

HB 2701 -1 STAFF MEASURE SUMMARY

House Committee On Higher Education and Workforce Development

Prepared By: Laura Kentnesse, LPRO Analyst

Meeting Dates: 3/16, 4/13

WHAT THE MEASURE DOES:

Prohibits Higher Education Coordinating Commission (HECC) from placing career school or agent on probation, or suspending or revoking license, unless contested case hearing is instituted and sanction is authorized by hearing officer. Requires HECC to provide licensee copy of the complaint that initiated the investigation, copy of findings that resulted from investigation, and written notice of place, time and reason for hearing.

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Declares emergency, effective on passage.

BACKGROUND:

The Higher Education Coordinating Commission (HECC) is responsible for licensing private career schools and agents in Oregon. Under ORS 345.120, the HECC is required to investigate the actions of a career school or agent upon the written complaint of any person. Following investigation, the HECC may place a licensee on probation or suspend or revoke a license. A licensee placed on probation must be formally notified by the HECC that it has deficiencies that must be corrected within a specified time. There is currently no hearing or recourse process for licensees who do not agree with the HECC's decision. A licensee whose license is suspended must be formally notified by the HECC, and must be granted a contested case hearing under ORS 183.310(2) upon request by the licensee. That licensee whose license is suspended is prohibited from advertising, recruiting or enrolling students but may remain in operation to complete training of students enrolled on the effective date of the suspension. A licensee whose license is revoked must be formally notified by the HECC, and must be granted a contested case hearing under ORS 183.310(2) upon request by the licensee. That licensee is not authorized to continue in operation on and after the effective date of the revocation.

One private career school, Abdill Career College in Medford, has been placed on probation by the HECC to-date, and no schools have experienced license suspension or revocation. The private attorney for Abdill Career College is the main proponent for House Bill 2701. The proponent's primary concerns are a lack of clarity regarding the nature of the complaint, the process by which the HECC conducted the investigation, the damages caused by probationary status for student enrollment and the financial viability of the school, and the lack of recourse for licensees placed on probation.