

Enrolled
House Bill 2314

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Kate Brown for Higher Education Coordinating Commission)

CHAPTER

AN ACT

Relating to higher education; creating new provisions; amending ORS 240.309, 332.114, 339.505, 339.520, 341.522, 344.257, 344.760, 345.400, 348.205, 348.250, 348.260, 348.263, 348.270, 348.272, 348.310, 348.320, 348.340, 348.350, 348.360, 348.370, 348.390, 348.448, 348.500, 348.511, 348.520, 348.563, 348.570, 348.592, 348.616, 348.618, 348.621, 348.625, 348.630, 348.635, 348.640, 348.670, 350.075, 350.080, 350.085, 350.175, 350.645, 411.892, 411.894, 418.658, 421.084, 660.157, 660.162, 660.167, 660.353, 676.815, 694.055, 696.022, 703.090, 807.066 and 809.380 and section 2, chapter 109, Oregon Laws 2016; and declaring an emergency.

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

SECTION 1. ORS 345.400 is amended to read:

345.400. In addition to the other requirements of ORS 345.010 to 345.450, the rules adopted by the Higher Education Coordinating Commission to regulate schools teaching hair design, barbering, esthetics or nail technology:

(1) May include rules the commission considers necessary to protect the economic or physical health and safety of the public and of the students attending the school including compliance with ORS 345.110.

(2) Shall include rules that set standards for teachers teaching in schools licensed to teach hair design, barbering, esthetics or nail technology pursuant to ORS 345.010 to 345.450.

(3) Shall require the schools to teach, and require for graduation from the school, courses that meet *[the following]* minimum **hourly training requirement or student proficiency-based training requirement** standards^[:] **set by the commission by rule.**

[(a)(A) A minimum hourly training requirement for:]

[(i) Hair design, 1,450 hours;]

[(ii) Barbering, 1,100 hours;]

[(iii) Esthetics, 250 hours; and]

[(iv) Nail technology, 350 hours; and]

[(B) In addition to the programs listed in this subsection, a student is also required to successfully complete the following requirements once:]

[(i) Safety and sanitation, 150 hours; and]

[(ii) Career development, 100 hours.]

[(b) A student proficiency-based training requirement for hair design, barbering, esthetics or nail technology, if the school has developed written requirements for graduation that are approved by the commission.]

SECTION 2. ORS 350.085 is amended to read:

350.085. The Higher Education Coordinating Commission shall:

- (1) [Review] **Approve** all mission statements of the public universities listed in ORS 352.002; and
- (2) Approve all significant changes to academic programs offered at the public universities, and shall ensure that the changes:
 - (a) Are consistent with the mission statement of the respective public university;
 - (b) Do not unnecessarily duplicate academic programs offered by other public universities;
 - (c) Are not located in a geographic area that will cause undue hardship to Oregon's other public universities; and
 - (d) Are allocated among the public universities to maximize the achievement of statewide needs and requirements.

SECTION 3. ORS 660.157 is amended to read:

660.157. (1) Each state joint committee, with the prior approval of the State Apprenticeship and Training Council, shall prescribe a standard course of study, developed from a trade analysis, for the trade, craft or industrial occupation over which the committee exercises jurisdiction. Each such course of study shall include instructional objectives and an outline of course content for related instruction and manipulative instruction in the classroom. The prescribed course shall also provide for evaluation procedures and instruments for measuring performance. For all programs in apprenticeable occupations a minimum of 144 hours of related instruction per year is recommended.

(2) Except as provided in subsection (3) of this section, no course of study for the instruction of apprentices or trainees that has not been prescribed pursuant to subsection (1) of this section may be implemented under ORS 660.002 to 660.210.

(3) Notwithstanding subsections (1) and (2) of this section, any course of study for the instruction of apprentices or trainees may be implemented under ORS 660.002 to 660.210 where such course of study:

- (a) Involves instruction in any trades or crafts where the industry will provide the facilities for training;
- (b) Prepares apprentices and trainees in any trades or crafts;
- (c) Requires expert instructors to meet the level of skill and training required by the industry;
- (d) Is substantially equivalent to the standard course prescribed under subsection (1) of this section; and
- (e) Is supervised by a local joint committee or by a joint industry trust fund committee.

(4) Where a course of study meets the requirements of subsection (3) of this section, such course shall be approved:

- (a) By the state joint committee;
 - (b) By the [State Board of Education] **Higher Education Coordinating Commission** for apprenticeship training credit; and
 - (c) By the Higher Education Coordinating Commission for community college associate degrees.
- (5) Operation of a course of study under subsection (3) of this section shall be the responsibility of the recognized local apprenticeship committee or local industry trust fund or recognized local employee organization. Such local committee, trust or organization may prescribe criteria for enrollment into the course of study.

SECTION 4. ORS 660.162 is amended to read:

660.162. The [State Board of Education] **Higher Education Coordinating Commission**, in cooperation with the State Apprenticeship and Training Council and the appropriate state joint committee, by rule shall adopt policies, standards and programs to carry out the provisions of ORS 660.002. Such policies, standards or programs may involve any of the following matters:

- (1) Development of courses of study for apprentices and trainees in the trade, craft or industrial occupation over which the committee exercises jurisdiction.
- (2) Operation of related instruction classes by district school boards and in courses implemented under ORS 660.157 (3).
- (3) Development of uniform standards covering occupational qualifications and teacher training requirements for instructors.

- (4) Preservice and inservice training for instructors.
- (5) Evaluation procedures for determining credit for apprenticeship training toward community college associate degrees.
- (6) Defining procedures for granting credit for work experience to instructors, skilled craftsmen or journeyworkers toward the requirements of a community college associate degree.

SECTION 5. ORS 660.167 is amended to read:

660.167. The State Apprenticeship and Training Council, in cooperation with the [State Board of Education] **Higher Education Coordinating Commission**, shall adopt policies regarding:

- (1) Evaluation procedures relating to the determination of apprenticeship credit for work experience, education and training.
- (2) Procedures for demonstrating the level of achievement required in any area of related instruction, including but not limited to taking a qualifying examination of the course content.

SECTION 6. ORS 348.500 is amended to read:

348.500. (1) The Higher Education Coordinating Commission may establish Access to Student Assistance Programs in Reach of Everyone (ASPIRE) to provide information about financial aid and education and training options beyond high school to students in Oregon [secondary] schools **and colleges**. The goals of the programs are to:

- (a) Provide mentoring and resources to help students access education and training beyond high school;
- (b) Help [high] **Oregon** schools build a sustainable community of volunteer mentors; and
- (c) Educate students and families about the scholarship application process and other options for paying for post-secondary education.

(2) The programs shall bring together students, school staff, community volunteers and parents to help students overcome obstacles to their continuing education. The programs may provide training, technical assistance and other resources to Oregon **middle schools**, high schools **and colleges** on how to establish a volunteer-based program. Adult volunteers who are trained through the program may provide mentoring, training and encouragement to students about post-secondary options and financial aid.

(3) Each year, the programs shall provide financial aid instruction to **middle school**, high school **and college** students and make the instruction available to the students' families. [*This instruction may be conducted in conjunction with existing ASPIRE programs.*] The instruction should focus on areas of academic interest or career opportunities identified as particularly relevant to the students and provide information on apprenticeships or technical and occupational career pathways, with a focus on local apprenticeships or local technical and occupational career pathways.

(4) The financial aid instruction required under subsection (3) of this section must outline:

- (a) The different types of student loans that are available to students attending post-secondary institutions of education;
- (b) The potential use of individual development accounts established under ORS 458.675 to 458.700 to pay for post-secondary education; and
- (c) The short-term and long-term economic impacts of each type of student loan or individual development account.

SECTION 7. ORS 350.075, as amended by section 5, chapter 30, Oregon Laws 2016, and section 55, chapter 117, Oregon Laws 2016, is amended to read:

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

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

(3) The Higher Education Coordinating Commission shall:

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

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

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

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

(A) Increasing the educational attainment of the population;

(B) Increasing this state's global economic competitiveness and the quality of life of its residents;

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

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

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

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

(i) Student access programs;

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

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

(iv) New facilities or programs;

(v) Capital improvements and deferred maintenance; and

(vi) Special initiatives and investments.

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

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

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

(iii) Solicit public input regarding educational priorities.

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

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

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

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

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

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

(h) For public universities listed in ORS 352.002:

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

(B) Review and determine whether a proposed annual increase of resident undergraduate enrollment fees of greater than five percent is appropriate.

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

(D) Approve and authorize degrees.

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

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

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

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

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

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

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

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

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

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

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

(F) Require a school to make full or partial restitution to a student or to cease an act or practice that is challenged in a student complaint;

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

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

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

(c) As used in this subsection:

(A) "School" means a school that meets the requirements of ORS 348.597 (2)(a); and

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

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

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

(b) Encourage student success and completion initiatives.

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

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

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

(C) Applied baccalaureate and other transfer degrees;

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

(E) Reciprocity agreements with other states.

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

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

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

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

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

(8) The Higher Education Coordinating Commission may:

(a) Establish technical or advisory committees to assist the commission in exercising its powers, duties and functions; **or**

(b) Subject to the Public Contracting Code, enter into contracts and agreements, including grant agreements, with public and private entities for those higher education and workforce development activities that are consistent with ORS 350.001 and 350.005, with the policies set forth in ORS chapters 341 and 348 and with statutory policies related to career schools and public universities.

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

SECTION 8. ORS 350.075, as amended by section 61, chapter 774, Oregon Laws 2015, section 6, chapter 30, Oregon Laws 2016, and section 56, chapter 117, Oregon Laws 2016, is amended to read:

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

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

(3) The Higher Education Coordinating Commission shall:

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

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

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

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

(A) Increasing the educational attainment of the population;

(B) Increasing this state's global economic competitiveness and the quality of life of its residents;

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

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

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

(e)(A) Each biennium, after receiving funding requests from the state's community colleges and public universities as authorized by law, recommend to the Governor a consolidated higher educa-

tion agency request budget aligned with the strategic plan described in paragraph (d) of this subsection, including appropriations for:

- (i) Student access programs;
- (ii) Public universities listed in ORS 352.002, including but not limited to education and general operations, statewide public services and state-funded debt service;
- (iii) Community colleges, including but not limited to education and general operations and state-funded debt service;
- (iv) New facilities or programs;
- (v) Capital improvements and deferred maintenance; and
- (vi) Special initiatives and investments.

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

- (i) Determine the costs necessary to provide quality post-secondary education;
- (ii) Solicit input from educators, education policy experts, appropriate legislative committees, students and other persons interested in the development of the funding model; and
- (iii) Solicit public input regarding educational priorities.

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

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

- (A) Are consistent with the mission statement of the community college or public university;
- (B) Do not unnecessarily duplicate academic programs offered by Oregon's other community colleges or public universities;
- (C) Are not located in a geographic area that will cause undue hardship to Oregon's other community colleges or public universities; and
- (D) Are allocated among Oregon's community colleges and public universities to maximize the achievement of statewide needs and requirements.

(h) For public universities listed in ORS 352.002:

- (A) Approve the mission statement adopted by a governing board of a public university.
- (B) Review and determine whether a proposed annual increase of resident undergraduate enrollment fees of greater than five percent is appropriate.
- (C) Advise the Governor and the Legislative Assembly on issues of university governance.
- (D) Approve and authorize degrees.
- (E) Perform the evaluation and certification required by ORS 350.095.

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

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

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

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

- (A) Receive student complaints from students regarding a school;
 - (B) Specify the type of information that must be included in a student complaint;
 - (C) Investigate any student complaint filed against a school;
 - (D) Establish a process to review and resolve student complaints against a school, including but not limited to reviewing school records, holding administrative hearings and issuing final orders;
 - (E) Assess a fee to cover the costs of any proceeding brought under this subsection, including but not limited to the costs of an investigation or administrative hearing;
 - (F) Require a school to make full or partial restitution to a student or to cease an act or practice that is challenged in a student complaint;
 - (G) Adopt rules to implement the provisions of this subsection; and
 - (H) Enter into agreements to implement the provisions of this subsection.
- (b) Any hearing held under this subsection is subject to the provisions of ORS chapter 183.
- (c) As used in this subsection:
- (A) "School" means a school that meets the requirements of ORS 348.597 (2)(a); and
 - (B) "Student" means a person who is enrolled or accepted for enrollment at a school for the purpose of obtaining a degree, certificate or other recognized educational credential offered by that school.

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

- (a) Ensure or improve access to higher education by diverse and underserved populations.
- (b) Encourage student success and completion initiatives.
- (c) Improve the coordination of the provision of educational services, including:
 - (A) Transfers and coenrollment throughout the higher education system;
 - (B) Accelerated college credit programs for high school students;
 - (C) Applied baccalaureate and other transfer degrees;
 - (D) Programs and grants that span multiple institutions; and
 - (E) Reciprocity agreements with other states.
- (d) In coordination with the State Board of Education, enhance the use and quality of dual credit, career and technical pathways and efforts to create a culture of college attendance in this state.
- (e) In coordination with the State Workforce Investment Board, local workforce investment boards, the Oregon Health and Science University and independent institutions, ensure that the state's colleges and universities offer programs in high-demand occupations that meet Oregon's workforce needs.

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

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

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

(8) The Higher Education Coordinating Commission may:

(a) Establish technical or advisory committees to assist the commission in exercising its powers, duties and functions; **or**

(b) Subject to the Public Contracting Code, enter into contracts and agreements, including grant agreements, with public and private entities for those higher education and workforce development activities that are consistent with ORS 350.001 and 350.005, with the

policies set forth in ORS chapters 341 and 348 and with statutory policies related to career schools and public universities.

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

SECTION 9. ORS 350.080 is amended to read:

350.080. The Higher Education Coordinating Commission may:

(1) Consistent with the laws of this state, accept money or property not otherwise provided for under subsection (2) of this section that is donated for the use or benefit of community colleges and use such money or property for the purpose for which it was donated. Until it is used, the commission shall deposit any moneys received under this subsection in a special fund with the State Treasurer as provided in ORS 293.265 to 293.275.

(2) Apply for federal funds **or funds from any other source** and accept and enter into any contracts or agreements on behalf of this state for the receipt of such funds from the federal government, *[or its]* **federal agencies or any other entity providing funding** for:

- (a) Educational purposes;
- (b) Career and technical education programs at community colleges;
- (c) Adult education programs;
- (d) Workforce training programs; and

(e) Any grants available to this state or its political subdivisions for general federal aid for community colleges and their auxiliary services, improvement of teacher preparation, teacher salaries, construction of school buildings, administration of the commission and any other educational activities under the jurisdiction of the commission.

SECTION 10. ORS 348.205 is amended to read:

348.205. (1) The Oregon Opportunity Grant program is established within the Higher Education Coordinating Commission.

(2) Under the program, the cost of education of a qualified student shall be shared by the student, the family of the student, the federal government and the state.

(3) The *[Executive]* Director of the Office of Student Access and Completion shall determine the cost of education of a qualified student based on the type of eligible post-secondary institution the student is attending. The cost of education equals:

(a) For a student attending a community college, the average cost of education of attending a community college in this state;

(b) For a student attending a public university listed in ORS 352.002, the average cost of education of attending a public university;

(c) For a student attending a two-year Oregon-based, generally accredited, not-for-profit institution of higher education, the average cost of education of attending a community college in this state; and

(d) For a student attending the Oregon Health and Science University or a four-year Oregon-based, generally accredited, not-for-profit institution of higher education, the average cost of education of attending a public university listed in ORS 352.002.

(4)(a) The *[executive]* director shall determine the amount of the student share. The student share shall be based on:

(A) The type of eligible post-secondary institution the student is attending;

(B) The number of hours of work that the *[executive]* director determines may be reasonably expected from the student; and

(C) The amount of loans that the *[executive]* director determines would constitute a manageable debt burden for the student.

(b) The student shall determine how to cover the student share through income from work, loans, savings and scholarships.

(c) The student share for a student who attends a community college may not exceed the amount that the [executive] director determines a student may earn based on the number of hours of work reasonably expected from the student under paragraph (a) of this subsection.

(d) The student share for a student who attends an eligible post-secondary institution that is not a community college may not exceed the sum of the amount that the [executive] director determines a student may receive as loans plus the amount a student may earn based on the number of hours of work reasonably expected from the student under paragraph (a) of this subsection.

(5) The [executive] director shall determine the amount of the family share. The family share shall be based on the resources of the family.

(6) The [executive] director shall determine the amount of the federal share based on how much the student or the student's family is expected to receive from the federal government [*as grants, loans, tax credits or other student assistance*].

(7)(a) The [executive] director shall determine the amount of the state share. The state share shall be equal to the cost of education reduced by the student share, family share and amount received by the student from the federal government.

(b) The [executive] director shall establish a minimum amount that a student may receive as a state share. If the [executive] director determines that the amount of the state share of a student is below the minimum amount, the student may not receive the state share.

(c) The [executive] director may not reduce the amount of the state share of a student based on amounts available to the student by virtue of being the designated beneficiary of a college savings network account established under ORS 178.300 to 178.355.

(8) Subject to subsection (9) of this section, if the [executive] director determines that there are insufficient moneys to award the state share to all qualified students, the [executive] director:

(a) May establish the maximum amount that a student may receive as a state share. This amount may vary based on whether the student is attending an eligible post-secondary institution on a half-time or full-time basis.

(b) May establish procedures that prioritize awarding Oregon Opportunity Grants to qualified students with the greatest financial need or whose circumstances would enhance the promotion of equity guidelines published by the Higher Education Coordinating Commission.

(c) May not reduce the amount of the state share awarded to students in the low income range in a greater proportion than the amount that the state share for students in other income ranges is reduced.

(9)(a) The Higher Education Coordinating Commission shall adopt rules that prioritize current foster children and former foster children for receiving Oregon Opportunity Grants when the Oregon Opportunity Grant program does not have sufficient funding to serve all eligible Oregon students.

(b) For the purposes of this subsection, "former foster child" has the meaning given that term in ORS 350.300.

NOTE: Sections 11 through 13 were deleted by amendment. Subsequent sections were not re-numbered.

AMENDING STATUTORY REFERENCES TO GENERAL EDUCATIONAL DEVELOPMENT (GED) TESTS AND CERTIFICATES

SECTION 14. ORS 240.309 is amended to read:

240.309. (1) Temporary employment shall be used for the purpose of meeting emergency, nonrecurring or short-term workload needs of the state.

(2) A temporary employee may be given a nonstatus appointment without open competition and consideration only for the purposes enumerated in this section. Temporary appointments shall not be used to defeat the open competition and consideration system.

(3) A temporary employee may not be employed in a permanent, seasonal, intermittent or limited duration position except to replace an employee during an approved leave period.

(4) Employment of a temporary employee for the same workload need, other than for leave, may not exceed six calendar months. The decision to extend the period of employment may be delegated by the Personnel Division of the Oregon Department of Administrative Services to other state agencies. Approval to extend shall be allowed only upon an appointing authority's finding that the original emergency continues to exist and that there is no other reasonable means to meet the emergency. Agency actions under this subsection are subject to post-audit review by the Oregon Department of Administrative Services as provided in ORS 240.311.

(5) Employment of a temporary employee for different workload needs shall not exceed the equivalent of six calendar months in a 12-month period.

(6) A temporary employee shall not be denied permanent work because of the temporary status. Temporary service shall not be used as any portion of a required trial service period.

(7) The Personnel Division of the Oregon Department of Administrative Services shall report the use of temporary employees, by agency, once every six months, including the duration and reason for use or extensions, if any, of temporary appointments. The reports shall be made available upon request to interested parties, including employee organizations. If any interested party alleges misuse of temporary employees, the division shall investigate, report its findings and take appropriate action.

(8) The Department of Justice may use temporary status appointments for student law clerks for a period not to exceed 24 months.

(9) The chief administrative law judge of the Office of Administrative Hearings may use temporary status appointments for student law clerks for a period not to exceed 24 months. Student law clerks appointed under this subsection may not act as administrative law judges or conduct hearings for the Office of Administrative Hearings.

(10) The Public Utility Commission may use temporary status appointments for student law clerks for a period not to exceed 24 months.

(11) A state agency may use temporary status appointments for a period not to exceed 48 months for student interns who are enrolled in high school or who are under 19 years of age and are training to receive a **certificate for passing an approved high school equivalency test such as the General Educational Development (GED) [certificate] test**. Student interns are not eligible for benefits under ORS 243.105 to 243.285.

SECTION 15. ORS 332.114 is amended to read:

332.114. (1) A person who meets the requirements under subsection (3) of this section may request a school district to issue the person a high school diploma if the person resides within the boundaries of the school district or is a resident of this state and attended a high school of the school district.

(2) A representative of a deceased person who meets the requirements under subsection (3) of this section may request a school district to issue a high school diploma on behalf of the deceased person if the deceased person resided within the boundaries of the school district at the time of death or was a resident of this state at the time of death and attended a high school of the school district.

(3) Notwithstanding the requirements for a high school diploma established under ORS 329.451 and by the State Board of Education and school districts, a school district that receives a request under subsection (1) or (2) of this section shall issue a high school diploma to a person if the person:

(a) Attended a high school before serving in the Armed Forces of the United States;

(b) Did not graduate from a high school because the person was serving in the Armed Forces of the United States;

(c) Was discharged or released under honorable conditions from the Armed Forces of the United States;

(d) Served in the Armed Forces of the United States as described in subsection (4) of this section; and

(e)(A) Has received a **certificate for passing an approved high school equivalency test such as the General Educational Development (GED) [certificate] test**;

(B) Has received a post-secondary degree from a community college, public university listed in ORS 352.002 or other generally accredited institution of higher education; or

(C) Has received a minimum score on the Armed Services Vocational Aptitude Battery (ASVAB), as established by the Oregon Military Department.

(4) The provisions of subsection (3) of this section apply to a person who:

(a) Served in the Armed Forces of the United States at any time during:

(A) World War I;

(B) World War II;

(C) The Korean Conflict; or

(D) The Vietnam War;

(b) Served in the Armed Forces of the United States and was physically present in:

(A) Operation Urgent Fury (Grenada);

(B) Operation Just Cause (Panama);

(C) Operation Desert Shield/Desert Storm (the Persian Gulf War);

(D) Operation Restore Hope (Somalia);

(E) Operation Enduring Freedom (Afghanistan); or

(F) Operation Iraqi Freedom (Iraq); or

(c) Served in the Armed Forces of the United States in an area designated as a combat zone by the President of the United States.

SECTION 16. ORS 339.505 is amended to read:

339.505. (1) For purposes of the student accounting system required by ORS 339.515, the following definitions shall be used:

(a) "Graduate" means an individual who has:

(A) Not reached 21 years of age or whose 21st birthday occurs during the current school year;

(B) Met all state requirements and local requirements for attendance, competence and units of credit for high school; and

(C) Received one of the following:

(i) A high school diploma issued by a school district or a public charter school.

(ii) A high school diploma issued by an authorized community college.

(iii) A modified diploma issued by a school district or a public charter school.

(iv) An extended diploma issued by a school district or a public charter school.

(v) An alternative certificate issued by a school district or a public charter school.

(b) "School dropout" means an individual who:

(A) Has enrolled for the current school year, or was enrolled in the previous school year and did not attend during the current school year;

(B) Is not a high school graduate;

(C) Has not received a **certificate for passing an approved high school equivalency test such as the** General Educational Development (GED) [*certificate*] **test**; and

(D) Has withdrawn from school.

(c) "School dropout" does not include a student described by at least one of the following:

(A) A student who has transferred to another educational system or institution that leads to graduation and the school district has received a written request for the transfer of the student's records or transcripts.

(B) A student who is deceased.

(C) A student who is participating in home instruction paid for by the district.

(D) A student who is being taught by a private teacher, parent or legal guardian pursuant to ORS 339.030 (1)(d) or (e).

(E) A student who is participating in a Department of Education approved public or private education program, an alternative education program as defined in ORS 336.615 or a hospital education program, or is residing in a Department of Human Services or an Oregon Health Authority facility.

(F) A student who is temporarily residing in a shelter care program certified by the Oregon Youth Authority or in a juvenile detention facility.

(G) A student who is enrolled in a foreign exchange program.

(H) A student who is temporarily absent from school because of suspension, a family emergency, or severe health or medical problems that prohibit the student from attending school.

(I) A student who has received a **certificate for passing an approved high school equivalency test such as the** General Educational Development (GED) [*certificate*] **test**.

(2) The State Board of Education shall prescribe by rule when an unexplained absence becomes withdrawal, when a student is considered enrolled in school, acceptable alternative education programs under ORS 336.615 to 336.665 and the standards for excused absences for purposes of ORS 339.065 for family emergencies and health and medical problems.

SECTION 17. ORS 339.520 is amended to read:

339.520. The minimum information to be reported on students who withdraw from school prior to becoming graduates and who do not transfer to another educational system is:

(1) Age, sex and racial-ethnic designation of the student;

(2) Date of withdrawal;

(3) Reason for withdrawal, including but not limited to expulsion, work or death;

(4) Number of credits earned toward meeting graduation requirements, if applicable, or grade level, of the reporting district;

(5) Length of time the student was enrolled in the reporting district;

(6) Information relating to the disposition of the student after withdrawing, including but not limited to **studying for an approved high school equivalency test such as the** General Educational Development (GED) [*participation*] **test**, alternative certificate of participation, transfer to mental health or youth correction facility or participation in a substance abuse program or other dispositions listed in ORS 339.505 (1)(b) and (c); and

(7) Information on why the student withdrew as such information relates to academics, conduct standards, interpersonal relationships, relation with school personnel, personal characteristics such as illness, lack of motivation, home and family characteristics, alternative education participation and employment information.

SECTION 18. ORS 341.522, as amended by section 1, chapter 75, Oregon Laws 2016, is amended to read:

341.522. (1) The Office of Student Access and Completion shall administer the Oregon Promise program as provided by this section.

(2) Subject to subsections (5) and (6) of this section, the office shall provide a waiver of tuition for community college courses to a person who meets the criteria described in subsections (3) and (4) of this section. The waiver shall be a grant and limited as provided by subsections (5) and (6) of this section.

(3) A grant shall be awarded under this section to a person who meets the following criteria:

(a) Is enrolled in courses that are:

(A) Offered at a community college in this state; and

(B) Determined by the office, in accordance with rules adopted by the Higher Education Coordinating Commission, to be required for completion of:

(i) A one-year curriculum for students who plan to transfer to another post-secondary institution of education;

(ii) An associate degree; or

(iii) A program in career and technical education;

(b) Has been a resident of this state for at least 12 months prior to enrolling in the courses described in paragraph (a) of this subsection;

(c) Attained the person's highest level of education in this state prior to:

(A) Receiving a diploma under ORS 329.451;

(B) Receiving a **certificate for passing an approved high school equivalency test such as the** General Educational Development (GED) [*certificate*] **test** as provided by ORS 350.175;

- (C) Completing grade 12 in compliance with the requirements of ORS 339.035; or
 - (D) Completing grade 12 at a private or parochial school, as described in ORS 339.030 (1)(a);
 - (d) Attained the person's highest level of education as described in paragraph (c) of this subsection within six months from the date that the person first enrolls in courses described in paragraph (a) of this subsection for the purpose of receiving a grant under this section;
 - (e) Earned a cumulative grade point average of 2.5 or better in high school or otherwise demonstrated an equivalent academic ability, as determined by the office according to rules adopted by the commission;
 - (f) Completed and submitted the Free Application for Federal Student Aid for each academic year and accepted all state and federal aid grants available to the person, if eligible to file the application; and
 - (g) Has not completed either of the following:
 - (A) More than a total of 90 credit hours, or the equivalent, at a post-secondary institution of education; or
 - (B) A curriculum, degree or program, as described in paragraph (a)(B) of this subsection.
- (4)(a) A person continues to remain eligible to receive a grant under this section if the person, in addition to satisfying the criteria specified in subsection (3) of this section, meets the following criteria:
- (A) Maintains at least the minimum cumulative grade point average prescribed by the commission based on federal aid grant requirements;
 - (B) Makes satisfactory academic progress toward a curriculum, degree or program, as described in subsection (3)(a)(B) of this section, as prescribed by the commission based on federal aid grant requirements;
 - (C) Enrolls in courses described in subsection (3)(a) of this section for a sufficient number of credit hours to be considered at least a half-time student each term for at least three terms in each consecutive academic year; and
 - (D) Completes a first-year experience, as identified by the community college and reported by the community college to the commission.
- (b) A person who fails to meet an eligibility requirement described in paragraph (a) of this subsection becomes ineligible to receive a grant under this section for the term after which the person fails to meet the eligibility requirement, unless the eligibility requirement is waived by the office according to rules adopted by the commission.
- (5)(a) The total amount of a grant awarded under this section shall be based on each term that a person is enrolled in courses described in subsection (3)(a) of this section. After the amount of tuition for the person for the term is reduced by \$50, to be paid by the person, and reduced by any amounts received by the person in state and federal aid grants, the person shall be eligible for a grant under this section in an amount that equals:
- (A) Except as provided by paragraph (b) of this subsection, not less than the greater of:
 - (i) \$1,000; and
 - (ii) The person's actual cost for tuition.
 - (B) Not more than the lesser of:
 - (i) The average cost of tuition at a community college in this state, as determined by the office; and
 - (ii) The person's actual cost for tuition.
- (b) The minimum amount of a grant, as calculated under paragraph (a) of this subsection, may be prorated for a person who is enrolled in courses described in subsection (3)(a) of this section for a sufficient number of credit hours to be considered at least a half-time student but not a full-time student.
- (c) The commission may prescribe by rule whether to include fees, and any limitations related to the inclusion of fees, when determining the actual cost of tuition or the average cost of tuition under this subsection.

(6) The total amount in grants awarded under this section by the office may not exceed \$10 million per fiscal year, or any lesser amount available to the office for the purpose of this section. The commission may adopt by rule the priority by which grants are awarded, which may allow for preference to be given to persons enrolled in school districts or high schools that meet specified criteria.

(7) The commission shall adopt any rules necessary for the administration of this section, including any requirements related to:

(a) Specifying the form and timelines for submitting an application for a grant under this section;

(b) Determining whether a person is eligible for a grant under this section, including whether the person shall be given priority as allowed under subsection (6) of this section;

(c) Implementing programs or policies that improve the academic success or completion rates for persons who receive a grant under this section;

(d) Prescribing eligibility requirements and grant calculations for persons dually enrolled in a community college and a public university; and

(e) Evaluating the impact of the program established under this section, including any requirements for reporting data needed for evaluations.

(8) No later than December 31 of each even-numbered year, the commission shall submit to an interim legislative committee related to education a report that summarizes the commission's findings on the impact of the program established under this section. The report shall include:

(a) Student completion rates of curricula, degrees and programs described in subsection (3)(a)(B) of this section;

(b) The amount of federal aid grants received by persons who received a grant under this section;

(c) The financial impact of the program on school districts that had students receive a grant under this section;

(d) The financial impact and the enrollment impact of the program on community colleges and public universities in this state; and

(e) The overall success rate of the program and financial impact of the program.

SECTION 19. ORS 344.257 is amended to read:

344.257. (1) For the purposes of ORS 344.259, "continuing education" means organized instruction to serve the needs of post-secondary students, including but not limited to:

(a) Courses as offered to the regular full-time resident post-secondary student consisting of professional preparatory courses and professional supplementary, technical, academic and professional courses;

(b) Developmental education, consisting of adult basic education, high school completion courses for a high school diploma, instruction to pass **approved high school equivalency tests such as** the General Educational Development (GED) [*tests*] **test**, English language learner programs, and remedial instruction;

(c) Educational activities, consisting of adult self-improvement courses and Federal Cooperative Extension Service; and

(d) Hobby and recreation activities.

(2) "Continuing education" for a community college is limited to instruction within district boundaries and instruction outside district boundaries offered under contract.

SECTION 20. ORS 344.760 is amended to read:

344.760. The Legislative Assembly finds that:

(1) It is in the state's interest to ensure coordination of the various groups providing adult literacy services within communities.

(2) The demands created by new technologies and foreign competition have intensified the need for a literate workforce.

(3) Community colleges are the major providers of adult literacy to Oregon communities through adult basic education, **training for approved high school equivalency tests such as the** General Educational Development (GED) **test** and reading, tutoring and pre-employment skills classes.

(4) Community colleges present the opportunity of a statewide network able to link libraries, providers of workforce development services, community schools, volunteer literacy groups and other providers of literacy services and resources.

SECTION 21. ORS 350.175 is amended to read:

350.175. (1) The Director of the Office of Community Colleges and Workforce Development may issue **certificates for passing approved high school equivalency tests such as the** General Educational Development (GED) [*certificates*] **test** to persons who demonstrate satisfactory performance in tests prescribed under subsection (2) of this section or meet the requirements of any prescribed evaluative procedure.

(2) The Higher Education Coordinating Commission by rule may prescribe tests and other appropriate evaluation procedures for the purposes of subsection (1) of this section and may establish age, residence and other relevant qualifications for applicants.

(3) The Office of Community Colleges and Workforce Development may utilize its personnel and facilities for the administration of this section, and the commission may establish by rule a nonrefundable application fee. The fee may be waived by the commission in case of hardship.

(4) Subject to prior approval of the Oregon Department of Administrative Services and a report to the Emergency Board prior to adopting the fee, the fee established under subsection (3) of this section shall not exceed the cost of administering the program, as authorized by the Legislative Assembly within the office's budget, as the budget may be modified by the Emergency Board.

(5) All moneys received under this section shall be deposited in the State Treasury to the credit of the Office of Community Colleges and Workforce Development and shall be used exclusively for administration of this section. The Office of Community Colleges and Workforce Development shall keep a record of all moneys deposited in such account. The record shall indicate by separate cumulative accounts the source from which the moneys are derived and the individual activity against which each withdrawal is charged.

(6) The Director of the Office of Community Colleges and Workforce Development shall consult with the Superintendent of Public Instruction on all matters related to evaluation procedures used to measure equivalent achievement under this section. The superintendent is authorized to make independent recommendations on evaluation procedures to the office in those cases where the superintendent's judgment differs from that of the director.

SECTION 22. ORS 411.892 is amended to read:

411.892. (1)(a) All employers, including public and private sector employers within the State of Oregon, are eligible to participate in the JOBS Plus Program. The Department of Human Services shall adopt by rule a method to disqualify employers from participating in the program. No employer is required to participate in the JOBS Plus Program. In the event that there are unassigned participants whom no employer desires to utilize, the participants may be assigned to work for a public agency.

(b) The maximum number of program participants that any employer is authorized to receive at any one time may not exceed 10 percent of the total number of the employer's employees. However, each employer may receive one participant. The Director of Human Services may waive the limit in special circumstances.

(c) The Department of Human Services by rule shall establish criteria for excluding employers from participation for failure to abide by program requirements, showing a pattern of terminating participants prior to the completion of training or other demonstrated unwillingness to comply with the stated intent of the program.

(2) The Department of Human Services shall ensure that jobs made available to program participants:

(a) Do not require work in excess of 40 hours per week;

(b) Are not used to displace regular employees or to fill unfilled positions previously established; and

(c) Do not pay a wage that is substantially less than the wage paid for similar jobs in the local economy with appropriate adjustments for experience and training.

(3)(a) Eligibility for the program shall be limited to residents who are:

(A) Adults and caretaker relatives who are receiving temporary assistance for needy families benefits;

(B) Adult Supplemental Nutrition Assistance Program recipients except as described in subsection (5)(b) of this section; and

(C) Unemployed noncaretaker parents of children who are receiving temporary assistance for needy families benefits.

(b) In addition to those residents eligible for the program under paragraph (a) of this subsection, additional residents who are seeking employment may be eligible for the program if there are legislatively allocated funds available in the temporary assistance for needy families budget of the Department of Human Services.

(4)(a) Individuals desiring work through the program shall contact the nearest Department of Human Services office serving the county in which they reside if they are temporary assistance for needy families program or Supplemental Nutrition Assistance Program applicants or recipients or noncustodial parents of individuals receiving temporary assistance for needy families.

(b) With the assistance of the local JOBS Plus Implementation Councils and the JOBS Plus Advisory Board, the Department of Human Services shall develop a job inventory of sufficient size to accommodate all of the participants who desire to work in the program. In consultation with the participant, the department shall try to match the profile of each participant with the needs of an employer when assigning a participant to work with the employer.

(c) Either the employer or the participant may terminate the assignment by contacting the appropriate Department of Human Services office. In such event, the Department of Human Services shall reassess the needs of the participant and assign the participant to another JOBS Plus Program placement or another job opportunity and basic skills program component and, at the employer's request, provide the employer with another participant.

(d)(A) If after four months in a placement, a participant has not been hired for an unsubsidized position, the employer shall allow the worker to undertake eight hours of job search per week. Participating employers shall consider such time as hours worked for the purposes of paying wages.

(B) If after six months in a placement, a participant has not been hired for an unsubsidized position, the placement shall be terminated, and the caseworker shall reassess the participant's employment development plan.

(e) The Department of Human Services may pay placement and barrier removal payments to temporary assistance for needy families program and Supplemental Nutrition Assistance Program participants as necessary to enable participation in the JOBS Plus Program.

(f) The Department of Human Services shall accept eligible volunteers into the program prior to mandating program participation by eligible persons.

(5)(a) Assignment of participants to available jobs shall be based on a preference schedule developed by the Department of Human Services. Any temporary assistance for needy families recipient or supplemental nutrition assistance recipient may volunteer for the program.

(b) The following individuals may not be required to participate in the program:

(A) Recipients under the temporary assistance for needy families program and the Supplemental Nutrition Assistance Program who are eligible for Supplemental Security Income benefits or other ongoing state or federal maintenance benefits based on age or disability.

(B) Supplemental nutrition assistance applicants or recipients who are employed full-time or are college students eligible for supplemental nutrition assistance and enrolled full-time in a community college or an institution of higher education, or enrolled half-time in a community college or an institution of higher education and working at least 20 hours per week.

(C) Teenage parents who remain in high school if progressing toward a diploma. Teenage parents not in school are eligible for the JOBS Plus Program.

(c) The Department of Human Services shall provide life skills classes and opportunities to achieve **a certificate for passing an approved high school equivalency test such as the** General Educational Development (GED) [*certificates*] **test** to appropriate participants in conjunction with working in the JOBS Plus Program.

(d) Subject to subsection (7) of this section, temporary assistance for needy families and supplemental nutrition assistance shall be suspended at the end of the calendar month in which an employer makes the first wage payment to a participant who is a custodial parent in a family that receives temporary assistance for needy families or to any adult member of a household receiving supplemental nutrition assistance. Failure of the participant to cooperate with the requirements of the JOBS Plus Program may result in the participant's removal, in accordance with rules adopted by the Department of Human Services, from the JOBS Plus Program and suspension of the participant's temporary assistance for needy families grant and supplemental nutrition assistance. A temporary assistance for needy families and supplemental nutrition assistance recipient who has been removed from the program for failing to cooperate shall be eligible to reapply to participate in the program and shall have eligibility for program services determined without regard to the length of time the person was not participating following removal.

(6)(a) Employers shall pay all participating individuals at least the hourly rate of the Oregon minimum wage.

(b) Sick leave, holiday and vacation absences shall conform to the individual employer's rules for temporary employees.

(c) Group health insurance benefits shall be provided by the employer to program participants if, and to the extent that, state or federal law requires the employer to provide such benefits.

(d) All persons participating in the JOBS Plus Program shall be considered to be temporary employees of the individual employer providing the work and shall be entitled only to benefits required by state or federal law.

(e) Employers shall provide workers' compensation coverage for each JOBS Plus Program participant.

(7) In the event that the net monthly full-time wage paid to a participant would be less than the level of income from the temporary assistance for needy families program and the supplemental nutrition assistance amount equivalent that the participant would otherwise receive, the Department of Human Services shall determine and pay a supplemental payment as necessary to provide the participant with that level of net income. The department shall determine and pay in advance supplemental payments to participants on a monthly basis as necessary to ensure equivalent net program wages. Participants shall be compensated only for time worked.

(8) In addition to and not in lieu of the payments provided for under subsections (6) and (7) of this section, participants shall be entitled to retain the full child support payments collected by the Department of Justice.

(9) In conformity with existing state day care program regulations, child day care shall be provided for all program participants who require it.

(10) JOBS Plus Program employers shall:

(a) Endeavor to make JOBS Plus Program placements positive learning and training experiences;

(b) Maintain health, safety and working conditions at or above levels generally acceptable in the industry and no less than that of comparable jobs of the employer;

(c) Provide on-the-job training to the degree necessary for the participants to perform their duties;

(d) Recruit volunteer mentors from among their regular employees to assist the participants in becoming oriented to work and the workplace; and

(e) Sign an agreement to abide by all requirements of the program, including the requirement that the program not supplant existing jobs. All agreements shall include provisions noting the employer's responsibility to repay reimbursements in the event the employer violates program rules.

When a professional placement service, professional employment organization or temporary employment agency is acting as an employer pursuant to subsection (13) of this section, agreements under this paragraph shall require a three-party agreement between the professional placement service, professional employment organization or temporary employment agency, the organization where the participant has been placed to perform services and the State of Oregon. The three-party agreement shall include provisions requiring that all JOBS Plus reimbursements received by the professional placement service, professional employment organization or temporary employment agency be credited to the organization where the participant has been placed to perform services.

(11) Program participant wages shall be subject to federal and state income taxes, Social Security taxes and unemployment insurance tax or reimbursement as applicable under ORS chapter 657, which shall be withheld and paid in accordance with state and federal law. Supplemental payments made pursuant to subsection (7) of this section shall not be subject to state income taxes under ORS chapter 316 and, to the extent allowed by federal law, shall not be subject to federal income taxes and Social Security taxes.

(12)(a) The Department of Human Services shall reimburse employers for the employers' share of Social Security, unemployment insurance and workers' compensation premiums paid on behalf of program participants referred to the employer by the Department of Human Services, as well as the minimum wage earnings paid by the employer to program participants referred to the employer by the Department of Human Services.

(b) If the Department of Human Services finds that an employer has violated any of the rules of the JOBS Plus Program, the department:

(A) Shall withhold any amounts due to employers under paragraph (a) of this subsection.

(B) May seek repayment of any amounts paid to employers under paragraph (a) of this subsection.

(13) For purposes of this section, "employer" shall include professional placement services, professional employment organizations and temporary employment agencies.

SECTION 23. ORS 418.658 is amended to read:

418.658. (1) The program director of the Oregon Youth Conservation Corps shall establish a separate program known as the Oregon Community Stewardship Corps. In addition to the established purposes of the Oregon Youth Conservation Corps, the purpose of the Oregon Community Stewardship Corps is to promote community service activities throughout the state for a broad cross section of Oregon disadvantaged and at-risk youth through programs that also include appropriate educational and job training opportunities for participants.

(2) In addition to projects submitted under ORS 418.660 (1), projects of the Oregon Community Stewardship Corps may include, but shall not be limited to:

(a) Child care services.

(b) Elderly and disabled care services.

(c) Literacy education programs.

(d) Recycling and other waste reduction services.

(3) The Oregon Community Stewardship Corps shall offer employment and educational opportunities of at least three but not more than 12 months' duration for selected participants.

(4) Under rules adopted by the Higher Education Coordinating Commission, participants who successfully complete any 12-month program under this section shall be eligible for \$1,500 in tuition vouchers that can be used at any career school or post-secondary educational institution that is qualified to receive assistance through the [Executive] Director of the Office of Student Access and Completion.

(5) All Oregonians who are at least 13 years of age and under 25 years of age are eligible to participate in the program. To ensure that Oregon Community Stewardship Corps participants represent a broad cross section of Oregonians, special emphasis shall be given to recruiting school dropouts and other disadvantaged and at-risk youth, according to criteria established by the Oregon Youth Conservation Corps Advisory Committee.

(6) To the extent practicable, the program director shall enlist state and federal agencies, local government, nonprofit organizations and private businesses, and any combination of such entities, to act as sponsors for programs administered under this section. Selection of sponsors shall be based on criteria that include the following:

(a) The availability of other resources on a matching basis, including contributions from private sources, other federal, state and local agencies, and moneys available through the federal Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.);

(b) The provision of related educational and job training programs to participants, including but not limited to school and college coursework, **training for approved high school equivalency tests such as the** General Educational Development (GED) [*tests equivalency training*], project-related education and professional training;

(c) Assurances that proposed projects will not displace existing employees or duplicate existing private or government programs; and

(d) Assurances that proposed projects are devoted to the enhancement of the community and are not based in maintenance activities and that these projects meet an identified need.

(7) In consultation with the advisory committee and the Director of the Office of Community Colleges and Workforce Development, the program director shall make grants for programs administered under this section.

SECTION 24. ORS 421.084 is amended to read:

421.084. (1) The Administrator of Correctional Education shall administer an adult basic skills development program for all individuals in the custody of the Department of Corrections. The program shall:

(a) Test individuals for basic reading and mathematics skills or, for individuals with limited English language proficiency, English speaking skills. Testing for basic intelligence, learning disabilities, developmental disabilities and adaptive behavior skills shall be administered as needed except that the administrator may accept equivalent test results from other sources.

(b) Except as provided in subsection (2) of this section, be mandatory for all individuals testing below a 8.0 grade equivalency on a standardized reading test approved by the National Reporting System for Adult Education of the United States Department of Education and by the Adult Basic Skills Program of the Office of Community Colleges and Workforce Development.

(c) Provide progress testing and certification.

(d) Provide strong incentives for entering the program and for achieving the minimum reading level and, for those individuals with demonstrated ability, provide incentives for making progress toward earning a **certificate for passing an approved high school equivalency test such as the** General Educational Development (GED) [*certificate*] **test**.

(e) Maintain records of an individual's achievement in the program and make those records available to the State Board of Parole and Post-Prison Supervision.

(2) Testing for basic skills and participation in the adult basic skills development program are not required for inmates:

(a) Sentenced to or otherwise confined by the department for less than one year;

(b) Sentenced to life imprisonment without parole;

(c) Sentenced to death;

(d) With developmental disabilities; or

(e) Who are specifically exempted by the Department of Corrections for security or health reasons.

SECTION 25. ORS 660.353 is amended to read:

660.353. (1) There is created in the Office of Community Colleges and Workforce Development the Oregon Youth Employment Program. Subject to the availability of funding, the office shall create and operate, and local workforce investment boards shall manage, the program to provide meaningful work experience and workforce training for persons between the ages of 14 and 24.

(2) The program shall provide to participants in the program case management and support services that include, but are not limited to:

- (a) Developing an individual development plan for the participant that outlines work readiness, career and educational goals;
- (b) Work readiness instruction;
- (c) At least 12 weeks of paid internships or other work experience; and
- (d) Academic support for earning high school graduation credit, completion of [a] **approved high school equivalency programs such as the** General Educational Development (GED) certificate program or earning college credit for work experience or internships provided through the program.

(3) The program:

(a) Plan, implementation procedures and evaluation criteria shall be described in the local plan developed by a local workforce investment board under ORS 660.327.

(b) May provide for public and private sector employment opportunities.

(4) Local workforce investment boards responsible for managing the program shall ensure appropriate training and positive work experiences for participants.

(5) The office shall collaborate with the local workforce investment boards to collect data on youth work experience programs that identify successful work experiences and allow for the identification and dissemination of the most promising practices. The data collected shall also include the number of participants in the program, the number of participants that complete the program, the cost of internships and other work experiences provided, the academic credit earned by participants and the number of **certificates for passing approved high school equivalency tests such as the** General Educational Development (GED) [*certificates*] **test** earned by participants.

(6) The office shall adopt rules necessary for the implementation and operation of the program created under subsection (1) of this section. The rules shall include, but are not limited to, establishing eligibility criteria for persons participating in the program.

SECTION 26. ORS 676.815 is amended to read:

676.815. The Health Licensing Office shall establish by rule criteria for the registration of behavior analysis interventionists. The criteria must include, but are not limited to, the requirement that the applicant:

(1) Have a high school diploma or a **certificate for passing an approved high school equivalency test such as the** General Educational Development (GED) [*certificate*] **test**;

(2) Be at least 18 years of age;

(3) Have successfully completed a state and nationwide criminal records check that requires fingerprinting;

(4) Have completed at least 40 hours of professional training in applied behavior analysis approved by the office by rule; and

(5) Receive ongoing training and supervision by a licensed behavior analyst, by a licensed assistant behavior analyst or by another licensed health care professional.

SECTION 27. ORS 694.055 is amended to read:

694.055. An applicant for licensure under this chapter shall pay the applicable fees established under ORS 676.592 and shall demonstrate to the satisfaction of the Health Licensing Office that the applicant:

(1) Is a person 18 years of age or older.

(2) Has graduated from high school or has been awarded a **certificate for passing an approved high school equivalency test such as the** General Educational Development (GED) [*certificate*] **test**.

(3) Has completed the training and has the experience required under ORS 694.065.

SECTION 28. ORS 696.022 is amended to read:

696.022. (1) The Real Estate Agency shall establish by rule a system for licensing real estate brokers, principal real estate brokers and real estate property managers. The system shall establish, at a minimum:

(a) The form and content of applications for licensing under each category of real estate professional licensed by the agency;

(b) A licensing examination for each category of license;

(c) Schedules and procedures for issuing and renewing licenses;
(d) The term of a license in each category; and
(e) Terms and conditions under which the license of a real estate licensee must be returned or transferred to the Real Estate Commissioner for purposes including, but not limited to, inactivation, suspension or termination of the license.

(2)(a) A real estate broker may engage in professional real estate activity only if the broker is associated with and supervised by a principal real estate broker. Except as provided in paragraph (c) of this subsection, a real estate broker may not employ, engage or supervise the professional real estate activity of another real estate licensee.

(b) To qualify for a real estate broker's license, an applicant must furnish to the commissioner at the time of application for the license:

(A) Certification by the applicant that the applicant has a high school diploma or a **certificate for passing an approved high school equivalency test such as the** General Educational Development (GED) [*certificate*] **test** or the international equivalent, or other equivalent education acceptable to the commissioner;

(B) Proof that the applicant:

(i) Has successfully completed the basic real estate broker's educational courses required by rule of the agency; and

(ii) Has passed the real estate broker's examination required by rule of the agency; and

(C) Certification that the applicant is at least 18 years of age.

(c) A real estate broker who has acquired three years of active experience as a real estate broker may temporarily supervise the professional real estate activity of another real estate licensee due to unforeseen circumstances or the temporary absence of a sole principal real estate broker, as provided by rule of the agency. The temporary supervision of professional real estate activity allowed under this paragraph may not exceed 90 days.

(3)(a) A principal real estate broker may engage in professional real estate activity. A principal real estate broker may conduct professional real estate activity in conjunction with other real estate brokers or principal real estate brokers or licensed real estate property managers. In addition, a principal real estate broker may employ, engage or supervise the professional real estate activity of another real estate licensee.

(b) To qualify for a principal real estate broker's license, an applicant must furnish to the commissioner at the time of application for the license:

(A) Certification by the applicant that the applicant has a high school diploma or a **certificate for passing an approved high school equivalency test such as the** General Educational Development (GED) [*certificate*] **test** or the international equivalent, or other equivalent education acceptable to the commissioner;

(B) Proof that the applicant:

(i) Has three years of active experience as a licensed real estate broker or a licensed real estate salesperson as defined in ORS 696.025 (1999 Edition);

(ii) Has passed the principal real estate broker's examination required by rule of the agency; and

(iii) Has successfully completed the brokerage administration and sales supervision course required by rule of the agency; and

(C) Certification that the applicant is at least 18 years of age.

(4)(a) An individual who holds a real estate property manager license may engage only in the management of rental real estate.

(b) A licensed real estate property manager may employ, engage or supervise the professional real estate activity of another licensed real estate property manager.

(c) To qualify for a real estate property manager's license, an applicant must furnish to the commissioner at the time of application for the license:

(A) Certification by the applicant that the applicant has a high school diploma or a **certificate for passing an approved high school equivalency test such as the** General Educational Development

opment (GED) [*certificate*] **test** or the international equivalent, or other equivalent education acceptable to the commissioner;

(B) Proof that the applicant:

(i) Has successfully completed the basic real estate property manager's educational courses required by rule of the agency; and

(ii) Has passed the real estate property manager's license examination required by rule of the agency; and

(C) Certification that the applicant is at least 18 years of age.

(5)(a) A license for a real estate broker, principal real estate broker or real estate property manager may be granted only to an individual who is trustworthy and competent to conduct professional real estate activity in a manner that protects the public interest. As a condition of licensing, the commissioner may require proof of competence and trustworthiness that the commissioner deems necessary to protect the public interest.

(b) In implementing this subsection, the commissioner shall require fingerprints and criminal offender information of an applicant for initial licensing and may require fingerprints and criminal offender information of an applicant for license renewal. Fingerprints acquired under this subsection may be used for the purpose of requesting a state or nationwide criminal records check under ORS 181A.195.

(6) In order to qualify for a real estate broker's license, a real estate salesperson licensed in another state or country must successfully complete a course of study and pass a real estate broker's license examination, both as prescribed by agency rule.

(7) In order to satisfy the educational requirements under subsections (2) to (4) and (6) of this section, a course must be approved by the commissioner. The commissioner shall determine the final examination score acceptable as evidence of successful completion for each required course.

(8) The Real Estate Board may determine that an applicant for a principal real estate broker's license has experience related to professional real estate activity that is equivalent to the experience required under subsection (3) of this section.

SECTION 29. ORS 703.090 is amended to read:

703.090. (1) All of the following requirements apply to an applicant for a license as a general polygraph examiner. The applicant must:

(a) Be at least 18 years of age.

(b) Be a citizen of the United States.

(c) Not have demonstrated, in the preceding 10 years, a course of behavior that indicates a high degree of probability that the applicant will be unlikely to perform the duties of a polygraph examiner in a manner that would serve the interests of the public.

(d) If previously convicted for a criminal offense, provide information, as required by the Department of Public Safety Standards and Training, relating to the circumstances of the conviction. ORS 670.280 is applicable when the department considers information provided under this paragraph.

(e)(A) Have received a baccalaureate degree from a college or university that is accredited by the American Association of Collegiate Registrars and Admissions Officers; or

(B) Have graduated from high school or have been awarded a **certificate for passing an approved high school equivalency test such as the** General Educational Development (GED) [*certificate*] **test**, and have at least five years of active investigative experience before the date of application.

(f) Have graduated from a polygraph examiners course approved by the department and conforming to any minimum training standards approved by the Board on Public Safety Standards and Training and have satisfactorily completed at least 200 examinations, or have worked as a polygraph examiner for a period of at least five years for a governmental agency within the State of Oregon and have satisfactorily completed at least 200 examinations.

(g) Have successfully completed an examination conducted by the department to determine, consistent with any standards approved by the board, competency to act as a polygraph examiner.

(2) An applicant meets the requirements of subsection (1)(e) or (f) of this section if the applicant provides the Department of Public Safety Standards and Training with documentation of military training or experience that the department determines is substantially equivalent to the education or experience required by subsection (1)(e) or (f) of this section.

(3) For the purpose of requesting a state or nationwide criminal records check under ORS 181A.195, the Department of Public Safety Standards and Training shall require each applicant to be fingerprinted as part of the licensing procedure.

(4) Notwithstanding ORS 181A.195 (5) and (6), the Department of State Police shall maintain in the department's files fingerprint cards submitted to it for purposes of conducting a state or nationwide criminal records check under ORS 181A.195 on applicants for a license as a general polygraph examiner.

(5) When the Department of Public Safety Standards and Training refuses to issue a license based upon an applicant's failure to meet the requirements of subsection (1)(c) of this section, the department shall prepare a concise, specific written statement of the facts supporting the department's conclusion that there is a high degree of probability that the applicant will be unlikely to perform required duties in a manner that would serve the interests of the public. A copy of the statement must be given to the applicant.

SECTION 30. ORS 807.066 is amended to read:

807.066. (1) Subject to subsection (2) of this section, the Department of Transportation may not issue driving privileges to a person who is under 18 years of age unless:

(a) The person has graduated from high school and provides the department with proof of graduation satisfactory to the department;

(b) The person has received a **certificate for passing an approved high school equivalency test, such as the** General Educational Development (GED) [*certificate*] **test**, from a community college and provides the department with proof of the certificate satisfactory to the department; or

(c) The person's parent or legal guardian certifies that the person is:

(A) Enrolled in a school of this state, or any other state or any other country;

(B) Enrolled in a community college and making satisfactory progress toward a **certificate for passing an approved high school equivalency test, such as the** General Educational Development (GED) [*certificate*] **test**, or a high school diploma;

(C) Being taught by a private teacher, legal guardian or parent in compliance with ORS 339.035;

(D) Exempted from school attendance requirements due to circumstances beyond the control of the person; or

(E) Exempt under ORS 339.030 (2) from the requirement to attend school.

(2) The department may not issue driving privileges to a person who is under 18 years of age and whose driving privileges are suspended under ORS 809.423 (3) for withdrawing from school unless the person:

(a) Has graduated from high school and provides the department with proof of graduation satisfactory to the department;

(b) Has received a **certificate for passing an approved high school equivalency test, such as the** General Educational Development (GED) [*certificate*] **test**, from a community college and provides the department with proof of the certificate satisfactory to the department;

(c) Provides the department with a form provided by the department and signed by the principal, or the designee of the principal, of the school attended by the person that declares that the person is enrolled in a school of this state, or any other state or any other country;

(d) Provides the department with a form provided by the department and signed by the authorized representative of the community college attended by the person that declares that the person is making satisfactory progress toward a **certificate for passing an approved high school equivalency test such as the** General Educational Development (GED) [*certificate*] **test**;

(e) Provides the department with a form provided by the department and signed by the authorized representative of the community college attended by the person that declares that the person is making satisfactory progress toward a high school diploma;

(f) Provides the department with a form provided by the department and signed by the authorized representative of the education service district or school district having jurisdiction over the area of the person's residence that declares that the person is being taught by a private teacher, legal guardian or parent in compliance with ORS 339.035;

(g) Provides the department with documentation satisfactory to the department that indicates that the person is exempted from school attendance requirements due to circumstances beyond the control of the person; or

(h) Provides the department with documentation satisfactory to the department that the person is exempt under ORS 339.030 (2) from the requirement to attend school.

SECTION 31. ORS 809.380 is amended to read:

809.380. All of the following apply to a person whose driving privileges have been suspended:

(1) The period of suspension shall last as long as provided for that particular suspension by law.

(2) During the period of suspension, the person is not entitled to exercise any driving privileges in this state except as provided under this subsection. Unless otherwise specifically provided by law, a person whose driving privileges are suspended may obtain, if the person qualifies, a hardship driver permit under ORS 807.240, and exercise driving privileges under the driver permit.

(3) Upon expiration of the suspension, the Department of Transportation shall reissue, upon request of the person, the suspended driving privileges and any license or driver permit that evidences the driving privileges. The reissuance shall be without requalification by the person except that the department may require the person to furnish evidence satisfactory to the department that the person is qualified to continue to exercise driving privileges in this state before the department reissues the driving privileges.

(4) The department may not issue any driving privileges in contradiction to this section.

(5) If the person fails to surrender to the department any license or driver permit issued as evidence of driving privileges that are suspended, the person is subject to the penalties under ORS 809.500.

(6) No reinstatement of suspended driving privileges will be made by the department until the fee for reinstatement of suspended driving privileges established under ORS 807.370 is paid to or waived by the department. The department may waive the reinstatement fee for any of the following reasons:

(a) The suspension occurred under ORS 809.419 for failure to take an examination upon request of the department under ORS 807.340.

(b) The suspension occurred under ORS 809.419 for failure to obtain required medical clearance upon request of the department under ORS 807.070 or 807.090.

(c) The suspension occurred under ORS 809.419 for incompetence to drive a motor vehicle or having a mental or physical condition or impairment that affects the person's ability to safely operate a motor vehicle.

(d) The suspension occurred under ORS 809.419 upon notification by the superintendent of a hospital under ORS 807.700 that a person should not drive.

(e) The suspension occurred under ORS 809.419 upon notification by a court under ORS 810.375 that a person charged with a traffic offense has been found guilty except for insanity.

(f) The department committed an error in issuing the suspension.

(g) The suspension was the result of an error committed by an insurance company in issuing or failing to issue a certification of insurance or in canceling a certification of insurance filed with the department under ORS 806.270.

(h) The department issued the suspension without error because the person failed to respond as required under ORS 806.160 or to furnish proof of exemption under ORS 806.210 from the filing requirement of ORS 806.200, but the department later determines that the person in fact was in compliance with financial responsibility requirements as of the date of the department's letter of verification under ORS 806.150 or at the time of an accident described in ORS 806.200.

(i) The department issued the suspension without error because the person was not in compliance with financial responsibility requirements as of the date of the department's letter of verifica-

tion under ORS 806.150 or at the time of an accident described in ORS 806.200, but the department later determines that the person reasonably and in good faith believed that the person was in compliance with financial responsibility requirements on the date of the department's letter of verification or at the time of the accident.

(j) The suspension was the result of an error committed by an insurance company in notifying the department regarding the correctness of a certification under ORS 806.150.

(k) The suspension occurred because the person failed to make future responsibility filings but the department later determines that the reason for the failure was that the person was a military reservist or a member of a national guard unit that was ordered to active military duty to a location outside of the United States. The effective date of the military orders must be prior to the effective date of a suspension issued by the department for failure to make a future responsibility filing.

(L) The department issued the suspension without error because the department received a notice to suspend from a court under ORS 809.210 or 809.220, but the department later determines that the person in fact was in compliance with the requirements of the court prior to the effective date of the suspension.

(7) The department shall waive the reinstatement fee for a person whose driving privileges were suspended under ORS 809.423 (3) if the person:

(a) Has graduated from high school and provides the department with proof of graduation satisfactory to the department; or

(b) Has received a **certificate for passing an approved high school equivalency test such as the** General Educational Development (GED) [*certificate*] **test** from a community college and provides the department with proof of the certificate satisfactory to the department.

SECTION 32. Section 2, chapter 109, Oregon Laws 2016, is amended to read:

Sec. 2. (1) As used in this section, "post-graduate scholar" means a student who:

(a) Has been in grades 9 through 12 for more than a total of four school years; and

(b) Has satisfied the requirements for a high school diploma as provided in ORS 329.451 (2).

(2) A school district may establish a program under this section to allow:

(a) A post-graduate scholar who satisfies the requirements of subsection (3) of this section to:

(A) Enroll in courses at a community college that are part of a course of study approved by the school district and that may lead to a certificate or diploma;

(B) Enroll in the courses described in subparagraph (A) of this paragraph for one school year after the post-graduate scholar has satisfied the requirements for a high school diploma as provided in ORS 329.451 (2); and

(C) Have the school district pay the costs incurred for the courses described in subparagraph (A) of this paragraph, including tuition, fees and books.

(b) A school district that satisfies the requirements of subsection (4) of this section to receive and expend moneys distributed from the State School Fund under ORS 327.013 for the purpose of paying the costs described in paragraph (a)(C) of this subsection.

(3) A post-graduate scholar qualifies to participate in a program established under this section if the post-graduate scholar:

(a) Has completed and submitted the Free Application for Federal Student Aid, if eligible to file the application;

(b) Is not eligible for a grant under the Oregon Promise program described in ORS 341.522 because of failure to earn the minimum cumulative grade point average, or submitted a complete application for a grant under the Oregon Promise program by the established deadline but did not receive a grant;

(c) Is not eligible for a federal aid grant that is equal to or more than the average cost of tuition and fees at a community college, as determined by the Department of Education after consultation with the [*Executive*] Director of the Office of Student Access and Completion; and

(d) Retains a legal residence within the boundaries of the school district through which the post-graduate scholar satisfied the requirements for a high school diploma.

(4) A school district may receive and expend moneys distributed from the State School Fund under ORS 327.013 for a program established under this section if the school district meets all of the following criteria:

(a) Has a policy for the program that is adopted by the school district board and that describes:

(A) The goals of the program, including target high school graduation rates for underserved students;

(B) Minimum requirements for grade point average, attendance and participation in regular in-person meetings with school district staff to monitor student progress;

(C) The manner by which the results of the program will be measured and monitored; and

(D) The courses of study that are approved by the school district for the purpose of this section.

(b) Enters into a written agreement with the community college that has a service area within which the school district is located.

(c) Has dedicated staff to provide support services to post-graduate scholars, including regular in-person meetings to monitor student progress that occur at least twice each month.

(d) Ensures that a majority of students from the school district who are enrolled in courses at a community college meet at least one of the criteria identified in this paragraph. The student:

(A) Is not a post-graduate scholar;

(B) Has received a modified diploma, an extended diploma or a **certificate for passing an approved high school equivalency test such as the** General Educational Development (GED) [*certificate*] **test**;

(C) Was enrolled in an alternative high school program within the preceding 12 months;

(D) Is, or will be, a first-generation graduate of high school;

(E) Is, or has been, a child in a foster home;

(F) Is, or has been, placed in a facility or an education program by a court;

(G) Is homeless;

(H) Is a parent; or

(I) Was identified as eligible for free or reduced price lunches within the preceding 12 months.

(5) Notwithstanding ORS 327.013, the weighted average daily membership assigned for each post-graduate scholar shall be adjusted as follows:

(a) By subtracting 0.25 from the average daily membership assigned for each post-graduate scholar participating in the program established under this section; and

(b) Without adding any amounts identified in ORS 327.013 (1)(c)(A).

(6) For purposes of this section, a school district may not counsel or assist a student to delay receiving a high school diploma for the purpose of participating in a school-sponsored, post-secondary education program.

(7) Nothing in this section:

(a) Prohibits a school district from receiving or expending moneys related to the education of post-graduate scholars that are not received or expended for purposes of this section, as long as the school district does not receive or expend State School Fund distributions under ORS 327.013 for those purposes.

(b) Requires a post-graduate scholar to accept or use any federal grant moneys to offset costs of tuition, fees or books incurred by a post-graduate scholar at a community college.

(c) Requires a school district to add or extend existing bus routes or other transportation services for post-graduate scholars. Any transportation costs incurred by a school district to add or extend existing bus routes or other transportation services are not considered approved transportation costs for the purposes of ORS 327.013. Nothing in this paragraph prohibits post-graduate scholars from using existing bus routes or transportation services provided by the school district.

(8) Notwithstanding subsection (3) of this section, a post-graduate scholar may not accept or use any federal grant moneys to offset costs of tuition, fees or books incurred by a post-graduate scholar at a community college.

(9) A school district may receive or expend moneys distributed from the State School Fund under ORS 327.013 for post-graduate scholars who enroll in courses at a community college only if the

post-graduate scholars are enrolled in the courses as part of a program established under this section.

**NAME CHANGE: EXECUTIVE DIRECTOR OF THE OFFICE
OF STUDENT ACCESS AND COMPLETION TO
DIRECTOR OF THE OFFICE OF
STUDENT ACCESS AND COMPLETION**

SECTION 33. ORS 348.250 is amended to read:

348.250. (1) Grants established under ORS 348.260 shall be awarded by the Higher Education Coordinating Commission in the manner provided in this section.

(2) Persons interested in obtaining a grant established under ORS 348.260 may apply to the [Executive] Director of the Office of Student Access and Completion for a grant.

(3) The [executive] director shall screen or cause to be screened the applications and shall determine for each available grant the person best qualified to receive that grant. A qualified applicant is eligible to receive a grant established under ORS 348.260 if:

(a) The applicant's financial need is such that in the opinion of the [executive] director financial aid is warranted; and

(b) The applicant plans to be a student at the eligible post-secondary institution where the grant is to be used.

(4) The [executive] director shall not discriminate for or against any applicant for a grant.

(5) Nothing in this section or ORS 348.260, 348.505 to 348.615, 348.696 or 348.992 shall be construed to require any institution to admit a grant recipient or to attempt to control or influence the policies of the institution.

(6) Whenever funds are not available to award grants to all qualified students, the [executive] director may give priority to applicants who are or plan to be full-time students at the eligible post-secondary institution where the grant is to be used. A student shall be considered to be a full-time student if the combination of credit hours at more than one eligible post-secondary institution equals full-time attendance, according to the institution disbursing the grant funds.

(7) As used in this section, "discriminate" has the meaning given "discrimination" in ORS 659.850.

SECTION 34. ORS 348.260 is amended to read:

348.260. (1) In addition to any other form of student financial aid authorized by law, the Higher Education Coordinating Commission may award Oregon Opportunity Grants to qualified students.

(2) The amount of a grant shall equal the state share of a qualified student's cost of education as determined by the [Executive] Director of the Office of Student Access and Completion and comply with applicable rules and procedures described in ORS 348.205.

(3) Grant funds necessary to meet matching requirements for federal funds may also be used to award grants to qualified students in any eligible post-secondary institution approved by the commission.

(4) Grants may be awarded under this section to qualified students enrolled for any term, including summer term. The commission may prescribe the method and date or dates by which a student must apply to the commission to qualify for a grant.

(5)(a) A qualified student who receives a grant under this section may apply for renewal of the grant on an annual basis. The commission may not renew the grant if the qualified student has not made a timely application for renewal of the grant.

(b) The commission shall by rule establish academic standards and benchmarks that a qualified student must meet to have the student's grant renewed.

(c) If a qualified student who receives a grant under this section makes a timely application for renewal of the grant, meets the academic standards and benchmarks established by the commission under this subsection and continues to meet all other grant eligibility criteria, the grant shall be renewed for a second year of attendance at an eligible post-secondary institution.

(d) Upon timely application by a qualified student who meets the academic standards and benchmarks established by the commission under this subsection and who continues to meet all other grant eligibility criteria, the commission may continue to renew the grant until the qualified student has received the equivalent of four full-time undergraduate years of grant funding for an eligible program as defined by the commission.

(6)(a) The [Executive] Director of the Office of Student Access and Completion shall inform eligible post-secondary institutions of the identity of qualified students who attend the institution and who receive a grant under this section for more than one academic year.

(b) To the extent possible, eligible post-secondary institutions shall ensure that qualified students identified under this subsection are made aware of the academic guidance and counseling services available at the institution.

(7) A qualified student who receives a grant under this section must attend the eligible post-secondary institution upon which the grant application is based unless the [Executive] Director of the Office of Student Access and Completion authorizes the grant to be used at a different eligible post-secondary institution. A qualified student who receives a grant under this section may attend more than one eligible post-secondary institution if the grant application was based on the qualified student attending more than one eligible post-secondary institution.

(8) The commission may not make a grant award to any qualified student enrolled in a course of study required for and leading to a degree in theology, divinity or religious education.

(9)(a) The commission shall report annually on or before February 1 to committees of the Legislative Assembly related to higher education regarding the academic success and performance of qualified students who receive grants under this section.

(b) In order to meet the reporting requirements set forth in paragraph (a) of this subsection:

(A) The commission shall by rule design a method for evaluating the academic success and performance of students who receive a grant under this section; and

(B) Upon a request from the commission, eligible post-secondary institutions must provide the commission with the data necessary for the commission to conduct its analysis.

SECTION 35. ORS 348.263 is amended to read:

348.263. (1) In addition to any other form of student financial aid authorized by law, the Higher Education Coordinating Commission may award moneys from the Oregon Opportunity Grant program to qualified students to reward student persistence and encourage completion of degree programs at eligible post-secondary institutions.

(2) Awards made under this section are not subject to the maximum Oregon Opportunity Grant amount established under ORS 348.205.

(3) The commission shall establish by rule eligibility criteria for awards made under this section. These criteria shall include, but not be limited to, whether the qualified student is attending an eligible post-secondary institution on a full-time or half-time basis.

(4)(a) The [Executive] Director of the Office of Student Access and Completion shall administer, and determine the size of, awards made under this section.

(b) In determining the size of awards made under this section, the [executive] director shall consider basing the size of the awards on a percentage of the maximum Oregon Opportunity Grant amount established under ORS 348.205.

SECTION 36. ORS 348.270 is amended to read:

348.270. (1) In addition to any other scholarships provided by law, the Higher Education Coordinating Commission shall award scholarships to any individual applying for enrollment or enrolled in an institution of higher education who is the natural child, adopted child or stepchild of any public safety officer, reserve officer or volunteer firefighter who, in the line of duty, was killed or so disabled, as determined by the [Executive] Director of the Office of Student Access and Completion, that:

(a) The income of the public safety officer is less than that earned by public safety officers performing duties comparable to those performed at the highest rank or grade attained by the public safety officer; or

(b) The income of the reserve officer or volunteer firefighter working in their primary profession or type of employment is less than that earned by individuals in the same profession or type of employment with similar levels of education and experience.

(2) Except as provided in this subsection, scholarships awarded under this section shall be in an amount equal to the amount of tuition and all fees levied by the institution of higher education against the recipient of the scholarship. Scholarships awarded to students who attend independent institutions may not exceed the amount of tuition and all fees levied by the University of Oregon.

(3) If a student who is the dependent of a deceased public safety officer, reserve officer or volunteer firefighter continues to remain enrolled in a public university listed in ORS 352.002, a community college or an Oregon-based, regionally accredited independent institution, the student is entitled to renewal of the scholarship until the student has received the equivalent of four years of undergraduate education and four years of post-graduate education.

(4) If a student who is the dependent of a public safety officer, reserve officer or volunteer firefighter with a disability continues to remain enrolled in a public university listed in ORS 352.002, a community college or an Oregon-based, regionally accredited independent institution, the student is entitled to renewal of the scholarship until the student has received the equivalent of four years of undergraduate education.

(5) The [Executive] Director of the Office of Student Access and Completion may require proof of a student's relationship to a public safety officer, reserve officer or volunteer firefighter described in subsection (1) of this section.

(6) As used in this section:

(a) "Institution of higher education" means a public university listed in ORS 352.002, the Oregon Health and Science University, a community college operated under ORS chapter 341 or an Oregon-based, regionally accredited independent institution.

(b) "Public safety officer" means:

(A) A firefighter or police officer as those terms are defined in ORS 237.610.

(B) A member of the Oregon State Police.

(C) A police officer commissioned by a university under ORS 352.121 or 353.125.

(D) An authorized tribal police officer as defined in ORS 181A.680.

(c) "Reserve officer" has the meaning given that term in ORS 133.005.

(d) "Volunteer firefighter" has the meaning given that term in ORS 652.050.

SECTION 37. ORS 348.272 is amended to read:

348.272. (1) As used in this section:

(a) "Former foster child" has the meaning given that term in ORS 350.300.

(b) "Institution of higher education" means a public university listed in ORS 352.002, the Oregon Health and Science University, a community college operated under ORS chapter 341 or an Oregon-based, regionally accredited independent institution.

(2) In addition to any other scholarships provided by law, the Higher Education Coordinating Commission shall award scholarships to any individual applying for enrollment or enrolled in an institution of higher education who is a current foster child or former foster child.

(3) Scholarships awarded under this section shall be in an amount to be determined by the commission based on the funds that are made available for the awarding year.

(4) If a student who is a current foster child or former foster child continues to remain enrolled in a public university listed in ORS 352.002, a community college or an Oregon-based, regionally accredited independent institution, the student is entitled to apply for renewal of the scholarship until the student has received the equivalent of four years of undergraduate education.

(5) The [Executive] Director of the Office of Student Access and Completion may require proof that a student is a current foster child or former foster child.

SECTION 38. ORS 348.310 is amended to read:

348.310. (1) The Higher Education Coordinating Commission is authorized to make loans to all qualified applicants, from the fund created in ORS 348.390 (1), to assist in financing the cost of a

program of study leading to the degree of Doctor of Medicine or to the degree of Doctor of Osteopathic Medicine.

(2) The [Executive] Director of the Office of Student Access and Completion shall:

(a) Develop criteria for the preparation of applications and procedures for the submission, evaluation, priority selection and award of loans provided for in ORS 348.310 to 348.390; and

(b) Determine the number and amount of loans and loan renewals.

(3) The Higher Education Coordinating Commission shall adopt such rules as may be necessary to implement ORS 348.310 to 348.390.

SECTION 39. ORS 348.320 is amended to read:

348.320. (1) A person shall be eligible for a loan under ORS 348.310 to 348.390 if the person is:

(a) A bona fide resident of this state or is exempted from paying nonresident tuition under ORS 352.287;

(b) Accepted for enrollment, or is a student in good standing in the professional medical program at an accredited medical school located in the United States or in an accredited school of osteopathic medicine;

(c) As a result of personal financial resources, unable to pursue a program of study in the absence of a loan or would be unable to do so without great hardship; and

(d) Desirous of practicing medicine in a rural community in this state, and in an area which meets the qualifications of a medical shortage area.

(2) The person desiring consideration for a loan under ORS 348.310 to 348.390 shall apply to the [Executive] Director of the Office of Student Access and Completion.

(3) The person desiring consideration for a loan under ORS 348.310 to 348.390 shall agree in writing to practice medicine in a medical shortage area as defined by the Oregon Health Authority, for a period equal to the period covered by the loan, but no less than two years.

SECTION 40. ORS 348.340 is amended to read:

348.340. (1) The [Executive] Director of the Office of Student Access and Completion may establish and administer cost-sharing loan fund programs which provide for assistance, in conjunction with community agencies or organizations, selected and approved by the Higher Education Coordinating Commission in a rural community in the state having a population of fewer than 7,500 persons. Participation in a program established under this subsection shall be on a matching funds basis between the Rural Medical Education Loan Fund and the approved community agency and shall fund the educational costs, fees and charges of a specific, eligible student, who shall be approved by the participating community and the commission.

(2) Funds provided from the Rural Medical Education Loan Fund under subsection (1) of this section shall not exceed 75 percent of the total amount calculated to be necessary to fund one person for one year, in an approved school as determined by the commission.

(3) The eligibility requirements for persons participating in a program established in subsection (1) of this section shall be the same as the requirements for eligibility in the loan program under ORS 348.320.

(4) Upon completion of the program of study and training for licensure, the person receiving funds under this section shall not be required to repay such funds if the person practices medicine in the community providing the matching funds. The person shall practice medicine one year for each year that funds were provided, but in no event shall the person practice less than two years.

SECTION 41. ORS 348.350 is amended to read:

348.350. (1) The [Executive] Director of the Office of Student Access and Completion is authorized to establish and administer a cost-sharing program to train intern and residency physicians as may be arranged by contract with an accredited training hospital within this state. The cost sharing shall be limited to general practice internships and family practice residencies. The commission may pay up to \$18,000 to an institution for each intern or resident position which is reserved for training students who are planning to enter medical practice in rural areas.

(2) Funds for programs established under subsection (1) of this section shall be paid from the Rural Medical Education Loan Fund.

(3) No money appropriated under this section shall be used for any program at the Oregon Health and Science University. The center shall be required to give priority admissions to recipients under ORS 348.310 to 348.390 in its family practice residency programs.

SECTION 42. ORS 348.360 is amended to read:

348.360. Each loan granted under ORS 348.330 and 348.340 is renewable annually. The [Executive] Director of the Office of Student Access and Completion shall renew the loans upon application by the recipient when the [executive] director finds that the applicant has successfully completed the required work for the preceding academic year and is a student in good standing, is a resident of this state and is in a financial condition that warrants the continuation of the aid.

SECTION 43. ORS 348.370 is amended to read:

348.370. (1) A person receiving funds under ORS 348.310 to 348.390 shall not be required to repay the funds if the person practices medicine in a rural community in this state having a population of fewer than 7,500 persons and which meets the qualifications of a medical shortage area.

(2) The fund recipient shall practice medicine in the area designated under subsection (1) of this section at the rate of one year for each year the funds were provided to that recipient, but in no event shall any recipient practice medicine in an area less than two years.

(3) Any person receiving funds under ORS 348.310 to 348.390 who fails to complete the course of study, shall be required to repay the amount received to the Rural Medical Education Loan Fund. Ten percent interest shall be charged on the unpaid balance, accrued from the date the loan was granted.

(4) Any person receiving funds under ORS 348.310 to 348.390 who completes the course of study and requirements for licensure but fails to fulfill the obligations required by the loan, shall repay the amount received to the Rural Medical Education Loan Fund. Ten percent interest shall be charged on the unpaid balance, accrued from the date the loan was granted. Additionally, a penalty fee, equal to 25 percent of the total amount of funds received shall be assessed against the person. No interest shall accrue on the penalty.

(5) Any funds received by the Rural Medical Education Loan Fund under subsections (3) to (6) of this section shall be used by the [Executive] Director of the Office of Student Access and Completion for the purpose of carrying out the provisions of ORS 348.310 to 348.390.

(6) The [executive] director may waive any interest or penalty assessed under subsections (3) to (6) of this section in case of undue hardship.

SECTION 44. ORS 348.390 is amended to read:

348.390. (1) There is established in the State Treasury a fund, separate and distinct from the General Fund, to be known as the Rural Medical Education Loan Fund, which may be invested in the same manner as the Oregon Student Assistance Fund. This fund may receive funds from state and private sources for the purpose of making loans to student residents of this state who are determined to be eligible to receive funds under ORS 348.310 to 348.390. Interest earned by the fund shall be credited to the fund.

(2) All funds for and relating to loans received by the [Executive] Director of the Office of Student Access and Completion, including repayments, interest and penalties, for the Rural Medical Education Loan Fund, except moneys appropriated from the State Treasury for a specified period of time, are continuously appropriated to the Rural Medical Education Loan Fund for the purposes for which the fund was created.

SECTION 45. ORS 348.448 is amended to read:

348.448. (1) To be eligible to participate in the Nursing Faculty Loan Repayment Program, a nurse educator or prospective nurse educator shall submit a letter of interest to the [Executive] Director of the Office of Student Access and Completion.

(2) At the end of each school year in which a nurse practices as a nurse educator in Oregon, the [executive] director shall pay an amount not to exceed the lesser of 20 percent of the total of the nurse's outstanding qualifying loans or \$10,000 as adjusted under subsection (4) of this section.

(3) The [executive] director may make the annual payments under this section for up to:

(a) Three years for a nurse educator who has earned a master's degree; or

(b) Five years for a nurse educator who has earned a doctoral degree.

(4)(a) The [executive] director shall adjust annually the maximum dollar amount allowed under subsection (2) of this section by multiplying that amount by a cost-of-living adjustment as specified in this subsection.

(b) The cost-of-living adjustment applied to the maximum dollar amount allowed under subsection (2) of this section shall be equal to the ratio of the seasonally adjusted United States City Average Consumer Price Index for All Urban Consumers as published by the Bureau of Labor Statistics of the United States Department of Labor for April of that calendar year divided by the value of the same index for April 2009.

(c) If the value of the dollar amount determined under paragraph (a) of this subsection is not a multiple of \$100, the [executive] director shall round the dollar amount to the next lower multiple of \$100.

SECTION 46. ORS 348.511, as amended by section 1, chapter 30, Oregon Laws 2016, is amended to read:

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

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

(3) The [Executive] Director of the Office of Student Access and Completion shall:

(a) Be responsible for the performance of the duties, functions and powers of the Office of Student Access and Completion;

(b) Be paid a salary as provided by law or, if not so provided, as prescribed by the commission; and

(c) Subject to any applicable provisions of ORS chapter 240, appoint all subordinate officers and employees of the office, prescribe their duties and fix their compensation.

SECTION 47. ORS 348.520 is amended to read:

348.520. The [Executive] Director of the Office of Student Access and Completion shall:

(1) Make available to qualified persons financial aid from financial sources available to the [executive] director.

(2) Determine qualifications of persons to receive financial aid.

(3) Maintain reports and records on persons applying for and receiving financial aid from the [executive] director.

(4) Withhold any financial aid if the recipient thereof fails to maintain the standards established for receipt of that aid.

(5) Recommend to the Legislative Assembly not less than once every biennium matters relating to the establishment, administration, modification, transfer, reduction or cancellation of financial aid.

(6) Prior to implementing changes to the Oregon Opportunity Grant program, report to the Higher Education Coordinating Commission and the Legislative Assembly or the Emergency Board any proposed change:

(a) That increases or decreases the total amount awarded as Oregon Opportunity Grants that was approved as part of the budget enacted by the Legislative Assembly for the Higher Education Coordinating Commission; and

(b) To the methodology used to determine the student share, family share or state share under ORS 348.205.

(7) Encourage the establishment of financial aid programs by private agencies.

(8) Collect and disseminate information pertaining to all types of available financial aid.

(9) Review the administrative practices and evaluate the effectiveness of all public and private post-secondary financial aid programs in Oregon.

(10) Disburse state appropriations for financial aid in such a manner as to maximize its role in cooperative coordination of financial aid programs.

SECTION 48. ORS 348.563 is amended to read:

348.563. For the purpose of requesting a state or nationwide criminal records check under ORS 181A.195, the Higher Education Coordinating Commission may require the fingerprints of a person who:

(1)(a) Is employed or applying for employment by the [Executive] Director of the Office of Student Access and Completion; or

(b) Provides services or seeks to provide services to the [executive] director as a contractor or volunteer; and

(2) Is, or will be, working or providing services in a position:

(a) In which the person has direct access to facilities where students reside or to persons under 18 years of age, elderly persons or persons with disabilities;

(b) In which the person is providing information technology services and has control over, or access to, information technology systems that would allow the person to harm the information technology systems or the information contained in the systems;

(c) In which the person has access to information, the disclosure of which is prohibited by state or federal laws, rules or regulations or information that is defined as confidential under state or federal laws, rules or regulations; or

(d) That has payroll functions or in which the person has responsibility for receiving, receipting or depositing money or negotiable instruments, for billing, collections or other financial transactions or for purchasing or selling property or has access to property held in trust or to private property in the temporary custody of the state.

SECTION 49. ORS 348.570 is amended to read:

348.570. (1)(a) There is established in the State Treasury a fund, separate and distinct from the General Fund, to be known as the Oregon Student Assistance Fund. Interest earned by the fund shall be credited to the fund.

(b) The fund shall consist of moneys appropriated to the Higher Education Coordinating Commission for deposit into the fund, collections and penalties received by the [Executive] Director of the Office of Student Access and Completion under ORS 442.545 and any donations or grants received by the commission for a purpose of the fund.

(c) Moneys in the fund are continuously appropriated to the commission for:

(A) Investments as provided by ORS 293.701 to 293.857;

(B) The payment of expenses of the commission in carrying out the purposes of ORS 348.250, 348.285, 348.505 to 348.615, 348.625 to 348.695, 348.696 and 348.992;

(C) The payment of expenses of the Nursing Services Program created in ORS 442.540; and

(D) The purpose of carrying out the provisions of ORS 348.272.

(d) The commission shall use moneys in the fund for those purposes for which the moneys were provided to or received or collected by the commission.

(2) There is established in the State Treasury a fund, separate and distinct from the General Fund, to be known as the ASPIRE Program Fund. Moneys received from donations and grants shall be credited to the ASPIRE Program Fund. Moneys in the fund are continuously appropriated to the commission for the purposes of investment, as provided by ORS 293.701 to 293.857, and for carrying out the provisions of ORS 348.500. Interest earned by the fund shall be credited to the fund.

(3)(a) There is established in the State Treasury the Nursing Faculty Loan Repayment Fund, separate and distinct from the General Fund. Interest earned on the Nursing Faculty Loan Repayment Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the commission for carrying out ORS 348.440 to 348.448. The Nursing Faculty Loan Repayment Fund consists of:

(A) Moneys appropriated to the commission for the Nursing Faculty Loan Repayment Program created in ORS 348.444; and

(B) Grants, gifts or donations received by the commission for the program.

(b) Any unexpended funds in the fund at the end of a biennium shall be retained in the fund and may be expended in subsequent biennia.

SECTION 50. ORS 348.592 is amended to read:

348.592. (1) The [Executive] Director of the Office of Student Access and Completion may obtain loan cancellation insurance for any person holding a loan under this section and ORS 348.505 to 348.530 and 348.570.

(2) The insurance shall insure the life of the student who borrows under this section and ORS 348.505 to 348.530 and 348.570 for the amount of the principal and interest due on the loan and the State of Oregon shall be named as the beneficiary. If the borrower dies before repaying the loan, the insurance shall be used to pay the balance of the loan and the [executive] director shall issue a satisfaction of the obligation.

(3) The Oregon Department of Administrative Services shall procure bids for the purchasing of insurance in compliance with the laws governing the purchase and furnishing of services to state agencies.

SECTION 51. ORS 348.616 is amended to read:

348.616. (1) The Higher Education Coordinating Commission shall develop and adopt rules that provide the minimum criteria that an employer must meet in order for the employer's scholarship program for employees and dependents to be certified as eligible for the employee and dependent scholarship program tax credit provided under ORS 348.621. The commission shall adopt rules to determine:

(a) The types of educational programs, institutions and expenses related to the programs and institutions for which scholarships may be offered to employees and dependents, and scholarship moneys expended on their behalf;

(b) The types of employees and dependents to whom scholarships must be offered;

(c) The minimum and maximum annual dollar amounts of a scholarship that would be a qualified scholarship under ORS 315.237;

(d) The minimum annual number of hours of instruction that a scholarship beneficiary must commit to in order to be eligible for a scholarship; and

(e) Any other requirements as the commission may provide.

(2) An employer must employ at least four full-time equivalent employees but no more than 250 employees in order to be certified as eligible for the employee and dependent scholarship program tax credit under ORS 348.621.

(3) An employer seeking to claim the tax credit provided under ORS 315.237 must apply to the [Executive] Director of the Office of Student Access and Completion for both employee and dependent scholarship program certification under ORS 348.618 and tax credit certification under ORS 348.621.

SECTION 52. ORS 348.618 is amended to read:

348.618. (1) An application for employee and dependent scholarship program certification shall be filed by the employer establishing the program. The application shall be filed with the [Executive] Director of the Office of Student Access and Completion at least three months prior to the close of the first tax year for which a tax credit under ORS 315.237 will be claimed.

(2) The application shall be filed on a form prescribed by the [executive] director and shall contain the information required by the [executive] director, including:

(a) The date on which the proposed employee and dependent scholarship program will first be available to the employer's employees and their dependents;

(b) The total number of employees of the employer;

(c) The total number of employees who will be eligible, or whose dependents will be eligible, to participate in the program;

(d) The criteria to be used by the employer in determining the eligibility of an employee or an employee's dependent for a scholarship under the program; and

(e) The annual limit, if any, on the amount of funds to be used for scholarships under the program.

(3) The [executive] director shall certify an application that describes an employee and dependent scholarship program that is in compliance with the rules adopted by the Higher Education Coordi-

nating Commission under ORS 348.616 (1), if made by an employer that meets the employment requirements of ORS 348.616 (1) and (2).

(4) The [executive] director shall certify or reject an application within 60 days of receipt of the application and shall notify the employer of the [executive] director's determination.

(5) An employer whose application has been rejected by the [executive] director shall be afforded an opportunity to amend the application to address the [executive] director's objections to the original application.

(6) In the case of an employer whose proposed employee and dependent scholarship program has been certified by the [executive] director, the [executive] director shall send a letter of program certification to the employer. The letter of program certification shall set forth or incorporate by reference the statements made in the application being certified.

(7) A letter of program certification issued under this section shall remain valid until the employer changes the terms of eligibility for a scholarship under the program, changes the minimum or maximum amount of a scholarship under the program or ceases to be an employer.

SECTION 53. ORS 348.621 is amended to read:

348.621. (1) An application for tax credit certification shall be filed by an employer that has obtained program certification under ORS 348.618 or that has applied for program certification and is awaiting such certification by the [Executive] Director of the Office of Student Access and Completion.

(2) The application for tax credit certification shall be filed by the employer with the [executive] director. The application shall be filed at the time prescribed by the [executive] director, but no later than October 1 of the calendar year in which begins the tax year for which a credit under ORS 315.237 will be claimed.

(3) The application shall be filed on a form prescribed by the [executive] director and shall contain the information required by the [executive] director, including the amount of scholarship moneys the employer has provided or intends to provide to employees or dependents during the calendar year for which tax credit certification is being sought and the number of employees employed by the employer for the calendar year.

(4) The [executive] director shall consider applications in the chronological order in which the applications are received and shall approve applications to the extent the amount set forth in the application, when added to the total amount already certified by the [executive] director for the calendar year under this section, does not exceed \$1 million.

(5) An employer may not receive tax credit certification:

(a) For an amount that is greater than \$1 million;

(b) If the employer employs fewer than four full-time equivalent employees for the calendar year;

or

(c) If the employer employs more than 250 employees for the calendar year.

(6) The [executive] director shall send written notice of the amount of the tax credit certification, or written notice that no amount is being certified, to the employer and to the Department of Revenue within 60 days of the date an application is filed under this section.

(7) The employer shall keep the written certification in the employer's records for at least five years and shall furnish the certification to the Department of Revenue if requested.

SECTION 54. ORS 348.625 is amended to read:

348.625. As used in ORS 348.570 and 348.625 to 348.695:

(1) "Alternative student loan program" means a program established by the Higher Education Coordinating Commission to fund loans to eligible students, or to qualifying parents of eligible students, to help meet expenses of eligible students of attending post-secondary educational institutions; provided, however, that alternative student loan program loans may be made only to students who have applied for student financial aid under Title IV, Part B of the Higher Education Act of 1965, as amended, and have received information on their eligibility for programs under that Act, or the parents of students who have made such application and received such information.

(2) "Eligible student" means a student enrolled in an eligible post-secondary educational institution located in Oregon or a student who is an Oregon resident and who is enrolled in an eligible post-secondary educational institution located outside of Oregon. The [Executive] Director of the Office of Student Access and Completion shall determine, among other things, what constitutes enrollment and which post-secondary educational institutions are eligible institutions under the alternative student loan program.

(3) "Lender" means an insured institution as defined in ORS 706.008 that is authorized to do business in Oregon and that has entered into an agreement with the Higher Education Coordinating Commission to originate, service and administer alternative student loans in the manner authorized by ORS 348.570 and 348.625 to 348.695.

SECTION 55. ORS 348.630 is amended to read:

348.630. (1) Loans may be made under the alternative student loan program to an eligible student or to a parent of an eligible student.

(2) Loans made under the alternative student loan program shall not exceed the eligible costs of education as determined by the [Executive] Director of the Office of Student Access and Completion, minus other financial aid received, or \$10,000, whichever is less, for any eligible student during a single calendar year. Total loans made for any eligible student under the alternative student loan program shall not exceed \$40,000.

(3) Under the alternative student loan program, borrowers shall undergo a credit check by the lender or by the [executive] director and shall be creditworthy or provide a creditworthy cosigner.

SECTION 56. ORS 348.635 is amended to read:

348.635. In consultation with private sector lenders, the [Executive] Director of the Office of Student Access and Completion shall establish the terms and conditions, including but not limited to maturities and repayment provisions, of student loans for which the [executive] director shall provide funding. The [executive] director may also set standards of academic achievement which borrowers must maintain to receive loans.

SECTION 57. ORS 348.640 is amended to read:

348.640. (1) The [Executive] Director of the Office of Student Access and Completion shall provide funding to lenders pursuant to contracts which shall provide, among other things, the terms and conditions under which private sector lenders, using funding made available by the [executive] director, shall originate, service and administer loans pursuant to the alternative student loan program. Lenders shall receive and process loan applications from borrowers, perform credit analysis, approve or deny loan requests, and for loans that are approved, originate, document, administer and service the loans. The [executive] director shall make provision for payment to lenders of the reasonable costs of origination, servicing and administration of loans. Payment may be made directly by borrowers or by the [executive] director, as the [executive] director may determine.

(2) Loans shall be structured in such a manner that anticipated payments of principal and interest shall permit timely repayment of the revenue bonds to be issued by the State of Oregon pursuant to ORS 348.570 and 348.625 to 348.695. As a condition of participation in the alternative student loan program by private sector lenders, the [executive] director shall procure from each such lender a guarantee or letter of credit ensuring that the [executive] director shall receive full and timely repayment of principal of and interest due on loans originated, serviced and administered by the lender. The [executive] director shall provide by contract for payment by the [executive] director or by borrowers, as the [executive] director may determine, of the reasonable costs of such guarantees or letters of credit. It is the intention of ORS 348.570 and 348.625 to 348.695 that participating private sector lenders, not the [executive] director, shall bear the entire risk of loss, nontimely repayment or nonpayment of alternative student loan program loans.

SECTION 58. ORS 348.670 is amended to read:

348.670. The administrative expenses of the State Treasurer and the [Executive] Director of the Office of Student Access and Completion shall be charged against bond proceeds or repayment revenues.

SECTION 59. ORS 350.645 is amended to read:

350.645. Payments to private and independent institutions of higher education under contracts entered into under ORS 350.640 shall be determined by the [Executive] Director of the Office of Student Access and Completion on a uniform rate for every 45 quarter hours, or equivalent, of approved and registered course work in nonsectarian subjects completed by undergraduate students enrolled in the institutions who are residents of Oregon, and shall not exceed the actual cost to the institution of providing such educational services. This uniform rate shall apply to the estimated 45-hour units for each institution upon which the legislative appropriation is based for that year, or the actual 45-hour units for each institution, whichever is the lesser. Any remaining funds shall be distributed among those institutions whose actual 45-hour units exceed the estimate. The distribution to each institution shall be according to the uniform rate established for the 45-hour units or an amount equal to the ratio that the excess units bear to 45. However, if insufficient funds are available for such a distribution, then the distribution shall be according to the ratio that the total number of 45-hour units in excess of the estimate bears to the total amount of funds remaining undistributed, multiplied by the number of excess 45-hour units, if any, at each institution.

SECTION 60. ORS 411.894 is amended to read:

411.894. (1) The Oregon JOBS Individual Education Account is established to improve the position of JOBS Plus participants in the workforce by increasing their access to continuing education. Employer contributions to the account under this section shall be used to pay for education expenses for the individual as provided in subsection (2) of this section.

(2)(a) After the participant has participated in the JOBS Plus Program for 30 days, the employer shall pay, in addition to the participant wage, one dollar for each participant hour worked into the participant's individual education account. Contributions to such an account shall be tax deferred or tax-exempt to the extent permitted by federal and state law.

(b) Any participant for whom an Oregon JOBS Individual Education Account contribution is made shall be eligible for access to education benefits from that participant's individual education account for up to five years after the participant has left the JOBS Plus Program and has held a full-time, unsubsidized job for at least 30 days.

(c) When any participant has qualified for use of that participant's individual education account, an amount equal to that participant's individual education account balance shall be transferred to the [Executive] Director of the Office of Student Access and Completion for that participant's use. Only one individual education account shall be created for any participant. Each account shall be administered by the [executive] director and shall be used for continuing education and training for the participant and the participant's immediate family.

(3)(a) The [executive] director may use any interest earned by an individual education account transferred to the [executive] director under this section for payment of expenses incurred by the [executive] director in carrying out the [executive] director's duties under this section.

(b) The Department of Human Services shall transfer any interest earned by the Oregon JOBS Individual Education Account to the General Fund for general governmental purposes. The department shall transfer the interest no later than the close of each fiscal year in which the interest is earned.

(4) Any unexpended or unobligated moneys remaining in an individual education account five years after the participant has left the JOBS Plus Program are appropriated and transferred to the Higher Education Coordinating Commission for the Oregon Opportunity Grant program on that date.

SECTION 61. (1) **The amendments to ORS 348.511 by section 46 of this 2017 Act are intended to change the name of the "Executive Director of the Office of Student Access and Completion" to the "Director of the Office of Student Access and Completion."**

(2) **For the purpose of harmonizing and clarifying statutory law, the Legislative Counsel may substitute for words designating the "Executive Director of the Office of Student Access and Completion," wherever they occur in statutory law, other words designating the "Director of the Office of Student Access and Completion."**

UNIT CAPTIONS

SECTION 62. The unit captions used in this 2017 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2017 Act.

EMERGENCY CLAUSE

SECTION 63. This 2017 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect on its passage.

Passed by House March 21, 2017

.....
Timothy G. Sekerak, Chief Clerk of House

.....
Tina Kotek, Speaker of House

Passed by Senate May 9, 2017

.....
Peter Courtney, President of Senate

Received by Governor:

.....M,....., 2017

Approved:

.....M,....., 2017

.....
Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2017

.....
Dennis Richardson, Secretary of State