

Enrolled House Bill 3564

Sponsored by COMMITTEE ON HIGHER EDUCATION (at the request of Higher Education Coordinating Commission)

CHAPTER

AN ACT

Relating to higher education; creating new provisions; amending ORS 285A.516, 285A.519, 348.500, 348.594, 348.597, 348.601, 348.603, 348.604, 348.605, 348.608, 350.050, 350.075, 350.300, 476.696 and 659A.318; and declaring an emergency.

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

SECTION 1. ORS 350.050 is amended to read:

350.050. (1) There is established a Higher Education Coordinating Commission, consisting of 15 voting members appointed by the Governor.

(2) The Governor shall appoint:

- (a) One undergraduate student at a public university listed in ORS 352.002;
- (b) One graduate student at a public university listed in ORS 352.002;
- (c) One faculty member at a public university listed in ORS 352.002;
- (d) One student at a community college in this state;
- (e) One faculty member at a community college in this state;
- (f) One nonfaculty member of the staff from either a public university listed in ORS 352.002 or a community college;

- (g) One member from each of the [five] **six** congressional districts in this state; and
- (h) [Four] **Three** members of the general public.

(3) The Governor shall elicit recommendations for appointments made under subsection (2)(a) to (f) of this section from official student, faculty and nonfaculty staff organizations at community colleges and public universities listed in ORS 352.002.

(4) The term of office of each member appointed under subsection (2)(g) and (h) of this section is four years and the term of office for each member appointed under subsection (2)(a) to (f) of this section is two years. A member serves at the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall appoint a successor whose term begins on July 1 next following. A member is eligible for reappointment. If there is a vacancy for any cause, the Governor shall make an appointment to become immediately effective for the unexpired term.

(5) The Governor may at any time, for cause, remove any member of the board that the Governor has appointed, after notice and public hearing, but not more than three members shall be removed within a period of four years, unless it is for corrupt conduct in office.

(6) The appointment of members of the commission is subject to confirmation by the Senate in the manner prescribed in ORS 171.562 and 171.565.

(7) A member of the commission is entitled to compensation and expenses as provided in ORS 292.495.

SECTION 2. The amendments to ORS 350.050 by section 1 of this 2023 Act:

(1) Apply to appointments of members representing congressional districts in this state and the general public that are made on or after the effective date of this 2023 Act; and

(2) Do not require the removal of a member of the general public appointed under ORS 350.050 (2)(h) before the member's term of office is complete.

SECTION 3. ORS 285A.516 is amended to read:

285A.516. The [*Office of Community Colleges and Workforce Development*] **Higher Education Coordinating Commission** is the state agency that shall be notified when an employer is required to provide written notice of a plant closing or mass layoff under section 3 of the Worker Adjustment and Retraining Notification Act (P.L. 100-379).

SECTION 4. ORS 285A.519 is amended to read:

285A.519. (1) The [*Office of Community Colleges and Workforce Development*] **Higher Education Coordinating Commission** shall notify employers subject to the Worker Adjustment and Retraining Notification Act (P.L. 100-379) that the [*Office of Community Colleges and Workforce Development*] **commission** is the state agency that must be notified when the employers are required to provide notice of a plant closing or mass layoff under the Worker Adjustment and Retraining Notification Act (P.L. 100-379).

(2) When notifying employers as provided in subsection (1) of this section, the [*office*] **commission** shall provide employers with a statement of the programs, projects, expenditures and other forms of assistance the [*office*] **commission** and other state agencies can provide to communities, employers and workers affected by a plant closing or mass layoff.

SECTION 5. ORS 476.696 is amended to read:

476.696. (1) As used in this section[,]:

(a) "Eligible organization" includes Oregon-based nonprofit youth development organizations, **tribes** and public entities that provide programs of job training, skill development and forest-related or rangeland-related career path training.

(b) "**Tribe**" means a **federally recognized Indian tribe in Oregon**.

(2) The Oregon Conservation Corps Advisory Committee is established within the Higher Education Coordinating Commission for the purpose of managing the Oregon Conservation Corps Program.

(3) The Governor shall determine the number of members on the committee and appoint the members.

(4) The committee shall, in collaboration with a qualified nonprofit foundation, actively seek and source private donations to support the Oregon Conservation Corps Program.

(5) The committee may direct the expenditure of moneys from the Oregon Conservation Corps Fund for a promotional website and materials to solicit private funds.

(6) Members may not receive compensation for service on the committee, but, subject to any applicable laws regulating travel and other expenses of state officers and employees, may be reimbursed for actual and necessary travel and other expenses incurred in the performance of committee duties with moneys available to the commission for the purpose of reimbursing the members.

(7) The committee shall administer a grant process that:

(a) Provides funding to support the work conducted by the Oregon Conservation Corps Program.

(b) Defines and uses an equity lens in awarding grants by identifying and supporting populations with greater vulnerability including communities of color, indigenous communities, communities with members who have limited proficiency in English and communities with lower-income members.

(c) Awards grants to eligible organizations.

(d) Ensures that grant awards support activities described in ORS 476.694 (1) and subsection (8) of this section.

(e) Establishes guidelines for prioritizing grant-supported projects to reduce community fire risks, promote youth and young adult workforce development and educational experiences and reduce hazardous fuels.

(8) The committee shall consult with the State Forestry Department to ensure that the grant process awards funds to proposals that:

(a) Protect at-risk communities and infrastructure within the wildland-urban interface, as described in ORS 477.503.

(b) Meet standards for fuel treatment established by the department.

(9) The committee shall biennially submit a report, on the timeline described in ORS 293.640, to an appropriate committee or interim committee of the Legislative Assembly, as described in ORS 192.245, and to the State Wildfire Programs Director and Wildfire Programs Advisory Council, regarding the expenditure of moneys deposited in the Oregon Conservation Corps Fund.

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 **and career pathway** options beyond high school to students in Oregon 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 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[.]; **and**

(d) Encourage the completion of a college or career pathway.

(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. 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.

(5)(a) The programs shall work directly with community-based organizations and other entities with experience serving historically underserved communities in order to provide these communities with information and resources designed to encourage college and career readiness and to increase the participation of students from these communities in college and career training.

(b) The programs may provide grants or other support to organizations and entities described in paragraph (a) of this subsection for the purpose of delivering culturally competent, multilingual programming and training opportunities.

SECTION 7. ORS 348.594 is amended to read:

348.594. As used in ORS 348.594 to 348.615:

(1)(a) "Diploma mill" means:

(A) A school against which a court or public body, as defined in ORS 174.109, has issued a ruling or finding, after due process procedures, that the school has engaged in dishonest, fraudulent or

deceptive practices related to the award of degrees, academic standards or student learning requirements; [or]

(B) An entity without legal authority as a school to issue degrees valid as credentials in the jurisdiction that authorizes issuance of degrees[.]; **or**

(C) A school or entity that:

(i) Offers fee-based degrees, diplomas or certificates that may be used to represent to the general public that the individual possessing the degree, diploma or certificate has completed a program of post-secondary education or training;

(ii) Requires an individual to complete little or no education or coursework to obtain the degree, diploma or certificate; and

(iii) Has not been accredited by a post-secondary accrediting agency.

(b) "Diploma mill" does not include:

(A) A school operating legally under ORS 348.604; or

(B) A school that is actively seeking and able to show evidence of reasonable progress toward [regional] **institutional** accreditation with [one of the regional] a post-secondary accrediting **agency** [bodies recognized by the United States Department of Education].

(2) "Post-secondary accrediting agency" means a legal entity, or part of a legal entity, that:

(a) Conducts accrediting activities through voluntary peer review;

(b) Makes decisions concerning the accreditation or pre-accreditation status of institutions and programs; and

(c) Is recognized by the United States Department of Education as an entity that conducts the activities and makes the decisions described in this subsection.

[2)(a)] **(3)(a)** "School" means a person, organization, school or institution of learning that confers or offers to confer an academic degree upon a person or to provide academic credit applicable to a degree.

(b) "School" does not include:

(A) An Oregon community college;

(B) A public university listed in ORS 352.002; or

(C) The Oregon Health and Science University.

SECTION 8. ORS 348.597 is amended to read:

348.597. (1) Except as provided in subsection (2) of this section, ORS 348.594 to 348.615 apply to all schools that operate in this state.

(2) ORS 348.594 to 348.615 do not apply to:

(a) A school, or a separately accredited campus of a school, if the school:

(A) Is a nonprofit school that is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code;

(B) **Prior to July 14, 2005**, conferred degrees in this state under the same control for at least 10 consecutive years; and

(C) Has received institutional accreditation from a post-secondary accrediting agency as defined in ORS 348.594 [Is accredited by a regional accrediting association or its national successor];

(b) A school that, on July 14, 2005, was a school that met the criteria and followed procedures to obtain [a religious] **an** exemption adopted by rule by the Oregon Student Access Commission [and that offered only degrees with approved titles in theology or religious occupations]; or

(c) A school that **received a religious exemption** [is exempt from ORS 348.594 to 348.615] under ORS 348.604.

(3) The Higher Education Coordinating Commission shall issue a separate license to issue degrees to each school that meets the requirements for exemption from evaluation by the commission set forth in subsection (2)(a) of this section. The license shall remain in effect if the school continues to meet the requirements of subsection (2)(a) of this section.

SECTION 9. ORS 348.601 is amended to read:

348.601. The Degree Authorization Account is established separate and distinct from the General Fund. All moneys received by the Higher Education Coordinating Commission under ORS 348.603, 348.606 and 348.609 shall be deposited into the account and are continuously appropriated to the [*Higher Education Coordinating*] commission to carry out the duties, functions and powers of the commission under ORS 348.594 to 348.615.

SECTION 10. ORS 348.603 is amended to read:

348.603. (1) The Higher Education Coordinating Commission shall:

- (a) Authorize approved schools to offer academic degree programs;
- (b) Authorize approved degree-granting schools to offer nondegree programs leading to a certificate or diploma;
- (c) Validate claims of degree possession;
- (d) Terminate substandard or fraudulent degree activities;
- (e) Terminate activities, **including the enrollment of Oregon students**, of diploma mills operating in or from Oregon;

(f) Except as provided in subsection (3) of this section, terminate the operation in or from Oregon of post-secondary accrediting [*bodies*] **organizations that do not qualify as post-secondary accrediting agencies** [*are not recognized by the United States Department of Education or by the commission*]; and

(g) Review proposed new publicly funded post-secondary programs and locations.

(2) The commission, by rule, may impose a fee on any school or person requesting information from the commission. The amount of the fee shall be established to recover designated expenses incurred by the commission in carrying out the administration of ORS 348.594 to 348.615. Any fees collected under this subsection shall be deposited in the Degree Authorization Account established under ORS 348.601.

(3) Subsection (1)(f) of this section does not apply to [*a body*] **an organization** the role of which is to accredit schools that offer only associate, bachelor's or master's degrees [*with titles*] **leading to occupations** in theology or religious occupations or, if the schools also offer doctoral degrees, offer doctoral degrees only in theology or religious occupations that have been approved by a [*federally recognized accrediting organization*] **post-secondary accrediting agency**.

SECTION 11. ORS 348.604 is amended to read:

348.604. Upon application from a school, as defined in ORS 348.594, the Higher Education Coordinating Commission shall grant an exemption from ORS 348.594 to 348.615 to the school if the school:

- (1) Is, or is operated by, a nonprofit corporation;
- (2) Offers only associate, bachelor's or master's degrees [*with titles*] **leading to occupations** in theology or religious occupations, or, if the school also offers doctoral degrees, offers doctoral degrees in theology or religious occupations that have been approved by a [*federally recognized accrediting organization*] **post-secondary accrediting agency as defined in ORS 348.594**;
- (3) Teaches students with faculty members who:
 - (a) Hold degrees:
 - (A) From a school that, at the time of the conferral of the degrees, was accredited by a **post-secondary accrediting agency as defined in ORS 348.594** [*federally recognized accrediting organization*], held an exemption under this section, or was a school that, on July 14, 2005, met the criteria and followed procedures to obtain a religious exemption adopted by rule by the Oregon Student Access Commission and that offered only degrees [*with approved titles*] **leading to occupations** in theology or religious occupations;
 - (B) That are at least one level above the degree level of the program in which the faculty members teach or that are the terminal degrees in the field in which the faculty members teach; and
 - (C) That are not honorary degrees; or
 - (b) Possess sufficient compensatory qualifications to substitute for academic degrees in the fields in which the faculty members teach;
- (4) Offers a curriculum;

- (a) Of a duration and level that is comparable to the curriculums offered by schools that are not exempt under this section; and
- (b) That, with higher degrees, increases the difficulty of the work expected of students;
- (5) Requires students to complete academic assignments and to demonstrate learning appropriate to the curriculum;
- (6) Awards credit toward degrees proportionate to the work done by students;
- (7) Offers admission:
 - (a) To a student:
 - (A) With a high school diploma or an equivalent credential; or
 - (B) Who completed the equivalent of a high school education through home study; and
 - (b) Based on evidence that the student can reasonably expect to complete a degree and benefit from the education offered;
- (8) Provides or arranges for faculty members and students to have access to information that supports instruction and stimulates research or independent study in all areas of the curriculum;
- (9) Provides accurate and appropriate credit transcripts to students of the school and accurate and appropriate diplomas to graduates of the school;
- (10) Charges tuition by the credit hour or other fixed rate for instruction during an academic term and does not charge tuition or fees for the award of a degree or charge a single fee for an entire degree program;
- (11) Provides the oversight required by the Higher Education Coordinating Commission over a faculty member or administrator who has:
 - (a) Been convicted of a felony; or
 - (b) Violated a state or federal law related to the operation of a school;
- (12) Provides facilities that permit private communication between faculty members and students;
- (13) Provides a number of faculty members that is adequate for the number of students enrolled;
- (14) Provides clear and accurate information to students about the school's expectations of students in the school's courses;
- (15) Ensures that a student who is pursuing a degree is making continuous progress toward the degree;
- (16) Before a student enrolls in the school, informs the student that a school to which the student might transfer retains the discretion whether to accept the transfer of credits earned at the school;
- (17) Provides official transcripts of faculty members to the **Higher Education Coordinating Commission**; and
- (18) Pays the fee imposed by ORS 348.607.

SECTION 12. ORS 348.605 is amended to read:

348.605. (1) A school that obtains an exemption under ORS 348.604 or that, on July 14, 2005, met the criteria and followed procedures to obtain a religious exemption adopted by rule by the Oregon Student Access Commission and that offered only degrees *[with approved titles]* **leading to occupations** in theology or religious occupations may not:

- (a) Award more than 25 percent of the credit toward a degree for noninstructional activities, such as challenge examinations and professional or life experiences;
- (b) Represent that the school is:
 - (A) Approved by the State of Oregon; or
 - (B) Accredited by an organization unless the organization **qualifies as a post-secondary accrediting agency as defined in ORS 348.594** *[is recognized as an accreditor by the United States Department of Education]*; or
- (c) Pay a faculty member a commission or otherwise base a faculty member's compensation on the faculty member's recruitment of students to the school.

(2) A school that obtains an exemption under ORS 348.604 or that, on July 14, 2005, met the criteria and followed procedures to obtain a religious exemption adopted by rule by the Oregon

Student Access Commission and that offered only degrees [*with approved titles*] **leading to occupations** in theology or religious occupations shall:

(a) Preserve official transcripts for all faculty members and students;
(b) Notify the Higher Education Coordinating Commission if a faculty member or administrator at the school has:

(A) Been convicted of a felony; or

(B) Violated a state or federal law related to the operation of a school;

(c) Place in any course catalog that is available to students or to the public a notice that states: “(Name of school) has been granted exempt status by the State of Oregon to offer theological and/or religious occupations degrees.”;

(d) If the school closes, return to students tuition payments for the current term on a prorated basis;

(e) If the school provides placement services to a student, describe the placement services clearly and accurately to the student and avoid giving unrealistic expectations of placement to the student; and

(f) If an administrator claims to possess an academic degree:

(A) Ensure that the administrator possesses the academic degree that the administrator claims to possess; and

(B) Require that the degree is from a school that, at the time of the conferral of the degree, was accredited by a [*federally recognized accrediting organization*] **post-secondary accrediting agency as defined in ORS 348.594**, held an exemption under this section, or was a school that, on July 14, 2005, met the criteria and followed procedures to obtain a religious exemption adopted by rule by the Oregon Student Access Commission and offered only degrees [*with approved titles*] **leading to occupations** in theology or religious occupations.

SECTION 13. ORS 348.608 is amended to read:

348.608. (1) Each year, on a date prescribed by the Higher Education Coordinating Commission, a school that obtains an exemption under ORS 348.604 or a school that, on July 14, 2005, met the criteria and followed procedures to obtain a religious exemption adopted by rule by the Oregon Student Access Commission and that offered only degrees [*with approved titles*] **leading to occupations** in theology or religious occupations, shall submit to the Higher Education Coordinating Commission a statement that reads: “(Name of School) hereby certifies that the school remains in compliance with all conditions for a religious exemption from ORS 348.594 to 348.615.”

(2) A school that obtains an exemption under ORS 348.604 or a school that, on July 14, 2005, met the criteria and followed procedures to obtain a religious exemption adopted by rule by the Oregon Student Access Commission and that offered only degrees [*with approved titles*] **leading to occupations** in theology or religious occupations remains exempt unless the Higher Education Coordinating Commission suspends or revokes the exemption.

(3) The Higher Education Coordinating Commission may suspend or revoke an exemption if:

(a) After the notice and opportunity to cure provided in subsection (4) of this section, a school fails to provide the statement required by subsection (1) of this section;

(b) The commission has received a complaint from a student or former student of the school that the school is failing to comply with a condition for exemption under ORS 348.604, the commission determines that the complaint is valid, the school has been provided with notice and opportunity to cure as required by subsection (4) of this section and the school fails to comply with the condition listed in the notice; or

(c) After the notice and opportunity to cure provided in subsection (4) of this section, a school is in violation of ORS 348.605.

(4) The Higher Education Coordinating Commission shall provide notice of and 90 days to cure a school’s:

(a) Failure to provide the statement required by subsection (1) of this section;

(b) Failure to maintain compliance with a condition for exemption under ORS 348.604 if the commission has received a complaint from a student or former student of the school that the school

is failing to comply with a condition for exemption under ORS 348.604 and the commission has determined the complaint is valid; or

(c) Violation of ORS 348.605.

(5) A school may appeal the denial, suspension or revocation of an exemption to the Higher Education Coordinating Commission.

(6) A school may appeal the Higher Education Coordinating Commission's decision that a faculty member does not possess sufficient compensatory qualifications to substitute for an academic degree in the field in which the faculty member teaches.

(7) The Higher Education Coordinating Commission shall conduct an appeal under this section as a contested case under ORS chapter 183.

(8)(a) If a school appeals the denial, suspension or revocation of an exemption and the Higher Education Coordinating Commission upholds the denial, suspension or revocation, the commission shall provide the school 90 days to cure the grounds for the denial, suspension or revocation. If the school does not cure the grounds for the denial, suspension or revocation within 90 days after the commission upholds the denial, suspension or revocation, then the denial, suspension or revocation becomes effective 90 days after the issuance of the decision on the appeal by the commission.

(b) If a school does not appeal the denial, suspension or revocation of an exemption to the commission and the school does not cure the grounds for the denial, suspension or revocation within the period of time to appeal the decision to the commission, then the denial, suspension or revocation becomes effective upon the expiration of the period of time to appeal.

SECTION 14. ORS 659A.318 is amended to read:

659A.318. (1) If an employer requires an applicant or employee to have an academic degree from a post-secondary institution to qualify for a position, but does not require a degree with a specific title, it is an unlawful employment practice for the employer to refuse to hire or promote or in any manner discriminate or retaliate against the applicant or employee only because the applicant or employee meets the educational requirements for the position by having a degree [*with a title*] **leading to occupations** in theology or religious occupations from a school that, when the degree was issued, was a school:

(a) That, on July 14, 2005, met the criteria and followed procedures to obtain a religious exemption adopted by rule by the Oregon Student Access Commission and that offered only degrees [*with approved titles*] **leading to occupations** in theology or religious occupations; or

(b) Exempt from ORS 348.594 to 348.615 under ORS 348.604.

(2) If an employer other than a public body, as defined in ORS 192.311, offers employees benefits of tuition reimbursement, educational debt reduction, educational incentive or educational contribution or gift match for educational services provided by a post-secondary institution and the employer does not restrict the program to specific institutions or degrees with specific titles, it is an unlawful employment practice for the employer to refuse to offer the benefit to or in any manner discriminate or retaliate against an employee because the employee attends or seeks to attend a school that is:

(a) A school that, on July 14, 2005, met the criteria and followed procedures to obtain a religious exemption adopted by rule by the Oregon Student Access Commission and that offered only degrees [*with approved titles*] **leading to occupations** in theology or religious occupations; or

(b) Exempt from ORS 348.594 to 348.615 under ORS 348.604.

SECTION 15. ORS 350.300, as amended by section 2, chapter 42, Oregon Laws 2022, is amended to read:

350.300. (1) Notwithstanding ORS 341.290, 352.105 or 353.050, a student who is a current foster child or former foster child or a current homeless youth or former homeless youth, under 25 years of age and enrolled in courses totaling one or more credit hours at an institution of higher education as an undergraduate student shall have the amount of tuition and all fees levied against the student waived if attending an institution of higher education for purposes of pursuing an initial undergraduate degree.

(2) A student is entitled to waiver of tuition and all fees under subsection (1) of this section until the student has received the equivalent of four years of undergraduate education.

(3) As a condition of receiving a tuition waiver for an academic year, **if the student is eligible to file** the [*student must complete and submit the*] Free Application for Federal Student Aid (FAFSA) [*for that academic year*], **the student must complete and submit the application for that academic year.**

(4) A waiver of tuition and all fees under subsection (1) of this section may be reduced by the amount of any federal aid scholarships or grants, an award from the Oregon Opportunity Grant program established under ORS 348.205 and any other aid received from the institution of higher education. For the purposes of this subsection, “federal aid scholarships or grants” does not include Chafee Educational and Training Voucher Program grants under 42 U.S.C. 677.

(5) As used in this section:

(a) “Former foster child” means an individual who, for a total of six or more months while between 14 and 21 years of age, was:

(A) A ward of the court pursuant to ORS 419B.100 (1)(b) to (e), in the legal custody of the Department of Human Services for out-of-home placement and not dismissed from care before reaching 16 years of age; or

(B) An Indian child subject to ORS 419B.600 to 419B.654, under the jurisdiction of a tribal court for out-of-home placement and not dismissed from care before reaching 16 years of age.

(b) “Homeless youth” means a person who:

(A) Experienced homelessness for a total of six or more months while between 14 and 24 years of age;

(B) While experiencing homelessness as described in subparagraph (A) of this paragraph, received services from an organization contracted by the Department of Human Services to provide services to homeless persons or from a host home, as defined by the department by rule; and

(C) Was at least 16 years of age when the person last received the services described in subparagraph (B) of this paragraph.

(c) “Institution of higher education” means:

(A) A public university listed in ORS 352.002;

(B) A community college operated under ORS chapter 341; or

(C) The Oregon Health and Science University.

SECTION 16. ORS 350.075 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;
- (vi) Special initiatives and investments; and
- (vii) Any other program, duty or function a public university listed in ORS 352.002 is authorized to undertake.

(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) Administer a statewide longitudinal data system.

(m) In coordination with the Department of Education, the Employment Department and other state agencies, conduct statewide longitudinal studies and reporting of early learning, kindergarten through grade 12 education, higher education and workforce programs. For the purposes of this paragraph:

(A) The commission shall enter into written interagency agreements with the Department of Education, the Employment Department and any other state agencies necessary for conducting statewide longitudinal studies and reporting.

(B) The commission may share data from the statewide longitudinal data system with persons or public bodies. For purposes of this subparagraph, the commission shall adopt rules to establish procedures for requesting or sharing data and may enter into written agreements for sharing data.

(C) The commission is considered an authorized representative of state educational agencies under applicable state and federal law for purposes of accessing, compiling and storing student data for research, audit and evaluation purposes.

(4)(a) The Higher Education Coordinating Commission shall implement a process to review and appropriately act on student complaints regarding 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 and resolve student complaints that relate to state financial aid;

(D) Refer a student complaint to another entity for investigation and resolution as provided in paragraph (b) of this subsection;

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

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

(b) The commission may refer the investigation and resolution of a student complaint to:

(A) An appropriate state agency if the complaint alleges that a school has violated a state law concerning consumer protection, civil rights, employment rights or environmental quality;

(B) A school's accrediting association if the complaint relates to the school's authorization to offer academic degree programs or to the quality of the school's academic degree programs; or

(C) The school at which the student is enrolled if the commission determines that the complaint should be resolved through the school's internal review process.

(c) As used in this subsection:

(A)(i) "School" means an independent institution of higher education that meets the requirements of ORS 348.597 (2)(a).

(ii) "School" does not mean a school that is exempt from ORS 348.594 to 348.615 under ORS 348.597 (2)(b) or (c).

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

(5) A student complaint that is received by the Higher Education Coordinating Commission, including but not limited to a student complaint filed under subsection (4) of this section, is not subject to disclosure under ORS 192.311 to 192.478.

[(4)] (6) In addition to the duties described in subsections (2) [and (3)] 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 and Talent Development Board, local workforce development 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.

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

[(6)] (8) With the exception of the rulemaking authority granted in subsection [(5)] (7) 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.

[(7)] (9) The Higher Education Coordinating Commission may, 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.

[(8)(a)] (10)(a) 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.

(b) The commission has implied and direct authority to implement the powers, duties and functions expressly granted to the commission by the Legislative Assembly.

(c) Notwithstanding paragraph (b) of this subsection, the commission may not exercise any authority, express or implied, statutorily provided to a governing board of a public university listed in ORS 352.002 or a community college operated under ORS chapter 341.

SECTION 17. The amendments to ORS 350.075 by section 16 of this 2023 Act apply to any student complaint that was filed with the Higher Education Coordinating Commission on or after July 1, 2021.

SECTION 18. This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect on its passage.

Passed by House April 12, 2023

Repassed by House June 23, 2023

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Timothy G. Sekerak, Chief Clerk of House

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Dan Rayfield, Speaker of House

Passed by Senate June 22, 2023

.....
Rob Wagner, President of Senate

Received by Governor:

.....M.,....., 2023

Approved:

.....M.,....., 2023

.....
Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2023

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Secretary of State