

# HECC 2023 LEGISLATIVE SUMMARY: Key Postsecondary Education Budget and Policy Bills

*October 2023*



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# HECC 2023 LEGISLATIVE SUMMARY

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## 2023 LEGISLATIVE SESSION OVERVIEW

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### INTRODUCTION

This Legislative Report provides an overview of a selection of key investments and bills approved during Oregon's 2023 Legislative Session pertaining to postsecondary education in Oregon and tracked by the Higher Education Coordinating Commission (HECC). The HECC is a state commission and agency dedicated to a future in which all Oregonians—and especially those whom our systems have underserved and marginalized—benefit from the transformational power of high-quality postsecondary education and training. The HECC's statutory authorities include advising the Oregon Legislature and the Governor on higher education policy, and the development of biennial budget recommendations for public postsecondary education and workforce training in Oregon.

The 82nd Legislative Assembly convened on January 9, 2023, and adjourned Sine Die on June 25, 2023. The HECC budget presentation materials and legislative testimony are available on our [2023 Legislative Resources web page here](#). This work could not be accomplished without the engagement and collaboration of our institution and community partners. The highlights of the session are mentioned below, and a more detailed summarization is included in this report.

The legislative session resulted in positive budget outcomes for Oregon students, trainees, and institutions.

The Legislature's continued investment in the **Oregon Tribal Student Grant**, launched by the HECC in 2022, will maintain this critically important program that reduces affordability barriers for students who are members of Oregon's nine federally recognized Tribes. This grant was also codified into Oregon law for the first time this session and the HECC looks forward to building upon the great momentum underway as we partner with the Oregon tribes to support tribal student success.

The major increase in the **Oregon Opportunity Grant**, Oregon's long-underfunded need-based financial aid program, is good news for low- and middle-income Oregon students who will see higher awards to help them cover more of their college costs. This \$100 million in new investment will increase access to higher education and reduce student loan burden for families struggling with college costs or struggling with food or housing instability.

Increased investment in educational and operating funds for Oregon's community colleges and public universities is good news for students served by those 24 public institutions. This investment builds on the momentum of recent state reinvestments in postsecondary education/training to bolster a system that continues to rank low nationally in state funding per student ([see the summary of 2022 SHEF Report here](#)), and to fund Oregon's public system to be strong and nimble to meet evolving statewide needs.

Finally, the continuation of workforce funding and reauthorization of **Future Ready Oregon** investments will allow us to continue the great work underway to prepare Oregonians from historically underserved and priority communities for family-wage careers and fill critical workforce needs.

More work and significant investment needs remain, and there continue to be disparities in educational access and outcomes for racial/ethnic minority, low-income, and rural student, but the 2023-25 budget for higher education and workforce training is a significant and much-needed step forward in fully supporting postsecondary education opportunity and success for all Oregonians.

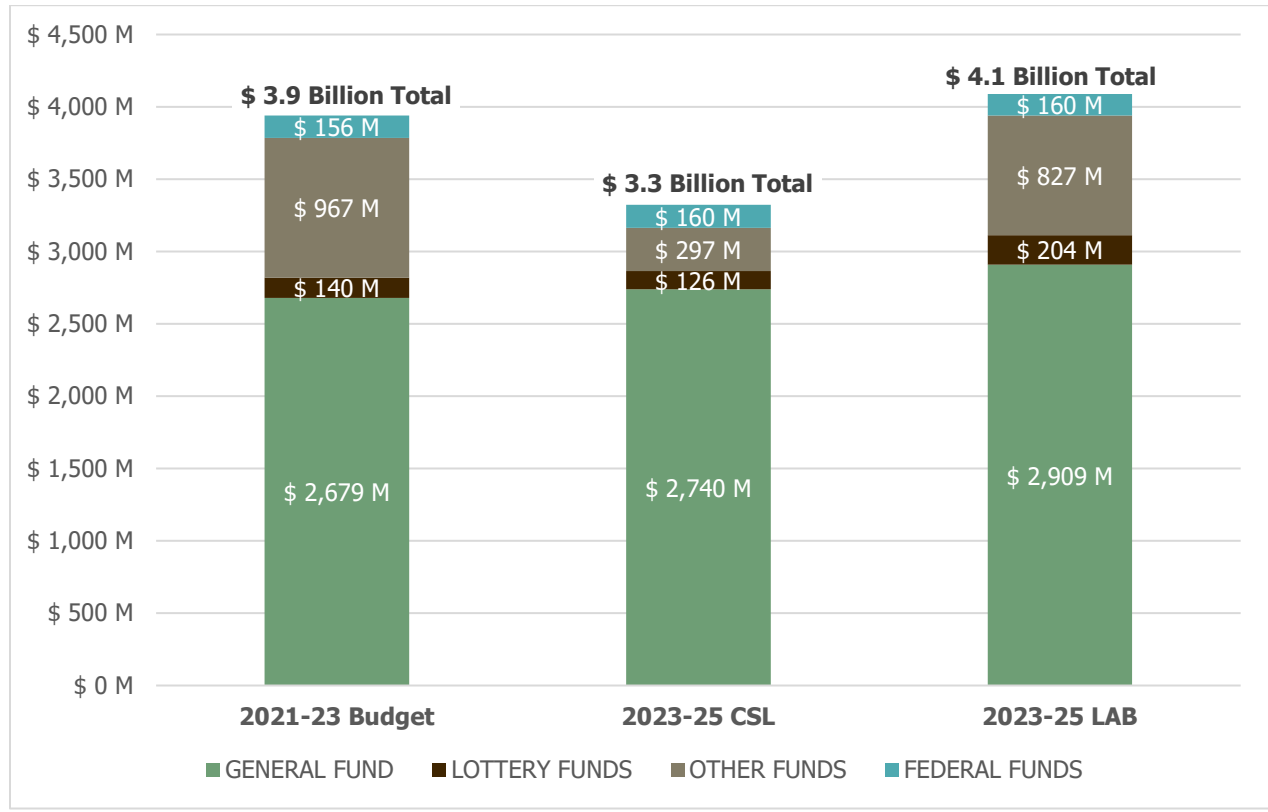
The HECC thanks Governor Tina Kotek and all members of the Oregon Legislature for their engagement on critical issues of higher education, and their commitment to the vital importance of higher education investments to foster economic mobility and successful futures for all Oregonians.

The HECC is grateful for the engagement of our PK-20 education and workforce partners, including: the Oregon Department of Education, leadership of Oregon's seven public universities and 17 community colleges, the Oregon Student Association, the Workforce and Talent Development Board, Oregon Community College Association, Oregon Council of University Presidents, the Oregon Alliance for Independent Colleges and Universities, and others. HECC staff and partners coordinated and collaborated with partners throughout the session on legislative and budgetary proposals, including bill analyses, presentations and testimony, fiscal impact statements, and other activities.

## HECC 2023-25 LEGISLATIVELY ADOPTED BUDGET (LAB) OVERVIEW

This document summarizes key budget outcomes in the 2023-25 Legislatively Adopted Budget (LAB) for the HECC. The Higher Education Coordinating Commission (HECC) budget includes funding for: Oregon’s 17 community colleges; Oregon’s seven public universities and Oregon Health & Science University (OHSU); state financial aid and student access programs; capital bonding authority for the public institutions; Oregon’s nine workforce investment boards; workforce and state service programs; and HECC agency operations.

### OVERALL HECC BUDGET



The 2021-23 Budget includes the 2021-23 LAB plus all legislative actions during the 2021-23 biennium.

The 2023-25 CSL (Current Service Level) is the estimated level of funding that would have been required for HECC to continue its ongoing operations and continued support of institutions, programs, and partners adjusted for inflation. It does not include one-time funding, capital funding, or programs that have been phased out.

## FINANCIAL AID INVESTMENTS

**THE OREGON OPPORTUNITY GRANT (OOG)** is Oregon's largest state-funded, need-based grant program for college students. The grant provides funding to more than 30,000 Oregon resident students each year. The historic \$100 million increase will bring the funding up to \$308 million and allow HECC to increase and adjust awards to cover up to 75 percent of tuition costs at the public sector.

(in millions of dollars)	GF	LF	OF	Total
<b>2021-2023 Budget</b>	149	30	21	<b>200</b>
<b>2023-2025 CSL</b>	173	13	22	<b>208</b>
<b>2023-2025 LAB</b>	184	84	41	<b>308</b>
			<b>Change from CSL</b>	<b>+48.0%</b>

**THE OREGON PROMISE** helps cover tuition costs at any Oregon community college for recent high school graduates and GED® test graduates. It is funded at current service level.

(in millions of dollars)	GF	Total
<b>2021-2023 Budget</b>	42	<b>42</b>
<b>2023-2025 CSL</b>	44	<b>44</b>
<b>2023-2025 LAB</b>	44	<b>44</b>
		<b>Change from CSL</b>
		<b>+0.0%</b>

**THE OREGON TRIBAL STUDENT GRANT** provides funding for eligible Oregon tribal students to offset the cost of attendance at eligible Oregon colleges and universities. The grant is intended to cover the average cost of attendance after all federal and state grants/scholarships have been applied.

(in millions of dollars)	GF	Total
<b>2021-2023 Budget</b>	19	<b>19</b>
<b>2023-2025 CSL</b>	0	<b>0</b>
<b>2023-2025 LAB</b>	24	<b>24</b>
		<b>Change from CSL</b>
		<b>n/a</b>

**THE OREGON NATIONAL GUARD STATE TUITION ASSISTANCE (ONGSTA) PROGRAM** provides funding toward undergraduate tuition and certain fees at eligible Oregon postsecondary institutions for current Oregon National Guard Members. This biennium’s increase will allow HECC to cover more of the eligible costs, such as the cost of textbooks.

(in millions of dollars)	GF	Total
<b>2021-2023 Budget</b>	5	5
<b>2023-2025 CSL</b>	4	4
<b>2023-2025 LAB</b>	5	5
<b>Change from CSL</b>		<b>+19.9%</b>

**ASPIRE AND FAFSA/ORSAA COMPLETION**, the 23-25 includes funding for HECC’s ASPIRE program as well as \$1 million for each of the following college access programs; TRIO, Build EXITO, AVID, and College Possible. The large change from CSL is due to the fact that \$5 million of the 2021-23 budget were considered one-time funding. This package was built around HECC’s ASPIRE and FAFSA/ORSAA completion efforts, recipient identified for a \$1M investment are expected to submit student level data to HECC/OSAC and assist in expanding FAFSA/ORSAA completion in the course of career and college readiness support efforts they provide to students transitioning to postsecondary education.

(in millions of dollars)	GF	OF	Total
<b>2021-2023 Budget</b>	7	0	7
<b>2023-2025 CSL</b>	2	0	2
<b>2023-2025 LAB</b>	7	0	7
<b>Change from CSL</b>		<b>+232.6%</b>	



## COMMUNITY COLLEGE AND PUBLIC UNIVERSITY INVESTMENTS

The funding listed below is a high-level description for each area of institutional funding. See the HECC’s comprehensive publication “[2023-25 State Funding and Formula Summary](#)” for a more detailed description of each area.

### STATE SUPPORT TO OREGON’S 17 COMMUNITY COLLEGES

**COMMUNITY COLLEGE SUPPORT:** State funding appropriated within the CCSF includes categorical funding for a number of set aside programs as well as funding for the community college distribution model. The distribution model includes a base payment for each of Oregon’s 17 colleges and then allocates the remaining funding based on enrollment using a three-year average. This biennium there was a substantial increase to general fund investment to the community colleges.

(in millions of dollars)	GF	OF	Total
<b>2021-2023 Budget</b>	708	11	<b>719</b>
<b>2023-2025 CSL</b>	768	11	<b>779</b>
<b>2023-2025 LAB</b>	800	11	<b>811</b>
	<b>Change from CSL</b>		<b>+4.1%</b>

### STATE SUPPORT TO OREGON’S SEVEN PUBLIC UNIVERSITIES

**PUBLIC UNIVERSITY SUPPORT:** For educational and operational expenses at Oregon’s seven public universities including the Public University Support Fund (PUSF). This includes non-formula support of \$1 million for Compacts of Free Association (COFA) student funding and \$6.1 million in financial viability funding for PSU, OIT, EOU, SOU, and WOU.

(in millions of dollars)	GF	OF	Total
<b>2021-2023 Budget</b>	913	8	<b>920</b>
<b>2023-2025 CSL</b>	972	0	<b>972</b>
<b>2023-2025 LAB</b>	1,006	0	<b>1,006</b>
	<b>Change from CSL</b>		<b>+3.5%</b>

**OREGON HEALTH & SCIENCE UNIVERSITY:** This supports the OHSU schools of Medicine, Dentistry, and Nursing; the Office of Rural Health; the Area Health Education Centers; the Child Development and Rehabilitation Center; and the Oregon Poison Center.

(in millions of dollars)	GF	Total
<b>2021-2023 Budget</b>	129	<b>129</b>
<b>2023-2025 CSL</b>	130	<b>130</b>
<b>2023-2025 LAB</b>	141	<b>141</b>

**Change from CSL            +8.3%**

**OTHER UNIVERSITY FUNDING**

**PUBLIC UNIVERSITY STATE PROGRAMS:** State Programs are largely non-academic programs at public universities focusing on an institution’s public service mission. This category also includes one-time funding streams appropriated for short-term or targeted programs which may include capital projects funded with general, lottery, or federal funds. Existing state programs were funded at CSL for 2023-25. Remaining funding for Strong Start was re-appropriated for 2023-25. Additional ongoing funding for the Cybersecurity Center for Excellence was appropriated this biennium.

(in millions of dollars)	GF	Total
<b>2021-2023 Budget</b>	129	<b>129</b>
<b>2023-2025 CSL</b>	52	<b>52</b>
<b>2023-2025 LAB</b>	71	<b>71</b>

**Change from CSL            +35.5%**

**STATEWIDE PUBLIC SERVICE PROGRAMS:** This includes funding for three programs at Oregon State University (Agricultural Experiment Station, Extension Service and Forest Research Laboratory) which were funded at CSL for 2023-25 with an additional \$10 million provided. It also includes Lottery Funds for the Outdoor School Program which are funded at a level set by expected revenue collections.

(in millions of dollars)	GF	LF	Total
<b>2021-2023 Budget</b>	162	49	<b>211</b>
<b>2023-2025 CSL</b>	169	51	<b>220</b>
<b>2023-2025 LAB</b>	187	56	<b>243</b>

**Change from CSL            +10.5%**

**SPORTS ACTION LOTTERY:** This appropriation provides support to academic and athletic scholarships at each of the seven public universities and are funded at a level set by expected revenue collections.

(in millions of dollars)	LF	Total
<b>2021-2023 Budget</b>	17	17
<b>2023-2025 CSL</b>	17	17
<b>2023-2025 LAB</b>	18	18

**Change from CSL      +11.0%**

**OTHER SUPPORT:** Fiscal sustainability at the regional universities and Portland State University is supported by \$6.2 million that will be distributed in grants by the HECC, and up to \$18.7 million more in grant funds that may be considered by the Emergency Board.

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## WORKFORCE INVESTMENTS

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**WORKFORCE INVESTMENTS:** These include investments to Local Workforce Boards, Workforce Talent and Development Board, Oregon Youth Works programs, OregonServes, and Future Ready Oregon Initiatives. HECC made a structural change to its budget in these areas and a graphic showing a biennium-to-biennium comparison is difficult to make accurately and clearly. The state investments to the Local Workforce Boards, the Workforce Talent and Development Board, and OregonServes were funded at CSL. The state repeated last biennium’s \$10 million one-time investment into Oregon Youth Corps and reauthorized \$112 in ARPA funds for Future Ready Oregon Initiative. A new ongoing investment of \$2 million was authorized for a staff and programming for Maritime Workforce Development program and a one-time \$3.7 million General fund investment was made to the Youth Workforce Development entities; REAP Young Entrepreneurs, Building Blocks 2, and Self Enhancement, Inc. The LAB for these areas are:

(special payments, in millions of dollars)	GF	OF	FF	Total
<b>Local Workforce Boards</b>	11	0	122	<b>132</b>
<b>Oregon Youth Works</b>	19	24	1	<b>44</b>
<b>Apprenticeship</b>	4	0	0	<b>4</b>
<b>Oregon Serves</b>	0	0	7	<b>7</b>
<b>Future Ready Oregon</b>	1	110	0	<b>110</b>
<b>TOTAL</b>	<b>34</b>	<b>133</b>	<b>130</b>	<b>298</b>

## HECC AGENCY OPERATIONS

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**HECC AGENCY OPERATIONS TOTAL:** Agency personnel, operational costs and contracting costs are including in these amounts. The LAB for 23-25 authorized 9 limited duration positions throughout the agency to become permanent. It also reauthorized 9 limited duration positions for 23-25 to carry out the work for Future Ready Oregon. OSAC’s Oregon Tribal Student Grant Program was authorized into statute and this includes one permanent position to administer the program. HB 3456 authorized two permanent full time, two permanent part-time, and one limited duration full time, positions to support and carry out the work of the Sexual Misconduct Survey Council. Policy Option Package 401 authorized two limited duration, and one permanent position to the IT Department to carry out the work for the Modernization Project.

(in millions of dollars)	GF	OF	FF	Total
<b>2021-2023 Budget</b>	39	21	15	<b>75</b>
<b>2023-2025 CSL</b>	40	13	15	<b>69</b>
<b>2023-2025 LAB</b>	44	17	15	<b>77</b>

**Change from CSL      +12.0%**

**OTHER AGENCY INVESTMENTS:** This biennium, the Legislature authorized an additional \$5 million in Q-bonds for Phase Two of the Modernization Project. This initiative will allow HECC to continue this Project to replace multiple legacy information systems which was first funded in 2021. It also authorized two limited duration positions to support the project and one permanent position to maintain and continually update the system.

## CAPITAL BONDING AUTHORITY AND DEBT SERVICE

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**CAPITAL BONDING:** The Oregon Legislature can authorize state-issued bonds for capital investments in community college and public university construction projects. Within Article XI of the Oregon Constitution, there are three types of state-backed, general obligation bonds available for higher education capital projects. These include XI-F (1) bonds for public universities only, XI-G bonds for community colleges and public universities, and XI-Q bonds for public universities only.

### NEW UNIVERSITY PROJECTS INCLUDE:

Project	Amount
All Public Universities Capital Improvement and Renewal	100,000,000
OIT - Geothermal System Emergency Renovation	17,956,151
OSU - Collaborative Innovation Complex	71,975,000
PSU - Smith Memorial Union	8,200,000
PSU - Vernier Science Center and Gateway Art & Design Project Completions	56,863,750
UO - Friendly Hall Renovation	72,718,650

### NEW COMMUNITY COLLEGE PROJECTS INCLUDE:

Project	Amount
Columbia Gorge CC - Campus Renovations for Student Safety and Success	5,500,000
Lane CC - Science, Mathematics and Engineering Building Improvements	8,000,000
Portland CC - Rock Creek Campus Building 2 Complex - Phase I	8,000,000
SW Oregon CC - Student Uplift & Collaboration Create Expanded Support & Success	8,000,000
Umpqua CC - Welcome Center & Medical Careers Training Hub	8,000,000

## DEBT SERVICE

The budget also provides debt service for previously approved projects for the public universities, community colleges, and the Oregon Health and Science University.

(in millions of dollars)	2021-2023 Budget	2023-2025 LAB	% Change
<b>Community College Debt Service</b>	47	52	+12.1%
<b>Public University Debt Service</b>	414	510	+24.6%
<b>OHSU Debt Service</b>	58	34	-40.5%
<b>TOTAL</b>	519	596	+16.2%

## **BILL SUMMARIES**

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**NOTE:** Bill summaries are an unofficial analysis of the effect of bills provided by staff. They are not intended to capture every requirement or nuance contained in a piece of legislation, and do not carry the force of law. If there are any ambiguities or differences between the summary and the statutory text, the statutory text controls. Budget bills and appropriations pass-through bills without other policy legislatively established policy elements are not included in this section. Resolutions and other legislative measures that are not law are also not included.

### **BILL SUMMARIES: AFFORDABILITY**

#### **SB 129: OPPORTUNITY GRANT TAX CREDIT AUCTION**

The bill ends the tax credit auction administered by HECC and the Department of Revenue, the proceeds of which supported the Oregon Opportunity Grant. Appropriations were provided in HECC's budget bill in excess of the revenue previously captured by the auction.

*Effective Date:* September 24, 2023

#### **SB 272: COMPACT OF FREE ASSOCIATION STUDENT TUITION**

The bill adds OHSU to the list of institutions required to offer in-state tuition to students from Compact of Free Association states.

*Effective Date:* June 6, 2023

#### **SB 424: PROHIBITION ON TRANSCRIPT WITHOLDING**

The bill prohibits any postsecondary institution based in Oregon from withholding a student transcript on the basis of any debt owed to the institution. It requires institutions to report to HECC by September 15, 2024 the number of students owing debt and the institutions policy and procedures for phasing out debt-based transcript holds.

*Effective Date:* January 1, 2024, with the prohibition first applying in the 2024-2025 academic year

#### **SB 449: FOSTER YOUTH TUITION WAIVERS**

The bill expands tuition waivers for undergraduate study to former foster children who have been adopted, provided they have spent six or more months in DHS custody for out-of-home placement, or under the jurisdiction of a tribal court for the same. These provisions apply to individuals adopted on or after January 1, 2012, for future tuition only.

*Effective Date:* June 7, 2023

#### **SB 609: GRADUATE ASSISTANT SNAP ELIGIBILITY**

The bill requires hours worked by graduate assistants to be considered by the Department of Human Services as hours worked for the purpose of eligibility for the Supplemental Nutrition Assistance Program.



*Effective Date:* January 1, 2024

### **HB 2271: VETERAN EDUCATIONAL BRIDGE GRANT PROGRAM**

The bill makes permanent the Veteran Educational Bridge Grant Program operated by the Department of Veterans' Affairs, and extends use of the grant to private career schools, apprenticeship programs, and on-the-job training programs offered by public employers.

*Effective Date:* January 1, 2024

### **HB 3178: CULTURALLY AND LINGUISTICALLY DIVERSE TEACHERS**

The bill increases, from \$10,000 to \$12,000, the amount HECC may award to culturally and linguistically diverse teach candidates studying at approved education prep programs. It clarifies that school administrator candidates are not teacher candidates.

*Effective Date:* January 1, 2024

### **HB 3561: EARLY CHILDHOOD CARE AND EDUCATION GRANT**

The bill modifies the state Early Childhood Care and Education Grant program by clarifying that students studying for careers in early childhood behavioral and mental health are eligible for grant funds to defray educational costs. It further allows, but does not require, the Commission to institute a last dollar award methodology, providing it increased flexibility over the administration of grants.

*Effective Date:* August 4, 2023

### **HB 3565: OREGON TRIBAL STUDENT GRANT**

The bill codifies the Oregon Tribal Student Grant program into law.

Under the provisions of the program, HECC can award enrolled members of Oregon tribes who attend Oregon-based institutions of higher education awards up to the total cost of attendance, after the application of other state and federal aid. Students are eligible for awards covering both undergraduate and graduate study and are required to attend on at least a half time basis. For students attending private institutions, the award amount is capped at public institution cost of attendance rates.

The bill contains cost control provisions that allow the commission to decrease awards or limit eligibility as necessary.

*Effective Date:* July 31, 2023

## **BILL SUMMARIES: PATHWAYS AND STUDENT SUCCESS**

### **SB 3: HIGH SCCHOOL GRADUATION REQUIREMENTS**

The bill requires high school students to complete one-half credit of higher education and career path skills and one-half credit of personal financial education as a condition of receiving a high school diploma and allows the State Board of Education to adopt rules implementing this requirement. The bill allows school

districts to receive a one-year waiver if they demonstrate they are unable to provide such courses. The requirement applies to students receiving diplomas on or after January 1, 2027.

*Effective Date:* January 1, 2024

### **SB 269: ACCESS FOR ADULTS IN CUSTODY – HECC AND DEPARTMENT OF CORRECTIONS MEMORANDUM OF UNDERSTANDING**

The bill requires HECC and DOC to enter into an MOU, to be reviewed annually, related to corrections education. The MOU must contain provisions related to data collection, clarifying program availability and credential types, methods for assisting AICs with applying for financial aid, and other provisions necessary to comply with federal regulations related to education for AICs. The bill establishes an advisory body for the purpose of assisting with development, review, and monitoring of the MOU.

*Effective Date:* July 13, 2023

### **SB 270: ACCESS FOR ADULTS IN CUSTODY – DEPARTMENT OF CORRECTIONS AGREEMENTS WITH PROVIDERS**

The bill allows the Department of Corrections to enter into agreements to extend postsecondary education to adults in custody. These agreements may be with any community college, postsecondary distance learning, or postsecondary program in the state.

*Effective Date:* January 1, 2024

### **SB 736: REPORT ON ADVANCED INSTRUCTION IN PUBLIC SCHOOLS**

The bill requires the Department of education to identify how to increase access to advanced instruction in the public schools of this state for the purpose of preparing students for college and career, and issue a report to the legislature by September 15, 2024.

*Effective Date:* January 1, 2024

### **SB 523: NURSING DEGREES AT COMMUNITY COLLEGES**

The bill authorizes community colleges to offer Bachelor's of Science degrees in nursing, subject to program approval by HECC.

*Effective Date:* January 1, 2024

### **HB 2275: EXPANDED OPTIONS PROGRAM**

The bill requires school districts to identify students who have dropped out of school and provide those students with information about the Expanded Options Program and allows postsecondary institutions to enroll eligible students participating in the program only in eligible courses under the program. Such students are limited to two years of program participation, or one year if enrolling in grade 12. The bill specifies that any materials and equipment paid for under the program are property of the district, that postsecondary institutions may not charge tuition or fees if they receive payment for the student, and that transportation costs for the student are allowable under ORS 327.013.

*Effective Date:* July 31, 2023

### **HB 3068: HIGH SCHOOL EQUIVALENCY TESTING FOR 16- AND 17-YEAR-OLDS**

The bill requires allows 16 and 17-year-olds to take a high school equivalency test with the permission of a parent or guardian. It further directs the Department of Education to examine the possibility of creating a high school equivalency diploma, and report to the legislature by the end of 2024.

*Effective Date:* July 31, 2023

## **BILL SUMMARIES: DIVERSITY, EQUITY, INCLUSION, AND ACCESABILITY**

### **HB 3144: STATEWIDE EDUCATION PLAN FOR NATIVE HAWAIIAN AND PACIFIC ISLAND STUDENTS**

The bill requires the development of a statewide education plan for Native Hawaiian or Pacific Islander populations that have experienced disproportionate results in education. It establishes a representative advisory group, which includes a representative from HECC. The State Board of Education is charged with developing and implementing the plan.

*Effective Date:* July 31, 2023

### **HB 3456: SEXUAL MISCONDUCT AND CAMPUS CLIMATE**

The bill establishes a Sexual Misconduct Survey Council for the purpose of developing a survey for institutions of higher education to administer on the issue of campus climate related to sexual misconduct every two years. Results will be made public.

In addition to the survey and reporting requirements, the bill requires institutions to employ at least one certified advocate if the institution has a victim services program, and to maintain an MOU with a community-based domestic and sexual violence advocacy agency in the same county as the institution.

The bill prohibits an institution from disciplining or sanctioning a student under its conduct policy for alcohol and drugs, trespassing, or other code of conduct violations discovered in connection with a sexual misconduct complaint, unless the violation is egregious, and waive requirements related to GPA or disciplinary record for participation in institutional programs or activities for students that have experienced sexual misconduct.

Institutions must develop sexual misconduct primary prevention and awareness training program for all students and report certain statistics related to sexual misconduct.

HECC must report any violation of any of the above provisions and may adopt rules implementing the bill.

*Effective Date:* July 31, 2023, for the 2023-2024 academic year

## **BILL SUMMARIES: EMPLOYMENT, TRAINING, AND WORKFORCE**

### **SB 4: SEMICONDUCTOR ECONOMY AND WORKFORCE**

The bill establishes a CHIPS (Creating Helpful Incentives to Produce Semiconductors) in the Oregon Business Development Department. Grants and loans from the fund may be used by businesses for semiconductor related business activity, including partnering with institutions of higher education, career technical training institutions, and local workforce development boards for the purpose of workforce development.

*Effective Date:* April 13, 2023

### **SB 217: COSMETOLOGY CURRICULUM DEVELOPMENT**

The bill transfers the responsibility for the development of cosmetology curriculum standards from HECC to the Health Licensing Office, effective July 1, 2024.

*Effective Date:* September 24, 2023

### **SB 283: EDUCATOR WORKFORCE DATA**

The bill requires the Oregon Department of Education to establish a statewide data system on the education workforce in Oregon. HECC is required to participate, and ODE is required to consult with HECC and others on the project.

*Effective Date:* July 31, 2023

### **HB 2372: YOUTH DEVELOPMENT COUNCIL**

The bill adds youth workforce success to the purposes for which the Youth Development Council is established and requires the Council to prioritize funding for services related to workforce development, youth career readiness, and postsecondary success.

*Effective Date:* January 1, 2024

### **HB 2802: STUDENT EMPLOYMENT AT NONPROFIT ORGANIZATIONS**

The bill requires the establishment of a pilot program at PSU and EOU to encourage the hiring of public university students by nonprofit organizations. Non-profits must employ a student between 10-20 hours a week and pay at least minimum wage. Institutions must reduce student tuition by 20 percent for each term where a student is employed. Institutions may utilize program funds to subsidize up to 50% of student salaries.

*Effective Date:* July 31, 2023

### **HB 2991: EARLY CHILDHOOD WORKFORCE**

The bill directs the Department of Early Learning and Care to commission an independent study to identify barriers to a high-quality early childhood workforce. The study must examine the issue of accessibility and transferability of community college credits, and other activities undertaken by colleges that lead to employment in early childhood professions.

*Effective Date:* January 1, 2024

### **HB 3306: WAGE AND TRAINING STANDARDS FOR PUBLICLY FUNDED WORKFORCE PROGRAMS**

The bill requires workforce programs providing paid work experience funded with state funds or through local workforce development boards to pay wages according to entry-level wages with appropriate wage progressions, and to develop a training plan for individuals that meets certain criteria.

*Effective Date:* January 1, 2024

### **HB 3307: CIVIL RIGHTS AND DISCRIMINATION PROTECTIONS FOR PUBLICLY FUNDED WORKFORCE PROGRAMS**

The bill provides that on-the-job training program participants and participants in registered apprenticeship programs are in an employment relationship that protects such participants under existing state civil rights, discrimination, and harassment provisions governing employer-employee relationships.

*Effective Date:* January 1, 2024

### **HB 3563: OREGON YOUTH WORKS ADVISORY COMMITTEE**

The bill simplifies the administrative structure of HECC-administered youth workforce programs by consolidating the advisory boards that individually exist for the Oregon Youth Corps and the Oregon Conservation Corps. These programs, and the Oregon Youth Employment Program, will be overseen by one advisory body.

*Effective Date:* January 1, 2024

## **BILL SUMMARIES: EMPLOYEE RELATIONS**

### **SB 489: UNEMPLOYMENT INSURANCE FOR CERTAIN INSTITUTION EMPLOYEES**

The bill allows non-instructional, non-administrative, non-research employees to collect unemployment insurance, if standard eligibility requirements are met, during school breaks, vacations, and holidays in situations where the employee has a reasonable assurance of returning to work after the break.

*Effective Date:* January 1, 2024

### **HB 2611: PART-TIME FACULTY HEALTH CARE**

The bill affords part-time faculty members at public institutions eligibility for dental and vision benefits, in addition to the medical benefits for which they are currently eligible. It redefines eligibility based on eligibility for PERS membership during the prior academic year. It also requires institutions to notify, not later than 30 days before the application deadline for health benefits, all part-time faculty employed by the institution in the prior year with eligibility, benefits, and application information.

Lastly, it requires HECC to include in its ARB any funding required to provide reimbursement for benefits according to the formula established by law.

*Effective Date:* July 31, 2023, for coverage provided beginning with the 2023-2024 academic year

### **HB 2740: CALCULATING HOURS OF EMPLOYMENT AT PUBLIC INSTITUTIONS**

The bill establishes a statutory calculation for duties undertaken by academic employees of community colleges for the purpose of determining hours of service/FTE status. The rate is 1 instructional hour equals 2.67 service hours.

*Effective Date:* July 31, 2023, for coverage provided beginning with the 2023-2024 academic year

## **BILL SUMMARIES: GOVERNANCE**

### **SB 273: PUBLIC UNIVERSITY GOVERNANCE**

The bill establishes that a public university governing board shall be made up of between 12 and 16 voting members, plus a nonvoting undergraduate member. Of the voting members, one must be an undergraduate student. The bill also requires governing boards to have a graduate student member if the university has greater than 400 graduate students or graduate students are more than 15 % of the student body. It converts previously non-voting faculty and non-faculty staff members to voting members, appointed through internal faculty processes. Students and faculty/staff board members are prohibited from attending executive sessions or participating in discussions centered on collective bargaining.

In addition to the alterations made to voting membership, the bill requires boards establish processes to hear from constituencies at all meetings, include faculty, staff, and students in presidential searches, provide email addresses to all trustees, review inclusion, transparency and participation processes, respond to all questions raised during public comments, assess board needs and determine the characteristics of an ideal board member whenever a vacancy arises, and perform a regular self-evaluation.

Institutions are required to submit a report to the legislature each year until 2026 detailing their implementation practices.

The bill also requires HECC to regularly convene governing board members from across the state for discussion and training.

*Effective Date:* September 24, 2023

### **SB 423: OREGON HEALTH AND SCIENCE UNIVERSITY GOVERNANCE**

The bill increases from 9 to 11 the number of appointees to the OHSU Board of Directors. The additional appointments are designated for faculty member and one nonfaculty staff member. These members are voting members. The bill additionally extends voting rights to the preexisting student member. The faculty and staff members are prohibited from participating in any discussions or executive sessions regarding collective bargaining.

*Effective Date:* January 1, 2024

## **BILL SUMMARIES: OTHER**

### **SB 271: COMMUNITY COLLEGE DISTRICT BOUNDARY TRANSPARENCY**

The bill requires HECC to publicly post a record of community college service district boundaries by January 1, 2024.

*Effective Date:* March 21, 2023

### **SB 355: USE OF OUTSIDE COUNSEL**

The bill requires public universities to post on their website, on an annual basis, a report describing the institution's use of outside counsel. This replaces a requirement that the same report be submitted to the Attorney General.

*Effective Date:* January 1, 2024

### **SB 482: COMMUNITY COLLEGE SUPPORT FUND CALCULATIONS**

The bill requires that coursework offered by an Oregon Community College at an airport located out of state but owned and operated by an Oregon municipality be included in calculations made for the distribution of formula funding to the colleges.

*Effective Date:* January 1, 2024

### **SB 606: TASK FORCE ON MODERNIZING GRANT FUNDING**

The bill establishes a Task Force on Modernizing Grant Funding and Contracting to examine how the state's granting and public procurement practices limit the wages of employees of nonprofit organizations and make recommendations to the Oregon Department of Administrative Services concerning standardizing contracting practices and contracting in a way that supports living wages at nonprofit organizations.

*Effective Date:* September 24, 2023

### **HB 2049: CYBERSECURITY CENTER OF EXCELLENCE**

The bill establishes the Oregon Cybersecurity Center of Excellence within Portland State University to supplement the cybersecurity related activities of the State Chief Information Officer and to coordinate, fund, and provide cybersecurity workforce development, education, awareness, and training for public, private, and nonprofit sector organizations, and cybersecurity-related goods and services to Oregon public bodies with a targeted focus on the unmet needs of regional and local government, special districts, Education Service Districts, K-12 school districts and libraries. The measure directs Portland State University, Oregon State University and University of Oregon to jointly operate the center by agreement and to provide administrative and staff support and facilities for center operations.

*Effective Date:* July 31, 2023

### **HB 2649: CONTRACTING STANDARDS FOR PUBLIC IMPROVEMENT PROJECTS**

The bill requires public improvement projects meeting certain contract price minimums to meet certain standards with regard to the use of apprentices, and requires subject entities, including HECC, public universities, and community colleges, to require outreach to women, minority individuals, and veterans with the goal of having 15% of project workers perform work under the project contracts. The bill establishes reporting requirements to the Bureau of Labor and Industries for the purpose of compliance monitoring.

*Effective Date:* September 24, 2023

## HB 3560: HECC CIVIL LIABILITY

The bill prohibits a person from suing Higher Education Coordinating Commission for commission's performance, or failure to perform, any duty, function or power relating to psilocybin products following effective date of Ballot Measure 109 (2020).

*Effective Date:* July 31, 2023

## HB 3564: MINOR REVISIONS

The bill is an omnibus bill that contains numerous unrelated provisions. Notably, the bill alters Commission membership to ensure one member represents each of the 6 congressional districts that exist in Oregon after 2020 redistricting. It further clarifies eligibility for the ASPIRE program, updates language regarding accreditation to align it with federal terminology, and restores certain student complaint authority that had lapsed.

*Effective Date:* July 31, 2023

## ASSIGNED REPORTS, WORK GROUPS, AND BUDGET NOTES

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### REPORTS ASSIGNED BY LEGISLATION IN 2023

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BILL	TOPIC	DESCRIPTION	DUE DATES
SB 273	University Governance	Public universities required to twice report to legislature regarding compliance with governance processes imposed by the bill	<i>July 2, 2024 and 2025</i>
SB 424	Transcript Withholding	All Oregon-based institutions required to issue a report to HECC regarding debt owed by students and policies in place to eliminate transcript withholding.	<i>September 15, 2024</i>
HB 3456	Campus Climate	Violations of the provisions of HB 3456	<i>September 15, annually</i>
HB 3456	Sexual Misconduct Survey	Institutions to report survey results.	<i>Every two years</i>

### WORK GROUPS ASSIGNED BY LEGISLATION IN 2023

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BILL	TOPIC	DESCRIPTION
HB 3456	Sexual Misconduct Survey Council	Development of a biennial survey on campus climate related to sexual misconduct.

### BUDGET NOTES

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BILL	TOPIC	NOTE CONTENT
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HB 5025	HECC Modernization	<p>HECC is directed to provide a comprehensive report on the status of the Modernization Project to the Joint Legislative Committee on Information Management and Technology (JLCIMT) during the 2024 Legislative Session. The report shall, at minimum, include updated status information on:</p> <ul style="list-style-type: none"> <li>• Project governance, management, and staffing</li> <li>• Project scope, schedule, and budget</li> <li>• Current or planned procurements/contracts</li> <li>• Legacy system and data conversion planning and activities</li> <li>• Risks and challenges</li> <li>• Completion of State CIO Stage Gate Endorsement requirements</li> <li>• Independent quality management service contractor findings and recommendations</li> <li>• Any other information that would inform the JLCIMT or other Legislative Committees about the status of this Modernization project.</li> </ul>
HB 5025	TRU + PSU Sustainability	<p>The 2023-25 Higher Education Coordinating Commission (HECC) budget includes one-time funding of \$6,164,482 General Fund for HECC to distribute, based on the 2022-23 PUSF funding distribution, to Portland State University (PSU) and Oregon's Technical Regional Universities (Oregon Institute of Technology, Southern Oregon University, Eastern Oregon University, and Western Oregon University) to expend on promising innovative proof-of-concept efforts to realign institutional offerings and resources with current and emerging enrollment and economic realities in order to create long-term institutional financial viability.</p> <p>In addition, the 2023-25 budget includes a special purpose appropriation to the Emergency Board in the amount of \$18,735,518 General Fund for potential HECC grants to PSU and Oregon's Technical Regional Universities (TRUs) to assist these institutions with long-term financial sustainability, based on the proof-of-concept efforts funded in the HECC 2023-25 adopted budget.</p> <p>No later than, December 15, 2023, each institution is directed to submit a report to HECC detailing each proof-of-concept effort. HECC is directed to convene a workgroup with representatives of these institutions to produce a final report. The report should include: [1] an evaluation of each proof-of-concept effort; and [2] recommendations for allocation of the \$18,735,518 General Fund TRUs and PSU financial sustainability special purpose appropriation to assist with implementation of reported recommendations. HECC shall present this report to the Joint Committee on Ways and Means during the 2024 Legislative Session.</p>

## POTENTIAL AGENCY RULEMAKING ACTION

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The absence of a bill or topic within a bill in the following table does not indicate that rulemaking is prohibited or will not occur. As HECC staff develop work plans and further analyze legislation, it may be determined that rulemaking is required or permitted and the preferred mechanism of establishing requirements for areas not listed here.

BILL	TOPIC	DESCRIPTION
SB 482	CCSF Distribution	Including out-of-state coursework offered at an airport owned by an Oregon municipality in the CCSF formula calculation.
SB 523	Bachelor's of Science Degrees in Nursing	Altering community college program approval processes and authorities to account for a new degree type.
HB 2611	Part-Time Faculty Healthcare	Modifying rules regarding reimbursement to allow dental and vision coverages as reimbursable costs.
HB 3178	Awards for Diverse Teacher Candidates	Altering award amounts to reflect statutory increase.
HB 3456	Campus Climate and Sexual Misconduct	Governing institutional practice and policy relating to issues of campus climate and treatment of students related to issues of sexual misconduct.
HB 3561	Early Childhood Care and Education Grant	Creation of rules governing the program.