

CHAPTER 726

AN ACT

HB 2870

Relating to higher education; creating new provisions; amending ORS 351.735; and declaring an emergency.

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

SECTION 1. ORS 351.735, as amended by section 2, chapter 83, Oregon Laws 2014, and section 1, chapter 113, Oregon Laws 2014, is amended to read:

351.735. (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, 351.001 and 351.003 and the goals and mission of post-secondary education set forth in ORS 351.006 and 351.009.

(3) The Higher Education Coordinating Commission shall:

(a) Advise and assist the Oregon Education Investment Board on:

(A) State goals and associated achievement compacts for the state post-secondary education system, including community colleges and public universities listed in ORS 352.002, and for student access programs.

(B) Strategic investments in the state's community colleges, public universities and student access programs necessary to achieve state post-secondary education goals.

(C) Coordination of 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 assist the Oregon Education Investment Board in the construction of a state longitudinal data system, as authorized by law.

(b) 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.

(c)(A) Each biennium, after receiving funding requests from the state's community colleges and public universities as authorized by law, recommend

to the Governor and the Oregon Education Investment Board a consolidated higher education budget request aligned with the strategic plan described in [subsection (3)(b) of this section] **paragraph (b) 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.

(d) 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.

(e) 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.

(f) For public universities listed in ORS 352.002:

(A) Approve the mission statement adopted by a governing board of a public university or by the State Board of Higher Education.

(B) Review and determine whether a proposed annual increase of resident undergraduate enroll-

ment fees, as described in ORS 351.063, 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.

(g) Authorize degrees to be offered by independent post-secondary institutions in this state under ORS 348.594 to 348.615.

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

(i) 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.

(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); 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.

[(4)] (5) 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 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.

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

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

[(7)] (8) The Higher Education Coordinating Commission may establish technical or advisory committees to assist the commission in exercising its powers, duties and functions.

[(8)] (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 2. ORS 351.735, as amended by section 2, chapter 83, Oregon Laws 2014, and sections 1 and 2, chapter 113, Oregon Laws 2014, is amended to read:

351.735. (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, 351.001 and 351.003 and the goals and mission of post-secondary education set forth in ORS 351.006 and 351.009.

(3) The Higher Education Coordinating Commission shall:

(a) Develop state goals and associated achievement compacts 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;

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(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 [subsection (3)(d) of this section] **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;

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(iv) New facilities or programs;

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(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

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(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:

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(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.

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(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.

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[(7)] (8) The Higher Education Coordinating Commission may establish technical or advisory committees to assist the commission in exercising its powers, duties and functions.

[(8)] (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 3. Notwithstanding any other law limiting expenditures, the amount of \$198,452 is established for the biennium beginning July 1, 2015, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Higher Education Coordinating Commission as part of a process of resolving student complaints against schools operating in this state.

SECTION 4. This 2015 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect on its passage.

Approved by the Governor July 20, 2015

Filed in the office of Secretary of State July 21, 2015

Effective date July 20, 2015