

D R A F T

SUMMARY

Clarifies duties of Executive Director of the Office of Student Access and Completion.

Excludes Oregon community colleges, public universities and Oregon Health and Science University from definition of “school” in degree authorization provisions, rather than exempt institutions from these provisions.

A BILL FOR AN ACT

Relating to higher education; amending ORS 348.511, 348.582, 348.594, 348.597 and 350.075.

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

SECTION 1. ORS 348.511 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[.];

[(4)] (b) [*The executive director shall*] Be paid a salary as provided by law or, if not so provided, as prescribed by the commission[.]; **and**

[(5)] (c) Subject to any applicable provisions of ORS chapter 240, [*the executive director shall*] appoint all subordinate officers and employees of the

office, prescribe their duties and fix their compensation.

SECTION 2. 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.

(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 accreditation with one of the regional post-secondary accrediting bodies recognized by the United States Department of Education.

(2)(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 3. 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) An Oregon community college;]

[(b) A public university listed in ORS 352.002;]

[(c) The Oregon Health and Science University;]

1 [(d)] (a) A school, or a separately accredited campus of a school, if the
2 school:

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

5 (B) Conferred degrees in this state under the same control for at least five
6 consecutive years; and

7 (C) Is accredited by a regional accrediting association or its national
8 successor;

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

13 [(f)] (c) A school that is exempt from ORS 348.594 to 348.615 under ORS
14 348.604.

15 (3) The Higher Education Coordinating Commission shall issue a separate
16 license to issue degrees to each school that meets the requirements for ex-
17 emption from evaluation by the office set forth in subsection [(2)(d)] (2)(a)
18 of this section. The license shall remain in effect if the school continues to
19 meet the requirements of subsection [(2)(d)] (2)(a) of this section.

20 **SECTION 4.** ORS 348.582 is amended to read:

21 348.582. As used in ORS 348.584 and 348.586, “institution of higher edu-
22 cation” means:

23 (1) A public university listed in ORS 352.002;

24 (2) A community college as defined in ORS 341.005;

25 (3) The Oregon Health and Science University;

26 (4) A career school as defined in ORS 345.010;

27 (5) A private post-secondary institution authorized to confer academic
28 degrees under ORS 348.594 to 348.615; and

29 (6) A private post-secondary institution that meets the criteria set forth
30 in ORS 348.597 [(2)(d)] (2)(a).

31 **SECTION 5.** 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 budget request 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 budget request:

(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

1 to review and approve academic programs. The commission shall ensure that
2 approved programs:

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

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

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

9 (D) Are allocated among Oregon's community colleges and public univer-
10 sities to maximize the achievement of statewide needs and requirements.

11 (h) For public universities listed in ORS 352.002:

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

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

16 (C) Advise the Governor and the Legislative Assembly on issues of uni-
17 versity governance.

18 (D) Approve and authorize degrees.

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

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

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

23 (k) Have the authority to enter into and administer interstate agreements
24 regarding the provision of post-secondary distance education. The partic-
25 ipation by an educational institution that is not based in this state in dis-
26 tance learning courses or programs that are part of an interstate agreement
27 entered into and administered under this paragraph does not constitute op-
28 erating in this state for purposes of ORS 348.594 to 348.615. The commission,
29 by rule, may impose a fee on any educational institution that seeks to oper-
30 ate under or participate in such interstate agreements. The fee amount shall
31 be established to recover designated expenses incurred by the commission in

1 participating in such agreements.

2 (L) Coordinate and collaborate with the Chief Education Office as pro-
3 vided by section 1, chapter 519, Oregon Laws 2011.

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

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

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

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

12 (D) Establish a process to review and resolve student complaints against
13 a school, including but not limited to reviewing school records, holding ad-
14 ministrative hearings and issuing final orders;

15 (E) Assess a fee to cover the costs of any proceeding brought under this
16 subsection, including but not limited to the costs of an investigation or ad-
17 ministrative hearing;

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

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

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

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

24 (c) As used in this subsection:

25 (A) "School" means a school that meets the requirements of ORS 348.597
26 [(2)(d)] **(2)(a)**; and

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

30 (5) In addition to the duties described in subsections (2) to (4) of this
31 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 establish technical or advisory committees to assist the commission in exercising its powers, duties and functions.

(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 6. ORS 350.075, as amended by section 61, chapter 774, Oregon Laws 2015, 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;

1 (C) Ensuring affordable access for qualified Oregon students at each col-
2 lege or public university;

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

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

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

11 (i) Student access programs;

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

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

17 (iv) New facilities or programs;

18 (v) Capital improvements and deferred maintenance; and

19 (vi) Special initiatives and investments.

20 (B) In the development of the consolidated higher education budget re-
21 quest:

22 (i) Determine the costs necessary to provide quality post-secondary edu-
23 cation;

24 (ii) Solicit input from educators, education policy experts, appropriate
25 legislative committees, students and other persons interested in the develop-
26 ment of the funding model; and

27 (iii) Solicit public input regarding educational priorities.

28 (f) Adopt rules governing the distribution of appropriations from the
29 Legislative Assembly to community colleges, public universities listed in
30 ORS 352.002 and student access programs. These rules must be based on
31 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 partic-

ipation 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)(d)] **(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 del-

1 delegate any of its powers, duties or functions to a committee of the commission
2 or to the executive director of the commission.

3 (8) The Higher Education Coordinating Commission may establish tech-
4 nical or advisory committees to assist the commission in exercising its pow-
5 ers, duties and functions.

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

11 _____