HB 2976-3 (LC 4023) 4/4/19 (DRG/ps)

Requested by Representative SMITH WARNER

PROPOSED AMENDMENTS TO HOUSE BILL 2976

- On page 1 of the printed bill, line 3, after "345.340" delete the rest of the line and insert ", 345.992 and 348.992.".
- 3 Delete lines 7 through 30.

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- 4 On page 2, delete line 1 and insert:
- "SECTION 2. The Higher Education Coordinating Commission and the Department of Veterans' Affairs shall adopt by rule minimum standards for the licensing under ORS 345.010 to 345.450 of a career school. The standards adopted under this section apply in addition to the requirements of ORS 345.325 and shall be reasonably calculated to ensure that:
 - "(1) For a career school that collects \$1 million or more in annual gross tuition revenue, at least 20 percent of the annual revenue received by each campus of a career school physically located in this state comes from a source other than:
 - "(a) A loan that is guaranteed by the career school; or
- "(b) Education-related moneys from the federal government, including any federal tuition assistance or veterans' federal tuition assistance; and
- "(2) For a career school that collects less than \$1 million in annual gross tuition revenue, at least 10 percent of the annual revenue received by each campus of a career school physically located in this

- state comes from a source other than:
- "(a) A loan that is guaranteed by the career school; or
- "(b) Education-related moneys from the federal government, including any federal tuition assistance or veterans' federal tuition assistance.
- **"SECTION 3.** ORS 345.992 is amended to read:
- "345.992. (1) In addition to any other penalty provided by law, any person who violates any provision of ORS 345.020, 345.030, 345.070, 345.115 or 345.117, or who engages in an unlawful trade practice as defined by ORS 646.608 shall incur a civil penalty for each violation in the amount prescribed by the schedule adopted under ORS 345.995.
- "(2) Any school that violates any provision of section 2 of this 2019
 Act shall incur a civil penalty for each violation in the amount of
 \$5,000.
- "[(2)] (3) Civil penalties under this section shall be imposed as provided in ORS 183.745.".
- On page 4, after line 44, insert:

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- 18 "SECTION 9. Section 10 of this 2019 Act is added to and made a part of ORS 348.594 to 348.615.
 - "SECTION 10. The Higher Education Coordinating Commission and the Department of Veterans' Affairs shall adopt by rule minimum standards for the authorization of school programs under ORS 348.594 to 348.615. The standards adopted under this section apply in addition to the standards and procedures adopted under ORS 348.606 and shall be reasonably calculated to ensure that:
- "(1) For a school that collects \$1 million or more in annual gross tuition revenue, at least 20 percent of the annual revenue received by each campus of a school physically located in this state comes from a source other than:
 - "(a) A loan that is guaranteed by the school; or

- "(b) Education-related moneys from the federal government, including any federal tuition assistance or veterans' federal tuition assistance; and
 - "(2) For a school that collects less than \$1 million in annual gross tuition revenue, at least 10 percent of the annual revenue received by each campus of a school physically located in this state comes from a source other than:
- 8 "(a) A loan that is guaranteed by the school; or

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- "(b) Education-related moneys from the federal government, including any federal tuition assistance or veterans' federal tuition assistance.
- "SECTION 11. Any person who violates any provision of section 10 of this 2019 Act:
- "(1) Shall incur a civil penalty for each violation in the amount of \$5,000; and
 - "(2) Is not subject to criminal penalties under ORS 348.992.
- **"SECTION 12.** ORS 348.992 is amended to read:
- "348.992. Except as provided in section 11 of this 2019 Act, violation of any of the provisions of ORS 348.594 to 348.615 by any person individually or on behalf of an organization or group is a Class B misdemeanor.".

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