may impose fees on any school applying for approval to
15 confer or offer to confer a degree upon a person or to provide academic credit applicable to a de-
16 gree. Any fee imposed under this section is nonrefundable.

17 (b) The amount of each fee in this section is established to recover designated expenses incurred
18 by the commission in carrying out the administration of ORS 348.594 to 348.615, and may not exceed
19 the amounts specified in this section adjusted for inflation annually, beginning on July 1, 2012,
20 pursuant to the increase, if any, from the preceding year in the U.S. City Average Consumer Price
21 Index for All Urban Consumers (All Items) as published by the Bureau of Labor Statistics of the
22 United States Department of Labor.

23 [(3)] **(4)** For periodic review of a school's general administrative and academic operations, and

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 continued oversight and support of the school, the commission may impose the following fee on each
2 school, to be paid biennially:

3 (a) \$2,000 for a full review and oversight of a school with a complex organizational structure.

4 (b) \$1,000 for a full review and oversight of a school wholly administered and governed at a
5 single campus in this state.

6 [(4)] (5) For periodic evaluation of academic programs offered by schools subject to continued
7 oversight, the commission may impose the following fees per program for the following degrees or
8 certificates:

9 (a) \$2,000 for a nondegree certificate.

10 (b) \$3,000 for an associate degree.

11 (c) \$4,000 for a bachelor's degree, master's degree or doctoral degree.

12 (6) **Notwithstanding subsections (4) and (5) of this section, the commission may impose**
13 **the following fees on each school that is not based in this state, offers distance learning**
14 **courses or programs in this state and is not operating as part of an interstate agreement**
15 **entered into under ORS 351.735 (3):**

16 (a) **\$7,000, to be paid biennially, for a full review and oversight of a school.**

17 (b) **\$1,000 for each new program application not offered at the time of the school's initial**
18 **application to the commission.**

19 (7)(a) **In addition to the fees described in subsections (4) to (6) of this section, the com-**
20 **mission may impose on each school that is not based in this state a fee of \$1,000 per program**
21 **that, as part of the program, places students in a practicum based in this state.**

22 (b) **This subsection does not apply to a placement that is part of an online program of-**
23 **fered by a school.**

24 (c) **The commission may waive the fee imposed under this subsection for limited place-**
25 **ments or special circumstances that involve Oregon residents who return to this state for**
26 **a practicum.**

27 [(5)] (8) In addition to the [base] fees described in subsections [(3) and (4)] (4) to (7) of this
28 section:

29 (a) The commission may impose a fee of not more than \$500 for a change in program, based on
30 the scope and complexity of the proposed program change.

31 (b) For review of qualifications of staff prior to hiring, the commission may impose a fee of:

32 (A) Not more than \$50 for each new instructor.

33 (B) Not more than \$100 for each new administrator or senior academic staff person.

34 [(6)] (9) In addition to the fees described in subsections [(3) to (5)] (4) to (8) of this section, the
35 commission may assess:

36 (a) The actual costs related to the use of experts to evaluate programs leading to professional
37 licensure by the state, if such costs exceed 10 percent of the base fees.

38 (b) Costs associated with travel expenses for:

39 (A) Schools subject to review and oversight under subsection [(3)] (4) of this section; or

40 (B) Schools located outside this state that seek authorization to offer degrees without accredi-
41 tation to residents of this state.

42 [(7)] (10) Any fees collected under this section shall be deposited in the Degree Authorization
43 Account established under ORS 348.601.

44 (11) **As used in this section, "practicum" means a portion of a degree program that in-**
45 **volves a supervised field placement in a professional or workplace environment.**

SECTION 2. ORS 345.080 is amended to read:

345.080. (1) Before issuing any licenses under ORS 345.010 to 345.450, the Higher Education Coordinating Commission shall collect the following nonrefundable, annual license fees:

<u>In-State Schools</u>		
<u>Tuition</u>	<u>Income Range</u>	<u>Fee</u>
\$	0 - 15,000	\$ 600
	15,001 - 50,000	800
	50,001 - 125,000	1,000
	125,001 - 250,000	1,425
	250,001 - 500,000	1,850
	500,001 - 750,000	2,275
	750,001 - 1,000,000	2,700
	Over 1,000,000	3,125
<u>Out-of-State Schools</u>		
<u>Tuition</u>	<u>Income Range</u>	<u>Fee</u>
\$	0 - 50,000	\$ 1,850
	50,001 - 250,000	2,275
	250,001 - 500,000	2,700
	500,001 - 750,000	3,125
	750,001 - 1,000,000	3,550
	Over 1,000,000	3,975

(2) In addition to any annual license fees collected under subsection (1) of this section, the commission may impose a fee of up to \$1,000 for each new program application not offered at the time of the career school's initial application to the commission.

[(2)] (3) The commission may adopt, by rule, fees for:

- (a) Teacher registrations;
- (b) Copies of student transcripts maintained by the commission;
- (c) Submissions of applications to renew a license after the due date established by rule of the commission;
- (d) Submissions of payments to the Tuition Protection Fund established under ORS 345.110 after the time limits established by rule of the commission; and
- (e) Investigative costs incurred by the commission when the commission determines that the career school has violated any provision of ORS 345.010 to 345.450 or any applicable rule.

[(3)] (4) In addition to any fees collected by the commission, the commission may charge the fee established by rule under ORS 181.534 for a nationwide criminal records check.

[(4)] (5) All fees collected under this section shall be paid to the credit of the commission. Such moneys are continuously appropriated to the commission and shall be used for the administration of the licensing program under ORS 345.010 to 345.450.

SECTION 3. ORS 345.080, as amended by section 3, chapter 571, Oregon Laws 2013, is amended to read:

345.080. (1) Before issuing any licenses under ORS 345.010 to 345.450, the Higher Education

1 Coordinating Commission shall collect a nonrefundable annual license fee established by the com-
2 mission by rule.

3 **(2) In addition to any annual license fees collected under subsection (1) of this section,**
4 **the commission may impose a fee of up to \$1,000 for each new program application not of-**
5 **fered at the time of the career school's initial application to the commission.**

6 [(2)] (3) The commission may adopt, by rule, fees for:

7 (a) Teacher registrations;

8 (b) Copies of student transcripts maintained by the commission;

9 (c) Submissions of applications to renew a license after the due date established by rule of the
10 commission;

11 (d) Submissions of payments to the Tuition Protection Fund established under ORS 345.110 after
12 the time limits established by rule of the commission; and

13 (e) Investigative costs incurred by the commission when the commission determines that the
14 career school has violated any provision of ORS 345.010 to 345.450 or any applicable rule.

15 [(3)] (4) In addition to any fees collected by the commission, the commission may charge the fee
16 established by rule under ORS 181.534 for a nationwide criminal records check.

17 [(4)] (5) All fees collected under this section shall be paid to the credit of the commission. Such
18 moneys are continuously appropriated to the commission and shall be used for the administration
19 of the licensing program under ORS 345.010 to 345.450.

20 **SECTION 4. The amendments to ORS 345.080 and 348.606 by sections 1 to 3 of this 2015**
21 **Act first apply to applications and approval requests submitted to or fees imposed by the**
22 **Higher Education Coordinating Commission on or after September 1, 2015.**

23 **SECTION 5. This 2015 Act being necessary for the immediate preservation of the public**
24 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
25 **on its passage.**