

House Bill 4019

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Higher Education, Innovation, and Workforce Development 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 **as introduced**.

Clarifies duties of Executive Director of the Office of Student Access and Completion.

Excludes Oregon community colleges, public universities and Oregon Health and Science University from definition of "school" in degree authorization provisions, rather than exempt institutions from these provisions.

A BILL FOR AN ACT

1
2 Relating to higher education; amending ORS 348.511, 348.582, 348.594, 348.597 and 350.075.

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

4 **SECTION 1.** ORS 348.511 is amended to read:

5 348.511. (1) The Office of Student Access and Completion is established and shall operate under
6 the direction and control of the Higher Education Coordinating Commission.

7 (2) The executive director of the Higher Education Coordinating Commission shall appoint the
8 Executive Director of the Office of Student Access and Completion.

9 (3) The Executive Director **of the Office of Student Access and Completion** shall:

10 (a) Be responsible for the performance of the duties, functions and powers of the Office of Stu-
11 dent Access and Completion[.];

12 [(4)] (b) [*The executive director shall*] Be paid a salary as provided by law or, if not so provided,
13 as prescribed by the commission[.]; **and**

14 [(5)] (c) Subject to any applicable provisions of ORS chapter 240, [*the executive director shall*]
15 appoint all subordinate officers and employees of the office, prescribe their duties and fix their
16 compensation.

17 **SECTION 2.** ORS 348.594 is amended to read:

18 348.594. As used in ORS 348.594 to 348.615:

19 (1)(a) "Diploma mill" means:

20 (A) A school against which a court or public body, as defined in ORS 174.109, has issued a ruling
21 or finding, after due process procedures, that the school has engaged in dishonest, fraudulent or
22 deceptive practices related to the award of degrees, academic standards or student learning re-
23 quirements; or

24 (B) An entity without legal authority as a school to issue degrees valid as credentials in the
25 jurisdiction that authorizes issuance of degrees.

26 (b) "Diploma mill" does not include:

27 (A) A school operating legally under ORS 348.604; or

28 (B) A school that is actively seeking and able to show evidence of reasonable progress toward
29 regional accreditation with one of the regional post-secondary accrediting bodies recognized by the

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 United States Department of Education.

2 (2)(a) “School” means a person, organization, school or institution of learning that confers or
 3 offers to confer an academic degree upon a person or to provide academic credit applicable to a
 4 degree.

5 (b) “School” does not include:

6 (A) An Oregon community college;

7 (B) A public university listed in ORS 352.002; or

8 (C) The Oregon Health and Science University.

9 **SECTION 3.** ORS 348.597 is amended to read:

10 348.597. (1) Except as provided in subsection (2) of this section, ORS 348.594 to 348.615 apply to
 11 all schools that operate in this state.

12 (2) ORS 348.594 to 348.615 do not apply to:

13 [(a) An Oregon community college;]

14 [(b) A public university listed in ORS 352.002;]

15 [(c) The Oregon Health and Science University;]

16 [(d)] (a) A school, or a separately accredited campus of a school, if the school:

17 (A) Is a nonprofit school that is exempt from federal income tax under section 501(c)(3) of the
 18 Internal Revenue Code;

19 (B) Conferred degrees in this state under the same control for at least five consecutive years;
 20 and

21 (C) Is accredited by a regional accrediting association or its national successor;

22 [(e)] (b) A school that, on July 14, 2005, was a school that met the criteria and followed proce-
 23 dures to obtain a religious exemption adopted by rule by the Oregon Student Access Commission
 24 and that offered only degrees with approved titles in theology or religious occupations; or

25 [(f)] (c) A school that is exempt from ORS 348.594 to 348.615 under ORS 348.604.

26 (3) The Higher Education Coordinating Commission shall issue a separate license to issue de-
 27 grees to each school that meets the requirements for exemption from evaluation by the office set
 28 forth in subsection [(2)(d)] (2)(a) of this section. The license shall remain in effect if the school
 29 continues to meet the requirements of subsection [(2)(d)] (2)(a) of this section.

30 **SECTION 4.** ORS 348.582 is amended to read:

31 348.582. As used in ORS 348.584 and 348.586, “institution of higher education” means:

32 (1) A public university listed in ORS 352.002;

33 (2) A community college as defined in ORS 341.005;

34 (3) The Oregon Health and Science University;

35 (4) A career school as defined in ORS 345.010;

36 (5) A private post-secondary institution authorized to confer academic degrees under ORS
 37 348.594 to 348.615; and

38 (6) A private post-secondary institution that meets the criteria set forth in ORS 348.597 [(2)(d)]
 39 (2)(a).

40 **SECTION 5.** ORS 350.075 is amended to read:

41 350.075. (1) As used in this section, “student access programs” means scholarship, loan, grant
 42 and access programs described in ORS chapter 348.

43 (2) The Higher Education Coordinating Commission shall be guided by the legislative findings
 44 in ORS 341.009, 350.001 and 350.005 and the goals and mission of post-secondary education set forth
 45 in ORS 350.009 and 350.014.

1 (3) The Higher Education Coordinating Commission shall:

2 (a) Develop state goals for the state post-secondary education system, including community col-
 3 leges and public universities listed in ORS 352.002, and for student access programs.

4 (b) Determine strategic investments in the state's community colleges, public universities and
 5 student access programs necessary to achieve state post-secondary education goals.

6 (c) Coordinate the post-secondary elements of data collection and structure, with the advice and
 7 recommendation of the state's independent institutions, community colleges and public universities,
 8 as appropriate, in order to construct a state longitudinal data system.

9 (d) Adopt a strategic plan for achieving state post-secondary education goals, taking into con-
 10 sideration the contributions of this state's independent institutions, philanthropic organizations and
 11 other organizations dedicated to helping Oregonians reach state goals. State post-secondary educa-
 12 tion goals as described in this section should include, but need not be limited to:

13 (A) Increasing the educational attainment of the population;

14 (B) Increasing this state's global economic competitiveness and the quality of life of its resi-
 15 dents;

16 (C) Ensuring affordable access for qualified Oregon students at each college or public university;

17 (D) Removing barriers to on-time completion; and

18 (E) Tracking progress toward meeting the state's post-secondary education goals established in
 19 the strategic plan described in this paragraph.

20 (e)(A) Each biennium, after receiving funding requests from the state's community colleges and
 21 public universities as authorized by law, recommend to the Governor a consolidated higher educa-
 22 tion budget request aligned with the strategic plan described in paragraph (d) of this subsection,
 23 including appropriations for:

24 (i) Student access programs;

25 (ii) Public universities listed in ORS 352.002, including but not limited to education and general
 26 operations, statewide public services and state-funded debt service;

27 (iii) Community colleges, including but not limited to education and general operations and
 28 state-funded debt service;

29 (iv) New facilities or programs;

30 (v) Capital improvements and deferred maintenance; and

31 (vi) Special initiatives and investments.

32 (B) In the development of the consolidated higher education budget request:

33 (i) Determine the costs necessary to provide quality post-secondary education;

34 (ii) Solicit input from educators, education policy experts, appropriate legislative committees,
 35 students and other persons interested in the development of the funding model; and

36 (iii) Solicit public input regarding educational priorities.

37 (f) Adopt rules governing the distribution of appropriations from the Legislative Assembly to
 38 community colleges, public universities listed in ORS 352.002 and student access programs. These
 39 rules must be based on allocation formulas developed in consultation with the state's community
 40 colleges and public universities, as appropriate.

41 (g) Approve or disapprove any significant change to the academic program of a community col-
 42 lege or a public university listed in ORS 352.002. In reaching a decision under this paragraph, the
 43 commission shall consider the recommendation from the community college or public university
 44 seeking to make the change to an academic program that is issued pursuant to the obligation of the
 45 governing board of a community college or public university to review and approve academic pro-

1 grams. The commission shall ensure that approved programs:

2 (A) Are consistent with the mission statement of the community college or public university;

3 (B) Do not unnecessarily duplicate academic programs offered by Oregon's other community
4 colleges or public universities;

5 (C) Are not located in a geographic area that will cause undue hardship to Oregon's other
6 community colleges or public universities; and

7 (D) Are allocated among Oregon's community colleges and public universities to maximize the
8 achievement of statewide needs and requirements.

9 (h) For public universities listed in ORS 352.002:

10 (A) Approve the mission statement adopted by a governing board of a public university.

11 (B) Review and determine whether a proposed annual increase of resident undergraduate en-
12 rollment fees of greater than five percent is appropriate.

13 (C) Advise the Governor and the Legislative Assembly on issues of university governance.

14 (D) Approve and authorize degrees.

15 (E) Perform the evaluation and certification required by ORS 350.095.

16 (i) Authorize degrees to be offered by independent post-secondary institutions in this state under
17 ORS 348.594 to 348.615.

18 (j) Oversee the licensing of career schools under ORS 345.010 to 345.450.

19 (k) Have the authority to enter into and administer interstate agreements regarding the pro-
20 vision of post-secondary distance education. The participation by an educational institution that is
21 not based in this state in distance learning courses or programs that are part of an interstate
22 agreement entered into and administered under this paragraph does not constitute operating in this
23 state for purposes of ORS 348.594 to 348.615. The commission, by rule, may impose a fee on any
24 educational institution that seeks to operate under or participate in such interstate agreements. The
25 fee amount shall be established to recover designated expenses incurred by the commission in par-
26 ticipating in such agreements.

27 (L) Coordinate and collaborate with the Chief Education Office as provided by section 1, chapter
28 519, Oregon Laws 2011.

29 (4)(a) The Higher Education Coordinating Commission shall implement a process to resolve stu-
30 dent complaints against any school operating in this state. As part of the process implemented under
31 this subsection, the commission may:

32 (A) Receive student complaints from students regarding a school;

33 (B) Specify the type of information that must be included in a student complaint;

34 (C) Investigate any student complaint filed against a school;

35 (D) Establish a process to review and resolve student complaints against a school, including but
36 not limited to reviewing school records, holding administrative hearings and issuing final orders;

37 (E) Assess a fee to cover the costs of any proceeding brought under this subsection, including
38 but not limited to the costs of an investigation or administrative hearing;

39 (F) Require a school to make full or partial restitution to a student or to cease an act or prac-
40 tice that is challenged in a student complaint;

41 (G) Adopt rules to implement the provisions of this subsection; and

42 (H) Enter into agreements to implement the provisions of this subsection.

43 (b) Any hearing held under this subsection is subject to the provisions of ORS chapter 183.

44 (c) As used in this subsection:

45 (A) "School" means a school that meets the requirements of ORS 348.597 [(2)(d)] **(2)(a)**; and

1 (B) "Student" means a person who is enrolled or accepted for enrollment at a school for the
 2 purpose of obtaining a degree, certificate or other recognized educational credential offered by that
 3 school.

4 (5) In addition to the duties described in subsections (2) to (4) of this section, the Higher Edu-
 5 cation Coordinating Commission shall advise the Legislative Assembly, the Governor, community
 6 colleges, public universities and other state boards and commissions on policies in order to:

7 (a) Ensure or improve access to higher education by diverse and underserved populations.

8 (b) Encourage student success and completion initiatives.

9 (c) Improve the coordination of the provision of educational services, including:

10 (A) Transfers and coenrollment throughout the higher education system;

11 (B) Accelerated college credit programs for high school students;

12 (C) Applied baccalaureate and other transfer degrees;

13 (D) Programs and grants that span multiple institutions; and

14 (E) Reciprocity agreements with other states.

15 (d) In coordination with the State Board of Education, enhance the use and quality of dual
 16 credit, career and technical pathways and efforts to create a culture of college attendance in this
 17 state.

18 (e) In coordination with the State Workforce Investment Board, local workforce investment
 19 boards, the Oregon Health and Science University and independent institutions, ensure that the
 20 state's colleges and universities offer programs in high-demand occupations that meet Oregon's
 21 workforce needs.

22 (f) Improve economies of scale by encouraging and facilitating the use of the shared services
 23 among post-secondary institutions in this state.

24 (6) The Higher Education Coordinating Commission, in a manner consistent with ORS chapter
 25 183, may adopt administrative rules.

26 (7) With the exception of the rulemaking authority granted in subsection (6) of this section, the
 27 Higher Education Coordinating Commission may delegate any of its powers, duties or functions to
 28 a committee of the commission or to the executive director of the commission.

29 (8) The Higher Education Coordinating Commission may establish technical or advisory com-
 30 mittees to assist the commission in exercising its powers, duties and functions.

31 (9) The Higher Education Coordinating Commission may exercise only powers, duties and func-
 32 tions expressly granted by the Legislative Assembly. Except as otherwise expressly provided by law,
 33 all other authorities reside at the institutional level with the respective boards of the post-secondary
 34 institutions.

35 **SECTION 6.** ORS 350.075, as amended by section 61, chapter 774, Oregon Laws 2015, is
 36 amended to read:

37 350.075. (1) As used in this section, "student access programs" means scholarship, loan, grant
 38 and access programs described in ORS chapter 348.

39 (2) The Higher Education Coordinating Commission shall be guided by the legislative findings
 40 in ORS 341.009, 350.001 and 350.005 and the goals and mission of post-secondary education set forth
 41 in ORS 350.009 and 350.014.

42 (3) The Higher Education Coordinating Commission shall:

43 (a) Develop state goals for the state post-secondary education system, including community col-
 44 leges and public universities listed in ORS 352.002, and for student access programs.

45 (b) Determine strategic investments in the state's community colleges, public universities and

1 student access programs necessary to achieve state post-secondary education goals.

2 (c) Coordinate the post-secondary elements of data collection and structure, with the advice and
3 recommendation of the state's independent institutions, community colleges and public universities,
4 as appropriate, in order to construct a state longitudinal data system.

5 (d) Adopt a strategic plan for achieving state post-secondary education goals, taking into con-
6 sideration the contributions of this state's independent institutions, philanthropic organizations and
7 other organizations dedicated to helping Oregonians reach state goals. State post-secondary educa-
8 tion goals as described in this section should include, but need not be limited to:

9 (A) Increasing the educational attainment of the population;

10 (B) Increasing this state's global economic competitiveness and the quality of life of its resi-
11 dents;

12 (C) Ensuring affordable access for qualified Oregon students at each college or public university;

13 (D) Removing barriers to on-time completion; and

14 (E) Tracking progress toward meeting the state's post-secondary education goals established in
15 the strategic plan described in this paragraph.

16 (e)(A) Each biennium, after receiving funding requests from the state's community colleges and
17 public universities as authorized by law, recommend to the Governor a consolidated higher educa-
18 tion budget request aligned with the strategic plan described in paragraph (d) of this subsection,
19 including appropriations for:

20 (i) Student access programs;

21 (ii) Public universities listed in ORS 352.002, including but not limited to education and general
22 operations, statewide public services and state-funded debt service;

23 (iii) Community colleges, including but not limited to education and general operations and
24 state-funded debt service;

25 (iv) New facilities or programs;

26 (v) Capital improvements and deferred maintenance; and

27 (vi) Special initiatives and investments.

28 (B) In the development of the consolidated higher education budget request:

29 (i) Determine the costs necessary to provide quality post-secondary education;

30 (ii) Solicit input from educators, education policy experts, appropriate legislative committees,
31 students and other persons interested in the development of the funding model; and

32 (iii) Solicit public input regarding educational priorities.

33 (f) Adopt rules governing the distribution of appropriations from the Legislative Assembly to
34 community colleges, public universities listed in ORS 352.002 and student access programs. These
35 rules must be based on allocation formulas developed in consultation with the state's community
36 colleges and public universities, as appropriate.

37 (g) Approve or disapprove any significant change to the academic program of a community col-
38 lege or a public university listed in ORS 352.002. In reaching a decision under this paragraph, the
39 commission shall consider the recommendation from the community college or public university
40 seeking to make the change to an academic program that is issued pursuant to the obligation of the
41 governing board of a community college or public university to review and approve academic pro-
42 grams. The commission shall ensure that approved programs:

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44 (B) Do not unnecessarily duplicate academic programs offered by Oregon's other community
45 colleges or public universities;

1 (C) Are not located in a geographic area that will cause undue hardship to Oregon's other
 2 community colleges or public universities; and

3 (D) Are allocated among Oregon's community colleges and public universities to maximize the
 4 achievement of statewide needs and requirements.

5 (h) For public universities listed in ORS 352.002:

6 (A) Approve the mission statement adopted by a governing board of a public university.

7 (B) Review and determine whether a proposed annual increase of resident undergraduate en-
 8 rollment fees of greater than five percent is appropriate.

9 (C) Advise the Governor and the Legislative Assembly on issues of university governance.

10 (D) Approve and authorize degrees.

11 (E) Perform the evaluation and certification required by ORS 350.095.

12 (i) Authorize degrees to be offered by independent post-secondary institutions in this state under
 13 ORS 348.594 to 348.615.

14 (j) Oversee the licensing of career schools under ORS 345.010 to 345.450.

15 (k) Have the authority to enter into and administer interstate agreements regarding the pro-
 16 vision of post-secondary distance education. The participation by an educational institution that is
 17 not based in this state in distance learning courses or programs that are part of an interstate
 18 agreement entered into and administered under this paragraph does not constitute operating in this
 19 state for purposes of ORS 348.594 to 348.615. The commission, by rule, may impose a fee on any
 20 educational institution that seeks to operate under or participate in such interstate agreements. The
 21 fee amount shall be established to recover designated expenses incurred by the commission in par-
 22 ticipating in such agreements.

23 (4)(a) The Higher Education Coordinating Commission shall implement a process to resolve stu-
 24 dent complaints against any school operating in this state. As part of the process implemented under
 25 this subsection, the commission may:

26 (A) Receive student complaints from students regarding a school;

27 (B) Specify the type of information that must be included in a student complaint;

28 (C) Investigate any student complaint filed against a school;

29 (D) Establish a process to review and resolve student complaints against a school, including but
 30 not limited to reviewing school records, holding administrative hearings and issuing final orders;

31 (E) Assess a fee to cover the costs of any proceeding brought under this subsection, including
 32 but not limited to the costs of an investigation or administrative hearing;

33 (F) Require a school to make full or partial restitution to a student or to cease an act or prac-
 34 tice that is challenged in a student complaint;

35 (G) Adopt rules to implement the provisions of this subsection; and

36 (H) Enter into agreements to implement the provisions of this subsection.

37 (b) Any hearing held under this subsection is subject to the provisions of ORS chapter 183.

38 (c) As used in this subsection:

39 (A) "School" means a school that meets the requirements of ORS 348.597 [(2)(d)] **(2)(a)**; and

40 (B) "Student" means a person who is enrolled or accepted for enrollment at a school for the
 41 purpose of obtaining a degree, certificate or other recognized educational credential offered by that
 42 school.

43 (5) In addition to the duties described in subsections (2) to (4) of this section, the Higher Edu-
 44 cation Coordinating Commission shall advise the Legislative Assembly, the Governor, community
 45 colleges, public universities and other state boards and commissions on policies in order to:

- 1 (a) Ensure or improve access to higher education by diverse and underserved populations.
- 2 (b) Encourage student success and completion initiatives.
- 3 (c) Improve the coordination of the provision of educational services, including:
 - 4 (A) Transfers and coenrollment throughout the higher education system;
 - 5 (B) Accelerated college credit programs for high school students;
 - 6 (C) Applied baccalaureate and other transfer degrees;
 - 7 (D) Programs and grants that span multiple institutions; and
 - 8 (E) Reciprocity agreements with other states.
- 9 (d) In coordination with the State Board of Education, enhance the use and quality of dual
10 credit, career and technical pathways and efforts to create a culture of college attendance in this
11 state.
- 12 (e) In coordination with the State Workforce Investment Board, local workforce investment
13 boards, the Oregon Health and Science University and independent institutions, ensure that the
14 state's colleges and universities offer programs in high-demand occupations that meet Oregon's
15 workforce needs.
- 16 (f) Improve economies of scale by encouraging and facilitating the use of the shared services
17 among post-secondary institutions in this state.
- 18 (6) The Higher Education Coordinating Commission, in a manner consistent with ORS chapter
19 183, may adopt administrative rules.
- 20 (7) With the exception of the rulemaking authority granted in subsection (6) of this section, the
21 Higher Education Coordinating Commission may delegate any of its powers, duties or functions to
22 a committee of the commission or to the executive director of the commission.
- 23 (8) The Higher Education Coordinating Commission may establish technical or advisory com-
24 mittees to assist the commission in exercising its powers, duties and functions.
- 25 (9) The Higher Education Coordinating Commission may exercise only powers, duties and func-
26 tions expressly granted by the Legislative Assembly. Except as otherwise expressly provided by law,
27 all other authorities reside at the institutional level with the respective boards of the post-secondary
28 institutions.
- 29 _____