

**A-Engrossed**  
**House Bill 2870**

Ordered by the House April 23  
Including House Amendments dated April 23

Sponsored by COMMITTEE ON HIGHER EDUCATION, INNOVATION AND WORKFORCE DEVELOPMENT

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

*[Directs Higher Education Coordinating Commission to evaluate methods to improve effectiveness of public education at university level.]*

*[Declares emergency, effective on passage.]*

**Grants Higher Education Coordinating Commission authority to enter into contracts with certain independent nonprofit post-secondary institutions of education in order to review and act on complaints filed against institution. Permits commission to adopt rules governing resolution of complaints filed against institution.**

**A BILL FOR AN ACT**

1  
2 Relating to higher education; amending ORS 351.735.

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

4 **SECTION 1.** ORS 351.735, as amended by section 2, chapter 83, Oregon Laws 2014, and section  
5 1, chapter 113, Oregon Laws 2014, is amended to read:

6 351.735. (1) As used in this section, "student access programs" means scholarship, loan, grant  
7 and access programs described in ORS chapter 348.

8 (2) The Higher Education Coordinating Commission shall be guided by the legislative findings  
9 in ORS 341.009, 351.001 and 351.003 and the goals and mission of post-secondary education set forth  
10 in ORS 351.006 and 351.009.

11 (3) The Higher Education Coordinating Commission shall:

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

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

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

18 (C) Coordination of the post-secondary elements of data collection and structure, with the advice  
19 and recommendation of the state's independent institutions, community colleges and public univer-  
20 sities, as appropriate, in order to assist the Oregon Education Investment Board in the construction  
21 of a state longitudinal data system, as authorized by law.

22 (b) Adopt a strategic plan for achieving state post-secondary education goals, taking into con-  
23 sideration the contributions of this state's independent institutions, philanthropic organizations and  
24 other organizations dedicated to helping Oregonians reach state goals. State post-secondary educa-  
25 tion goals as described in this section should include, but need not be limited to:

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

- 1 (A) Increasing the educational attainment of the population;
- 2 (B) Increasing this state's global economic competitiveness and the quality of life of its resi-
- 3 dents;
- 4 (C) Ensuring affordable access for qualified Oregon students at each college or public university;
- 5 (D) Removing barriers to on-time completion; and
- 6 (E) Tracking progress toward meeting the state's post-secondary education goals established in
- 7 the strategic plan described in this paragraph.
- 8 (c)(A) Each biennium, after receiving funding requests from the state's community colleges and
- 9 public universities as authorized by law, recommend to the Governor and the Oregon Education
- 10 Investment Board a consolidated higher education budget request aligned with the strategic plan
- 11 described in subsection (3)(b) of this section, including appropriations for:
- 12 (i) Student access programs;
- 13 (ii) Public universities listed in ORS 352.002, including but not limited to education and general
- 14 operations, statewide public services and state-funded debt service;
- 15 (iii) Community colleges, including but not limited to education and general operations and
- 16 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 request:
- 21 (i) Determine the costs necessary to provide quality post-secondary education;
- 22 (ii) Solicit input from educators, education policy experts, appropriate legislative committees,
- 23 students and other persons interested in the development of the funding model; and
- 24 (iii) Solicit public input regarding educational priorities.
- 25 (d) Adopt rules governing the distribution of appropriations from the Legislative Assembly to
- 26 community colleges, public universities listed in ORS 352.002 and student access programs. These
- 27 rules must be based on allocation formulas developed in consultation with the state's community
- 28 colleges and public universities, as appropriate.
- 29 (e) Approve or disapprove any significant change to the academic program of a community col-
- 30 lege or a public university listed in ORS 352.002. In reaching a decision under this paragraph, the
- 31 commission shall consider the recommendation from the community college or public university
- 32 seeking to make the change to an academic program that is issued pursuant to the obligation of the
- 33 governing board of a community college or public university to review and approve academic pro-
- 34 grams. The commission shall ensure that approved programs:
- 35 (A) Are consistent with the mission statement of the community college or public university;
- 36 (B) Do not unnecessarily duplicate academic programs offered by Oregon's other community
- 37 colleges or public universities;
- 38 (C) Are not located in a geographic area that will cause undue hardship to Oregon's other
- 39 community colleges or public universities; and
- 40 (D) Are allocated among Oregon's community colleges and public universities to maximize the
- 41 achievement of statewide needs and requirements.
- 42 (f) For public universities listed in ORS 352.002:
- 43 (A) Approve the mission statement adopted by a governing board of a public university or by
- 44 the State Board of Higher Education.
- 45 (B) Review and determine whether a proposed annual increase of resident undergraduate en-

1 rollment fees, as described in ORS 351.063, of greater than five percent is appropriate.

2 (C) Advise the Governor and the Legislative Assembly on issues of university governance.

3 (D) Approve and authorize degrees.

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

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

7 (i) Have the authority to enter into and administer interstate agreements regarding the pro-  
8 vision of post-secondary distance education. The participation by an educational institution that is  
9 not based in this state in distance learning courses or programs that are part of an interstate  
10 agreement entered into and administered under this paragraph does not constitute operating in this  
11 state for purposes of ORS 348.594 to 348.615. The commission, by rule, may impose a fee on any  
12 educational institution that seeks to operate under or participate in such interstate agreements. The  
13 fee amount shall be established to recover designated expenses incurred by the commission in par-  
14 ticipating in such agreements.

15 **(j) With respect to independent nonprofit post-secondary institutions of education that**  
16 **are exempt from ORS 348.594 to 348.615 under ORS 348.604:**

17 **(A) Have the authority to enter into a contract with the institution to review and act on**  
18 **complaints filed against the institution; and**

19 **(B) Adopt rules governing the resolution of complaints filed against the institution.**

20 (4) In addition to the duties described in subsections (2) and (3) of this section, the Higher Ed-  
21 ucation Coordinating Commission shall advise the Legislative Assembly, the Governor, community  
22 colleges, public universities and other state boards and commissions on policies in order to:

23 (a) Ensure or improve access to higher education by diverse and underserved populations.

24 (b) Encourage student success and completion initiatives.

25 (c) Improve the coordination of the provision of educational services, including:

26 (A) Transfers and coenrollment throughout the higher education system;

27 (B) Accelerated college credit programs for high school students;

28 (C) Applied baccalaureate and other transfer degrees;

29 (D) Programs and grants that span multiple institutions; and

30 (E) Reciprocity agreements with other states.

31 (d) In coordination with the State Board of Education, enhance the use and quality of dual  
32 credit, career and technical pathways and efforts to create a culture of college attendance in this  
33 state.

34 (e) In coordination with the State Workforce Investment Board, local workforce investment  
35 boards, the Oregon Health and Science University and independent institutions, ensure that the  
36 state's colleges and universities offer programs in high-demand occupations that meet Oregon's  
37 workforce needs.

38 (f) Improve economies of scale by encouraging and facilitating the use of the shared services  
39 among post-secondary institutions in this state.

40 (5) The Higher Education Coordinating Commission, in a manner consistent with ORS chapter  
41 183, may adopt administrative rules.

42 (6) With the exception of the rulemaking authority granted in subsection (5) of this section, the  
43 Higher Education Coordinating Commission may delegate any of its powers, duties or functions to  
44 a committee of the commission or to the executive director of the commission.

45 (7) The Higher Education Coordinating Commission may establish technical or advisory com-

1 mittees to assist the commission in exercising its powers, duties and functions.

2 (8) The Higher Education Coordinating Commission may exercise only powers, duties and func-  
3 tions expressly granted by the Legislative Assembly. Except as otherwise expressly provided by law,  
4 all other authorities reside at the institutional level with the respective boards of the post-secondary  
5 institutions.

6 **SECTION 2.** ORS 351.735, as amended by section 2, chapter 83, Oregon Laws 2014, and sections  
7 1 and 2, chapter 113, Oregon Laws 2014, is amended to read:

8 351.735. (1) As used in this section, “student access programs” means scholarship, loan, grant  
9 and access programs described in ORS chapter 348.

10 (2) The Higher Education Coordinating Commission shall be guided by the legislative findings  
11 in ORS 341.009, 351.001 and 351.003 and the goals and mission of post-secondary education set forth  
12 in ORS 351.006 and 351.009.

13 (3) The Higher Education Coordinating Commission shall:

14 (a) Develop state goals and associated achievement compacts for the state post-secondary edu-  
15 cation system, including community colleges and public universities listed in ORS 352.002, and for  
16 student access programs.

17 (b) Determine strategic investments in the state’s community colleges, public universities and  
18 student access programs necessary to achieve state post-secondary education goals.

19 (c) Coordinate the post-secondary elements of data collection and structure, with the advice and  
20 recommendation of the state’s independent institutions, community colleges and public universities,  
21 as appropriate, in order to construct a state longitudinal data system.

22 (d) Adopt a strategic plan for achieving state post-secondary education goals, taking into con-  
23 sideration the contributions of this state’s independent institutions, philanthropic organizations and  
24 other organizations dedicated to helping Oregonians reach state goals. State post-secondary educa-  
25 tion goals as described in this section should include, but need not be limited to:

26 (A) Increasing the educational attainment of the population;

27 (B) Increasing this state’s global economic competitiveness and the quality of life of its resi-  
28 dents;

29 (C) Ensuring affordable access for qualified Oregon students at each college or public university;

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

31 (E) Tracking progress toward meeting the state’s post-secondary education goals established in  
32 the strategic plan described in this paragraph.

33 (e)(A) Each biennium, after receiving funding requests from the state’s community colleges and  
34 public universities as authorized by law, recommend to the Governor a consolidated higher educa-  
35 tion budget request aligned with the strategic plan described in subsection (3)(d) of this section, in-  
36 cluding appropriations for:

37 (i) Student access programs;

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39 operations, statewide public services and state-funded debt service;

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41 state-funded debt service;

42 (iv) New facilities or programs;

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45 (B) In the development of the consolidated higher education budget request:

- 1 (i) Determine the costs necessary to provide quality post-secondary education;
- 2 (ii) Solicit input from educators, education policy experts, appropriate legislative committees,  
3 students and other persons interested in the development of the funding model; and
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- 5 (f) Adopt rules governing the distribution of appropriations from the Legislative Assembly to  
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7 rules must be based on allocation formulas developed in consultation with the state's community  
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38 fee amount shall be established to recover designated expenses incurred by the commission in par-  
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