

HB 2976 -1 STAFF MEASURE SUMMARY

House Committee On Education

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Meeting Dates: 3/20

WHAT THE MEASURE DOES:

Requires the Higher Education Coordinating Commission (HECC) adopt by rule standards for licensing of career schools that receive \$10 million or more in annual revenue or subsidiary to parent company. Requires standards ensure that schools with at least 20 percent of annual revenue received by each career school comes from a source other than federal government, state government, or loan guaranteed by career school, or at least 20 percent of students enrolled in school pay tuition without moneys from federal government, state government, or loans. Requires at least half tuition dollars spent on direct instruction with students. Specifies use of tuition dollars. Prevents school from using money to engage in advertising or recruitment.

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

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

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Requires the Higher Education Coordinating Commission (HECC) adopt by rule standards for licensing career schools (schools) that have campuses physically located in Oregon. Requires standards ensure that schools have at least 20 percent of annual revenue received by each campus of a school come from a source other than federal government, state government, or a loan guaranteed by school; or at least 20 percent of students enrolled in campus pay tuition without loan guaranteed by school or moneys from state or federal government. Adopts penalty for any person who violates provision with \$5,000 fine.

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

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

BACKGROUND:

The Private Career Schools Licensing Unit is housed in the Office of Private Postsecondary at the Higher Education Coordinating Commission (HECC). The office regulates over 208 private career schools in Oregon, and works on licensing requirements including business standards and instructional requirements. When evaluating an institution, ORS 345.325 allows the Office of Private Career Schools under HECC to evaluate the following components of a school applying for licensure: (1) quality and content of each course, (2) facilities and equipment, (3) qualifications of administration, (4) catalog and brochure of school, (5) education credentials, (6) adequate records, and (7) other items specified in rule.