

## HB 2976 A STAFF MEASURE SUMMARY

### House Committee On Education

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**Action Date:** 04/08/19

**Action:** Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

**Vote:** 9-0-0-0

**Yeas:** 9 - Alonso Leon, Doherty, Helt, Hernandez, Neron, Reardon, Reschke, Sollman, Wallan

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

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**Meeting Dates:** 3/20, 4/8

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#### WHAT THE MEASURE DOES:

Requires Higher Education Coordinating Commission and Department of Veterans' Affairs to adopt by rule minimum standards for licensing career schools and authorizing school programs. Requires standard ensure that career schools and authorized schools collecting \$1 million or more in annual gross tuition revenue have at least 20 percent of annual revenue received by each campus physically located in Oregon come from a source other than loan guaranteed by school, or education-related moneys from the federal government. Requires standard ensure that career schools and authorized schools collecting less than \$1 million in annual gross tuition revenue have at least 10 percent of annual revenue received come from a source other than loan guaranteed by career school, or education-related moneys from the federal government. Prescribes civil penalty for any school violating this policy in the amount of \$5,000.

#### ISSUES DISCUSSED:

- Efforts to protect veterans interested in higher education
- Interest in amending measure to not provide too many restriction

#### EFFECT OF AMENDMENT:

Replaces the measure.

#### BACKGROUND:

The Private Career Schools Licensing Unit and Office of Degree Authorization are housed in the Office of Academic Policy and Authorization at the Higher Education Coordinating Commission (HECC). The Private Career Schools Unit 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 HECC to evaluate the following components of a career 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. ORS 348.603 allows the HECC to evaluate private degree granting and non-degree granting institutions offering programs, and validate claims of degree possession. HECC establishes rules to clarify program approval requirements.

House Bill 2976 A requires standards for career schools and authorized school programs ensure that schools collecting \$1 million or more in annual gross tuition revenue have at least 20 percent of annual revenue received by each campus physically located in Oregon come from a source other than a loan guaranteed by school, or moneys from the federal government. It requires that career schools and authorized schools collecting less than \$1 million in annual gross tuition revenue have at least 10 percent of annual revenue received come from a source other than loan guaranteed by career school, or moneys from the federal government. It prescribes a civil penalty for \$5,000 for any school violating this policy.