

## Enrolled House Bill 3028

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Tina Kotek for Higher Education Coordinating Commission)

CHAPTER .....

### AN ACT

Relating to degree authorization by the Higher Education Coordinating Commission; amending ORS 348.604, 348.606 and 348.607.

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

##### **SECTION 1.** ORS 348.606 is amended to read:

348.606. (1) A school may not confer or offer to confer any academic degree upon a person, or provide services purporting to lead to a degree in whole or in part, without first obtaining approval from the Higher Education Coordinating Commission. The commission shall adopt by rule standards and procedures for the approval of schools.

(2) A school based outside of Oregon may not offer any educational credit or degree within Oregon, including through the Internet, mail or telephone, without first obtaining approval from the commission. This subsection does not apply to schools operating as part of an interstate agreement entered into under ORS 350.075 (3).

(3)[(a)] The commission, by rule, may impose fees on any school applying for approval to confer or offer to confer a degree upon a person or to provide academic credit applicable to a degree, **with the amount of each fee being established to recover the expenses incurred by the commission in carrying out the administration of ORS 348.594 to 348.615.** Any fee [imposed] **authorized** under this section is nonrefundable.

*[(b) The amount of each fee in this section is established to recover designated expenses incurred by the commission in carrying out the administration of ORS 348.594 to 348.615, and may not exceed the amounts specified in this section adjusted for inflation annually, beginning on July 1, 2012, pursuant to the increase, if any, from the preceding year in the U.S. City Average Consumer Price Index for All Urban Consumers (All Items) as published by the Bureau of Labor Statistics of the United States Department of Labor.]*

*[(4) For periodic review of a school's general administrative and academic operations, and continued oversight and support of the school, the commission may impose the following fee on each school, to be paid biennially:]*

*[(a) \$2,000 for a full review and oversight of a school with a complex organizational structure.]*

*[(b) \$1,000 for a full review and oversight of a school wholly administered and governed at a single campus in this state.]*

*[(5) For periodic evaluation of academic programs offered by schools subject to continued oversight, the commission may impose the following fees per program for the following degrees or certificates:]*

*[(a) \$2,000 for a nondegree certificate.]*

*[(b) \$3,000 for an associate degree.]*

*[(c) \$4,000 for a bachelor's degree, master's degree or doctoral degree.]*

*[(6) Notwithstanding subsections (4) and (5) of this section, the commission may impose the following fees on each school that is not based in this state, offers distance learning courses or programs in this state and is not operating as part of an interstate agreement entered into under ORS 350.075 (3):]*

*[(a) \$7,000, to be paid biennially, for a full review and oversight of a school.]*

*[(b) \$1,000 for each new program application not offered at the time of the school's initial application to the commission.]*

*[(7)(a) In addition to the fees described in subsections (4) to (6) of this section, the commission may impose on each school that is not based in this state a fee of \$1,000 per program that, as part of the program, places students in a practicum based in this state.]*

*[(b) This subsection does not apply to a placement that is part of an online program offered by a school.]*

*[(c) The commission may waive the fee imposed under this subsection for limited placements or special circumstances that involve Oregon residents who return to this state for a practicum.]*

*[(8) In addition to the fees described in subsections (4) to (7) of this section:]*

*[(a) The commission may impose a fee of not more than \$500 for a change in program, based on the scope and complexity of the proposed program change.]*

*[(b) For review of qualifications of staff prior to hiring, the commission may impose a fee of:]*

*[(A) Not more than \$50 for each new instructor.]*

*[(B) Not more than \$100 for each new administrator or senior academic staff person.]*

*[(9) In addition to the fees described in subsections (4) to (8) of this section, the commission may assess:]*

*[(a) The actual costs related to the use of experts to evaluate programs leading to professional licensure by the state, if such costs exceed 10 percent of the base fees.]*

*[(b) Costs associated with travel expenses for:]*

*[(A) Schools subject to review and oversight under subsection (4) of this section; or]*

*[(B) Schools located outside this state that seek authorization to offer degrees without accreditation to residents of this state.]*

**[(10)] (4)(a) The fees the commission may impose by rule under this section include fees for expenses relating to:**

**(A) The review or oversight of a school's administrative or academic operations;**

**(B) The evaluation of practicums, academic programs or changes in academic programs;**

**(C) The review of the qualifications of new faculty, administrators or senior academic staff prior to hiring;**

**(D) The use of experts or travel necessary to decide whether to approve a school's application under this section; and**

**(E) Any other action the commission deems necessary to determine whether a school should be authorized to confer or offer to confer a degree upon a person or to provide academic credit applicable to a degree.**

**(b) The fees imposed by rule by the commission under this section may account for differences in the anticipated complexity or time required to review an application depending on the type of school or program that is the subject of the application.**

**(5) Any fees collected under this section shall be deposited in the Degree Authorization Account established under ORS 348.601.**

**[(11)] (6) As used in this section, "practicum" means a portion of a degree program that involves a supervised field placement in a professional or workplace environment.**

**SECTION 2. ORS 348.607 is amended to read:**

**348.607. (1)(a) The Higher Education Coordinating Commission may by rule impose a fee on a school that applies for an exemption under ORS 348.604.**

(b) The amount of the fee **the commission may impose by rule under this section** may not exceed the actual cost to the commission of determining the school's compliance with the requirements for an exemption under ORS 348.604[, *and may not exceed \$1,000*].

(2) Except as provided in ORS 348.604 or 348.608 or section 6, chapter 546, Oregon Laws 2005, the commission may not impose requirements for a religious exemption from ORS 348.594 to 348.615.

**SECTION 3.** 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 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 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, 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 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]* **authorized** by ORS 348.607.
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**Passed by House March 6, 2025**

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 Timothy G. Sekerak, Chief Clerk of House

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 Julie Fahey, Speaker of House

**Passed by Senate June 12, 2025**

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 Rob Wagner, President of Senate

**Received by Governor:**

.....M.,....., 2025

**Approved:**

.....M.,....., 2025

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 Tina Kotek, Governor

**Filed in Office of Secretary of State:**

.....M.,....., 2025

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 Tobias Read, Secretary of State