OFFICE OF THE SECRETARY OF STATE
TOBIAS READ
SECRETARY OF STATE

MICHAEL KAPLAN
DEPUTY SECRETARY OF STATE

ARCHIVES DIVISION
STEPHANIE CLARK
DIRECTOR

800 SUMMER STREET NE
SALEM, OR 97310
503-373-0701

NOTICE OF PROPOSED RULEMAKING

INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 575
HIGHER EDUCATION COORDINATING COMMISSION
OFFICE OF STUDENT ACCESS AND COMPLETION

FILED: 08/04/2026 3:52 PM
ARCHIVES DIVISION SECRETARY OF STATE

FILING CAPTION: Repeal Inactive Rules Related to Non-Operating OSAC Programs and Amending Rule for Name Change

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 09/24/2026 5:00 PM
The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

CONTACT:
Rachael Conway
971-372-5492
Rachael.CONWAY@hecc.oregon.gov
3225 25th Street SE
Salem, OR 97302

Filed By:
Guthrie Stafford
Rules Coordinator

HEARING(S)
Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 09/17/2026
TIME: 11:00 AM - 11:30 AM
OFFICER: Rachael Conway

REMOTE HEARING DETAILS
MEETING URL: Click here to join the meeting
PHONE NUMBER: 1-503-446-4951
CONFERENCE ID: 223587403979490
SPECIAL INSTRUCTIONS:
Phone passcode: 743057074#
Meeting ID Passcode: Do2p6YP9

NEED FOR THE RULE(S):

This rule action is needed to align outdated HECC administrative rules with current terminology and statutory authority.

Specifically, Oregon Administrative Rule (OAR) 575-060-0005 titled "Definitions" is amended to update the name of the regional accreditor now known as the Northwest Commission on Colleges and Universities. OAR 575-001-0035 titled Appointment and Authority of Executive Director is repealed because the rule's provisions are redundant with coverage in ORS 348.511.

All other rules are repealed because their authorizing statutes have been repealed by the Oregon Legislature and the HECC no longer has the authority to administer the programs they outline. These programs include the: State Grant Supplemental Award Program, Medical-Dental Student Loan Program, Rural Health Services Program, Oregon Nursing Loan Program, Nursing Services Program, Oregon Troops to Teachers Program, and Model Higher Education Community Service Voucher Program.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:

No documents were relied upon in the development of this rule action.

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE:

There is no impact. All repealed programs no longer exist in Oregon as a result of legislative changes, and the repeal of the rules which used to govern them will have no effect on any member of the public.

FISCAL AND ECONOMIC IMPACT:

There is no expected fiscal or economic impact.

COST OF COMPLIANCE:
(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

(1) No state agency, unit of local government, or member of the public is expected to be economically affected by this rule action.
(2)(a) No small businesses are estimated to be impacted by this rule action.
(b) No reporting, recordkeeping, and administrative activity costs are expected.
(c) None.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Small businesses were not involved in the development of these rules.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

An administrative rule advisory committee was not consulted. The only proposed amendment is an update to correct the name of an accrediting organization. All other elements of the action are full repeals due to repeal of authorizing statute.

RULES PROPOSED:
575-001-0030, 575-001-0035, 575-038-0000, 575-038-0010, 575-038-0020, 575-038-0030, 575-038-0040, 575-045-0005, 575-050-0005, 575-050-0010, 575-050-0015, 575-050-0020, 575-050-0025, 575-050-0030, 575-050-0035, 575-050-0040, 575-050-0042, 575-050-0045, 575-050-0050, 575-060-0005, 575-071-0000, 575-071-0010, 575-071-0020, 575-071-0030, 575-071-0035, 575-071-0040, 575-071-0050, 575-071-0060, 575-071-0070, 575-072-0000, 575-072-0010, 575-072-0020, 575-072-0030, 575-072-0040, 575-072-0050, 575-072-0060, 575-072-

0070, 575-072-0080, 575-072-0090, 575-073-0000, 575-073-0010, 575-073-0020, 575-073-0030, 575-073-0035, 575-073-0040, 575-073-0050, 575-073-0060, 575-074-0000, 575-074-0005, 575-074-0010, 575-074-0015, 575-074-0020, 575-074-0025, 575-074-0030, 575-085-0000, 575-085-0020, 575-085-0030, 575-085-0040, 575-085-0050, 575-085-0060, 575-085-0070

REPEAL: 575-001-0030

RULE SUMMARY: This rule covers identification, tracking, and notification for defaulted loan borrowers within HECC administered programs, as well as data sharing with Oregon licensing boards, agencies, and commissions that are authorized by statute to refuse to renew or suspend any certificate, license, or registration on the basis of such default.

CHANGES TO RULE:

~~575-001-0030~~
~~Licensing, Suspension, and Renewal Requirements~~
~~(1) A State of Oregon licensing board, agency, or commission that is authorized by statute shall refuse to renew or may suspend a certificate, license, or registration of a person, or place the person on probation, if the person is in default in repayment of any student loan guaranteed or insured by the Higher Education Coordinating Commission and is not paying in a satisfactory manner as defined by federal regulation.¶~~
~~(2) The Higher Education Coordinating Commission shall identify which entities it is feasible to enter into an agreement with, to design and implement a process for conducting database matches and notification procedures.¶~~
~~(3) The Higher Education Coordinating Commission shall notify the defaulted loan borrower in writing that failure to pay satisfactorily may result in a refusal to issue or renew, a suspension or a placement on probation on any license, certificate or registration. The notice shall provide the defaulted student loan borrower with an administrative process to challenge the default status of any loan and an opportunity to object to the collection of the debt according to 34 CFR 30.20 to 30.33 and 34 CFR 682.410.¶~~
~~(4) The Higher Education Coordinating Commission shall inform defaulted borrowers and participating boards, agencies and commissions as outlined in ORS 348.397 - 348.399.~~
~~Statutory/Other Authority: ORS 183.325, 690.005 - 690.235, 348~~
~~Statutes/Other Implemented: HB 2337, 1995 Legislative Assembly~~

REPEAL: 575-001-0035

RULE SUMMARY: This rule covers the appointment of the Director of the Office of Student Access and Completion by the Executive Director of the HECC agency.

CHANGES TO RULE:

~~575-001-0035~~
~~Appointment and Authority of Executive Director~~
~~The Executive Director of the Higher Education Coordinating Commission shall appoint a qualified person to hold the position of Executive Director of the Office of Student Access and Completion. The Executive Director shall have the authority to direct all activities of the agency including, but not limited to, developing the agency's biennial and interim budget requests, overseeing all management functions of the agency such as authorizing expenditures and fees, employing and dismissing staff, entering into contracts and any other activity necessary to direct the functions of the agency on a daily basis.~~
~~Statutory/Other Authority: ORS 183, 348~~
~~Statutes/Other Implemented: ORS 183, 348~~

REPEAL: 575-038-0000

RULE SUMMARY: This rule addresses the purpose of the division to administer supplemental grants to Oregon Opportunity Grant recipients enrolled in private, nonprofit colleges.

CHANGES TO RULE:

~~575-038-0000~~
~~Purpose~~
~~The purpose of this program is to carry out provisions of House Bill 5030, Section 6, enacted by the Legislative Assembly during the regular 1995 session. That measure calls for supplemental grants to be made to students receiving Oregon Opportunity Grants and who are enrolled in private, nonprofit colleges in Oregon.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: HB 5030(6), 1995~~

REPEAL: 575-038-0010

RULE SUMMARY: This rule outlines eligibility for the supplemental grants outlined by the division.

CHANGES TO RULE:

~~575-038-0010~~
~~Student Eligibility~~
~~Students eligible for State Grant Supplemental Awards are those who have been designated by the Commission to receive Opportunity Grants for attendance at private, nonprofit colleges in Oregon.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: HB 5030(6), 1995~~

REPEAL: 575-038-0020

RULE SUMMARY: This rule adopts by reference several Oregon Opportunity Grant program administrative rules provisions for the purpose of the State Grant Supplemental Award Program.

CHANGES TO RULE:

~~575-038-0020~~
~~Program Elements Governed by Need Grant Rules~~
~~The following common elements of the Opportunity Grant Program and the State Grant Supplemental Award Program are governed by existing administrative rules for the Opportunity Grant Program:¶~~
~~(1) Definitions, see Oregon Administrative Rules (OAR) 575-030-0005.¶~~
~~(2) Residency, see OAR 575-031-0005.¶~~
~~(3) Financial need, see OAR 575-031-0010.¶~~
~~(4) Eligible program, see OAR 575-031-0016.¶~~
~~(5) Enrollment, see OAR 575-031-0020.¶~~
~~(6) Conditions of award, see OAR 575-031-0030.¶~~
~~(7) Renewal, see OAR 575-031-0075.¶~~
~~(8) Award priority, see OAR 575-031-0040.¶~~
~~(9) Disbursement, see OAR 575-031-0045.¶~~
~~(10) Record keeping, see OAR 575-031-0050.¶~~
~~(11) Appeals, see OAR 575-031-0055.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: HB 5030(6), 1995~~

REPEAL: 575-038-0030

RULE SUMMARY: This rule covers that the award amount will be annually set by the Higher Education Coordinating Commission in consultation with participating institutions.

CHANGES TO RULE:

~~575-038-0030~~
~~Grant Amount~~
~~State Grant Supplemental Award amounts will be set annually by the Higher Education Coordinating Commission in consultation with institutions participating in the State Grant Supplemental Award Program.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: HB 5030(6), 1995~~

REPEAL: 575-038-0040

RULE SUMMARY: This addresses information that institutions must furnish to enrolled awardees upon receipt of the award.

CHANGES TO RULE:

~~575-038-0040~~
~~Student Information~~
~~The institution shall provide each designated awardee at that institution with written notification of the following:¶~~
~~(1) The amount and type of state grants which the student is eligible to receive at that institution.¶~~
~~(2) Any change in the amount or type of state grants which the student is eligible to receive at that institution.¶~~
~~(3) The transferability of state grants to other eligible institutions in Oregon.¶~~
~~(4) The necessity of the student to apply to the Commission annually to be considered for renewal of the award.¶~~
~~(5) The limitation on the duration of the award to 12 quarters or 8 semesters.¶~~
~~(6) The conditions which govern eligibility for that award:¶~~
~~(a) That the recipient must be eligible for an Oregon Opportunity Grant;¶~~
~~(b) That the recipient must be an undergraduate student, as defined by the Commission;¶~~
~~(c) That the recipient must be a full-time student, as defined by the institution, unless funds are available to make awards to less-than-full-time students;¶~~
~~(d) That the recipient must make satisfactory academic progress, as defined by the institution;¶~~
~~(e) That an awardee may not receive state grants if enrolled in a course of study leading to a degree in theology, divinity, or religious education;¶~~
~~(f) That the recipient may not be in default on any federal Title IV loan nor owe any refunds on federal Title IV funds previously disbursed;¶~~
~~(g) That the recipient shall sign a statement of Selective Service Registration Compliance;¶~~
~~(h) That information submitted in application for state awards is subject to verification by the institution; failure to provide information requested will result in cancellation of the award.~~
~~Statutory/Other Authority: 348~~
~~Statutes/Other Implemented: 5030(6), 1995~~

REPEAL: 575-045-0005

RULE SUMMARY: This rule addresses compliance requirements with federal law and regulations regarding any limitations, suspension, or termination actions taken by the agency in relation to student loan program policy.

CHANGES TO RULE:

~~575-045-0005~~
~~Limitation, Suspension and Termination.~~
~~Any Limitation, Suspension, or Termination actions taken by the Higher Education Coordinating Commission will be in compliance with the Higher Education Act of 1965, as amended, the federal regulations issued thereunder, and the Unified Student Loan Policy as set forth in the Common Manual.~~
~~Statutory/Other Authority: ORS 183, 348~~
~~Statutes/Other Implemented: ORS 348.530~~

REPEAL: 575-050-0005

RULE SUMMARY: This rule provides definitions for the division.

CHANGES TO RULE:

~~575-050-0005~~
~~Definitions~~
~~For the purposes of the Medical and Dental Student Loan Program, the following definitions shall be used:¶~~
~~(1) "Academic Year". A period of time, beginning September 1, in which a full-time student would normally be expected to complete three quarters of instruction.¶~~
~~(2) "Commission". The Higher Education Coordinating Commission.¶~~
~~(3) "Dependent/Independent Student". The definition of independent/dependent student shall be the definition used for the student aid programs under Title IV of the Higher Education Act of 1965 as amended.¶~~
~~(4) "Division". The Division of State Lands.¶~~
~~(5) "Full-Time Student". A student who is carrying a full-time academic workload as determined by the institution.¶~~
~~(6) "Guarantor or Guarantee Agency". The Higher Education Coordinating Commission.¶~~
~~(7) "Institution". The Oregon Health Sciences University and Oregon State University.¶~~
~~(8) "Interim Note". The basic contract between the student-borrower and the lender whereby the lender makes funds available to qualifying individuals to pay educational costs. It reflects the amount borrowed, rate and maturity, the terms and conditions under which the loan is made, a Disclosure Statement and endorsement by the Commission.¶~~
~~(9) "Lender". The Division of State Lands.¶~~
~~(10) "Resident of Oregon". Residency is established by virtue of the student (in the case of independent students) or the student's parents (in the case of dependent students) having been in continuous residency in this state for the 12 months preceding enrollment. Residency is immediate in the case of a dependent whose parents have moved to this state for a reason other than the student's enrollment. The residency period may be reduced to the preceding six months in the case of an independent student who moved to this state for a purpose other than education:¶~~
~~(a) A dependent resident student whose Oregon domiciled parent(s) move out-of-state shall retain resident classification as long as such students are continuously enrolled at an Oregon high school or postsecondary institution. Continuous enrollment is defined as completion of an academic year within any 12-month period;¶~~
~~(b) An independent resident student shall retain resident classification as long as the student is continuously enrolled at an Oregon postsecondary institution. Continuous enrollment is defined as completion of an academic year within any 12-month period;¶~~
~~(c) A dependent student whose parent(s) are serving on active duty in the United States Armed Forces outside the state of Oregon shall have residency status determined by the parents' declared "home of record". An independent student who is serving on active duty in the United States Armed Forces outside the State of Oregon shall have residency status determined by the student's declared "home of record";¶~~
~~(d) A student from a state other than Oregon or the Trust Territories who is receiving, or is eligible to receive financial assistance through the government of the state or the Trust Territories, shall not be considered a resident of Oregon;¶~~
~~(e) An independent student who otherwise qualifies as an Oregon resident, but pays out-of state tuition and fees shall not be considered a resident of Oregon.¶~~
~~(11) "Schedule of Payments". The schedule which includes the number of payments, the amount of each payment and the date(s) due.¶~~
~~(12) "Deferred Interest".¶~~
~~(a) For medical, dental, and veterinary student borrowers, the interest which accrues during the period commencing on the date of the disbursement check and ending on the date the borrower ceases to be enrolled full-time;¶~~
~~(b) For undergraduate nursing student borrowers, the interest which accrues from September 1 each year following the date of graduation or termination as a full-time student to the date repayment commences.¶~~
~~(13) "Accruing Interest".¶~~
~~(a) For medical, dental, and veterinary student borrowers, the interest which accrues commencing on the date the borrower ceases to be enrolled full-time at the Institution and continuing until the loan is paid in full;¶~~
~~(b) For nursing student borrowers, the interest which accrues from the date repayment of the loan begins until the loan is paid in full.¶~~
~~(14) "Annual Interest". For undergraduate nursing student borrowers, the interest which accrues from the date of~~

~~the disbursement check to the end of the school year, August 31 of each year.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348.040 - 348.095~~

REPEAL: 575-050-0010

RULE SUMMARY: This rule outlines respective responsibility and authority for the Medical-Dental Student Loan Program between the Higher Education Coordinating Commission and participating higher education institutions.

CHANGES TO RULE:

~~575-050-0010~~
~~Administrative Responsibility~~
~~(1) The Commission shall be responsible for the implementation of all policies and procedures for the administration of the Medical-Dental Student Loan Program under the provision of ORS 348.040 through 348.095.¶~~
~~(2) The Commission may establish rules for the administration of the program in those instances in which the state law allows or mandates discretion in interpretation and implementation.¶~~
~~(3) The Commission shall have authority to approve loan applications submitted by the institution.¶~~
~~(4) The Division shall be responsible for the loan of funds from the Common School Fund to eligible students under this program and for the subsequent collection of such loans.¶~~
~~(5) The Division shall prepare the Schedule of Payments.¶~~
~~(6) The institution shall be responsible for the initial processing of applications for this program, the assessment of eligibility and need for the loan, periodical reports to the Commission and Division with regard to borrowers status and recommendations to the Commission on submitted applications.¶~~
~~(7) The institution shall prepare the interim notes in compliance with the requirements of the Division.¶~~
~~(8) Prior to the borrower leaving the institution, the institution shall conduct an exit interview, at which time the institution shall explain the repayment provisions of the loan and shall obtain the borrower's signature on the Schedule of Payments.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348.040 - 348.095~~

REPEAL: 575-050-0015

RULE SUMMARY: This rule addresses eligibility criteria for a loan under the Medical-Dental Student Loan Program.

CHANGES TO RULE:

~~575-050-0015~~
~~Eligibility~~
~~To be eligible for a loan under this program, a student must:¶~~
~~(1) Be a full-time professional medical or dental student or undergraduate nursing student at the Oregon Health Sciences University or a full-time student in a veterinary program offered by Oregon State University.¶~~
~~(2) Be a resident of Oregon as defined by OAR 575-050-0005(9).¶~~
~~(3) Have financial need computed by the needs analysis system adopted by the Commission.¶~~
~~(4) Complete, execute, and deliver the required application which shall include a signed statement by the student consenting to the release of personally identifiable information to the Division and the Commission.¶~~
~~(5) Submit the loan application prior to the final day of registration for the semester(s) or term(s) for which the loan is to be used, except as may be dictated by individual circumstances and approved by the Division and Commission.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348.040 - 348.095~~

REPEAL: 575-050-0020

RULE SUMMARY: This rule covers limits to annual and maximum principal loans provided under the Medical-Dental Student Loan Program.

CHANGES TO RULE:

~~575-050-0020~~
~~Loan Limits~~
~~(1) The maximum loan for any academic year for medical, dental and veterinary students shall be $4,000.¶~~
~~(2) The maximum loan for any academic year for undergraduate nursing students shall be $1,000.¶~~
~~(3) The principal amount of all loans for any individual shall not exceed $16,000.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348.040 - 348.095~~

REPEAL: 575-050-0025

RULE SUMMARY: This rule addresses the breakdown of loan disbursements over the terms for which the loan is granted.

CHANGES TO RULE:

~~575-050-0025~~
~~Disbursements~~
~~(1) The loan amount for an academic year shall be divided into equal disbursements to correspond with the number of terms for which the loan is granted, except as may be dictated by individual circumstances and approved by the Commission and the Division.¶~~
~~(2) All disbursements will be by state check drawn by the Division payable to the student to be dispersed by the Institution not more than ten days prior to the commencement of the term for which drawn.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348.040 - 348.095~~

REPEAL: 575-050-0030

RULE SUMMARY: This rule addresses the form and timeline for loan repayment under the Medical-Dental Student Loan Program.

CHANGES TO RULE:

~~575-050-0030~~
~~Repayment~~
~~(1) Repayment of the principal of the loans, accruing interest and deferred interest shall commence not later than 12 months after the borrower graduates or otherwise terminates his/her education program. The "education program" may include post-graduate study approved by the Commission. If a borrower enrolls in an approved post-graduate study program after a portion of the above 12-month period has elapsed, then repayment of the principal and deferred interest shall commence following the termination of that program and after any remaining balance of the original 12-month period has elapsed, except that repayment of principal and deferred interest must commence in all cases within 60 months following the borrower's graduation from the institution.¶~~
~~(2) These payments shall be made in equal successive monthly installments of not less than $50 and shall end not more than 120 months after the beginning of the principal repayment period.¶~~
~~(3) The length of repayment for students who borrow under this program following the commencement of repayment shall be negotiated by the student and the Division at the time the subsequent loan is made.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348.040 - 348.095~~

REPEAL: 575-050-0035

RULE SUMMARY: This rule covers the conditions under which a loan is judged in default and resulting actions including collection charges.

CHANGES TO RULE:

~~575-050-0035~~
~~Default~~
~~(1) A loan shall be judged to be in default upon the occurrence of any one or more of the following conditions:¶~~
~~(a) Failure of the borrower to acknowledge the Schedule of Payments within 60 calendar days following graduation or termination;¶~~
~~(b) Failure of the borrower to fully remit two consecutive quarterly installments of accruing interest or failure to fully remit a monthly installment of accruing interest which is due for more than 120 days;¶~~
~~(c) Failure of the borrower to fully remit any other installment which is due for more than 120 days; or¶~~
~~(d) Borrower is adjudicated a bankrupt.¶~~
~~(2) The holder of a note may exercise the right of offset against any maker or co-maker of defaulted loans under the conditions set forth by the laws of the State of Oregon. The maker or co-maker shall pay any charges for assistance in exercising the right of offset incurred by the holder of the note(s).¶~~
~~(3) From funds available, therefore, the Commission shall reimburse the Division for any loss resulting from default of a loan. The Commission shall then take the action necessary for the recovery of those funds.¶~~
~~(4) A five percent collection charge shall be assessed against all loans that are judged to be in default. This charge will be assessed by the Commission for the actual servicing and collection of defaulted loans and is based on the amount paid to the previous holder of the note(s). The maker or co-maker shall pay all charges incurred should the note(s) be referred to an outside collection agency.¶~~
~~(5) The application of offsets to a defaulted loan(s) shall not be credited to future payments nor be a substitute for regular monthly installments.¶~~
~~(6) The prepayment of a portion of a defaulted loan(s) shall not be credited to future payments nor be a substitute for regular monthly installments.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348.040 - 348.095~~

REPEAL: 575-050-0040

RULE SUMMARY: This rule addresses interest rate assessment and payment deference while enrolled for medical, dental, and veterinary students.

CHANGES TO RULE:

~~575-050-0040~~
~~Interest for Medical, Dental, and Veterinary Student Borrowers~~
~~(1) Borrowers shall be assessed at least six percent interest per annum on the unpaid balance from the date of the note.¶~~
~~(2) In-school interest payments by the borrower shall be deferred until the borrower ceases to be enrolled full-time:¶~~
~~(a) During the interest deferment period, the Commission shall pay the Division the applicable interest on an annual basis;¶~~
~~(b) The borrower shall reimburse the Commission for these deferred interest payments as provided in OAR 575-050-0030.¶~~
~~(3) The borrower shall commence direct payment of accruing interest to the Division at the time he/she ceases to be enrolled full-time. These payments of interest will be made in quarterly or monthly installments, as specified in the Interim Note and Addendum, until repayment of principal begins, at which time they will be incorporated into the monthly installments of principal and deferred interest.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348.040 - 348.095~~

REPEAL: 575-050-0042

RULE SUMMARY: This rule addresses interest rate assessment and payment for nursing students.

CHANGES TO RULE:

~~575-050-0042~~
~~Interest for Undergraduate Nursing Student Borrowers~~
~~(1) Borrowers shall pay such rate of interest as is negotiated between the Division of State Lands and the Higher Education Coordinating Commission, but in no event shall such rate of interest be less than seven percent.¶~~
~~(2) Annual interest shall be paid by the nursing student borrower within 30 days from the date interest is due and payable.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348.040 - 348.095~~

REPEAL: 575-050-0045

RULE SUMMARY: This rule covers annual special payments by the Commission to the Division on unpaid loan balances.

CHANGES TO RULE:

~~575-050-0045~~
~~Special Payments~~
~~The Commission shall pay annually to the Division a maximum of three percent per annum on the unpaid balance of all medical, dental, and veterinary student borrower loans.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348.040 - 348.095~~

REPEAL: 575-050-0050

RULE SUMMARY: This rule covers record keeping requirements for participating education institutions for administration of the program.

CHANGES TO RULE:

~~575-050-0050~~
~~Record Keeping~~
~~(1) The institution shall maintain sufficient records to document its activities in the program.¶~~
~~(2) The institution shall retain records relevant to the program for not less than five years following the borrower's graduation or termination.¶~~
~~(3) The institution shall make its records available to the Commission at reasonable times for the purpose of assuring that the institution is complying with the rules relating to the administration of the program.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348.040 - 348.095~~

AMEND: 575-060-0005

RULE SUMMARY: This rule covers definitions for the administration of privately funded award programs under the division.

CHANGES TO RULE:

575-060-0005
Definitions ¶

For the purposes of Privately Funded Award Programs which the Commission administers, the following definitions shall be used unless specified otherwise by a donor:¶
(1) "Academic Year." A period of time, normally beginning in August or September, in which a student would normally be expected to complete at least three-quarters of full-time instruction or the equivalent.¶
(2) "Commission." The Higher Education Coordinating Commission.¶
(3) "Cost of Education." The sum of tuition and fees, room and board, books and supplies, transportation personal expenses, and other allowable costs identified by the U.S. Department of Education.¶
(4) "Dependent/Independent Student." The definitions of dependent/independent student shall be the definition used for the student aid programs under Title IV of the Higher Education Act of 1965 as amended.¶
(5) "Generally Accredited Institution." An institution accredited by the Northwest ~~Association of Secondary and Higher School~~Commission on Colleges and Universities.¶
(6) "Resident of Oregon." Residency is established by virtue of the student (in the case of independent students) or the student's parents (in the case of dependent students) having been in continuous residency in this state for the 12 months preceding enrollment. Residency is immediate in the case of a dependent whose parents have moved to this state for a reason other than the student's enrollment. The residency period may be reduced to the preceding six months in the case of an independent student who moved to this state for a purpose other than education:¶
(a) A dependent resident student whose Oregon domiciled parent(s) move out-of-state shall retain resident classification as long as such student is continuously enrolled at an Oregon high school or postsecondary institution. Continuous enrollment is defined as completion of an academic year within any 12-month period;¶
(b) An independent resident student shall retain resident classification as long as the student is continuously enrolled at an Oregon postsecondary institution. Continuous enrollment is defined as completion of an academic year within any 12-month period;¶
(c) A dependent student whose parent(s) are serving on active duty in the United States Armed Forces outside the State of Oregon shall have residency status determined by the parents' declared "home of record." An independent student who is serving on active duty in the United States Armed Forces outside the State of Oregon shall have residency status determined by the student's declared "home of record";¶
(d) A student from a state other than Oregon, or from the Trust Territories, who is receiving or is eligible to receive financial assistance through the government of that state or the Trust Territories, shall not be considered a resident of Oregon.¶
(e) Residence Classification of Members of Oregon Tribes:¶
(A) Students who are enrolled members of federally recognized tribes of Oregon or who are enrolled members of a federally recognized Native American tribe which had traditional and customary tribal boundaries that included parts of the state of Oregon or which had ceded or reserved lands within the state of Oregon shall be deemed eligible for programs administered by the Higher Education Coordinating Commission that are limited to Oregon residents, regardless of their state of residence.¶
(B) For purposes of this rule, the federally recognized tribes of Oregon are the following:¶
(i) Burns Paiute Tribe;¶
(ii) Confederated Tribes of Coos, Lower Umpqua and Siuslaw;¶
(iii) Confederated Tribes of Grand Ronde Community of Oregon;¶
(iv) Confederated Tribes of Siletz Indians of Oregon;¶
(v) Confederated Tribes of the Umatilla Indian Reservation;¶
(vi) Confederated Tribes of the Warm Springs Indian Reservation;¶
(vii) Coquille Indian Tribe;¶
(viii) Cow Creek Band of Umpqua Indians;¶
(ix) Klamath Tribes.¶
(C) For purposes of this rule, the federally recognized Native American tribes which had traditional and customary tribal boundaries that included parts of the state of Oregon or which had ceded or reserved lands within the state of Oregon are:¶
(i) CALIFORNIA:¶

(I) Benton Paiute Tribe;¶
(II) Big Bend Rancheria;¶
(III) Big Lagoon Rancheria;¶
(IV) Blue Lake Rancheria;¶
(V) Bridgeport Indian Colony;¶
(VI) Cedarville Rancheria;¶
(VII) Fort Bidwell Indian Tribe;¶
(VII) Hoopa Valley Tribe;¶
(IX) Karuk Tribe of California;¶
(X) Likely Rancheria;¶
(XI) Lookout Rancheria;¶
(XII) Lytton Rancheria;¶
(XIII) Melochundum Band of Tolowa Indians;¶
(XIV) Montgomery Creek Rancheria;¶
(XV) Pit River Tribe;¶
(XVI) Quartz Valley Indian Community;¶
(XVII) Redding Rancheria;¶
(XVIII) Roaring Creek Rancheria;¶
(XIX) Smith River Rancheria;¶
(XX) Susanville Rancheria;¶
(XXI) Tolowa-Tututni Tribe;¶
(XXII) Winnemucca Colony;¶
(XXIII) XL Ranch;¶
(XXIV) Yurok Tribe.¶
(ii) IDAHO:¶
(I) Nez Perce Tribe of Idaho;¶
(II) Shoshoni-Bannock Tribes.¶
(iii) NEVADA:¶
(I) Duck Valley Shoshone-Paiute Tribes;¶
(II) Fallon Paiute-Shoshone Tribe;¶
(III) Fort McDermitt Paiute-Shoshone Tribe;¶
(IV) Lovelock Paiute Tribe;¶
(V) Pyramid Lake Paiute Tribe;¶
(VI) Reno-Sparks Indian Colony;¶
(VII) Summit Lake Paiute Tribe;¶
(VIII) Walker River Paiute Tribe;¶
(IX) Winnemucca Indian Colony;¶
(X) Yerington Paiute Tribe.¶
(iv) OKLAHOMA: Modoc Tribe of Oklahoma.¶
(v) WASHINGTON:¶
(I) Chehalis Community Council;¶
(II) Colville Confederated Tribes;¶
(III) Quinault Indian Nation;¶
(IV) Shoalwater Bay Tribe;¶
(V) Yakama Indian Nation.¶
(D) A student seeking to be deemed eligible under the provisions of this rule shall submit, following procedures prescribed by the Commission, a photocopy of a tribal enrollment card or other acceptable documentation from a tribe which documents tribal membership.¶
(7) "Community Foundation" means an organization that is:¶
(a) A community trust or foundation within the meaning of Section 170 of the Internal Revenue Code of 1986 and Section 1.170 A-9(e)(10) of the treasury regulations thereunder;¶
(b) Exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986; and¶
(c) Not a private foundation within the meaning of Section 509 of the Internal Revenue Code of 1986.
Statutory/Other Authority: ORS ~~183.325 & 348, OL 1993~~348.530
Statutes/Other Implemented: ORS 348.530

REPEAL: 575-071-0000

RULE SUMMARY: This rule provides definitions for the administration of the Rural Health Services Program.

CHANGES TO RULE:

~~575-071-0000~~
~~Definitions~~
~~For the purposes of the Rural Health Services Program the following definitions shall be used:¶~~
~~(1) "Commission" means the Higher Education Coordinating Commission.¶~~
~~(2) "Dentist" means any person licensed to practice dentistry under ORS Chapter 679.¶~~
~~(3) "Nurse Practitioner" means any person licensed under ORS 678.375.¶~~
~~(4) "Physician Assistant" means any person licensed under ORS 677.495 and 677.505 to 677.525.¶~~
~~(5) "Physician" means any person licensed under ORS Chapter 677.¶~~
~~(6) "Pharmacist" means an individual licensed under ORS Chapter 689.¶~~
~~(7) "Qualifying Loan" means any loan made to a medical student, pharmacy student, physician assistant student, dental student or nursing student under:¶~~
~~(a) The Common School Fund Loan Program administered under ORS 348.040 to 348.090;¶~~
~~(b) Programs under Title IV, Parts B, D, and E, of the Higher Education Act of 1965, as amended; and¶~~
~~(c) The Health Profession's Student Loan Program, Nursing Student Loan Program, Health Education Assistance Loan Program and Primary Care Loan Program administered by the U.S. Department of Health and Human Services.¶~~
~~(8) "Qualifying practice site" means:¶~~
~~(a) A rural hospital as defined in ORS 442.470;¶~~
~~(b) A federally certified Rural Health Clinic;¶~~
~~(c) A pharmacy that is located in a medically underserved rural community in Oregon as determined by the Office of Rural Health or a federally designated health professional shortage area and that is not part of a group of six or more pharmacies under common ownership; or¶~~
~~(d) Another practice site in a medically underserved rural community in Oregon as determined by the Office of Rural Health.¶~~
~~(9) "Practice Full-Time" means on-site clinical service, excluding on-call time, in a relevant health care discipline for no less than 32 working hours per week during no less than 48 weeks in a year.~~
~~Statutory/Other Authority: ORS 442.555, SB 404~~
~~Statutes/Other Implemented: ORS 442.550 - 442.570~~

REPEAL: 575-071-0010

RULE SUMMARY: This rule covers responsibilities and authorities for program administration between the Higher Education Coordinating Commission and the Office of Rural Health.

CHANGES TO RULE:

~~575-071-0010~~
~~Administration~~
~~(1) The Commission shall be responsible for the administration of this program.¶~~
~~(2) The Commission shall be responsible for making such rules as are required for the administration of the program.¶~~
~~(3) The Commission, in consultation with the Office of Rural Health, shall develop criteria to select program participants from the pool of eligible applicants.¶~~
~~(4) The Commission will utilize criteria adopted by the Oregon Office of Rural Health to determine the Oregon communities, which are participating qualifying practice sites' for the purposes of this program; to determine medically underserved communities and for compliance with federal public Law 95-210, establishing rural health clinics.~~
~~Statutory/Other Authority: ORS 442.555, SB 404~~
~~Statutes/Other Implemented: ORS 442.550 - 442.570~~

REPEAL: 575-071-0020

RULE SUMMARY: This rule addresses the purpose of the division to provide student loan repayments on behalf of physicians, pharmacists, dentists, physician assistants, and nurse practitioners who enter agreements to practice in qualifying sites.

CHANGES TO RULE:

~~575-071-0020~~
~~Purpose of the Program~~
~~The purpose of this program is to provide student loan repayments on behalf of physicians, pharmacists, dentists, physician assistants, and nurse practitioners who enter into agreements to practice in qualifying practice sites'; and who fulfill minimum terms of such practice specified in OAR 575-071-0040(2) and (4).~~
~~Statutory/Other Authority: ORS 442.550 - 442.565, SB 404~~
~~Statutes/Other Implemented: ORS 442.550 - 442.570~~

REPEAL: 575-071-0030

RULE SUMMARY: This rule addresses steps for program application and selection agreement limitations.

CHANGES TO RULE:

~~575-071-0030~~
~~Application and Selection~~
~~(1) To be eligible to participate in this program a prospective physician, pharmacist, dentist, physician assistant, or nurse practitioner shall contact the Commission.¶~~
~~(2) When funds are available, the Commission will provide application materials and information about the selection process to qualified individuals who have contacted the Commission.¶~~
~~(3) Applicants selected for participation in this program shall sign an agreement with the Commission, which sets forth the terms that the applicant must meet in order to qualify for benefits under this program.¶~~
~~(4) Subject to available resources, the Commission may enter into agreements with no more than ten prospective physicians, ten prospective pharmacists, ten prospective dentists, ten prospective physician assistants, and ten prospective nurse practitioners each year.~~
~~Statutory/Other Authority: ORS 442.555, SB 81, Sec. 52, SB 404~~
~~Statutes/Other Implemented: ORS 442.550 - 442.570~~

REPEAL: 575-071-0035

RULE SUMMARY: This rule covers criteria the Commission shall consider when prioritizing applicant selection.

CHANGES TO RULE:

~~575-071-0035~~
~~Selection Criteria~~
~~(1) Priority in selection of participants will be given to eligible applicants who:¶~~
~~(a) Have demonstrated a commitment to rural practice.¶~~
~~(b) Have signed an agreement to practice, or has begun to practice within the past year, in a qualifying practice site' as determined by the Office Rural Health.¶~~
~~(c) Have signed an agreement to practice in a qualifying practice site' that has contributed to the Rural Health Service Fund.~~
~~Statutory/Other Authority: ORS 442.555, SB 81, Sec. 52, SB 404~~
~~Statutes/Other Implemented: ORS 442.550 - 442.570~~

REPEAL: 575-071-0040

RULE SUMMARY: This rule outlines agreement requirements to accept program participation selection.

CHANGES TO RULE:

~~575-071-0040~~
~~Terms of Agreement~~
~~Prospective physicians, pharmacists, dentists, physician assistants, and nurse practitioners who wish to participate in the Rural Health Services Program shall agree that:¶~~
~~(1) For each year of medical, pharmacy, dental, physician assistant, or graduate school, the applicant shall designate an amount from the student loans borrowed by him or her, not to exceed $25,000 as a qualifying loan subject to repayment through this program.¶~~
~~(2) In the time period immediately following the completion of all residency requirements or the time period immediately following the execution of a Rural Health Services Agreement, whichever comes later, a physician or dentist applying to participate in the Rural Health Services Program agrees to practice full-time in a 'qualifying practice site' for at least three full years.¶~~
~~(3) For not less than three years, nor more than five years, that a physician or dentist participating in the Rural Health Services Program serves in a 'qualifying practice site', the Commission shall annually pay to the participant an amount that is a percentage of the total of all qualifying loans through the programs described in ORS 442.550.¶~~
~~(4) In the time period immediately following the completion of all pharmacy residency requirements or the five years following the execution of a Rural Health Services agreement with the Commission, whichever comes later, a pharmacist agrees to practice for at least three full years in a 'qualifying practice site'.¶~~
~~(5) For not less than three nor more than five years that a pharmacist serves in a 'qualifying practice site', the commission shall annually pay an amount that is a percentage of the total of all qualifying loans made to the pharmacist through the programs described in ORS 442.550.¶~~
~~(6) In the time period immediately following the completion of physician assistant or graduate school or the time period immediately following the execution of a Rural Health Services Agreement, whichever comes later, a physician assistant or nurse practitioner applying to participate in the Rural Health Services Program agrees to practice full-time in a 'qualifying practice site' for at least two full years.¶~~
~~(7) For not less than two nor more than four years that a physician assistant or nurse practitioner practices in a 'qualifying practice site', the Commission shall annually pay to the participant an amount that is a percentage of the total of all qualifying loans through the programs described in ORS 442.550.¶~~
~~(8) If the participant does not complete the full service obligation set forth in section (2), (4) or (6) of this rule, the Commission shall collect 100 percent of any payments made by the Commission to the participant under this program. In addition, a penalty equal to 50 percent of the qualifying loans and interest paid by the Commission shall be assessed by the Commission, to be credited to and deposited in the Rural Health Services Fund established under ORS 442.570.~~
~~Statutory/Other Authority: ORS 442.560, SB 81, Sec. 53, SB 404~~
~~Statutes/Other Implemented: ORS 442.470, 442.550 - 442.570~~

REPEAL: 575-071-0050

RULE SUMMARY: This rule addresses circumstances under which the Commission may waive fees and penalties owed by program participants.

CHANGES TO RULE:

~~575-071-0050~~
~~Waiver of Minimum Service Obligation~~
~~The Commission may waive all or part of the fees and penalties owed to the Commission under the following circumstances:¶~~
~~(1) Upon receiving written documentation acceptable to the Commission of the death of the participant; or¶~~
~~(2) Upon receiving written documentation acceptable to the Commission of the total and permanent disability of the participant; or¶~~
~~(3) After consideration by the Commission and the Office of Rural Health of a written appeal from the participant for a waiver of the minimum service obligation.~~
~~Statutory/Other Authority: ORS 442.550 - 442.570~~
~~Statutes/Other Implemented: ORS 442.550 - 442.570~~

REPEAL: 575-071-0060

RULE SUMMARY: This rule addresses applicability under certain tax credits to participants in the Rural Services Program.

CHANGES TO RULE:

~~575-071-0060~~
~~Availability of Tax Credit~~
~~The tax credit available to certain health practitioners under ORS 316.143 to 316.146 and 317.142 is available to participants in the Rural Services Program.~~
~~Statutory/Other Authority: ORS 442.560 & HB 2443, Sec. 13(8)~~
~~Statutes/Other Implemented: ORS 442.550 - 442.570~~

REPEAL: 575-071-0070

RULE SUMMARY: This rule covers the creation of a fund by the State Treasury for the purpose of administering the Rural Services Program.

CHANGES TO RULE:

~~575-071-0070~~
~~Rural Health Services Fund~~
~~There is established in the State Treasury a fund, separate and distinct from the General Fund, to be known as the Rural Health Services Fund, for investments as provided by ORS 293.701 to 293.776 and 293.820, for the payment of expenses of the Commission in carrying out the purposes of ORS 316.143 to 316.144, 317.142, 352.095, 442.470, 442.503 and 442.550 to 442.570. Interest earned by the account shall be credited to the account.~~
~~Statutory/Other Authority: ORS 442.550 - 442.570~~
~~Statutes/Other Implemented: ORS 442.550 - 442.570~~

REPEAL: 575-072-0000

RULE SUMMARY: This rule contains definitions for the administration of the division.

CHANGES TO RULE:

~~575-072-0000~~
~~Definitions~~
~~For the purposes of the Oregon Nursing Loan Program the following definitions shall be used:¶~~
~~(1) "Commission" means the HIgher Education Coordinating Commission.¶~~
~~(2) "Oregon Resident" means resident of the State of Oregon as defined in OAR chapter 575, division 31.¶~~
~~(3) "Oregon Institution" means an accredited institution of postsecondary education located and headquartered within the State of Oregon.¶~~
~~(4) "Satisfactory Performance" means satisfactory academic progress as determined by the institution attended.¶~~
~~(5) "Full-time Practice" means professional employment as a nurse for no less than 32 working hours per week and no less than 48 weeks in a year (12 consecutive months).¶~~
~~(6) "Part-time Practice" means professional employment as a nurse between 16 and 31 working hours per week and no less than 48 weeks in a year (12 consecutive months) or no less than 32 working hours per week during 24 to 47 weeks in a year (12 consecutive months).~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: SB 331, 2001 OLA~~

REPEAL: 575-072-0010

RULE SUMMARY: This rule addresses the Commission's responsibility and authority for the administration of the program.

CHANGES TO RULE:

~~575-072-0010~~
~~Administration~~
~~The Commission shall administer the Oregon Nursing Loan Program, and shall make such rules as are required for the administration of the program.~~
~~Statutory/Other Authority: ORS 348.115, 348.117~~
~~Statutes/Other Implemented: ORS 348.105 - 348.117~~

REPEAL: 575-072-0020

RULE SUMMARY: This rule addresses the purpose of the program to provide student loans for Oregon residents attending Oregon institutions who are enrolled in specific nursing and prelicensure related programs.

CHANGES TO RULE:

~~575-072-0020~~
~~Purpose~~
~~(1) This program is to provide student loans for Oregon residents attending Oregon institutions who are enrolled in programs leading to the following degrees:¶~~
~~(a) Associate Degree in Nursing;¶~~
~~(b) Bachelor of Science in Nursing; and¶~~
~~(c) Prelicensure Masters Program.¶~~
~~(2) Loans made to students under this program may be forgiven (cancelled), in part or in toto, upon fulfillment of the requirements related to the practice of nursing in the State of Oregon set forth in OAR 575-072-0070(8).~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: SB 331, 2001 OLA~~

REPEAL: 575-072-0030

RULE SUMMARY: This rule covers student eligibility to participate in the Oregon Nursing Loan Program.

CHANGES TO RULE:

~~575-072-0030~~
~~Student Eligibility Criteria~~
~~To receive financial aid from this program an applicant must:¶~~
~~(1) Be an Oregon resident as defined by the Commission in OAR chapter 575-030-0005;¶~~
~~(2) Be enrolled, or accepted for enrollment in a nursing program at an Oregon institution leading to the degree of Associate in Nursing; Bachelor of Science in Nursing; or Prelicensure Masters Program.¶~~
~~(3) Demonstrate academic achievement, ability, and motivation related to the practice of nursing; and¶~~
~~(4) Demonstrate financial need.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: SB 331, 2001 OLA~~

REPEAL: 575-072-0040

RULE SUMMARY: This rule addresses prioritization criteria in the selection process among eligible applicants.

CHANGES TO RULE:

~~575-072-0040~~
~~Priority in Awarding~~
~~Among applicants who meet the basic eligibility criteria of this program priority in the selection process shall be given to:¶~~
~~(1) Students employed in the health care field at the time of application;¶~~
~~(2) Students who agree to seek employment as nurses in areas within Oregon where there is a critical shortage of nurses, as determined annually by the Oregon State Board of Nursing in consultation with the Office of Rural Health.~~
~~Statutory/Other Authority: ORS 348.115, 348.117~~
~~Statutes/Other Implemented: ORS 348.105 - 348.117~~

REPEAL: 575-072-0050

RULE SUMMARY: This rule addresses the maximum awarding amount under the program.

CHANGES TO RULE:

~~575-072-0050~~
~~Maximum Awards~~
~~Annual awards made under this program shall not exceed 50 percent of the sum of tuition, fees, and room and board expenses for any participating student.~~
~~Statutory/Other Authority: ORS 348.115, 348.117~~
~~Statutes/Other Implemented: ORS 348.105 - 348.117~~

REPEAL: 575-072-0060

RULE SUMMARY: This rule addresses conditions under which program participants may renew their awards.

CHANGES TO RULE:

~~575-072-0060~~
~~Renewal of Awards~~
~~Subject to available funding, awards made under this program are renewable in subsequent academic years provided that:¶~~
~~(1) The awardee makes timely application in the manner specified annually by the Commission;¶~~
~~(2) The awardee continues to be enrolled in an eligible program at an eligible institution;¶~~
~~(3) The awardee demonstrates satisfactory performance in his or her program of study;¶~~
~~(4) The awardee continues to demonstrate financial need.~~
~~Statutory/Other Authority: ORS 348.115, 348.117~~
~~Statutes/Other Implemented: ORS 348.105 - 348.117~~

REPEAL: 575-072-0070

RULE SUMMARY: This rule covers terms of loans provided to eligible participants under the program.

CHANGES TO RULE:

~~575-072-0070~~
~~Terms of Loans Made Under this Program~~
~~(1) Student borrowers under this program shall be required to pay at least seven percent interest per annum on the unpaid balance of their loans from the date of the loan, as provided in section (5) of this rule. The interest rate for new loans shall be set annually by the Commission.¶~~
~~(2) Repayment of the principal and accruing and deferred interest on loans shall be commenced not later than 12 months after the student's completion of the nursing program or other termination of the student's education.¶~~
~~(3) Repayment of loans shall be deferred upon application therefore for up to three years during which:¶~~
~~(a) The student borrower is enrolled as at least a half-time student in a subsequent nursing program leading to a nursing degree higher than that attained in the initial program;¶~~
~~(b) The student borrower is employed as a nurse in this state on at least a half-time basis; or¶~~
~~(c) The student borrower shows inability to locate suitable employment.¶~~
~~(4) The Commission may extend the beginning of the repayment period for students who qualify for deferment of repayment as described in section (3) of this rule.¶~~
~~(5) Repayment commences under the usual terms if the student borrower ceases to be employed as a nurse in this state before completing the practice requirements set forth in section (8) of this rule.¶~~
~~(6) Repayment shall:¶~~
~~(a) Be made in monthly installments of no less than $50 per month;¶~~
~~(b) Be completed in a maximum of 120 months from the time repayment is commenced.¶~~
~~(7) Nothing in section (6) of this rule is intended to prevent repayment without penalty at an earlier date than provided in that section, or to prohibit the Commission from extending the repayment period to a date other than specified by this section.¶~~
~~(8) A student who borrows under this program shall have 100 percent of principal and accrued interest on loans under this program cancelled when it can be documented to the satisfaction of the Commission that, within five years of graduation, the student has completed one calendar year of full-time employment or two calendar years of half-time employment as a nurse in the State of Oregon in a nursing shortage area as determined through OAR 575-072-0540 for each academic year in which a loan was received.¶~~
~~(9) A student who borrows under this program and completes at least one calendar year of the full-time practice obligation described in section (8) of this rule shall have the amount of principal and accrued interest on loans under this program cancelled for each calendar year of qualifying practice, as follows:¶~~
~~(a) For full-time practice, equal to the principal and accrued interest on the loan borrowed for the comparable academic year of award; or¶~~
~~(b) For half-time practice, equal to half of the principal and accrued interest on the loan borrowed for the comparable academic year of the award.¶~~
~~(10) Repayment of any remaining principal and interest shall be waived upon the death or total and permanent disability of the student borrower.¶~~
~~(11) If a borrower in repayment satisfies the criteria for loan cancellation set forth in section (8) of this rule, then all payment made by that borrower will be returned.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: SB 331, 2001 OLA~~

REPEAL: 575-072-0080

RULE SUMMARY: This rule addresses the conditions of loan default and resulting charges and payment requirements.

CHANGES TO RULE:

~~575-072-0080~~
~~Default~~
~~(1) A loan shall be judged to be in default when an installment is due and not paid within 120 days.¶~~
~~(2) The holder of a note may exercise the right of offset against any maker of defaulted loans under the conditions set for by the laws of the State of Oregon.¶~~
~~(3) The maker shall pay any charges for assistance in exercising the right of offset incurred by the holder of the note.¶~~
~~(4) The maker shall pay all charges incurred should the note(s) be referred to an outside collection agency and any other collection charges, including attorney's fees allowed by state law.¶~~
~~(5) The application of offsets to a defaulted loan shall not be credited to future payments nor be a substitute for regular monthly installments.¶~~
~~(6) The prepayment of a portion of a defaulted loan shall not be credited to future payment nor be a substitute for regular monthly installments.~~
~~Statutory/Other Authority: ORS 183.325 & 348, OL 1993~~
~~Statutes/Other Implemented: ORS 348.105 - 348.117~~

REPEAL: 575-072-0090

RULE SUMMARY: This rule addresses the conditions under which selected students may receive disbursements under the program.

CHANGES TO RULE:

~~575-072-0090~~
~~Conditions of Award~~
~~To receive disbursements of a loan made under the Oregon Nursing Loan Program a student must:¶~~
~~(1) Be enrolled in an eligible program of study at an eligible institution;¶~~
~~(2) Be making satisfactory academic progress as defined by the institution attended;¶~~
~~(3) Not be in default on any federal Title IV loan or owing a refund on federal Title IV funds previously disbursed.~~
~~Statutory/Other Authority: ORS 348.115, 348.117~~
~~Statutes/Other Implemented: ORS 348.105 - 348.117~~

REPEAL: 575-073-0000

RULE SUMMARY: This rule provides definitions for use in the division to administer the Nursing Services Program.

CHANGES TO RULE:

~~575-073-0000~~
~~Definitions~~
~~For the purposes of the Nursing Services Program the following definitions shall be used:¶~~
~~(1) "Commission" means the Higher Education Coordinating Commission.¶~~
~~(2) "Nurse" means any person licensed under ORS 678.010 to 678.410 as a Registered Nurse.¶~~
~~(3) "Qualifying Loan" means any loan made under:¶~~
~~(a) Programs under Title IV, Parts B, D, and E, of the Higher Education Act of 1965, as amended; and¶~~
~~(b) The Nursing Student Loan Program and Health Education Assistance Loan Program administered by the U.S. Department of Health and Human Services.¶~~
~~(4) "Nursing critical shortage area" means a locality or practice specialty identified as such by the Oregon State Board of Nursing, in consultation with the Office Rural Health.¶~~
~~(5) "Practice Full-Time" means professional employment as a nurse for no less than 32 working hours per week for no less than 48 weeks in a year (12 consecutive months).¶~~
~~(6) "Practice Part-time" means professional employment as a nurse between 16 and 31 working hours per week for no less than 48 weeks in a year (12 consecutive months) or no less than 32 working hours per week for 24 weeks to 47 weeks in a year (12 consecutive months).~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: SB 331, 2001 OLA~~

REPEAL: 575-073-0010

RULE SUMMARY: This rule covers the purpose of the program to provide student loan repayments on behalf of nurses who enter into agreements to practice in nursing critical shortage areas.

CHANGES TO RULE:

~~575-073-0010~~
~~Purpose of the Program~~
~~The purpose of this program is to provide student loan repayments on behalf of nurses who enter into agreements to practice in "nursing critical shortage areas" in Oregon, and who fulfill minimum terms of such practice specified in OAR 575-073-0040(2).~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: SB 331, 2001 OLA~~

REPEAL: 575-073-0020

RULE SUMMARY: This rule addresses responsibility and authority for program administration between the Higher Education Coordinating Commission, the Office of Rural Health, and the Oregon State Board of Nursing.

CHANGES TO RULE:

~~575-073-0020~~
~~Administration~~
~~(1) The Commission shall be responsible for the administration of this program.¶~~
~~(2) The Commission shall be responsible for making such rules as are required for the administration of the program.¶~~
~~(3) The Commission, in consultation with the Office of Rural Health and the Oregon State Board of Nursing, shall develop criteria to select program participants from the pool of eligible applicants.¶~~
~~(4) The Oregon Board of Nursing, in consultation with the Office of Rural Health, shall adopt criteria by rule to determine the "nursing critical shortage areas" for the purposes of this program.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: SB 331, 2001 OLA~~

REPEAL: 575-073-0030

RULE SUMMARY: This rule addresses application and selection steps for prospective program participants.

CHANGES TO RULE:

~~575-073-0030~~
~~Application and Selection~~
~~(1) To be eligible to participate in this program a nurse or prospective nurse shall submit an application to the Commission. Nurse practitioners licensed under ORS 678.375 are not eligible to participate.¶~~
~~(2) When funds are available, the Commission will provide application materials and information about the selection process to qualified individuals who have provided their names and mailing information to the Commission.¶~~
~~(3) Applicants selected for participation in this program shall sign an agreement with the Commission which sets forth the terms which the applicant must meet in order to qualify for benefits under this program.¶~~
~~(4) For purposes of selection, a selection committee, consisting of a representative each from the Oregon State Board of Nursing, the Office of Rural Health, the Oregon Nurses Association, the Area Health Education Center Program, and an employer in the health care field, will select participants annually.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: SB 331, 2001 OLA~~

REPEAL: 575-073-0035

RULE SUMMARY: This rule covers selection criteria matching the nursing critical shortage areas established annually by the Board of Nursing.

CHANGES TO RULE:

~~575-073-0035~~
~~Selection Criteria~~
~~Priority in selection of participants will be given to eligible applicants who most closely match the nursing critical shortage areas established annually by the Board of Nursing.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: SB 331, 2001 OLA~~

REPEAL: 575-073-0040

RULE SUMMARY: This rule covers required agreement elements for nurses selected to participate in the Nursing Services Program.

CHANGES TO RULE:

~~575-073-0040~~
~~Terms of Agreement~~
~~Nurses or prospective nurses who are selected to participate in the Nursing Services Program shall agree that:¶~~
~~(1) For each year of nursing school, the applicant shall designate an amount from the student loans borrowed by the student, not to exceed $8,800, or the amount determined under section (4) of this rule, as a qualifying loan subject to repayment through this program.¶~~
~~(2) Within the four years following the execution of a Nursing Services Agreement, a participant agrees to practice for at least two years in a nursing critical shortage area in Oregon.¶~~
~~(3) For not less than two, nor more than four years, that a participant in the Nursing Services Program serves in a nursing critical shortage area in Oregon, the Commission shall annually pay:¶~~
~~(a) For full-time practice, an amount equal to 25 percent of the total of all qualifying loans made to the nurse.¶~~
~~(b) For part-time practice, a prorated amount equal to between 12.5 percent and 24 percent of the total of all qualifying loans made to the participant.¶~~
~~(4) On July 1 of each year, beginning in 2002 and ending in 2007, the Commission shall adjust the maximum dollar amount allowed under section (1) of this rule as a qualifying loan as specified in ORS 348.115.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: SB 331, 2001 OLA~~

REPEAL: 575-073-0050

RULE SUMMARY: This rule addresses penalties for participants who fail to complete their service obligation as set forth under their participation agreement.

CHANGES TO RULE:

~~575-073-0050~~
~~Penalties~~
~~If the participant does not complete the full service obligation set forth in OAR 575-073-0040(2) of this rule, the Commission shall collect 100 percent of any payments made by the Commission to the participant under this program. In addition, a penalty equal to 50 percent of the qualifying loans and interest paid by the Commission shall be assessed by the Commission, to be credited to and deposited in the Nursing Services Account.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: SB 331, 2001 OLA~~

REPEAL: 575-073-0060

RULE SUMMARY: This rule addresses allowable circumstances under which the Commission may waive fees and penalties assessed under the program.

CHANGES TO RULE:

~~575-073-0060~~
~~Waiver of Minimum Service Obligation~~
~~The Commission may waive all or part of the fees and penalties owed to the Commission under the following circumstances:¶~~
~~(1) Upon receiving written documentation acceptable to the Commission of the death of the participant; or¶~~
~~(2) Upon receiving written documentation acceptable to the Commission of the total and permanent disability of the participant; or¶~~
~~(3) After consideration by the Commission and the Oregon Board of Nursing of a written appeal from the participant for a waiver of the minimum service obligation.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: SB 331, 2001 OLA~~

REPEAL: 575-074-0000

RULE SUMMARY: This rule provides definitions for the administration of the program under division 74.

CHANGES TO RULE:

~~575-074-0000~~
~~Definitions~~
~~For the purposes of the Oregon Troops to Teachers Program the following definitions shall be used:¶~~
~~(1) "Commission" means the Higher Education Coordinating Commission.¶~~
~~(2) "Oregon Resident" means resident of the State of Oregon as defined in OAR 575-031-0005.¶~~
~~(3) "Armed Forces of the United States" means:¶~~
~~(a) The Army, Navy, Air Force, Marine Corps and Coast Guard of the United States;¶~~
~~(b) Reserve components of the Army, Navy, Air Force, Marine Corps and Coast Guard of the United States;¶~~
~~(c) The Oregon National Guard and a National Guard of any other state or territory.¶~~
~~(4) "Veteran" means a person who served with the Armed Forces of the United States and was discharged or released with other than a dishonorable discharge.¶~~
~~(5) "Public postsecondary institution" means:¶~~
~~(a) A state institution under the direction of the State Board of Higher Education; and¶~~
~~(b) A community college operated under ORS Chapter 341.¶~~
~~(6) "Satisfactory Performance" means satisfactory academic progress as determined by the institution attended.¶~~
~~(7) "Resident In-state Tuition" means tuition cost of an Oregon public postsecondary institution.¶~~
~~(8) "Troops to Teachers Agreement" is the agreement signed by a student requiring completion of the years and conditions of service pursuant to Ch. 831 (2005 Laws). The agreement will indicate the student's educational status and area of intended service.¶~~
~~(9) "Financial need" means the difference between the family contribution, derived from a system of need analysis annually approved by the Commission, and the cost of education.¶~~
~~(10) "Student" means an individual who is a resident of Oregon and enrolled at an eligible public postsecondary institution.~~
~~Statutory/Other Authority: ORS 348, HB 3504, 5163-A & Ch. 831, 2005 OL~~
~~Statutes/Other Implemented: ORS 348.180, 348.205, 348.250, 348.260~~

REPEAL: 575-074-0005

RULE SUMMARY: This rule addresses Commission responsibility and authority for the administration of the Oregon Troops to Teachers program.

CHANGES TO RULE:

~~575-074-0005~~
~~Administration~~
~~The Commission shall administer the Oregon Troops to Teachers Program and shall make such rules as are required for the administration of the program.~~
~~Statutory/Other Authority: ORS 348, HB 3504, 5163-A & Ch. 831, 2005 OL~~
~~Statutes/Other Implemented: ORS 348.180, 348.205, 348.250, 348.260~~

REPEAL: 575-074-0010

RULE SUMMARY: This rule covers program purpose and agreement components.

CHANGES TO RULE:

~~575-074-0010~~
~~Purpose~~
~~The Oregon Troops to Teachers program will pay resident tuition charges of a veteran imposed by an Oregon public postsecondary institution, providing the veteran agrees to teach in accordance with the Troops to Teachers Agreement:¶~~
~~(1) In an Oregon school district or public charter school classified as serving a high poverty area for not less than three years; or¶~~
~~(2) In the area of mathematics, science, or special education for not less than four years.~~
~~Statutory/Other Authority: ORS 348, HB 3504, 5163-A & Ch. 831, 2005 OL~~
~~Statutes/Other Implemented: ORS 348.180, 348.205, 348.250, 348.260~~

REPEAL: 575-074-0015

RULE SUMMARY: This rule provides participant criteria for receipt of financial aid under the program.

CHANGES TO RULE:

~~575-074-0015~~
~~Student Eligibility Criteria~~
~~To receive financial aid from this program an applicant must:¶~~
~~(1) Be an Oregon resident and a veteran as defined by the Commission in OAR 575-080-0000;¶~~
~~(2) Be enrolled or accepted for enrollment at an Oregon public postsecondary institution; and¶~~
~~(3) Demonstrate academic achievement, ability, and motivation related to the practice of teaching in the designated areas.~~
~~Statutory/Other Authority: ORS 348, HB 3504, 5163-A & Ch. 831, 2005 OL~~
~~Statutes/Other Implemented: ORS 348.180, 348.205, 348.250, 348.260~~

REPEAL: 575-074-0020

RULE SUMMARY: This rule provides prioritization criteria for program participant selection.

CHANGES TO RULE:

~~575-074-0020~~
~~Priority in Awarding~~
~~Among applicants who meet the basic eligibility criteria of this program priority in the selection process shall be given in the following rank order:¶~~
~~(1) Students enrolled full-time who intend to pursue a career in teaching; and¶~~
~~(a) Have a Bachelor of Science or Bachelor of Arts degree who are pursuing a teaching credential; or¶~~
~~(b) Have been accepted into an undergraduate teaching program.¶~~
~~(2) Students enrolled part-time who intend to pursue a career in teaching; and¶~~
~~(a) Have a Bachelor of Science or Bachelor of Arts degree who are pursuing a teaching credential; or¶~~
~~(b) Have been accepted into an undergraduate teaching program.¶~~
~~(3) The following criteria will also be considered in the awarding process:¶~~
~~(a) Record of academic achievement; and¶~~
~~(b) Financial need.~~
~~Statutory/Other Authority: ORS 348, HB 3504, 5163-A & Ch. 831, 2005 OL~~
~~Statutes/Other Implemented: ORS 348.180, 348.205, 348.250, 348.260~~

REPEAL: 575-074-0025

RULE SUMMARY: This rule addresses renewal conditions subject to availability of funds.

CHANGES TO RULE:

~~575-074-0025~~
~~Renewal of Awards~~
~~Subject to available funding, awards made under this program are renewable in subsequent academic years provided that the awardee:¶~~
~~(1) Makes timely renewal application in the manner specified annually by the Commission;¶~~
~~(2) Continues to be enrolled in an eligible program at an eligible institution;¶~~
~~(3) Maintains satisfactory academic progress in his or her program of study; and¶~~
~~(4) Continues to demonstrate financial need.~~
~~Statutory/Other Authority: ORS 348, HB 3504, 5163-A & Ch. 831, 2005 OL~~
~~Statutes/Other Implemented: ORS 348.180, 348.205, 348.250, 348.260~~

REPEAL: 575-074-0030

RULE SUMMARY: This rule provides requirements for student participants to receive disbursements of an award.

CHANGES TO RULE:

~~575-074-0030~~
~~Conditions of Award~~
~~(1) To receive disbursements of an award made under the Oregon Troops to Teachers Program, a student must meet all of the following criteria:¶~~
~~(a) Be enrolled or accepted for enrollment at an Oregon public postsecondary institution;¶~~
~~(b) Sign a Troops to Teachers Agreement;¶~~
~~(c) Be making satisfactory academic progress as defined by the institution attended;¶~~
~~(d) Not be in default on any federal Title IV loan or owing a refund on federal Title IV funds previously disbursed; and¶~~
~~(e) Submit a copy of a DD214 or other official document of discharge, service, or separation issued upon the termination of the veteran's service with the Armed Forces with a discharge status of other than a dishonorable discharge.¶~~
~~(2) Students enrolled part-time will receive a prorated award.~~
~~Statutory/Other Authority: ORS 348, HB 3504, 5163-A & Ch. 831, 2005 OL~~
~~Statutes/Other Implemented: ORS 348.180, 348.205, 348.250, 348.260~~

REPEAL: 575-085-0000

RULE SUMMARY: This rule addresses the purpose of the division to provide certain approved community service volunteers with course credit and vouchers which may defray a portion of tuition and fees.

CHANGES TO RULE:

~~575-085-0000~~
~~Purpose~~
~~Through this model program, selected students at Western Oregon State College and Linfield College who engage in approved community service activities may earn course credit and vouchers which may defray a portion of their tuition and fees.~~
~~Statutory/Other Authority: SB 81, Sec. 40 - 44, & 128(9), 1993~~
~~Statutes/Other Implemented: ORS 348.427 - 348.433~~

REPEAL: 575-085-0020

RULE SUMMARY: This rule addresses the responsibility and authority of the Commission for various required elements of program administration.

CHANGES TO RULE:

~~575-085-0020~~
~~Administration~~
~~(1) Role of the Commission:¶~~
~~(a) Development of appropriate administrative rules and procedures;¶~~
~~(b) Allocation of funds to institutions;¶~~
~~(c) Approval of organizations where participants will be placed and of services which participants will perform;¶~~
~~(d) Reimbursement of participating institutions for vouchers redeemed by participants at that institution.¶~~
~~(2) Role of Participating Institutions:¶~~
~~(a) Allocation of vouchers among various academic departments within the institution;¶~~
~~(b) Selection of participants;¶~~
~~(c) Placement of participants in authorized service opportunities;¶~~
~~(d) Redemption of vouchers presented by participants;¶~~
~~(e) Awarding of academic credit for services performed;¶~~
~~(f) Record keeping and reporting.~~
~~Statutory/Other Authority: SB 81, Sec. 40 - 44, & 128(9), 1993~~
~~Statutes/Other Implemented: ORS 348.427 - 348.433~~

REPEAL: 575-085-0030

RULE SUMMARY: This rule addresses the formula for participating institutions to receive initial and reallocated program funds.

CHANGES TO RULE:

~~575-085-0030~~
~~Allocation and Reallocation~~
~~(1) Each participating institution shall receive an initial annual allocation of program funds determined through the following formula: "annual funds available" multiplied by the quotient of "total full-time equivalent students (FTE) for the most recent fall term of enrollment for a participating institution" divided by "total combined full-time equivalent students enrolled for the same period at all participating institutions".¶~~
~~(2) If, after consultation with a participating institution, it appears that allocated program funds will not be expended, the Commission may reallocate all or a portion of that institution's allocation to the other participating institution.~~
~~Statutory/Other Authority: SB 81, Sec. 40 - 44, & 128(9), 1993~~
~~Statutes/Other Implemented: ORS 348.427 - 348.433~~

REPEAL: 575-085-0040

RULE SUMMARY: This rule addresses approval for student placement in volunteer service with governmental and community service organizations.

CHANGES TO RULE:

~~575-085-0040~~
~~Authorization of Community Service Organizations and Services~~
~~Participating institutions must make written requests to the Commission for authorization to place student participants in specific governmental and community service organizations. Such requests shall include:¶~~
~~(1) Full name and address of the organization;¶~~
~~(2) For non-governmental service organizations, information about the status of the organization under Section 501(c)(3) of the Internal Revenue Code.¶~~
~~(3) A description of the services which the student participant will perform.~~
~~Statutory/Other Authority: SB 81, Sec. 40 - 44, & 128(9), 1993~~
~~Statutes/Other Implemented: ORS 348.427 - 348.433~~

REPEAL: 575-085-0050

RULE SUMMARY: This rule addresses participant eligibility criteria for the program.

CHANGES TO RULE:

~~575-085-0050~~
~~Participant Eligibility~~
~~(1) A participant must be a resident of the State of Oregon as defined by the institution.¶~~
~~(2) A participant must be enrolled or accepted for enrollment as un undergraduate at an institution participating in the Higher Education Community Service Voucher Program.~~
~~Statutory/Other Authority: SB 81, Sec. 40 - 44, & 128(9), 1993~~
~~Statutes/Other Implemented: ORS 348.427 - 348.433~~

REPEAL: 575-085-0060

RULE SUMMARY: This rule covers employment status of participants, verifying that they are not state or public employees for any purpose beyond the voluntary program engagement.

CHANGES TO RULE:

~~575-085-0060~~
~~Community Service Participant Employee Status~~
~~(1) A Higher Education Community Service Program student participant is an uncompensated volunteer student employee of the Commission only for the purpose of providing a plan of educational assistance under Section 127 of the Internal Revenue Code. A student participant is not a state or public employee for any other purpose.¶~~
~~(2) A Higher Education Community Service Program student participant's work is subject to the direction and control of a faculty supervisor and a job supervisor at the social service agency providing the community service opportunity.~~
~~Statutory/Other Authority: SB 81, Sec. 40 - 44, & 128(9), 1993~~
~~Statutes/Other Implemented: ORS 348.427 - 348.433~~

REPEAL: 575-085-0070

RULE SUMMARY: This rule addresses allowable uses of program vouchers redemption to pay for certain undergraduate tuition and fee expenses, as well as disallowed uses.

CHANGES TO RULE:

~~575-085-0070~~
~~Conditions of Voucher Use~~
~~(1) Vouchers provided to participants through this program may be redeemed in partial payment of undergraduate tuition and fee charges at the postsecondary institution in which the participant was enrolled at the time the participant performed the relevant community service.¶~~
~~(2) A participant must perform an average of 20 hours per week of approved community service for one complete term of enrollment in order to receive vouchers under this program.¶~~
~~(3) No cash refunds are available to participants from vouchers issued under this program.¶~~
~~(4) Vouchers issued under the program may not be used to pay tuition and fees for a course of study leading to a degree in theology, divinity, or religious education.¶~~
~~(5) Vouchers issued under this program expire five years after the date of issue.¶~~
~~(6) Vouchers issued under this program are not transferrable from the participant to any other individual.~~
~~Statutory/Other Authority: SB 81, Sec. 40 - 44, & 128(9), 1993~~
~~Statutes/Other Implemented: ORS 348.427 - 348.433~~